



WASTE CONNECTIONS
Connect with the Future®

Investor Presentation
Q2 2024

SAFE HARBOR STATEMENT



This document contains forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 ("PSLRA"), including "forward-looking information" within the meaning of applicable Canadian securities laws. These forward-looking statements are neither historical facts nor assurances of future performance and reflect Waste Connections' current beliefs and expectations regarding future events and operating performance. These forward-looking statements are often identified by the words "may," "might," "believes," "thinks," "expects," "estimate," "continue," "intends" or other words of similar meaning. All of the forward-looking statements included in this presentation are made pursuant to the safe harbor provisions of the PSLRA and applicable securities laws in Canada. Forward-looking statements involve risks and uncertainties. Forward-looking statements in this presentation include, but are not limited to, statements about expected 2024 financial results, outlook and related assumptions, potential growth and margin expansion, potential acquisition activity, return of capital to shareholders, the timing and amount of investments and the ability to meet or exceed long-term, aspirational sustainability targets. Important factors that could cause actual results to differ, possibly materially, from those indicated by the forward-looking statements include, but are not limited to, risk factors detailed from time to time in the Company's filings with the SEC and the securities commissions or similar regulatory authorities in Canada. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation. Waste Connections undertakes no obligation to update the forward-looking statements set forth in this presentation, whether as a result of new information, future events, or otherwise, unless required by applicable securities laws.

WASTE CONNECTIONS: INVESTMENT HIGHLIGHTS



Third largest solid waste company in North America



Differentiated strategy focused on exclusive and secondary markets



Industry-leading adjusted EBITDA margins, free cash flow conversion and safety performance



Well-positioned for strategic growth opportunities in active M&A environment



Track record of outperformance in total shareholder return



Demonstrated progress towards achievement of aspirational ESG targets driving value creation

WASTE CONNECTIONS: AT A GLANCE



~ 23,000 employees

~\$8.750 billion revenue*

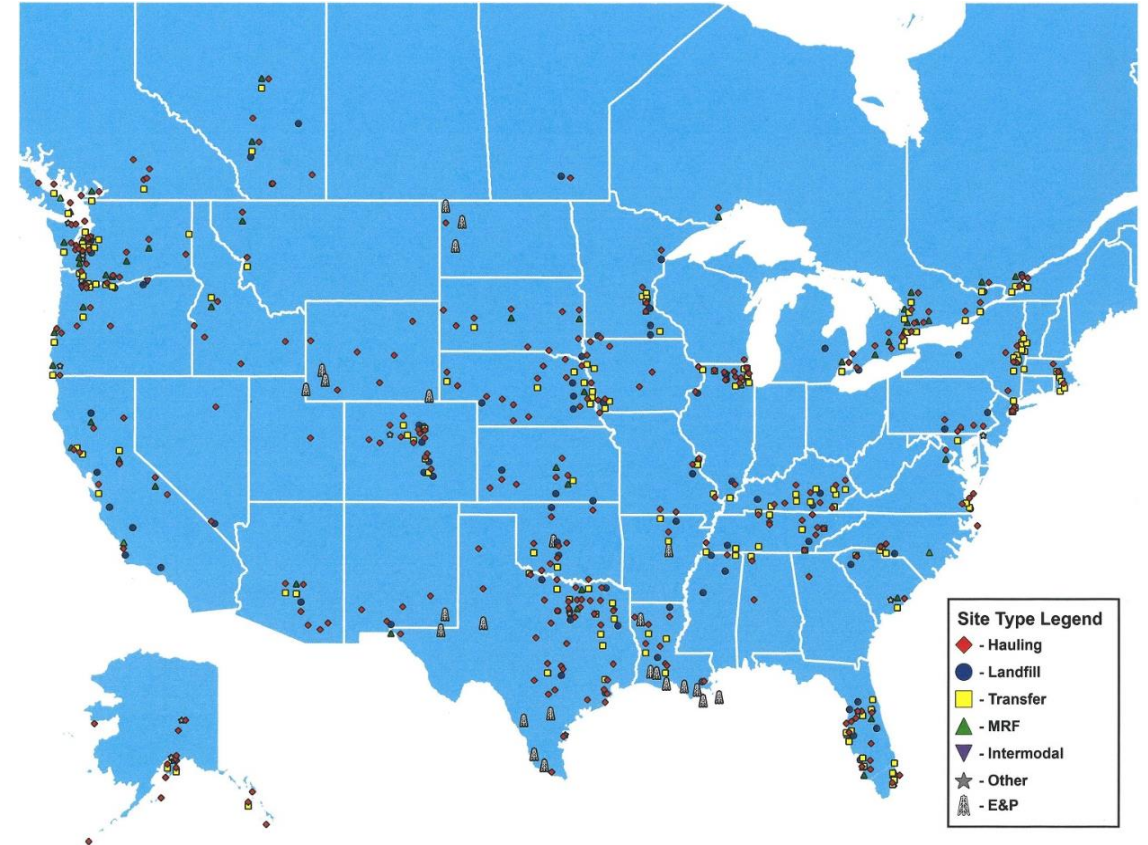
~\$2.860 billion adjusted EBITDA*

~\$1.200 billion adjusted free cash flow*

~\$19 billion assets

~\$50 billion enterprise value

Revenues: 88% U.S. and 12% Canada



Footprint across 46 U.S. states and 6 Canadian provinces

*2024e based on February 2024 outlook; see appendix for non-GAAP reconciliation tables.



OUR DIFFERENTIATED VIEW ON SOLID WASTE



Solid waste is a commodity

- Lowest price provider wins
- Customer has basic level of service expectations
- Private companies can dictate pricing in competitive markets

Returns are driven by:

- Market selection
- Asset and contractual positioning
- Local execution

Culture Matters

- Culture is either accidental or intentional
- Servant Leadership: holding leaders accountable to those they serve
- Engagement drives Relationships / Relationships = Results
- Winning at Human Capital drives superior long term performance

Value creation is linked to **FREE CASH FLOW** per share growth



TARGETING ATTRACTIVE MARKETS

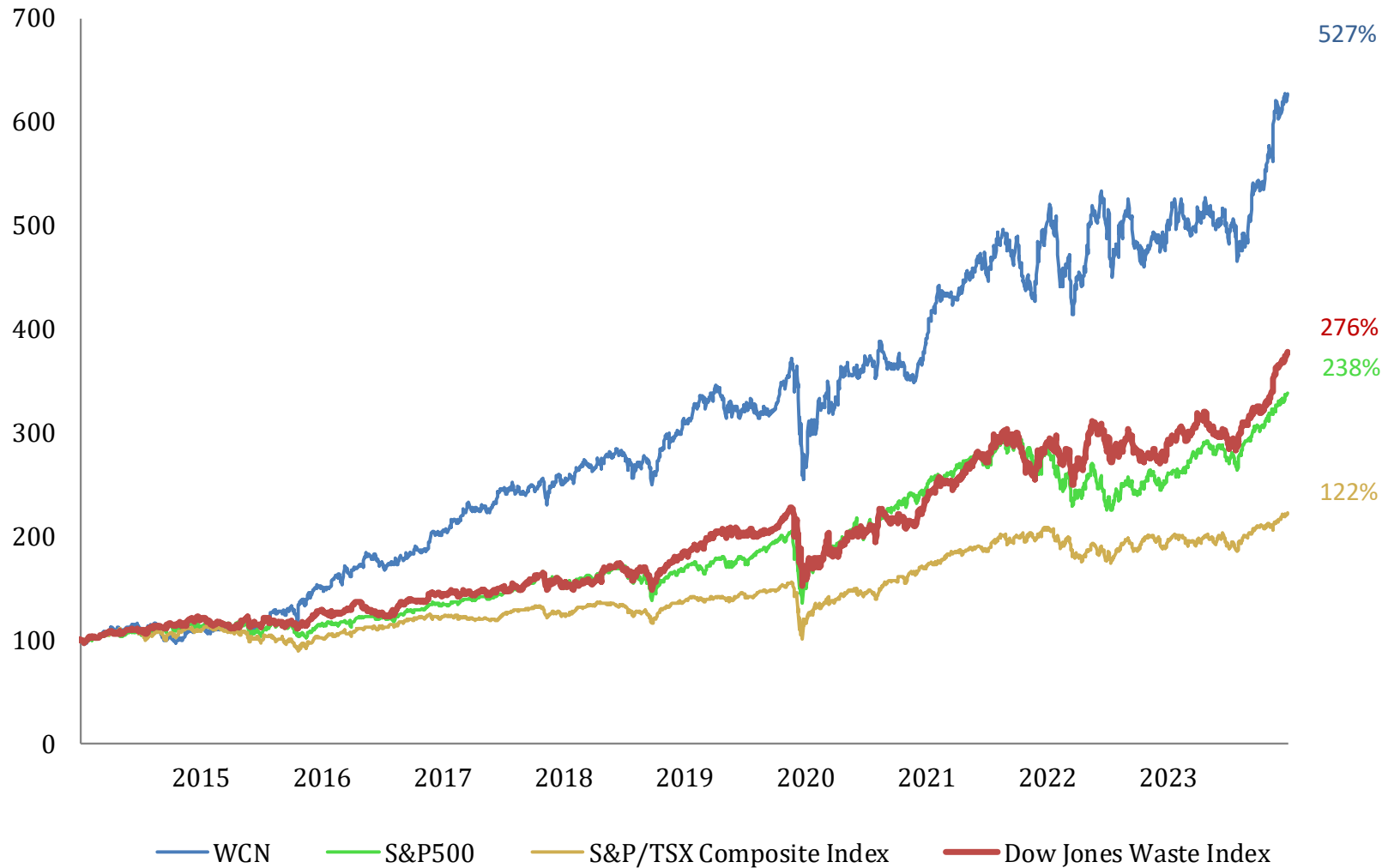
Market Selection Strategy

- Purposeful market selection strategy since inception
- Current mix:
 - ~40% exclusive / franchise markets
 - ~60% competitive markets, primarily secondary or rural, with high market share
- Integrated operations include disposal
 - Exclusive markets - landfill ownership not critical
 - Competitive markets more likely integrated; may be attractive if disposal neutral

	Integrated Operations	Non-Integrated Operations
Exclusive Markets	#1 EBITDA Margin #1 EBIT Margin #1 FCF Margin #1 ROA	#3 EBITDA Margin #2 (tie) EBIT Margin #2 FCF Margin #2 ROA
Competitive Markets	#2 EBITDA Margin #2 (tie) EBIT Margin #3 FCF Margin #3 ROA	#4 EBITDA Margin #4 (tie) EBIT Margin #4 FCF Margin #4 ROA

Attractive if High Market Share & Disposal Neutral

10-YEAR TOTAL SHAREHOLDER RETURN (TSR)



Differentiated Returns

527% 10-Year TSR

~2.8x the returns of the DJ Waste Index

~2.24x the returns of the S&P500

~4.3x the returns of the TSX60

SUSTAINABILITY: UPDATE



ESG efforts consistent with long-term value creation

- Long-term aspirational targets established in 2020 and expanded in 2022
 - \$500mm capital commitment
 - Incentive compensation linkage
- Multi-year track record of progress towards targets
- Growing pipeline of renewable natural gas (RNG) projects

2023 Sustainability Report

- 14% reduction in Scope 1 and 2 emissions in 2022
- Doubled emissions reduction target to 30% in 2023
- Science-Based Targets Initiative (SBTi) under review
- Operational offsets exceed emissions by 4.2x
- Details provided at hub => [Waste Connections Sustainability](#)

15-Year ESG Targets



30% ↓

Reduction in Scope 1 and 2 emissions



Continuous improvement in emissions intensity



50% ↑

Increase resources recovered by at least 50%



25% ↓

Reduction in Incident Rate



40% ↑

Increase biogas recovery by at least 40%



↓
Continuous improvement in Voluntary Turnover scores



50% ↑

Process at least 50% of Leachate on-site



↑
Continuous improvement in Servant Leadership scores



SUSTAINABILITY-LINKED INVESTMENTS



\$200 million investment in RNG facilities => \$200mm incremental annual EBITDA by 2026

- Investments in Renewable Natural Gas (RNG) and resource recovery facilities consistent with ESG targets and shareholder value creation objectives
- Expectations for RNG Plants:
 - Long-term => projects at ~15-20 landfills including:
 - 12 projects in development by 2026
 - Combination of new facilities and conversion of electrical generating facilities
 - Equity structure => mixture of partnerships (~2/3) and WCN ownership (~1/3)
 - On track for ~\$200mm investment for comparable annual EBITDA by 2026
- Ongoing investments in recycling facilities
 - Benefits from enhanced optical sorters and robotics => labor savings and improved output quality

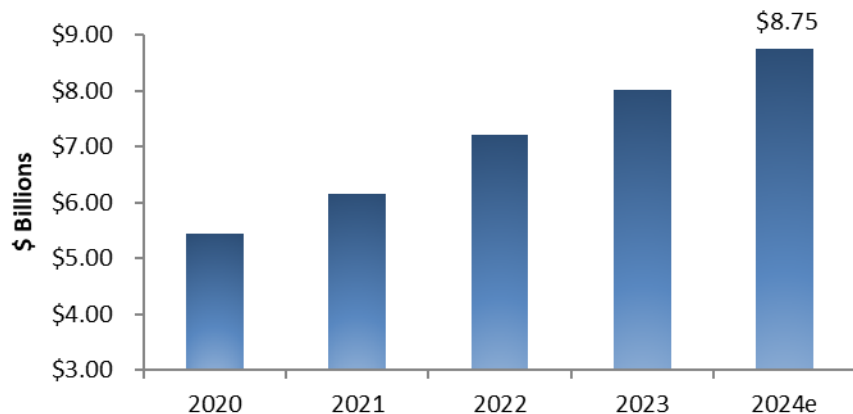


FINANCIAL DISCUSSION

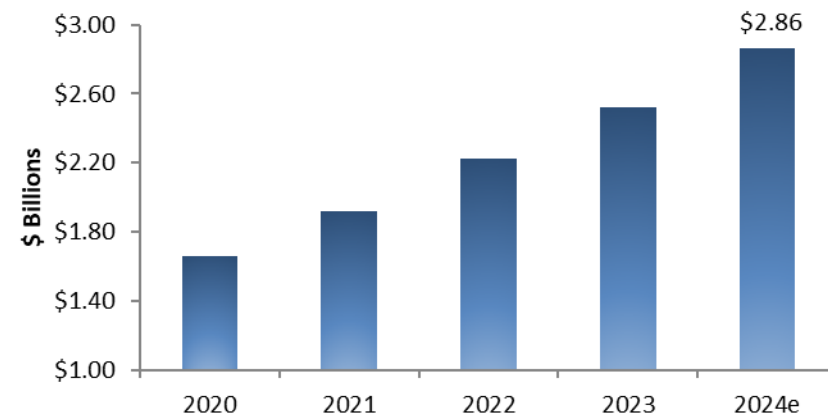
WCN: FINANCIAL HIGHLIGHTS



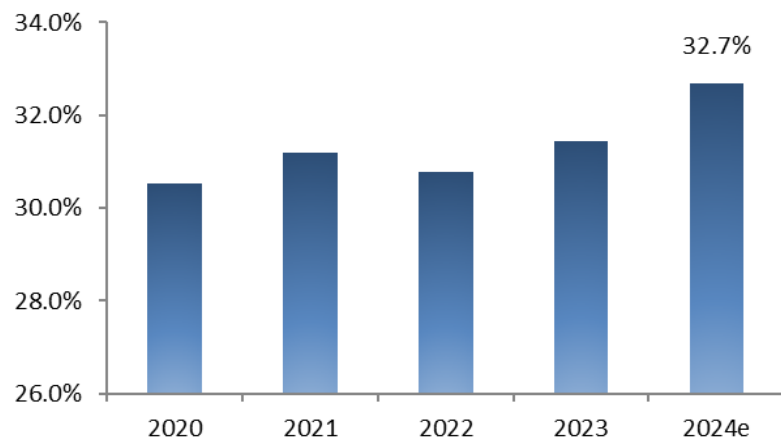
Revenue



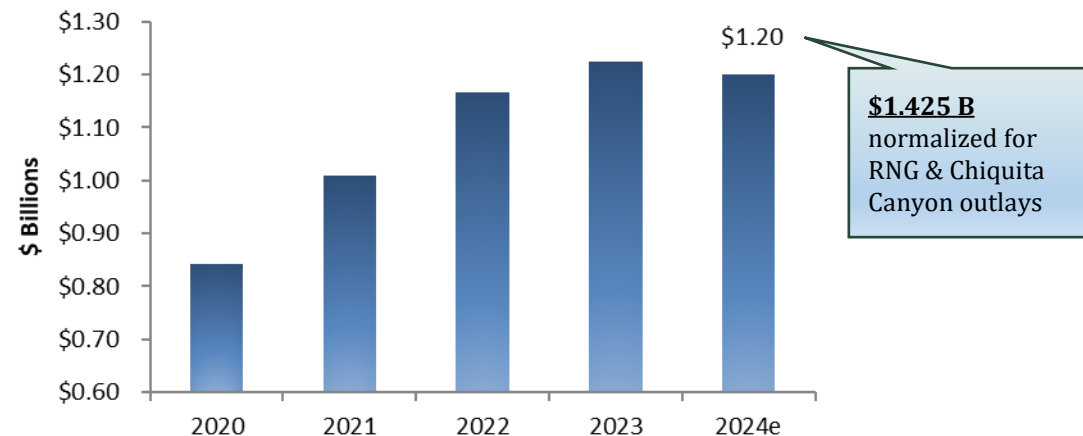
Adjusted EBITDA*



Adjusted EBITDA Margin*



Adjusted Free Cash Flow **



*A non-GAAP measure; see appendix for reconciliation tables;

**2024 includes \$150mm of RNG-related spend and \$75mm for closure-related outlays at the Chiquita Canyon LF; 2024e based on February 2024 outlook.

CAPITAL ALLOCATION



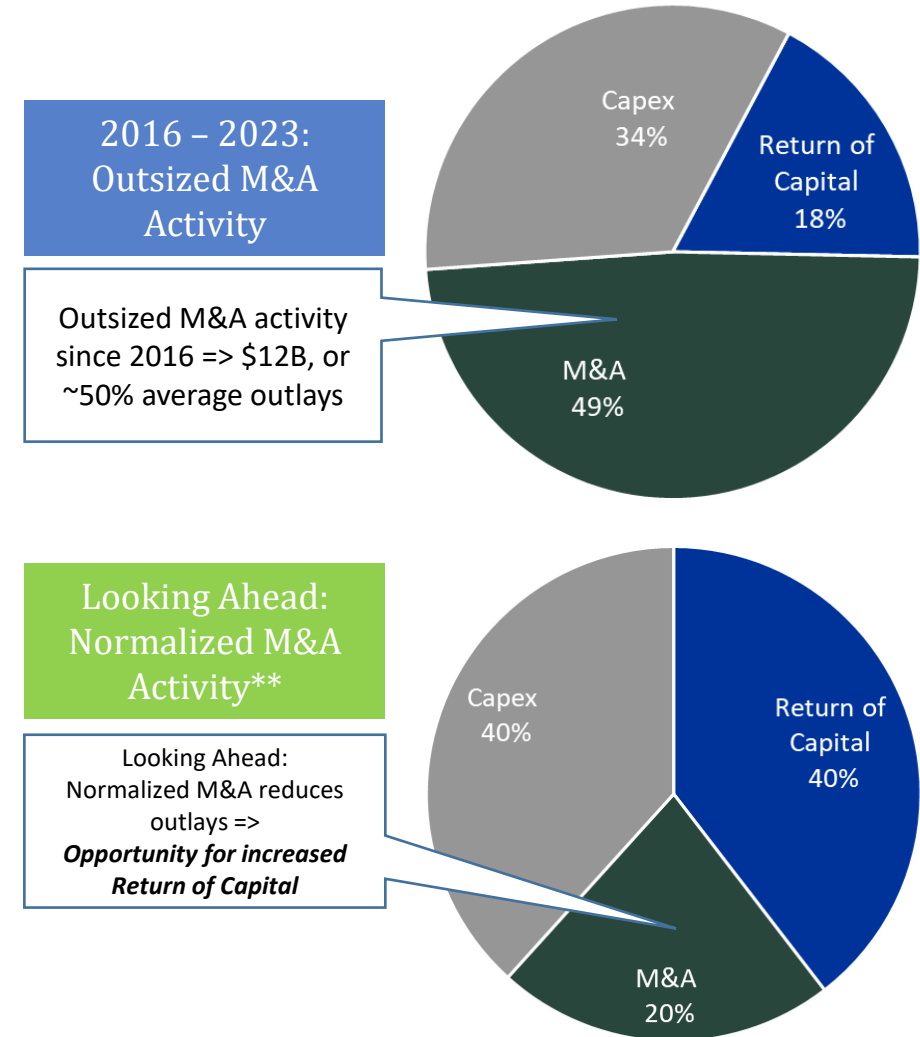
Track record of capital deployment with attractive returns

- **Robust Free Cash Flow and low leverage provide flexibility for continued M&A and increased return of capital**
- Capital allocation priorities:
 - Acquisitions: market-driven strategy in solid waste with cash return focus
 - Return of capital
 - Continued growth of cash dividend => 14% CAGR since 2010 initiation
 - Opportunistic share repurchases

*Includes acquisition outlays, share repurchases, dividends and capital expenditures.

**Illustrative normalized levels of M&A => ~\$150mm - \$200mm acquired annualized revenue.

Breakdown of capital* outlays:



FULL YEAR 2023 HIGHLIGHTS



Financial Metrics *

- Revenue: \$8.022 billion, up \$810mm or 11.2% YoY
- Adjusted EBITDA: \$2.523 billion
 - Up \$302mm, or 13.6% YoY
- Industry-leading adjusted EBITDA margin of 31.5%
 - Up 70bps YoY
 - Overcame 60bps headwind from lower recovered commodity values
- Adjusted Free Cash Flow: \$1.224 billion, or 15.3% of revenue

Other Observations

- Momentum for 2024 from 2H '23 trends:
 - Accelerating adjusted EBITDA margin expansion
 - Improving operating statistics => exited 2023 at multi-year lows for employee turnover and safety incident rates
- Invested \$1.7 billion in 2023 toward capital expenditures and acquisitions to reinvest and position for future growth

Q1 2024 HIGHLIGHTS



Financial Metrics

- Revenue: \$2.073 billion, up \$172mm or +9.1% YoY
- Adjusted EBITDA: \$650.7mm, up \$84mm or +14.8% YoY
- Adjusted EBITDA margins: 32.4%, up 160bps YoY
- YTD closed acquisitions with ~\$375mm of annualized revenue, including \$225mm from Secure divestitures
 - Robust pipeline of solid waste targets

Other Observations

- Momentum for continued outperformance from:
 - Rising commodity values
 - Continuing improvement in turnover and safety-related operating metrics
- 2024 Outlook (as provided in February 2024):
 - Revenue: \$8.750 billion, up \$728mm YoY or 9.1%
 - Adj. EBITDA: ~\$2.860 billion, up \$337mm YoY or +13.4%
 - Adj. EBITDA Margin: 32.7%, up 120bps YoY
 - Adj. Free Cash Flow: \$1.200 billion, including incremental outlays of \$225mm:
 - \$150mm RNG-related growth capex
 - \$75mm in landfill closure-related costs
 - Normalized adj. Free Cash Flow => \$1.425 billion

WASTE CONNECTIONS: IN SUMMARY



Performance: Differentiated market model driving industry-leading EBITDA and FCF margins

ESG: Integral to our business and consistent with objective to drive value creation

Capital deployment: Track record of value creation

Culture: Culture matters and differentiates

Dividends: Double-digit dividend growth since inception

TSR: Total shareholder return of ~6,600% from IPO in 1998 through 2023





NON-GAAP RECONCILIATION TABLES

NON-GAAP ADJUSTED EBITDA RECONCILIATION SCHEDULE

(in thousands, except share and per share amounts)

Adjusted EBITDA*	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024e**</u>
Net income attributable to Waste Connections	204,677	618,047	835,662	762,800	1,096,000
Plus/(less): Net Inc. (exp.) attributable to noncontrolling interests	(685)	442	339	26	-
Plus: Income tax provision	49,922	152,253	212,962	220,675	336,000
Plus: Interest Expense, net	157,122	159,880	196,381	265,292	280,000
Plus: Depreciation and Amortization	752,404	813,009	918,960	1,003,211	1,120,000
Plus: Closure and post-closure accretion	15,095	14,497	16,253	19,605	28,000
Plus: Loss on early extinguishment of debt	-	115,288	-	-	-
Plus: Impairments and other operating items	466,718	32,316	18,230	238,796	-
Plus/(Less): Other expense (income), net	1,392	(6,285)	(3,154)	(12,481)	-
Adjustments:					
Plus: Transaction-related expenses	9,803	11,318	24,933	10,653	-
Plus/(Less): Fair value changes to equity awards	5,536	8,393	86	(1,726)	-
Plus: Executive separation costs	-	-	-	16,105	-
Adjusted EBITDA*	1,661,984	1,919,158	2,220,652	2,522,956	2,860,000
Revenues	5,445,990	6,151,361	7,211,859	8,021,951	8,750,000
Adjusted EBITDA* as % of Revenues	30.5%	31.2%	30.8%	31.5%	32.7%

*Adjusted EBITDA, a non-GAAP financial measure, is provided supplementally because it is widely used by investors as a performance and valuation measure in the solid waste industry. Other companies may calculate differently.

**2024e based on February 2024 outlook.

NON-GAAP ADJUSTED FREE CASH FLOW RECONCILIATION SCHEDULE

(in thousands, except share and per share amounts)

Adjusted Free Cash Flow*	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024e**</u>
Net cash provided by operating activities	1,408,521	1,698,229	2,022,492	2,126,817	2,350,000
Plus/(less): Change in book overdraft	1,096	(367)	(1,076)	(790)	-
Plus: Proceeds from disposal of assets	19,084	42,768	30,676	31,581	-
(Less): Capital Expenditures for Property & Equipment	(597,053)	(744,315)	(912,677)	(934,000)	(1,150,000)
Adjustments:					
Payment of contingent consideration recorded in earnings	10,371	520	2,982	-	-
Cash received for divestitures	(10,673)	(17,118)	(5,671)	(6,194)	-
Transaction-related expenses	9,803	30,771	30,825	5,519	-
Pre-existing Progressive Waste share-based grants	5,770	397	286	1,285	-
Executive separation costs	-	-	-	1,686	-
Tax Effect	(5,021)	(1,287)	(2,993)	(1,772)	-
Adjusted Free Cash Flow*	841,898	1,009,598	1,164,844	1,224,132	1,200,000
Revenues	5,445,990	6,151,361	7,211,859	8,021,951	8,750,000
Adjusted EBITDA *	1,661,984	1,919,158	2,220,652	2,522,956	2,860,000
Adjusted Free Cash Flow* as % of Adjusted EBITDA*	50.7%	52.6%	52.5%	48.5%	42.0%

*Adjusted free cash flow, free cash flow as % of revenue and adjusted EBITDA, non-GAAP financial measures, are provided supplementally because they are widely used by investors as valuation and liquidity measures. Other companies may calculate these metrics differently.

**2024e based on February 2024 outlook.



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