



Renewi Non-holder presentation

January 2020



Disclaimer

This presentation contains certain forward-looking statements with respect to the operations, performance and financial condition of Renewi. These forward-looking statements are subject to risks, uncertainties and other factors which as a result could cause Renewi's actual future financial condition, performance and results to differ materially from the plans, goals and expectations set out in the forward-looking statements. Such statements are made only as at the date of this presentation and, except to the extent legally required, Renewi undertakes no obligation to revise or update such forward-looking statements.

Agenda



1. Introducing Renewi
2. Our structurally growing markets
3. Our strategy for growth
4. Divisions and key initiatives
5. Financial and operational summary
6. Sustainability at our core
7. Our proposed secondary listing on Euronext



Renewi at a Glance

- Pure play waste-to-product recycling company
- Formed in 2017 from Shanks and van Gansewinkel
- Listed on London Stock Exchange since 1988
- Secondary listing on Euronext Amsterdam in 2020
- Benelux market leader: 90% of revenues in Benelux
- 14 million tonnes per annum of waste handled
- 174 sites
- c.7,000 employees



Revenue €1.8b*

EBITDA €181m*

EBIT €87m*

Free cash flow €50m*

Waste-to-product vision: giving new life to used materials

Key themes in investment consideration

- Renewi is a green company operating at the heart of the emerging circular economy
- Our markets are set for long term growth, driven by regulation and societal/customer demand
- Our market position, vision and operating model position us well to succeed
- We have a track record of delivering the integration and margin growth in core divisions
- We are emerging from a challenging period with the risk items clearly mitigated
- Significant self-help opportunities to further support margin growth

The growing circular economy drives our business model



Service: We are paid by waste producers to take their waste away

Product: Our processes create products, generating further income or reducing the liability of residues

Our market environment and positioning are mainly favourable

Regulators

- Demand increasingly strict environmental standards
- Require low emission vehicles in cities
- Provide incentives to support secondary usage targets
- Require higher recycling rates, limiting incineration

Waste-producing customers

- Demand sustainable solutions
- Need full service coverage (products and footprint)
- Remain cost conscious



Uniquely positioned:

Scale and experience:

- Market leader in Benelux
- Large fleet (>2,500 trucks)
- Dense network (>100 sites)

Treatment and offtake:

- Pure-play recycler
- No incineration
- 90% recycling and recovery rate
- >25 major treatment sites
- Excellent compliance standards
- Outlet capacity in place

Product customers

- Need secondary materials as 'right to play'
- Demand secured volumes
- Need consistent high quality

Short term balanced and longer term positive outlook

Challenges

- GDP slowdown in Europe including Brexit
- Recyclates pricing record low
- C&D market under pressure
- Import & export taxes on waste in NL

Opportunities

- Market remains tight
- Increased demand for services
- Market consolidation

Longer term

- GDP slowdown

- Ambitious governments (e.g. push for higher % usage of secondary materials; CO₂ tax)
- Consumers: more urgency to protect climate
- Corporates: accelerating circular agenda and looking for partnerships
- Technology advancing (e.g. to make higher quality secondary raw materials and bio fuels)

Our Waste-to-Product strategy addresses a rapidly changing environment

“Our vision is to be the leading waste-to-product company”

The best-in-class pure play recycler in the world's most advanced circular economies

Collection

Most efficient collection

Sorting

Modern automated sorting lines

Processing

High quality output

Product Sales

Our focus is shifting towards the downstream end of the value chain in line with market value
We plan to deliver more and higher quality secondary raw materials and bio-fuels

Our Renewi Strategy

Strategy



Volumes

Secure raw material by leveraging our scale in collection and meeting our customers' circular needs



Products

Increase output value and capacity to meet demand for secondary products by investing in advanced processing and treatment technologies



Simplify

Drive ongoing margin expansion by simplifying our services, processes and organisation while also delivering commercial excellence



Portfolio

Increase returns by divesting non-core activities and investing in scale, new technologies and geographies

Key strategic initiatives

Strategy	Key initiatives
 Volumes	 <p>Ongoing focus on collection efficiency and service Digitise our customer experience and process Source based on output requirements</p>
 Products	 <p>Secure advantaged positions in the value chain Invest in new technologies, stand-alone or by partnering</p>
 Simplify	 <p>Implement Renewi 2.0 to simplify business Drive commercial excellence and continuous improvement initiatives</p>
 Portfolio	 <p>Increase returns by divesting non-core activities Investing in scale, new technologies and geographies</p>

Strategy drives an increased output value, expanding margins

In a broadly flat waste volume environment, value can be created by:

- recycling waste streams that are going to incineration or landfill today
- increasing the quality of recyclates so they can be sold at a higher price and to secured outlets

We call this “Spread Expansion”

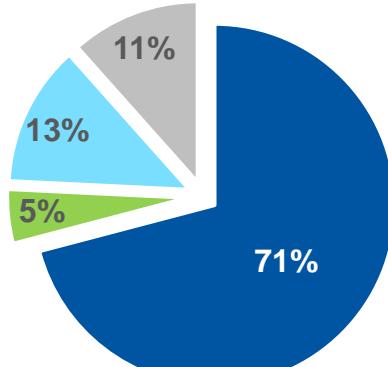
Waste type	B-wood	Rubble	Hard Plastic
Price intake (A)	-50	-5	-65
Price normal off-take (B)	0	+3	+100
Price high quality off-take (C)	+30	+8	>300
Spread Increase (D)	+60%	+63%	+121%

Price in €/tonne

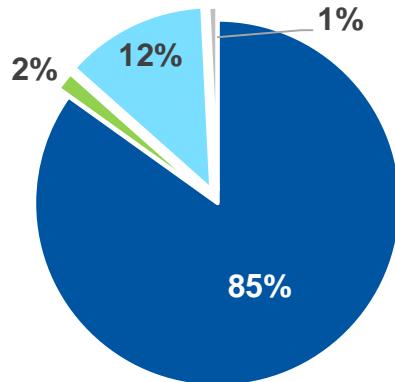
$$D = [(C-A) / (B-A)] - 1$$

Divisions: Commercial the largest part

Revenue



EBIT



- Commercial NL and BE**: clear market leader in each country. Core value driver of the Group. Focus on ongoing margin expansion and shift to greater recycling levels and secondary products
- Hazardous**: market leader in soil and water treatment. Focus on recovering soil volumes and launch of new secondary products
- Monostreams**: niche leading businesses which focus on secondary products. Two strong performers and two being restructured.
- Municipal**: Focus on UK PFI contracts. Challenged legacy business model. Risks provided for and focus on operational improvement.

Revenue: divisional revenue shows continuing group excluding Canada and Reym and inter-segment. 71% Commercial Revenue is split 45% / 26% for NL and BE respectively
EBIT: divisional EBIT shows continuing group excluding Canada and Reym as a % of continuing Group EBIT excluding central services, Canada and Reym
85% Commercial EBIT is split 52% / 33% for NL and BE respectively

Successful creation of integrated business as committed

Integration programme delivered in full

- Launched and invested in positive and engaging Renewi brand
- Delivered €40m cost synergies
- Closed 14 sites
- Invested in catch-up capital: bought and ordered c900 trucks, fleet will be >55% Euro VI in 2020
- Integrated operations and core processes at divisional level (except C&D)

Ongoing investment in new circular products

- Selected investments and partnerships eg Rotie, RetourMatras, PMC, Peel Pioneers

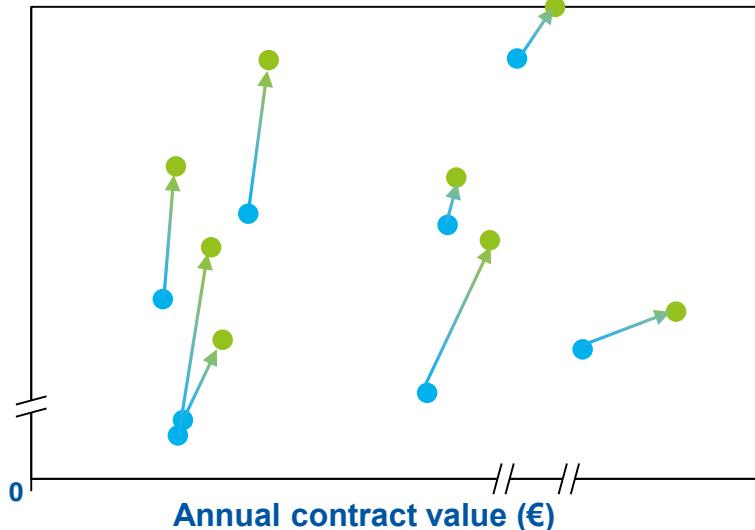
Successful and sustained margin improvement in Commercial Divisions

- Sustained margin increases in tenders over three years
- Significant annual price increases on SME segment in 2019 and 2020

Commercial margin increased in large customer renewals

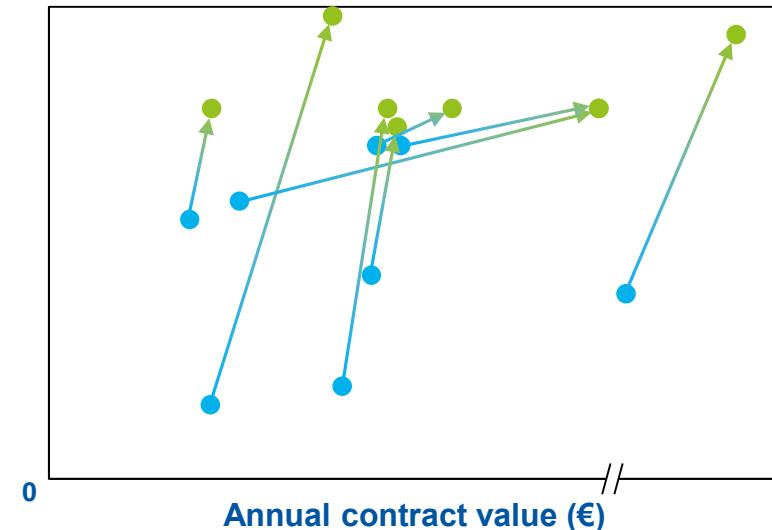
Commercial NL

Contract gross margin (%)



Commercial BE

Contract gross margin (%)



● Before contract renewal

● After contract renewal

Headwinds largely addressed and de-risked

	Issue	Resolution
Municipal	<ul style="list-style-type: none"> ➤ PFI/PPP contracts accepted too much risk ➤ Markets moved against project expectations ➤ Key contractor insolvencies 	<ul style="list-style-type: none"> ✓ Portfolio management: contracts exited ✓ Significant exceptional charges: c.€90m provisions remaining ✓ Ongoing operational improvement
ATM	<ul style="list-style-type: none"> ➤ Regulatory shut down of market for thermally treated soil due to (unfounded) concerns about trace elements of harmful products in cleaned soil 	<ul style="list-style-type: none"> ✓ Market now reopened after extensive testing ✓ New market for building products outside of soil regime
Off-take (products)	<ul style="list-style-type: none"> ➤ Recyclate prices at 5 year lows due mainly to China ban ➤ Inflation for disposal of residues in tight markets 	<ul style="list-style-type: none"> ✓ Increased dynamic pricing, linking to relevant indices ✓ Significant price increases across core Benelux markets
Leverage	<ul style="list-style-type: none"> ➤ Leverage peaked post merger at 3.06x ➤ Board target to reduce leverage to <2.00x 	<ul style="list-style-type: none"> ✓ €40m cost synergies delivered on target ✓ €100m disposal proceeds raised to repay debt ✓ Leverage <3.00x, and further deleveraging to come from resumption of ATM and Renewi 2.0

Case studies in circular partnerships (1)

ATM building materials



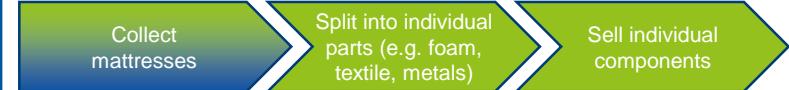
- Input: contaminated soil
- Output: gravel, sand and filler
- Higher return on building materials vs. TGG
- Potential customers: cement & asphalt industry



Mattress recycling



- Input: old mattresses
- Output: foam, textile, metal
- Co-investment with IKEA for 32% each in RetourMatras (NL)
- Capacity increasing to 1.2m mattresses



Case studies in circular partnerships (2)

Plastics to oil to plastics



- Input: mixed plastic waste
- Output: bio-based naphtha or TAC-oil for plastics production
- Solution for mixed waste plastics not suited for mechanical recycling
- Potential customer: global thermoplastics producer



Low-carbon steel production



- Input: waste wood
- Waste wood is torrefied to replace coal in steel production
- Output: low-carbon steel and other by-products
- Potential customer: global steel producer



Renewi 2.0 will further simplify business

Renewi 2.0 programme

- Simplify and go to one way of working - across all divisions
- Driving standardisation where possible and differentiation only where value is added
- Modernise IT landscape and increase automation in key processes
- Increase customer satisfaction
- Reduce cost – mainly SG&A

Planning



Renewi 2.0 to increase efficiency and build a platform for growth

Income Statement

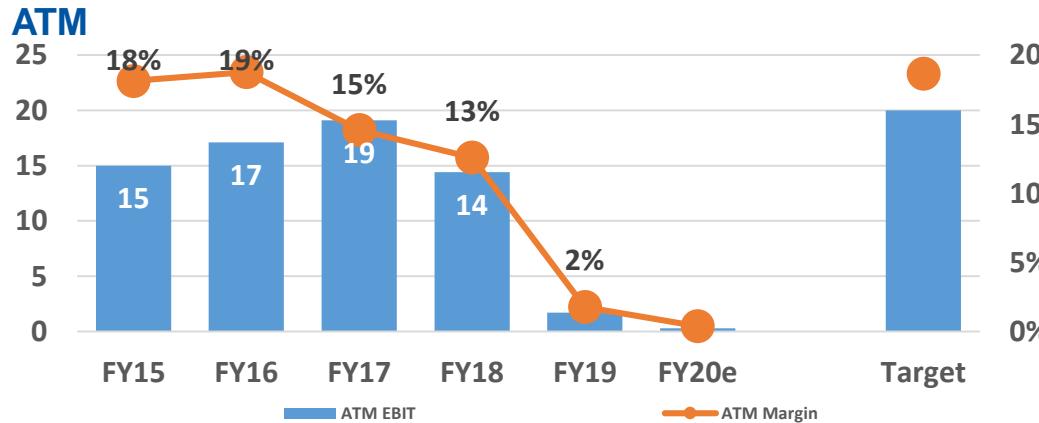
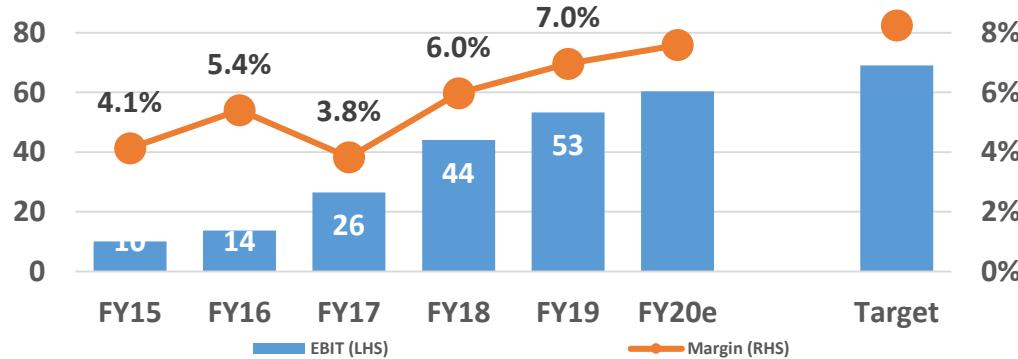
	Mar 17 €m	Mar 18 €m	Mar 19 €m
Revenue			
NL Commercial Waste	290.9	736.9	764.7
BE Commercial Waste	169.6	422.2	430.8
Hazardous Waste	104.5	114.4	95.7
Monostreams	36.5	204.4	213.3
Municipal	208.7	200.5	195.2
Inter-segment revenue	(11.6)	(34.7)	(34.6)
Continuing businesses	798.6	1,643.7	1,665.1
Disposed businesses	129.1	135.4	133.9
Total revenue	927.7	1,779.1	1,799.0
Underlying EBIT			
NL Commercial Waste	18.8	44.0	53.2
BE Commercial Waste	9.6	29.3	33.3
Hazardous Waste	18.3	14.4	1.7
Monostreams	4.2	18.2	12.9
Municipal	(4.9)	(6.6)	0.8
Group central services	(9.6)	(22.3)	(21.7)
Continuing businesses	36.4	77.0	80.2
Disposed businesses	7.3	1.5	6.8
Underlying EBIT (total operations)	43.7	78.5	87.0
Net Interest	(15.3)	(22.7)	(23.6)
Income from associates and JVs	2.4	2.6	0.4
Underlying profit before tax	30.8	58.4	63.8
Non-trading and exceptional items	(102.5)	(114.7)	(174.0)
Loss before tax	(71.7)	(56.3)	(110.2)
Taxation	0.4	2.4	12.5
Loss for the period	(71.3)	(53.9)	(97.7)

Numbers on a reported IAS 17 basis; March 2017 includes only one month of the post merger enlarged Group; disposed businesses shown separately for all periods

- Positive revenue trajectory in core Commercial Divisions, Hazardous to recover when ATM at full production
- Significant EBIT and margin growth in Commercial Division (see next slide)
- Hazardous Waste expected to recover to previous profit levels
- Monostreams impacted in two of four units. Restructuring has stabilised.
- Municipal expected to make ongoing small losses
- Net interest to increase in FY20 due to IFRS16 and higher leverage but expected to fall as leverage reduces
- Exceptional items FY17 to FY20 mainly integration and Municipal. No major further exceptions expected beyond FY20 (except Renewi 2.0)
- Tax rate is 24.5% and falling slowly

EBIT & Margin trajectory NL Commercial and ATM

Netherlands Commercial



Based on reported financial information. ATM shows Hazardous Waste excluding Reym. FY17 is proforma based on the results of Shanks and Van Gansewinkel. FY18 onwards is Renewi. Target is within the next 24-36 months.

Netherlands Commercial

- EBIT has increased significantly post merger, and doubled to €53m in FY19
- EBIT trend expected to continue in FY20 and increase at a slower pace in FY21
- Margins of VGG were lower than SKS hence the margin fell on merger and has been restored to >7% by mid FY20
- Next margin target is 8% and should increase with more waste-to-product and Renewi 2.0

ATM

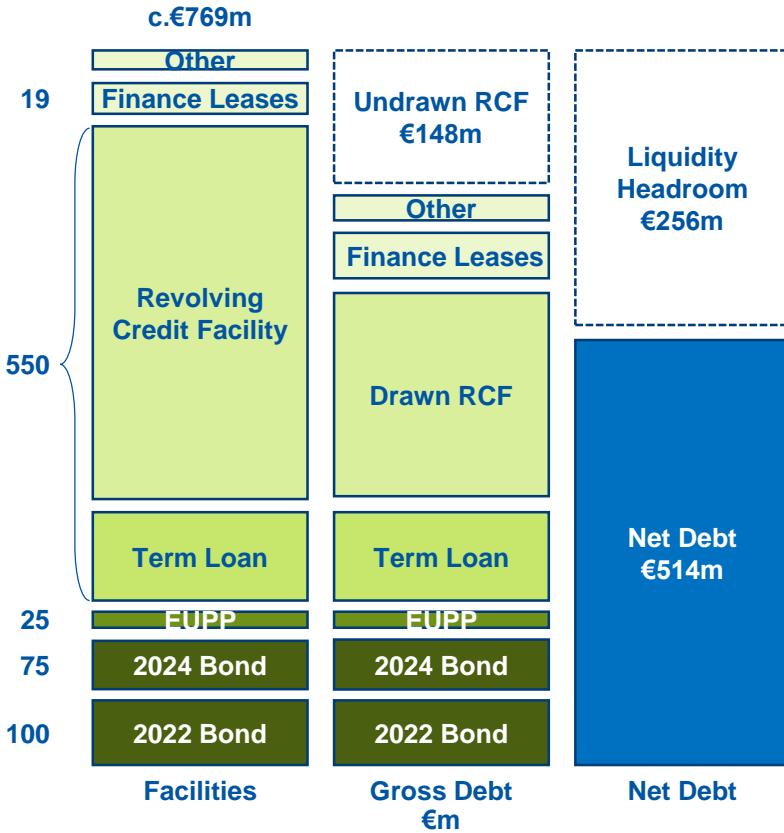
- EBIT and margin fell significantly following the shut down of the TGG market
- Full recovery expected over time now the market is reopened
- Scope to exceed previous levels when fully converted to the alternative building products

Cash Flow

	Mar 17 €m	Mar 18 €m	Mar 19 €m
EBITDA	96.7	178.3	181.3
Working capital movement	(7.3)	28.0	(22.2)
Movement in provisions and other	(1.0)	(6.6)	(9.8)
Net replacement capital expenditure	(45.4)	(86.2)	(88.1)
Interest, loan fees and tax	(17.6)	(25.1)	(30.9)
Underlying free cash flow	25.4	88.4	30.3
Growth capital expenditure	(4.9)	(3.5)	(11.7)
Canada Municipal funding	(23.4)	(11.5)	6.8
Acquisitions and disposals	3.9	(7.2)	24.1
Dividends paid	(18.0)	(27.6)	(27.4)
UK Municipal contracts	(37.6)	(9.6)	(19.0)
Restructuring spend	(2.3)	(1.3)	(0.2)
Synergy & integration spend	(1.1)	(20.4)	(38.5)
Other	(6.6)	(8.6)	(16.1)
VGG acquisition - net cash	(324.5)	0.8	-
Transaction related spend	(22.0)	(12.5)	(0.2)
Equity raise (net of costs)	155.9	-	-
Net core cash flow	(255.2)	(13.0)	(51.9)

- Working capital broadly neutral: variances in FY18 and FY19 mainly ATM inventories
- Net replacement capex 80-90% of depreciation
- Growth capital set to increase to c€20m per annum for new waste to product projects
- Dividend cash flow reduced to €14m per annum in FY20
- Outflow on UK Municipal will reduce from FY21 onwards
- Integration spends to end FY20. Some Renewi 2.0 costs to be announced

Core funding at September 2019



Liquidity

- Up to €118m proceeds expected for Reym and Canada (of which €102m received by 31 October)
- Cash of €108m at period end high following disposal
- Liquidity of €256m at 30 September higher than required

Facilities

- Fully Green financed, and sustainability linked loan pricing
- 2019 €100m 4.23% bond repaid
- 2024 €75m Green bond issued at 3.00%
- Term loan reduced by €55m in November 2019
- These two changes will reduce interest cost by c.€2m per annum

Leverage ratio

- Leverage ratio of 2.88x
- Covenant extended at 3.50x to December 2021
- Board target leverage remains 2.0x in the mid term

Note: above chart is illustrative and not to scale; Core net debt excludes IFRS 16 leases, and PFI facilities; Term loan facility reduced by €55m to €82.5m in November 2019

Recognised as a leader in sustainability

- Waste-to-product as our Vision
- Sustainability as a core Value
- Listed on FTSE4Good Index
- Awarded Green economy mark from the London Stock Exchange
- First FTSE company to put Green Framework around all borrowings and link margin of facilities to ESG targets
- Now fully Green funded, across all core facilities
- Founder member of Netherlands Circular Coalition
- S&P ESG evaluation 75 / 100, highest Environmental score issued



Secondary Listing



Majority of activities in Benelux region



Euronext Amsterdam listing increases visibility and allows easier access to Renewi shares in our core Benelux markets



Contributing to additional volume and liquidity in Renewi shares for existing and new investors



Extended equity research coverage in European market and broader investor interest, especially given greater focus on ESG investing

Intention for secondary listing on Euronext Amsterdam on 30 January 2020

Key themes in investment consideration

- Renewi is a green company operating at the heart of the emerging circular economy
- Our markets are set for long term growth, driven by regulation and societal/customer demand
- Our market position, vision and operating model position us well to succeed
- We have a track record of delivering the integration and margin growth in core divisions
- We are emerging from a challenging period with the risk items clearly mitigated
- Significant self-help opportunities to further support margin growth



THANK YOU



Appendices



waste no more

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Contents of appendices

1. Values and management team
2. Structurally growing markets
3. Divisional backgrounds and strategies
4. Further case studies in sustainable solutions and products
5. Background on ATM and recovery
6. Further data on recyclate prices and exposure
7. Disposals
8. Green framework and sustainability



Further resources

Renewi

[Annual report](#)

[CSR report](#)

[Year-end results presentation and RNS](#)

[Half-year results presentation and RNS](#)

[January trading statement](#)

Sell side coverage

Kepler Cheuvreux, Guillermo Fernandez-Gao

Investec, Martin Young

Peel Hunt, Andrew Shepherd-Barron

Edison, Toby Thorrington

Barclays, Jane Sparrow



Values and management

The logo for renew waste no more, featuring the word "renew" in white lowercase letters with a green arrow graphic integrated into the letter "e", and the tagline "waste no more" in a smaller font below it.

Elternrat
Viele schone Kindereinu
Alltag im Bild

Our Renewi values define what we do and how we act



- **Safe**: Safety is our first value. We operate in a risky environment. While a sector leader, we aim to make further step changes to improve our safety performance.
- **Innovative**: we look to innovate with new products and services in the circular economy and also to improve our own processes every day
- **Sustainable**: sustainability is at our core. Our purpose is to give new life to used materials
- **Accountable**: we do what we say we will do, as a company and as individuals
- **Customer focused**: we provide excellent service to our customers at the front and back end of our processes
- **Together**: we work together, with respect for each other

Our Renewi Board



Colin Matthews, Chairman

Experience:
Heathrow Airport, Hays, Severn Trent

Appointed March 2016



Otto de Bont, CEO

Experience:
United Technologies, GE

Appointed April 2019



Toby Woolrych, CFO

Experience:
Johnson Matthey, Consort Medical

Appointed August 2012



Neil Hartley, Non-exec Director

Experience:
First Reserve, Simmons & Company

Appointed January 2019



Marina Wyatt, Non-exec Director

Experience:
ABP, TomTom, UBM

Appointed April 2013



Allard Castelein, Non-exec Director

Experience:
Port of Rotterdam, Shell

Appointed January 2017



Luc Sterckx, Non-exec Director

Experience:
SPE-Luminus, Indaver, University of Leuven

Appointed September 2017



Jolande Sap, Non-exec Director

Experience:
Groenlinks, KPN, KPMG

Appointed April 2018

Management team completed

Executive Board Members



Otto de Bont
CEO



Toby Woolrych
CFO

Division Managing Directors



Meinderdjan Botman
Commercial Netherlands



Wim Geens
Commercial Belgium



Bas Blom
Monostreams



James Priestley
Municipal



Theo Olijve
Hazardous

Functional Leaders



Bas van Ginkel
Strategy & Bus. Development



Baukje Dreimuller
General Counsel



Helen Richardson
Human Resources



Maarten Buikhuisen
Information Technology



Patrick Deprez
Product Sales

New executive committee member during FY20



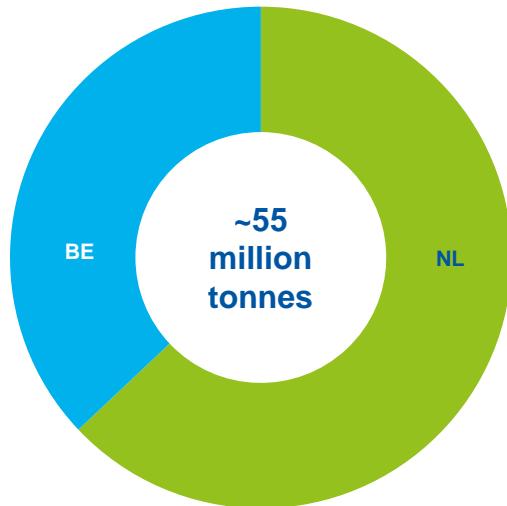
Structurally growing markets



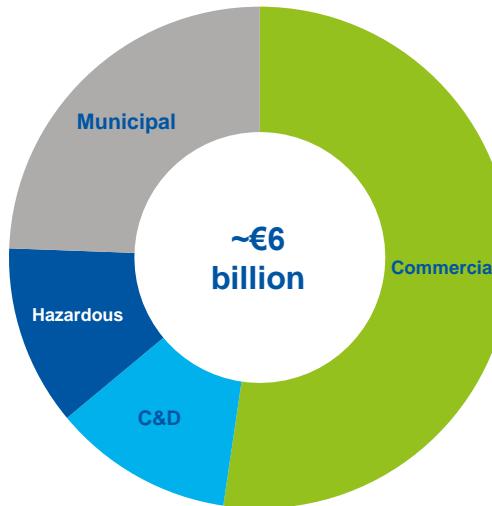
The renewi logo consists of the word "renewi" in a white, lowercase, sans-serif font. A thick, white, curved arrow starts from the top of the 'e' and loops around the letters "newi". Below the main text, the words "waste no more" are written in a smaller, white, lowercase, sans-serif font. To the right of the main text, there is a small, faint "15" in a white, sans-serif font.

The core of our business is the Benelux waste market

Geographies



Markets



Waste streams

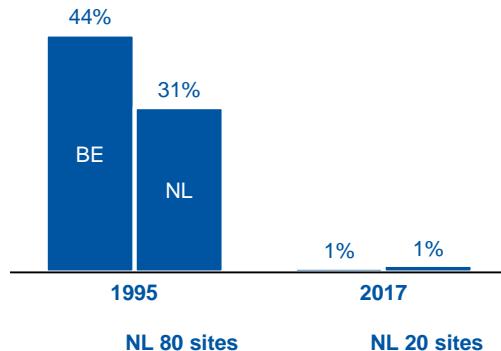
- **Commercial**
 - Wood
 - Plastics
 - Paper and cardboard
 - Residual/Other
- **Construction & Demolition**
- **Hazardous/Chemical**
 - Chemical
 - Soil
 - Sand & sludge
- **Municipal**
 - Glass
 - Organics

~55 million tonnes — ~€6B revenue — Recycling rate 60-70% — Growth ~1%

Benelux market moved from landfill to incineration now to recycling

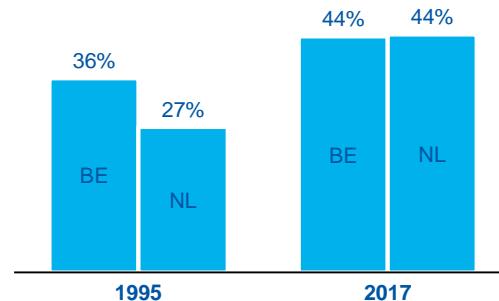


1 Landfill % waste to landfill*



- Landfill only allowed for waste that cannot be incinerated or recycled

2 Incineration % waste incinerated*



- Limited investment last 5 years
- Incineration tax increasing
- Banning higher caloric value

3 Recycling % waste recycled and composted*



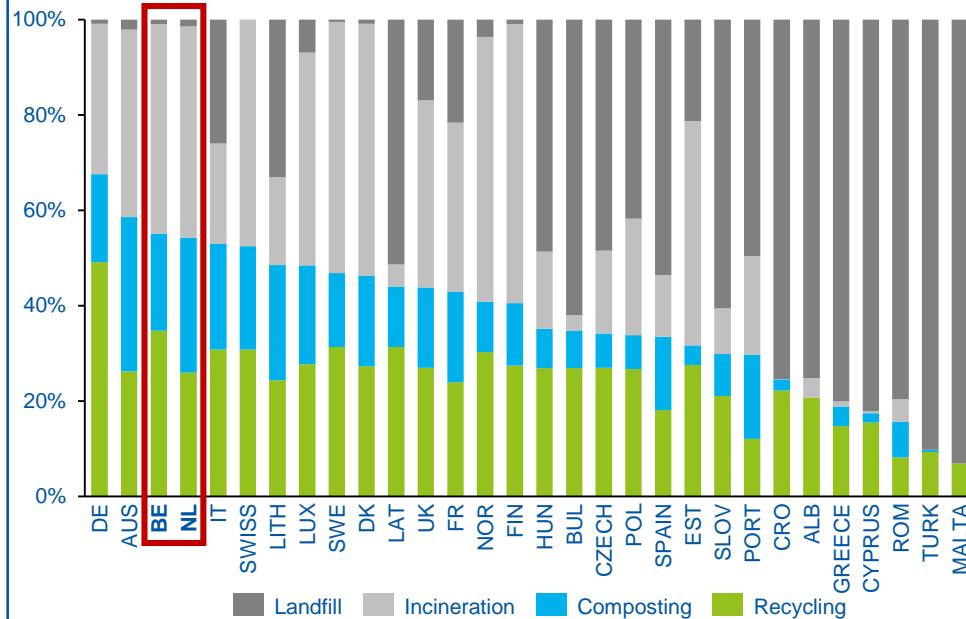
- Core waste streams covered: metal, glass, soil, paper, wood, organics
- Challenge with: plastic, mixed waste, specials

More waste streams will be recycled with new innovative solutions

*Waste treatment based on municipal waste (proxy for total waste management market). Source: Eurostat

Benelux one of the most advanced waste management markets

Waste treatment in EU (2017, Municipal proxy)

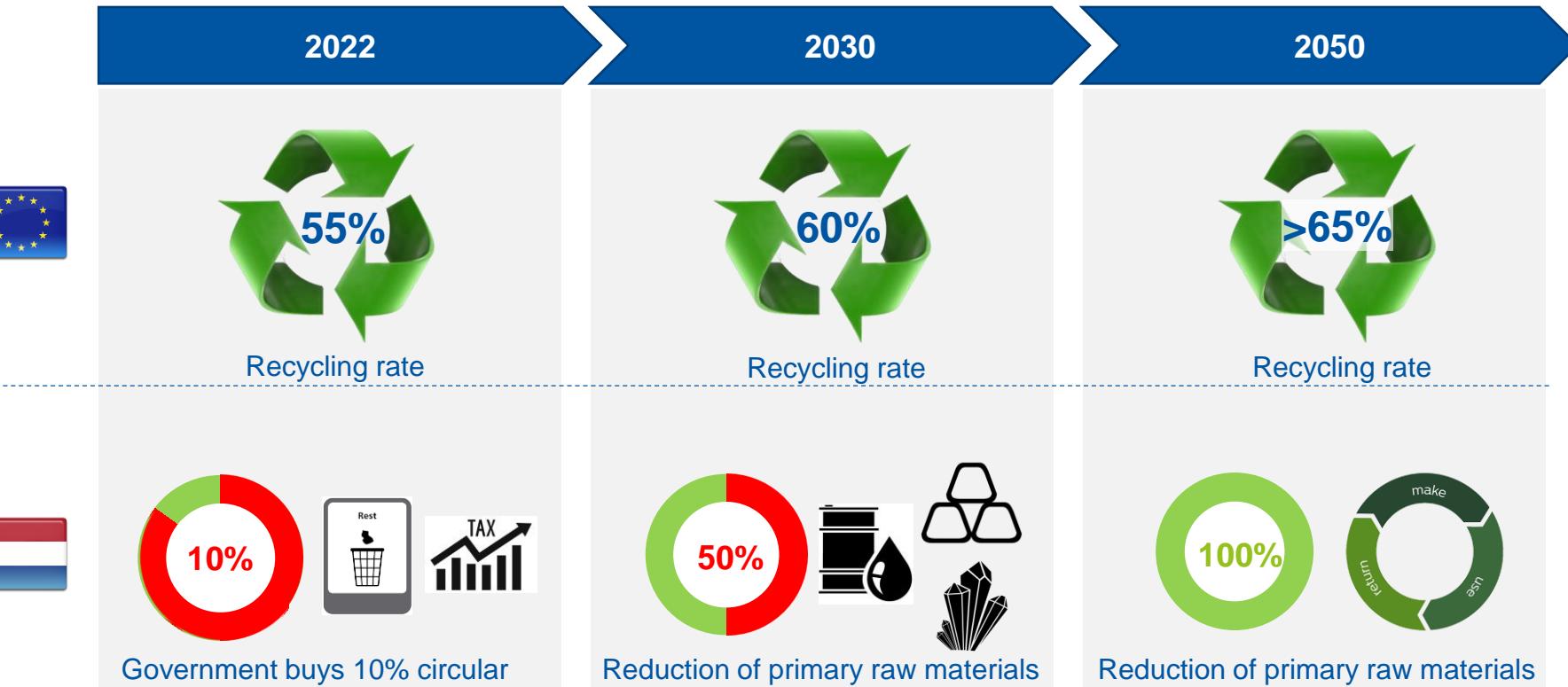


Observations

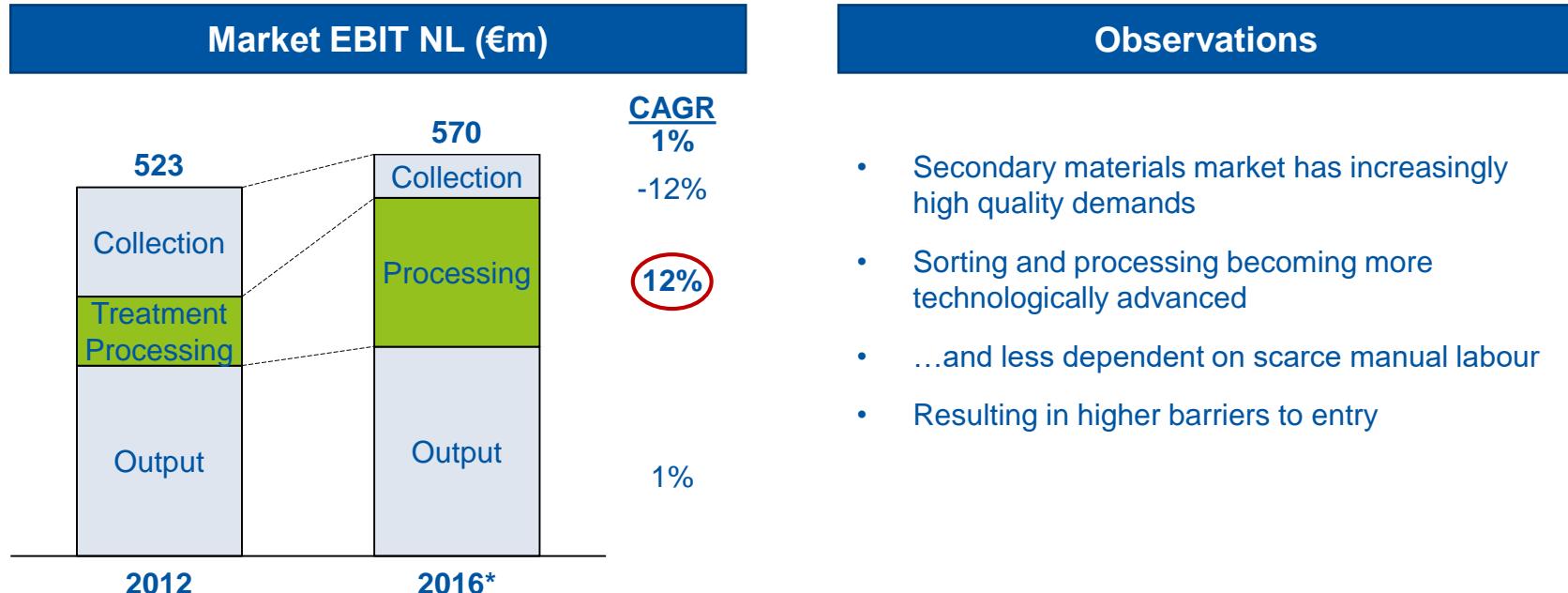
- EU is one of the world's most advanced recycling market
- Within the EU, the Benelux is a frontrunner with close to 60% Recycling and Composting
- Renewi's Recycling and Composting rate is even higher at 67%*

* Renewi-wide average. Note: Waste treatment based on municipal waste (proxy for total waste management market). Source: Eurostat

Increasing regulatory push further drives recycling trends



Value is shifting to treatment (sorting and processing)



Profit pool will continue to shift towards processing

Emerging trends in each step of the value chain support recycling



Collection



Sorting and processing



Supplying raw materials



- Increased sorting at source
- Smarter urban collection
- Digital business models

- Higher quality sorting and processing
- Wider range of waste streams
- Lower processing costs
- ...all of which are enabled by technological advancements

- Strong pull for secondary materials
- Increased quality requirements
- National markets less dependent on exports

Increased collaboration across the value chain to 'close the loop'

Renewi has the most efficient collection network

1

Biggest, most efficient fleet



2,500 trucks

- rear-end loaders
- luggers / skip trucks
- truck trailers

Largely EURO V & VI fleet

- low NOx and CO₂
- low fuel consumption

2

Dense network of sites



100 transfer sites

- 69 in Netherlands
- 31 in Belgium

>25 processing sites

3

Modern planning tools



Highly efficient route planning

All trucks have on-board computers

Quick customer turnaround

Customer apps

Leverage scale to efficiently secure volumes

The best treatment facilities to sort and process

For mixed waste

Construction & Demolition	7 lines
Bulky household	15 lines
Plastic, metal and drink cartons	1 line
Hazardous/chemical	10 centres
Residual waste	9 lines

For monostreams

Glass	3 sites
Wood	11 lines
Paper	14 lines
Plastic	5 lines
Soil, sand and sludge	5 sites
Organics	11 sites

Renewi Benelux recycling capacity is >7 million tonnes/year



Divisional Backgrounds and Strategies

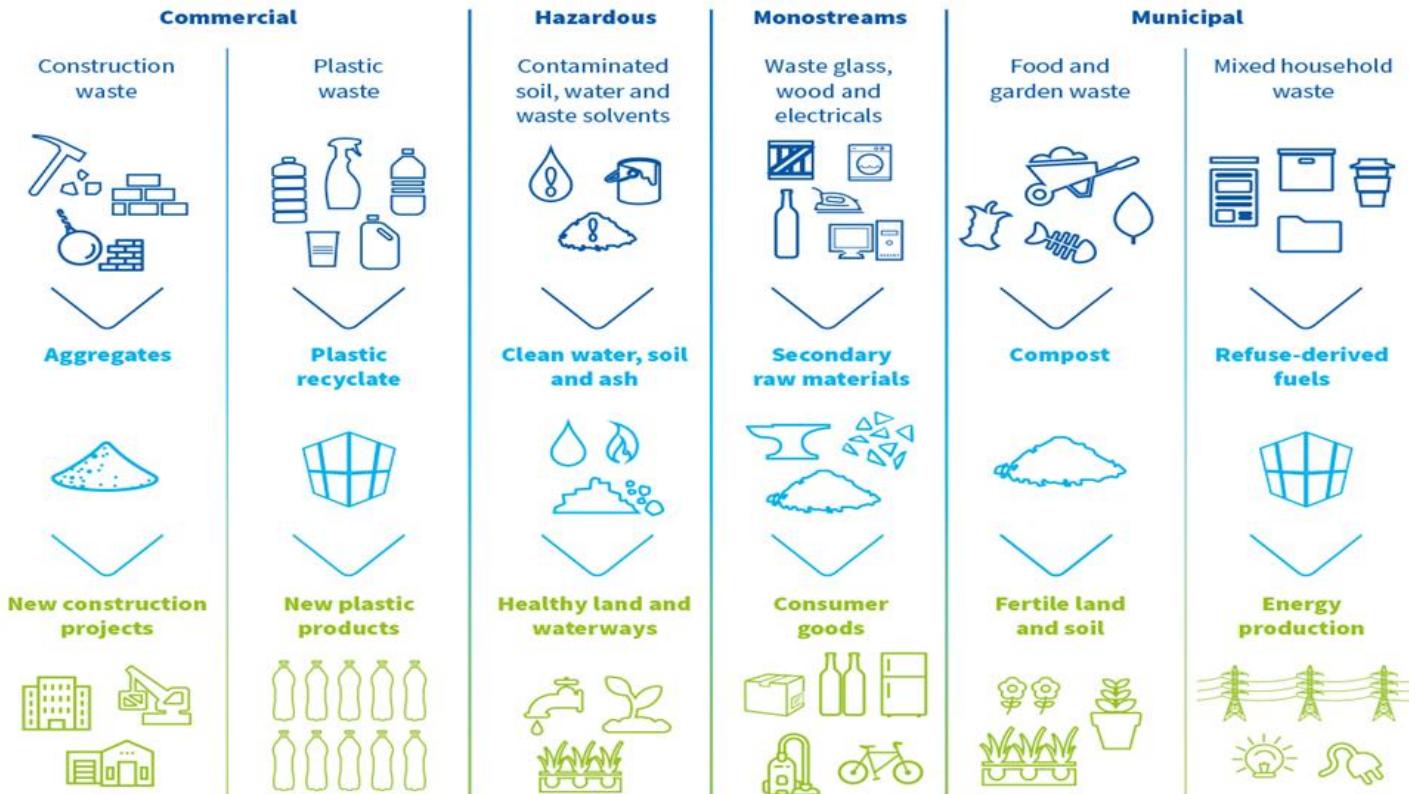


Our Divisions

Commercial	Hazardous	Monostreams	Municipal
<p>Netherlands #1 in waste collection and processing #1 in most main market segments Full geographic coverage Netherlands</p> <p>Revenue: €765m EBIT: €53m Margin: 7.0% FTE: c.3,000</p>	<p>Belgium #1 or 2 in waste collection and processing #1 in most main market segments Complete geographic coverage in Belgium</p> <p>Revenue: €431m EBIT: €33m Margin: 7.7% FTE: c.1,700</p>	<p>#1 in European thermal soil treatment #1 in Dutch waste water treatment Primarily in the Netherlands Sold Reym business in October 2019</p> <p>Revenue: €82m EBIT: €2m Margin: 2.1% FTE: c.200</p>	<p>#1 in glass recycling #1 NL mineral #2 in NL organics Leading EU WEEE recycling player</p> <p>UK leader in MBT treatment of waste 5 principal PFI contracts Sold Canadian municipal business in September 2019</p> <p>Revenue: €213m EBIT: €13m Margin: 6.0% FTE: c.500</p> <p>Revenue: €195m EBIT: €1m Margin: 0.4% FTE: c.650</p>

All divisions have “Waste-to-product” business model

Extensive range of products from waste





Commercial Waste Division - Netherlands



- Legacy VGG location
- Legacy Shanks location

Growth Drivers	
External	Internal
<ul style="list-style-type: none">• NL GDP growth• Construction market recovery• Incineration utilisation & spot pricing• Legislation to increase recycling• Recyclate de-regulation and quality• Skilled labour including drivers	<ul style="list-style-type: none">• Logistic efficiency collection (lifts/km)• Volumes processed by waste stream• Price per tonne per waste stream• Processing efficiency (tonnes/hr)• Quality, volume and pricing/ spread of recyclates• Leveraging purchasing power• Digitalisation/automation/ innovation• Differentiated customer offerings



Commercial Waste Division - Belgium



Growth Drivers

External

- BE GDP growth
- Outlet availability and pricing
- Legislation/ regulation to increase recycling rates
- Recyclate pricing
- New markets
- Strategic alliances

Internal

- Volumes processed by waste stream
- Average price per tonne by waste stream
- Logistic efficiency collection (lifts/km or /day)
- Processing efficiency (tonnes/hr)
- Recyclate volumes (tonnes/stream)
- Recyclate prices and spread
- Innovation/ digitalisation/ automation
- Improving quality of incoming volumes



Hazardous Waste Division

Hazardous

- #1 in European thermal soil treatment
- #1 in Dutch waste water treatment (heavily contaminated)

Strategy

Increase capacity to treat additional volumes and broaden the range of products treated while retaining attractive returns





Monostreams Division



Monostreams

- #1 in European glass recycling and trading of recycled glass “cullet”
- #1 handler of mineral waste in Netherlands
- #2 in Netherlands organics processing
- Top 3 in European WEEE recycling

Strategy

Deliver profitable growth through existing operational footprint and expand into attractive new recycling markets





Municipal Division

Municipal

- UK leader in MBT treatment of waste
- Business underpinned by long-term contracts incorporating investments in associated SPVs



Strategy

Reduce losses through recovery plan that stabilises, improves and de-risks the business, while bringing new assets into full and profitable operation



waste no more

Renewi Group
Business Services



Case studies in sustainable solutions and product



Case studies (1)



Plastic from old vacuum cleaners make 36% of their newest top spec vacuum cleaner. Full closed loop example



Albert Heijn segregated citrus peel is collected and refined to extract limonene for detergents



Bio-LNG product for vehicles made from organic anaerobic digestion. Currently in experimental phase



Further refinement of the waste into High Impact Polystyrene for 3D printing produces significant value



Together we make Fenix paints from waste paints, which is available in stores now

Sustainability increasingly important for large companies

Case studies (2)

Plastics
manufacturer

Plastics to oil to plastics. Providing a recycling solution for mixed plastic which cannot currently be recycled



Co-investment in RetourMatras to provide a recycling solution for mattresses, which have been a long standing issue in the waste management industry

Torrefaction of waste wood to be used to fire the steel kiln and produce low carbon steel

Steel
manufacturer

Recycling asbestos contaminated steel which would otherwise have gone to landfill and will now be reused



Working to commercialise cellulose recycling
Diapers and incontinence pads are ~5-8% of municipal solid waste
Renewi working with Wageningen University, with a proven cellulose refinement technology





Further background on ATM and recovery

The logo consists of the word "renew" in a white, lowercase, sans-serif font. A thick, white, curved arrow starts at the top of the 'e' and loops around the letters "new", ending near the bottom of the 'e'. The background is a dark green gradient.

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The Economic Area

ATM – secondary building materials production

Completed



Ongoing



ATM – resuming production of TGG

What have we done

- ✓ Agreed with regulators what to test
- ✓ Agreed with regulators on how to collect samples and define variability
- ✓ Sampled and tested all batches
- ✓ All tests passed
- ✓ Current stock production does not contain any substances at levels which prevent its use
- ✓ **Dutch government reopened market in December 2019**

Soil resumption: path forward

- Local regulatory bodies in the Netherlands then need to approve specific site applications in their region
- Future TGG production may continue to be tested according to stringent specifications and released as batches in the short-term
- Further recovery actions longer-term include:
 - Improve the TGG certificate together with certifying body and branch partners
 - Lobby for legal definition of the 'duty of care' requirement for TGG producers
 - Restore confidence in TGG and improve image

Following market reopening we are seeking to place TGG with customers



Data on key recyclate prices and risks

The logo consists of the word "renew" in a white, lowercase, sans-serif font. A white curved arrow is positioned above the letter "e" and another below the letter "w", forming a circular motion.

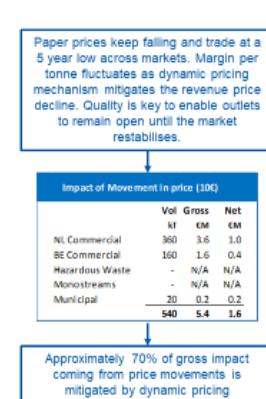
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Market drivers - recyclate pricing

Paper Prices

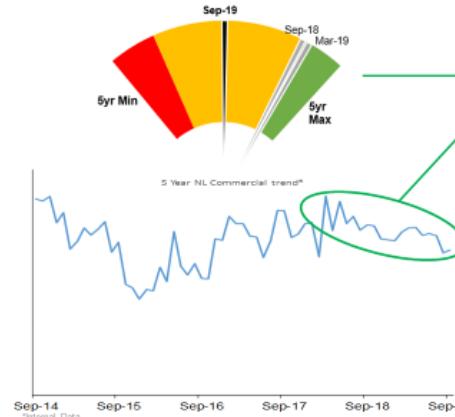
Market Drivers – Paper Prices



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Metal Prices

Market Drivers – Metal Prices



Metal prices in a decreasing trend, prices are still strong but lower than FY19. Impacted by turmoil in Turkey and fear of tariffs.

Impact of Movement in price (10)

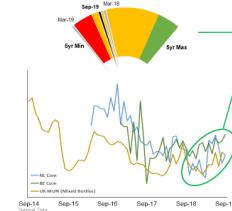
	Vol	Gross	Net
	kT	€M	€M
NL Commercial	85	0.9	0.5
BE Commercial	55	0.6	0.2
Hazardous Waste	-	N/A	N/A
Monostreams	45	0.5	0.4
Municipal	20	0.2	0.2
Total	205	2.2	1.3

Approximately 40% of gross impact coming from price movements is mitigated by dynamic pricing

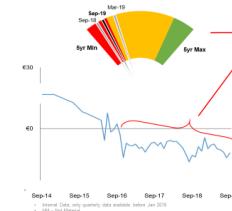


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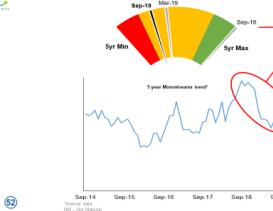
Market Drivers – Plastics Prices



Market Drivers – Wood Prices



Market Drivers – Electricity Prices



See results presentation for detailed pages

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Disposals



The renewi logo consists of the word "renewi" in a white, lowercase, sans-serif font. A thick, white, curved arrow starts from the top of the 'e' and loops around the letters "newi". Below the main text, the slogan "waste no more" is written in a smaller, white, lowercase, sans-serif font. The entire logo is set against a dark green background.

Canada Municipal disposal – completed 30 Sept 2019

Business Overview	Considerations	Key Benefits
<p>Business Overview</p>  <ul style="list-style-type: none"> • Strong stand-alone position - #1 in organics • Well-placed and good footprint in a growing market • Financials show strong profit growth this financial year • Strong cash generation 	<p>Considerations</p> <ul style="list-style-type: none"> • Small position in portfolio • Remote location • Requires cash and management for expansion • Limited synergies with core • Significant buyer interest 	<p>Key Benefits</p> <ul style="list-style-type: none"> ➢ Concentrates resources on Europe/Benelux growth ➢ UK management focus on managing PFI contracts ➢ Simplifies our portfolio and equity story ➢ Proceeds free up cash to delever or invest

Sold for an enterprise value of up to c.€72m (CAD \$107.5m), with cash proceeds of €56m and a further payment of up to €12m (CAD \$17.5m)

Reym disposal – completed 31 October 2019

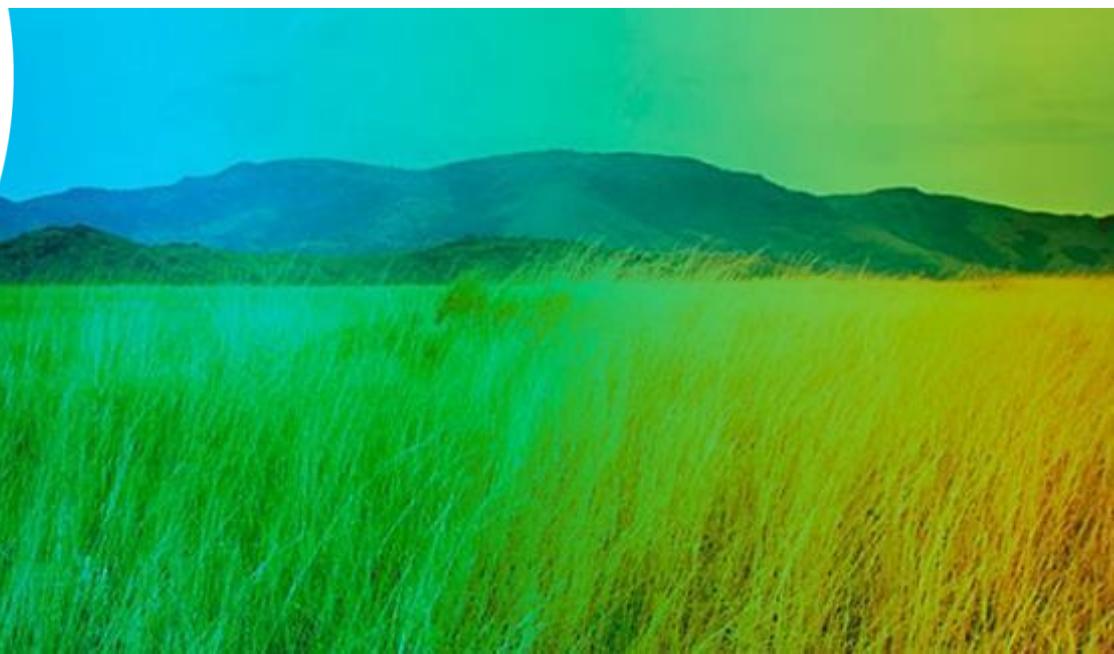


Business Overview	Considerations	Key Benefits
 <ul style="list-style-type: none">• Leading industrial cleaning company in the Netherlands• Outstanding reputation for service, safety, quality and innovation• Integration of VGIS already completed	<ul style="list-style-type: none">• Professional services business• Requires focused management and investment in people• Limited operational synergies with Core• Able to execute without disrupting ATM and linkage to Renewi protected through long-term agreement	<ul style="list-style-type: none">➢ Focuses Hazardous Waste management focus on ATM➢ Tighter portfolio alignment with waste-to-product vision➢ Concentrates resources on Benelux growth in Benelux recycling➢ Proceeds free up cash to delever or invest

Sold for an enterprise value of €64m and cash proceeds of c.€50m



Sustainability and Green Framework



Sustainability Legislation Driving our Business Model

- Our activities meet development goals within five of the **UN's Sustainable Development Goals (SDGs)**
- We help countries achieve the requirements of the **EU Waste Directive** by diverting 90% of our waste from landfill
- We help meet the obligations of the **Paris COP Treaty** by avoiding over 3m tonnes of CO₂ per annum
- We operate higher up the **waste hierarchy** than any other leading waste company through our focus on re-use and recycling rather than incineration or landfill
- We are well positioned to meet the needs of the **EU Circular Economy Package** and Dutch legislation by connecting waste produced back to raw material consumers, particularly in construction

We meet the sustainability goals of our customers and regulators

Renewi Green Finance Framework Approach



EU HIGH-LEVEL EXPERT GROUP ON
SUSTAINABLE FINANCE

Developed in line with the voluntary guidelines of the **Green Bond Principles**, and **Green Loan Principles**

Consistent with recommendations of the **EU High Level Expert Group** and will align with EU rules once published

Pollution Prevention and Control is the key category within the Bond and Loan Principles taxonomy

- Waste Collection
- Waste Treatment
- Waste Recycling
- Waste to Energy

Waste Minimisation is the key category within the proposed EU taxonomy

Sustainable Development Goals:

- 7: Affordable and clean energy
- 9: Industry, innovation and infrastructure
- 11: Sustainable cities and communities
- 12: Responsible consumption and production



A green company



Equity

- Virtually all activities are Green which is recognised in our Green Framework which is verified by Sustainalytics as second opinion provider, and in addition as recognised by the Green Economy Mark from the LSE

Debt

- All core facilities are now Green, including RCF, Term Loan, EUPP, and Bonds
- All future issuance can be Green
- The large buffer will be maintained



66.9%

Our specific **recycling rate**
increased 0.6% to 66.9%



90%

We **recycled and recovered** 90%
of the total waste we handled



7%

We had **fewer accidents** that resulted
in an employee being off work for
more than three days, improving
our >3 day accident
rate by 7%



1.8%

Our **carbon avoidance per
tonne of waste handled**
improved by 1.8%
to 0.218 tonnes



64%

The number of **near misses reported**
(accidents that didn't happen)
improved 64%



1.1%

We improved our **truck fuel
efficiency** by 1.1% to 3.117 litres
of fuel per tonne of
waste transported



14%

We **improved our lost-time
injury rate** by 14%



34.9%

We increased the number of **EURO VI trucks** in our
fleet to 34.9%

Our 2020 ESG and Green Scorecard Objectives

Performance indicator ¹	2017/18 performance	2020 CSR/green scorecard target	2023 green scorecard target
Recycling rate	66%	70%	N/A
Overall recycling and recovery rate ²	89%	90%	91%
Carbon avoidance intensity ratio ²	0.214	0.217	0.220
Site energy use KWh/tonne waste handled	25.1	23.6	N/A
Litres of fuel used per tonne of waste collected ²	3.15	3.12	3.05
% truck fleet compliant with Euro VI standard ²	24%	34%	50%
CSR and green scorecard overlap target			
2020 and 2023 targets shown			

1. For definitions of performance indicators see relevant specific sections of this report

2. Indicators shaded in green are both CSR and green finance scorecard targets. Only these indicators have 2023 targets. 2023 targets are not applicable for other indicators.

Performance indicator ¹	2017/18 performance	2020 CSR/green scorecard target	2023 green scorecard target
Green electricity production MWh	143,462	213,170	N/A
>3 day workplace accident rate ²	1,505	1,355	1,130
Overall lost time injury frequency	12.5	8.7	N/A
Accident severity rate	17.4	13.1	N/A
Near-miss close-out rate %	83%	85%	N/A
Adverse community comments per site	1.5	1.4	N/A
2020 and 2023 targets shown			

Next CSR targets to 2025 to be published in mid 2020

S&P Global ESG Evaluation Score of 75

S&P Global
Ratings

Environmental, Social, And Governance Evaluation

Renewi PLC

Summary

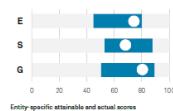
Renewi PLC is a waste management company headquartered in the U.K. It is the result of the 2017 merger of Shanks Group with Van Gansewinkel Group and has four main divisions: Commercial, Hazardous Waste, Monogramma, and Municipal. The company has around 6,000 employees and operates in Europe (Benelux countries, Germany, France, Portugal, and the U.K.).

Renewi's ESG evaluation score of 75 is supported by a strong and above-peer-average focus on recycling and waste management, which underpins its commitment to being a key contributor to the circular economy through its waste-to-product focus. This focus has led to 90% of the waste it has handled being either recovered or recycled. The company is therefore positioned to benefit from the ongoing shift from landfill and incineration toward recycling, driven by recent structural and regulatory changes, and is well placed to meet greater demand for sustainable products and greater use of secondary raw materials.

Renewi demonstrates adequate preparedness, supported by the company culture and the board's awareness of long-term material risks to the company. Renewi analyzes current and emerging risks, including rare events with high potential impact on the company (tail events) through scenario modeling, and implements mitigation and contingency plans. The company recognizes that law and regulatory changes can significantly affect its strategy and that it could face environmental liabilities arising from its business operations.

ESG Profile Score

75/100



Preparedness Opinion

Adequate

Awareness	Good
Assessment	Good
Action	Good
Culture	Excellent
Decision-making	Good

ESG Evaluation

75/100

A higher score indicates better sustainability

Component Scores

Environmental Performance		Social Performance		Governance Standards	
Sector/Region Score	30/50	Sector/Region Score	38/50	Sector/Region Score	35/35
Greenhouse gases	Strong	Workforce and diversity	Good	Structure and oversight	Strong
Waste	Strong	Safety management	Good	Code and values	Good
Water	Good	Customer engagement	Good	Transparency and reporting	Good
Land use	Good	Communities	Good	Operisks and systems	Strong
General factors (optional)	o	General factors (optional)	o	General factors (optional)	o
Entity-Specific Score	44/50	Entity-Specific Score	30/50	Entity-Specific Score	46/65
E-Profile (30%)	74/100	S-Profile (30%)	68/100	G-Profile (40%)	80/100
ESG Profile (including any adjustments)				75/100	

Preparedness Summary

The company's adequate preparedness is supported by our assessment of its excellent bottom-up culture and new rebranding strategy with six core values, and senior leadership's strong focus on health and safety issues. Renewi appears to have identified many long-term material risks to the business and created several mitigation and contingency plans, as well as analyzing additional risk factors and tail events through scenario modeling. The company's strategy could be affected by changes in law and policy requirements and the implementation of new regulations, as well as potential environmental liabilities.

Preparedness Opinion

Adequate

ESG Evaluation

75/100

Preparedness Opinion

Adequate

Further Adjustment (if any)

Preparedness Opinion

75/100

Adequate

75/100

Renewi has a strong focus on Environmental, Social and Governance

S&P are a world leading ratings agency, positioning themselves as experts in providing in-depth analysis underpinning their ESG and green evaluations

The awarded environmental profile is the highest awarded to date

Full report is available on our website



Balance sheet



Balance sheet

	Mar 17 €m	Mar 18 €m	Mar 19 €m	Sep 19 €m
Goodwill & other intangibles	684.9	699.3	605.6	602.1
Tangible fixed assets	720.2	710.8	629.1	580.3
Right-of-use assets	-	-	-	181.9
Non current PFI/PPP financial assets	193.5	189.9	149.8	143.5
Trade and other receivables	3.6	5.3	0.5	3.4
Investments	35.1	34.8	15.9	17.1
Pension surplus	-	-	-	5.1
Non-current assets	1,637.3	1,640.1	1,400.9	1,533.4
Investments	6.7	6.8	6.8	10.1
Working capital	(182.6)	(226.4)	(213.8)	(217.2)
Current PFI/PPP financial assets	15.6	15.4	6.0	5.7
Pension deficit	(31.5)	(25.4)	(11.9)	(10.1)
Taxation	(70.7)	(63.5)	(35.4)	(29.9)
Landfill related provisions	(132.6)	(133.6)	(138.9)	(140.0)
Onerous contract provisions	(53.9)	(109.5)	(94.9)	(76.3)
Other provisions and liabilities	(43.9)	(41.6)	(44.0)	(38.0)
Assets held for sale	0.4	0.4	121.9	46.0
Net core debt	(495.8)	(500.6)	(552.0)	(513.9)
IFRS 16 lease liabilities	-	-	-	(164.8)
PFI non recourse net debt	(101.8)	(94.6)	(95.4)	(89.3)
Derivative financial liabilities	(35.7)	(31.2)	(29.8)	(36.5)
Net Assets	511.5	436.3	319.5	279.2

All periods as reported; IFRS 16 leasing standard applicable from 1 April 2019

- Goodwill relates to mainly historic Shanks acquisitions and to the VGG merger
- Right of use assets includes c€100m of long term leases for waterside facilities and c€80m for trucks and mobile plant
- Financial assets are mainly PFI facilities that are in SPVs and revert to the Councils at contract end
- Working capital is negative: payables exceed receivables and inventory is generally negative (deferred revenue or materials that are a liability to place)
- Landfill provisions relate principally to assets in Belgium
- Onerous contract provisions will be used over up to 25 years, somewhat front-end loaded
- Non-recourse debt is in the PFI SPVs and cannot under any realistic circumstances fall due for Renewi group: it is therefore excluded from debt calculations



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