



WASTE CONNECTIONS
Connect with the Future[®]

Investor Presentation
March 2023

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 2023 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



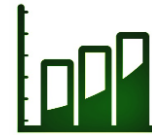
Third largest solid waste company in North America



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



> 22,000 employees

~\$8.050 billion revenue*

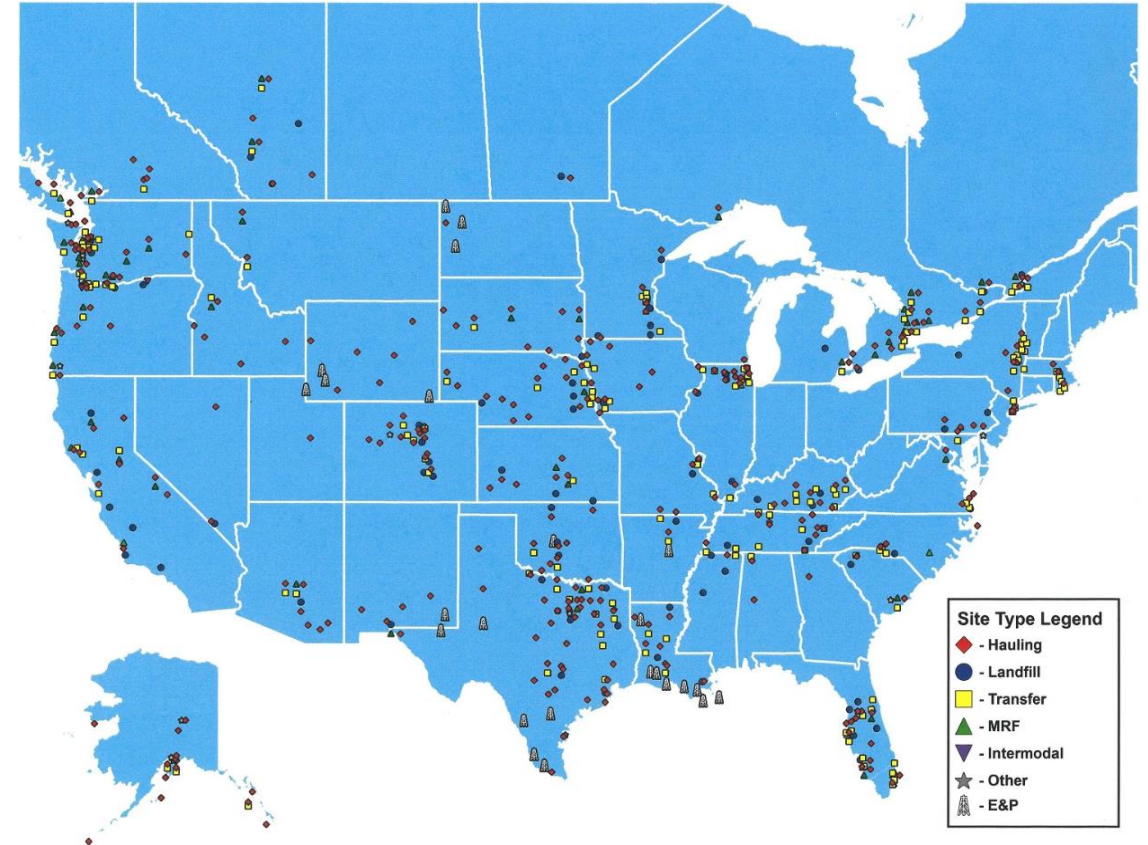
~\$2.500 billion adjusted EBITDA*

~\$1.225 billion adjusted free cash flow*

~\$17 billion assets

~\$40 billion enterprise value

Revenues: 87% U.S. and 13% Canada



Footprint across 43 U.S. states and 6 Canadian provinces



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



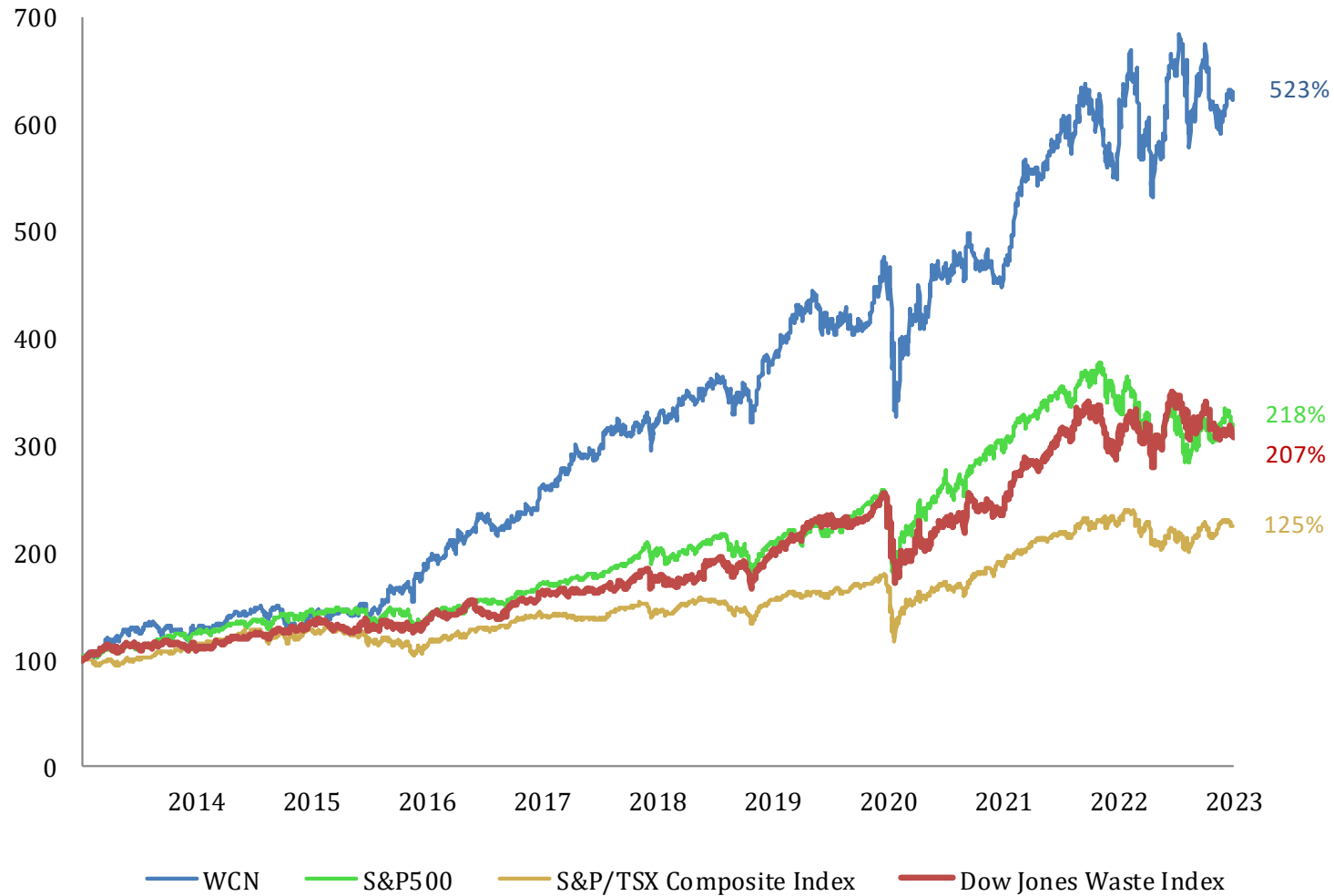
Market Selection Strategy

- 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

523% 10-Year TSR

~2.5x the returns of the DJ Waste Index

2.4x the returns of the S&P500

~4.2x 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

2022 Sustainability Report

- Net Carbon Benefit => already beyond Net Zero, with operational offsets exceeding emissions by 3.4x
- Details provided at hub => Waste Connections Sustainability
 - Achieved absolute reduction in emissions and two-year reduction in emissions intensity of 18%
 - Expanded disclosure including Task Force on Climate-Related Financial Disclosures (TCFD) and Environmental Justice (EJ) and established emissions reduction targets

15-Year ESG Targets



EMISSIONS
15% ↓

Reduction in Scope 1 and 2 emissions



Continuous improvement in emissions intensity



RECYCLING
50% ↑

Increase resources recovered by at least 50%



INCIDENT RATE
25% ↓

Reduction in Incident Rate



BIOGAS RECOVERY
40% ↑

Increase biogas recovery by at least 40%



VOLUNTARY TURNOVER
↓
Continuous improvement in Voluntary Turnover scores



LEACHATE
50% ↑

Process at least 50% of Leachate on-site



SERVANT LEADERSHIP
↑
Continuous improvement in Servant Leadership scores

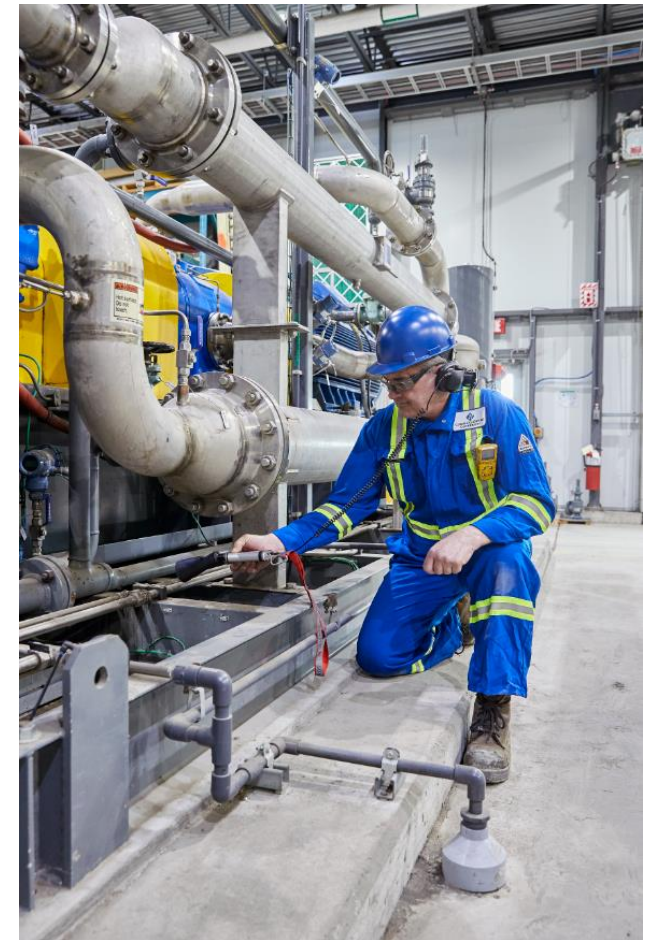


SUSTAINABILITY-LINKED INVESTMENTS



\$200 million investment in RNG facilities => \$200mm EBITDA in 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:
 - Near-term (2-4 years): 10 projects in development
 - Combination of new facilities and conversion of electrical generating facilities
 - Equity structure => mixture of partnerships (~2/3) and WCN ownership (~1/3)
 - Approximately \$200mm investment for comparable annual EBITDA by 2026
 - Upside potential from Inflation Reduction Act
- Additionally, two recycling facilities under construction => on line by 2024
 - Benefits from enhanced optical sorters and robotics => labor savings and improved output quality



TECHNOLOGY AND SUSTAINABILITY INITIATIVES



Environmental-focused Technology

- Robotics at recycling facilities
- Self-contained, on-site landfill leachate treatment
- Evaluating electric vehicles (EV)

Employee-focused Technology

- Safety
 - AI-driven “next-generation” truck camera systems
 - Enhanced safety features in fleet design
- Employee Engagement
 - Company-wide connectivity
 - Learning Management System (LMS) for training & development

ENVIRONMENTAL

ROBOTICS



EVAPORATORS



ELECTRIC VEHICLES

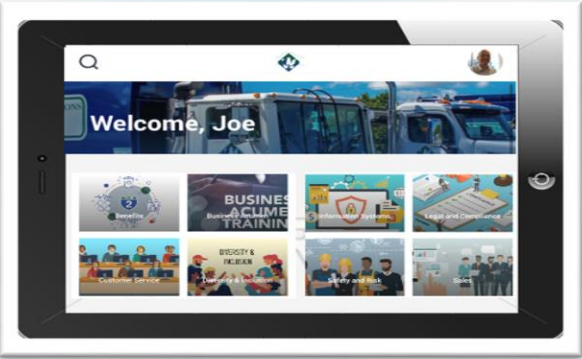


SOCIAL

CONNECTIVITY



EMPLOYEE DEVELOPMENT



CAMERA TELEMATICS

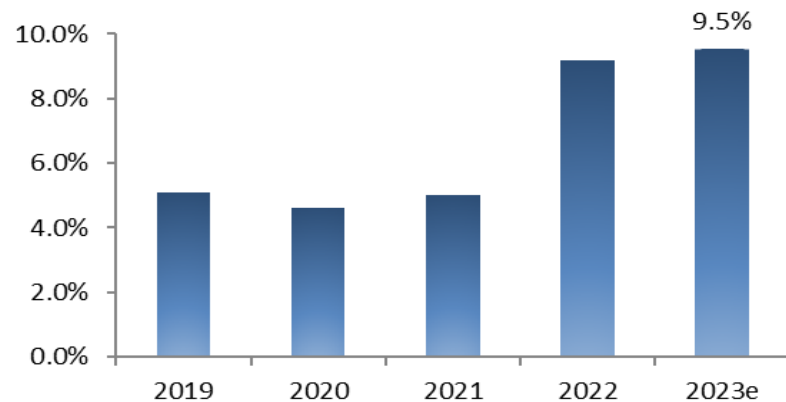


FINANCIAL DISCUSSION

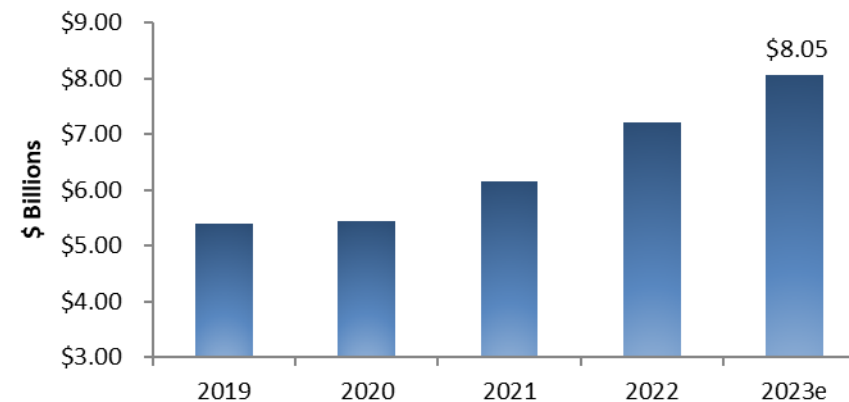
WCN: FINANCIAL HIGHLIGHTS



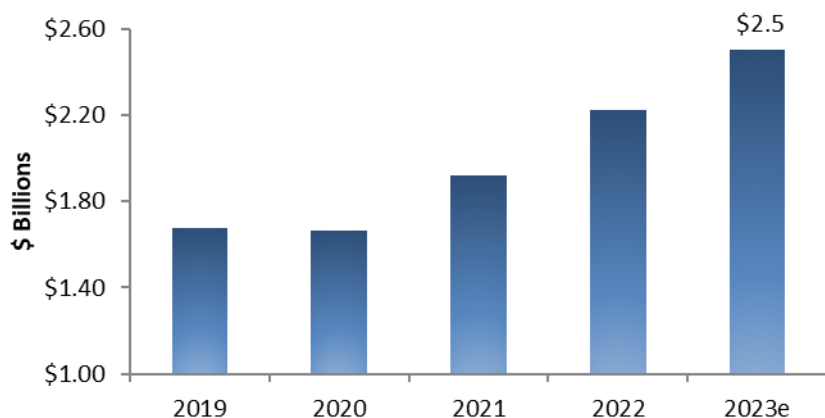
Price



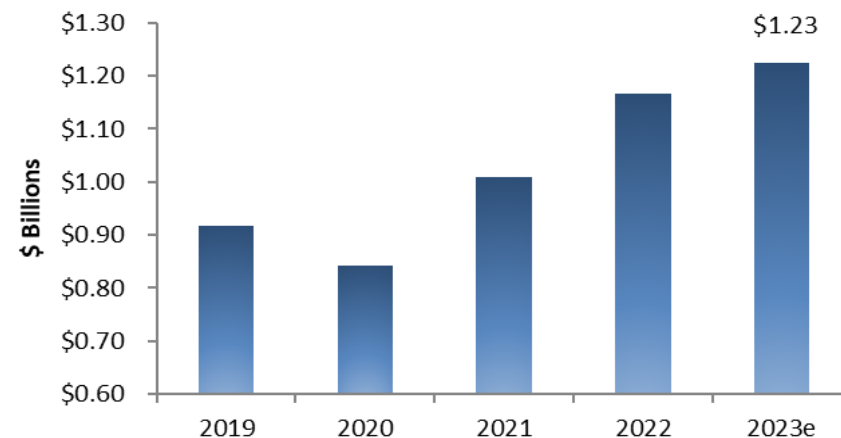
Revenue



Adjusted EBITDA *



Adjusted Free Cash Flow *



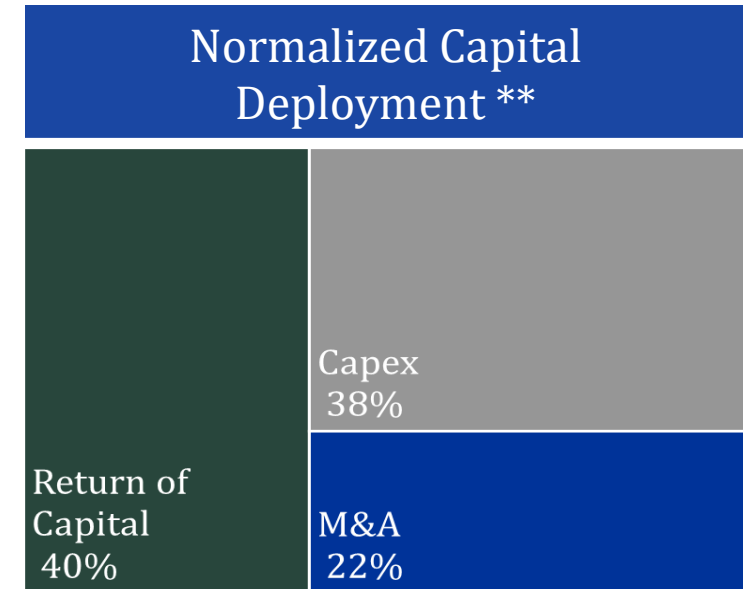
*A non-GAAP measure; see appendix for reconciliation tables; 2023e based on February 2023 outlook.

CAPITAL ALLOCATION

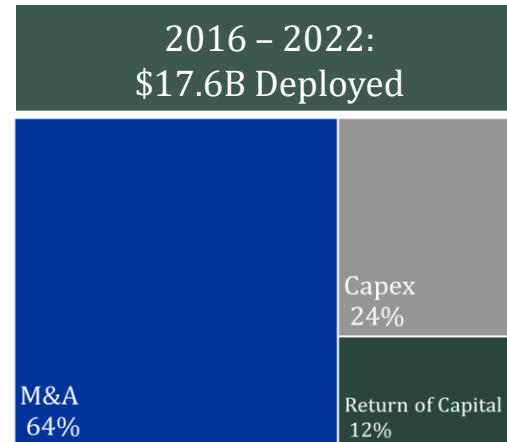
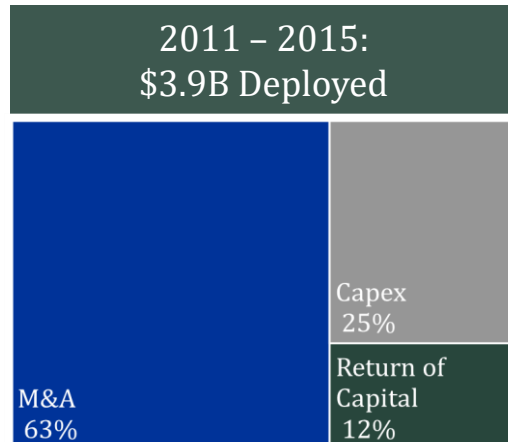
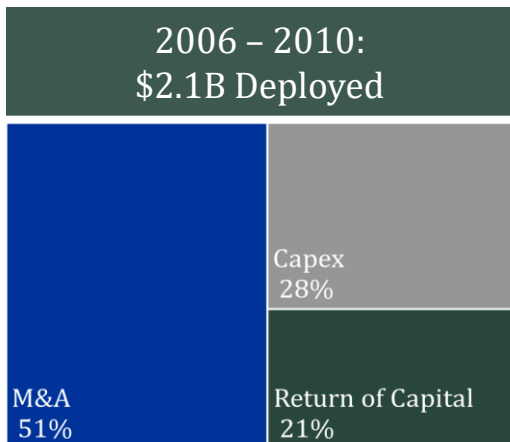


Robust Free Cash Flow and low leverage provide flexibility for continued M&A and increased return of capital

- Leverage of ~2.9 times debt to EBITDA*
- M&A: market-driven strategy with cash returns focus
 - Recent period of outsized activity
- Return of Capital
 - Dividend => ~15% CAGR since initiation in 2010
 - Opportunistic approach to share repurchases
- Over \$1B in prepayable debt => optionality in higher interest rate environment



- Acquisitions of ~\$150mm annualized revenue expected in average year
- Expected higher value creation per capital dollar deployed in more normalized environment



*Compliance debt divided by compliance EBITDA.

**Potential normalized capital deployment based on typical expected level of acquisition activity.

FULL YEAR 2022 HIGHLIGHTS



Financial Metrics *

- Revenue: \$7.212 billion, up \$1,060mm or 17.2% YoY
 - Up 8.3% excluding acquisitions of \$552mm
 - Solid waste price + volume growth of 8.1%
 - E&P up \$72mm YoY or 57.3%
- Adjusted EBITDA: \$2.221 billion
 - Up \$301mm, or 15.7% YoY
- Adj EBITDA margin of 30.8%
 - Up YoY excluding impact of acquisitions
 - Overcame higher fuel, wages, record inflation and 70% decline in recycled commodity values in 2H'22
- Adjusted Free Cash Flow: \$1.165 billion, or 16.2% of revenue
 - Up 15.4% YoY in spite of 23% capex increase

Other Observations

- Deployed >\$2.3 billion for solid waste acquisitions with activity across all regions
 - 24 acquisitions => ~ \$640mm of annualized revenue
- Increased return of capital to shareholders by 20% YoY to \$668mm
 - Opportunistic share buybacks => ~1% of float
 - 10.9% dividend increase
- Ended 2022 with leverage of ~2.9x in spite of deploying ~\$3.9 billion toward growth and return of capital

*see appendix for non-GAAP reconciliation tables.

**Compliance debt, net of cash, divided by compliance EBITDA.

FULL YEAR 2023 OUTLOOK



Financial Metrics

- Revenue: \$8.050 billion
 - Up \$837mm YoY or 11.6%
 - Pricing: ~+9.5%, essentially all core
 - Volumes: Flat to down 1%
 - Includes \$350mm from deals completed or 5%
 - Assumes no improvement in recovered commodities at multi-year lows => ~\$100mm drag
- Adjusted EBITDA: ~\$2.500 billion
 - Up \$278mm YoY or +12.6%
- Adjusted EBITDA Margin: 31.1%
 - Up 30bps YoY, or +130bps excluding recovered commodity impact (100bps)
- Adjusted Free Cash Flow: \$1.225 billion
 - Capex of \$925mm => includes \$50mm in fleet from 2022 due to manufacturer delays

Other Observations

- Price visibility => +9.5% in 2023 with 75% in place or known by February
 - Lagging CPI escalators benefit 2023
- Deal pipeline remains active with ~\$40mm closed YTD
- Cash flow and low leverage offers flexibility toward future capital deployment
- Sustainability-related project pipeline expanding with addition of one large RNG facility
 - Capex includes \$75-85mm of sustainability spend
- ***Upside to guidance from moderation in inflation, increases in recovered commodity values, improvement in E&P waste activity or additional acquisitions***

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 >5,800% from IPO in 1998 through 2022





NON-GAAP RECONCILIATION TABLES

NON-GAAP ADJUSTED EBITDA RECONCILIATION SCHEDULE

(in thousands, except share and per share amounts)

Adjusted EBITDA*	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023e**</u>
Net income attributable to Waste Connections	546,871	566,841	204,677	618,047	835,662	961,000
Plus/(less): Net Inc. (exp.) attributable to noncontrolling interests	283	(160)	(685)	442	339	1,000
Plus: Income tax provision	159,986	139,210	49,922	152,253	212,962	271,000
Plus: Interest Expense	132,104	147,368	162,375	162,796	202,331	255,000
Less: Interest Income	(7,170)	(9,777)	(5,253)	(2,916)	(5,950)	-
Plus: Depreciation and Amortization	680,487	743,918	752,404	813,009	918,960	995,000
Plus: Closure and post-closure accretion	12,997	14,471	15,095	14,497	16,253	17,000
Plus: Loss on early extinguishment of debt	-	-	-	115,288	-	-
Plus: Impairments and other operating items	20,118	61,948	466,718	32,316	18,230	-
(Less)/plus: Other expense (income), net	170	(5,704)	1,392	(6,285)	(3,154)	-
Adjustments:						
Plus: Transaction-related expenses	8,607	12,335	9,803	11,318	24,933	-
Plus: Fair value changes to equity awards	9,205	3,104	5,536	8,393	86	-
Plus: Integration-related and other expenses	2,760	-	-	-	-	-
Adjusted EBITDA*	1,566,418	1,673,554	1,661,984	1,919,158	2,220,652	2,500,000
Revenues	4,922,941	5,388,679	5,445,990	6,151,361	7,211,859	8,050,000
Adjusted EBITDA* as % of Revenues	31.8%	31.1%	30.5%	31.2%	30.8%	31.1%

*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.

**2023e based on February 2023 outlook.

NON-GAAP ADJUSTED FREE CASH FLOW RECONCILIATION SCHEDULE

(in thousands, except share and per share amounts)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023**</u>
Adjusted Free Cash Flow*						
Net cash provided by operating activities	1,411,235	1,540,547	1,408,521	1,698,229	2,022,492	2,120,000
Plus/(less): Change in book overdraft	(839)	(2,564)	1,096	(367)	(1,076)	-
Plus: Proceeds from disposal of assets	5,385	3,566	19,084	42,768	30,676	30,000
(Less): Capital Expenditures for Property & Equipment	(546,145)	(634,406)	(597,053)	(744,315)	(912,677)	(925,000)
(Less): Distributions to noncontrolling interests	(103)	(570)	-	-	-	-
Adjustments:						
Payment of contingent consideration recorded in earnings	11	-	10,371	520	2,982	-
Cash received for divestitures	(2,030)	(2,376)	(10,673)	(17,118)	(5,671)	-
Transaction-related expenses	8,607	12,335	9,803	30,771	30,825	-
Integration-related and other expenses	2,760	-	-	-	-	-
Pre-existing Progressive Waste share-based grants	5,772	4,810	5,770	397	286	-
Tax Effect	(4,752)	(4,565)	(5,021)	(1,287)	(2,993)	-
Adjusted Free Cash Flow*	879,901	916,777	841,898	1,009,598	1,164,844	1,225,000
Revenues	4,922,941	5,388,679	5,445,990	6,151,361	7,211,859	8,050,000
Adjusted EBITDA *	1,566,418	1,673,554	1,661,984	1,919,158	2,220,652	2,500,000
Adjusted Free Cash Flow* as % of Adjusted EBITDA*	56.2%	54.8%	50.7%	52.6%	52.5%	49.0%

*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.

**2023e is based on February 2023 outlook.



WASTE CONNECTIONS
Connect with the Future®

PRINCIPAL ADMINISTRATIVE OFFICES

3 Waterway Square Place, Suite 110
The Woodlands, TX 77380
(832) 442-2200

INVESTOR RELATIONS

Mary Anne Whitney, EVP - CFO
Phone: (832) 442-2253
maryanne@wasteconnections.com

Joe Box, Director of Finance
Phone: (832) 442-2153
joe.box@wasteconnections.com

<https://investors.wasteconnections.com/>