



WASTE CONNECTIONS
Connect with the Future[®]

Investor Presentation
September 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



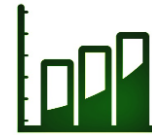
Third largest solid waste company in North America



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



~ 24,000 employees

~\$8.850 billion revenue*

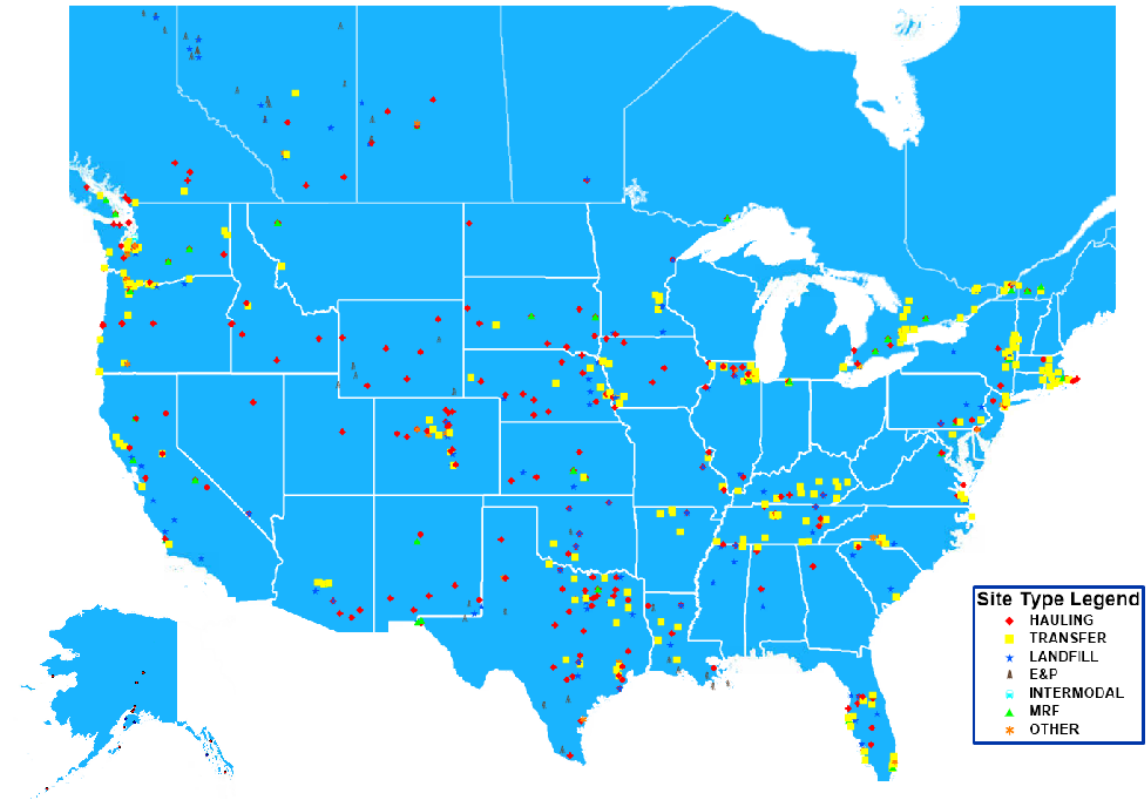
~\$2.900 billion adjusted EBITDA*

~\$1.200 billion adjusted free cash flow*

~\$19 billion assets

~\$55 billion enterprise value

Revenues: 86% U.S. and 14% Canada



Footprint across 46 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



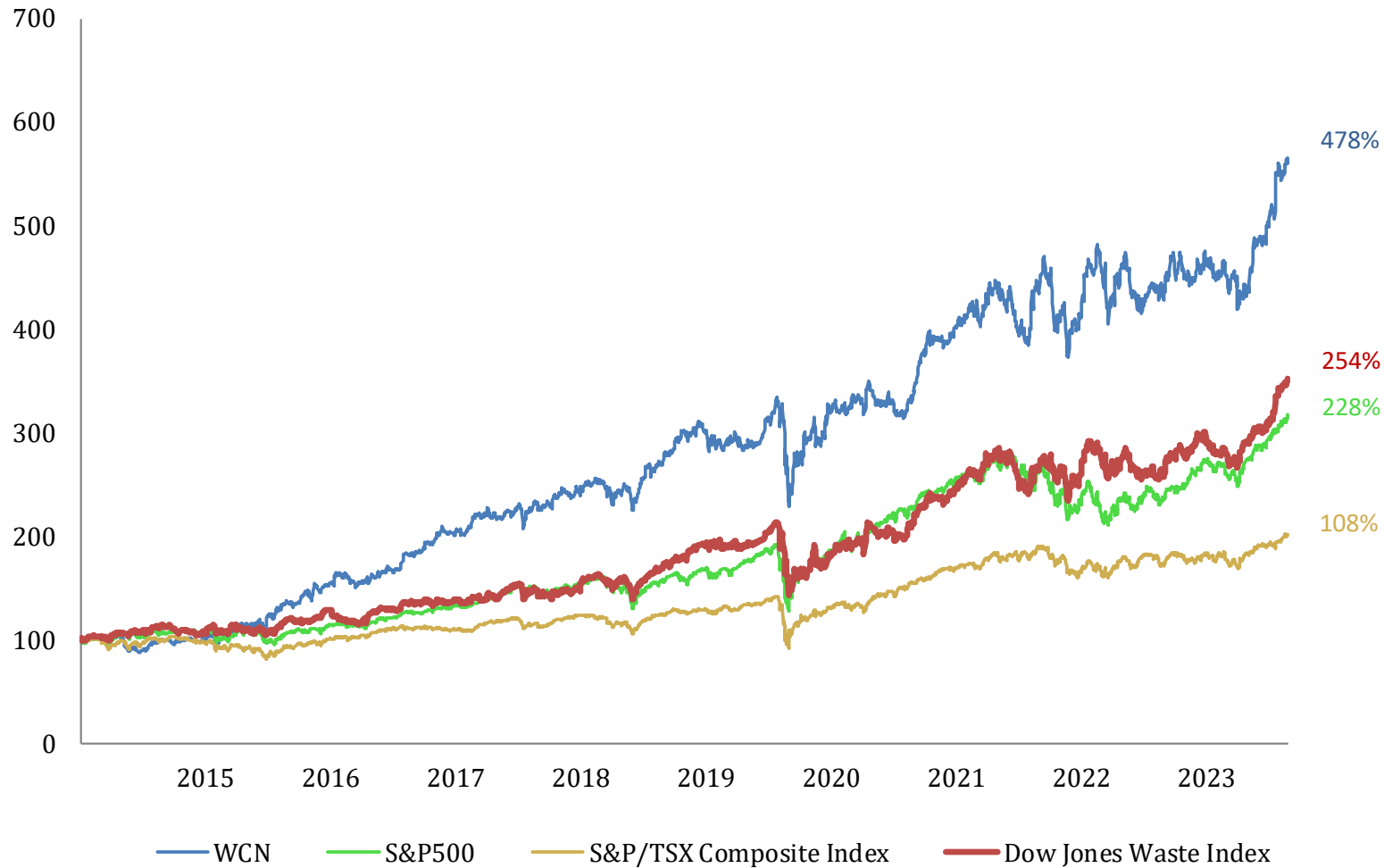
Market Selection Strategy

- 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

478% 10-Year TSR

~1.9x the returns of the DJ Waste Index

~2.1x the returns of the S&P500

~4.4x 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

- ~40% reduction in Scope 1 and 2 emissions intensity from 2019 baseline
- 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



~\$200mm incremental annual EBITDA from RNG investments

- 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 and expected to commence operations by 2026
 - Combination of new facilities and conversion of electrical generating facilities
 - Equity structure => mixture of partnerships (~2/3) and WCN ownership (~1/3)
 - \$200mm plus investment with potential offsets from Investment Tax Credits
- Ongoing investments in recycling facilities
 - Benefits from enhanced optical sorters and robotics => labor savings and improved output quality
- Addressing evolving opportunities around PFAS capture and removal
 - Introducing technology at several landfills to decrease reliance on third parties and expand capabilities to process landfill leachate



TECHNOLOGY AND TURNOVER-RELATED INITIATIVES



Operational Technologies

- Robotics and optical sorters at recycling facilities
- Foam fractionation units at landfills to capture PFAS
- Currently testing electric vehicles (EV)
- AI technology to measure commercial overloads

People & Training

- Opening two in-house driving academies and partnership with diesel-tech school
- AI-based e-learning modules
- AI-driven, camera-based telematics in fleet for safety

OPERATIONAL TECH

ROBOTICS



PFAS CAPTURE



ELECTRIC VEHICLES

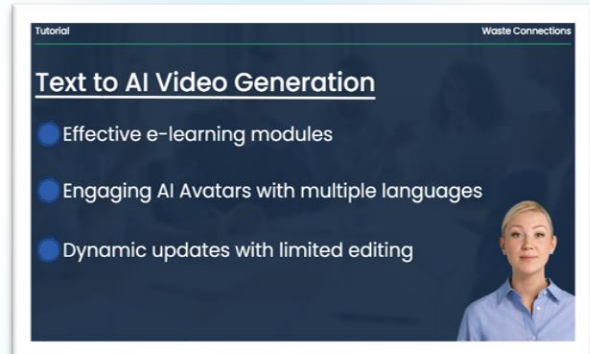


PEOPLE & TRAINING

IN HOUSE TRAINING



AI TRAINING MODULES



CAMERA TELEMATICS

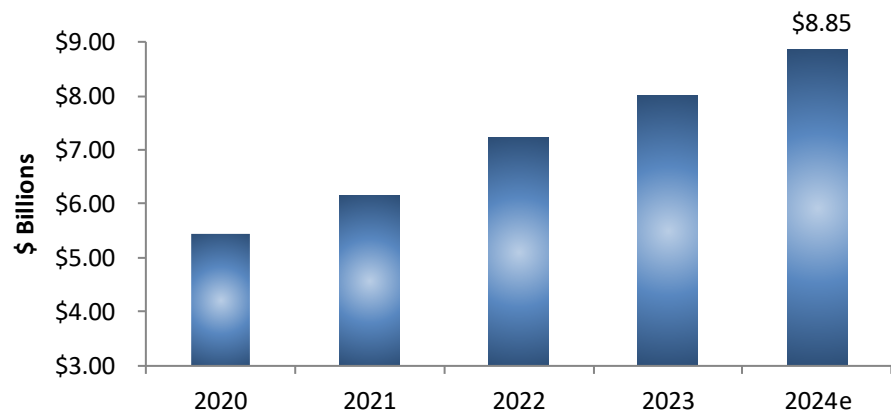


FINANCIAL DISCUSSION

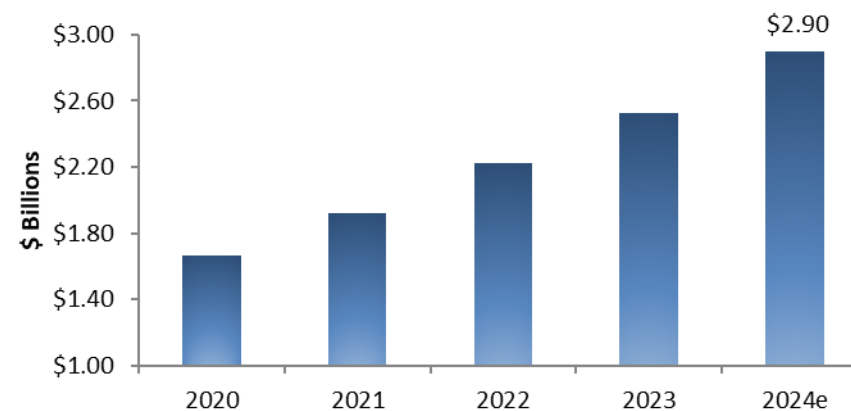
WCN: FINANCIAL HIGHLIGHTS



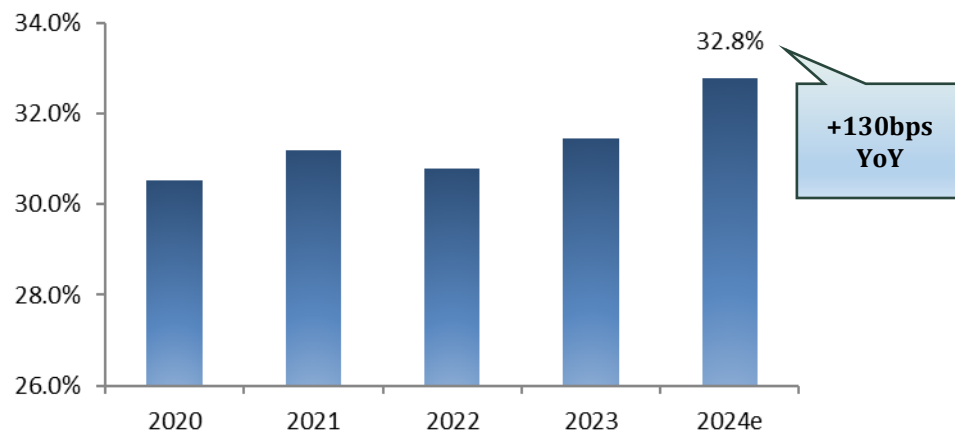
Revenue



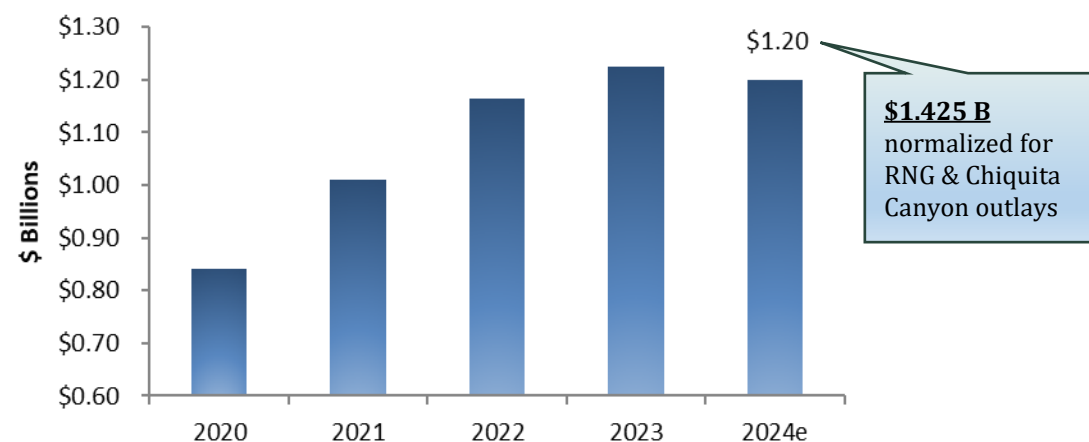
Adjusted EBITDA*



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 July 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
 - Revenue pipeline >\$5B in exclusive/franchise and secondary/rural markets that meet criteria
 - Return of capital
 - Continued growth of cash dividend => 14% CAGR since 2010 initiation
 - Opportunistic share repurchases

Recent outsized M&A with continued low leverage*

- Since 2020:
 - ~\$6 billion of cash outlays
 - ~100 acquisitions completed
 - Net leverage ratio* < 2.7x
- If/when M&A environment normalizes** => increased opportunistic share repurchases, accelerated ROIC improvement

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

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

1H 2024 HIGHLIGHTS



Financial Metrics

- Revenue: \$4.321 billion, up \$400mm or +10.2% YoY
- Adjusted EBITDA: \$1.382 billion, up \$187mm or +15.6% YoY
- Adjusted EBITDA margins: 32.0%, up 150bps YoY
- YTD closed acquisitions with ~\$500mm of annualized revenue
 - Plus, \$150mm of acquisitions signed under definitive agreement expected to close in 2H '24
 - \$150mm NOT included in updated outlook

Other Observations

- Momentum for continued outperformance from:
 - Continuing improvement in employee turnover and safety-related metrics
 - Deployed ~ \$1.5 billion towards acquisitions YTD
 - Net EBITDA leverage** <2.7x => flexibility to fund additional acquisitions and return of capital

*2024e reflects July 2024 Outlook.

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

INCREASED 2024 FINANCIAL OUTLOOK



Updated 2024 Guidance – July

- Raised 2024 Revenue, EBITDA and margin outlook* by \$100mm, \$40mm and 10bps, respectively to:
 - Revenue: \$8.850 billion, up \$828mm YoY or 10.3%
 - Adj. EBITDA: ~\$2.900 billion, up \$377mm YoY or +14.9%
 - Adj. EBITDA Margin: 32.8%, up 130bps YoY
 - 33.5% implied 2H'24 adj. EBITDA margins => strong jumping off point for 2025
 - Adj. Free Cash Flow: \$1.200 billion, including incremental outlays of \$225mm for RNG and Chiquita-related costs
- *Upside from further acquisitions closed, abating inflationary pressures, and any improvement in commodity-driven revenues, including from a quicker than expected ramp in new RNG projects*



*2024e reflects July 2024 Outlook.

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

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)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024e**</u>	<u>Six Months Ended</u>	
						<u>2023</u>	<u>2024</u>
Adjusted EBITDA*							
Net income attributable to Waste Connections	204,677	618,047	835,662	762,800	1,087,000	407,021	505,531
Plus/(less): Net Inc. (exp.) attributable to noncontrolling interests	(685)	442	339	26	(1,003)	(15)	(1,003)
Plus: Income tax provision	49,922	152,253	212,962	220,675	318,672	122,940	139,996
Plus: Interest Expense, net	157,122	159,880	196,381	265,292	318,000	131,845	154,804
Plus: Depreciation and Amortization	752,404	813,009	918,960	1,003,211	1,130,000	495,715	548,334
Plus: Closure and post-closure accretion	15,095	14,497	16,253	19,605	28,000	9,087	15,492
Plus: Loss on early extinguishment of debt	-	115,288	-	-	-	-	-
Plus: Impairments and other operating items	466,718	32,316	18,230	238,796	8,544	12,724	8,544
Plus/(Less): Other expense (income), net	1,392	(6,285)	(3,154)	(12,481)	(7,823)	(2,974)	(7,823)
Adjustments:							
Plus: Transaction-related expenses	9,803	11,318	24,933	10,653	17,103	3,905	17,103
Plus/(Less): Fair value changes to equity awards	5,536	8,393	86	(1,726)	1,507	445	1,507
Plus: Executive separation costs	-	-	-	16,105	-	15,063	-
Adjusted EBITDA*	1,661,984	1,919,158	2,220,652	2,522,956	2,900,000	1,195,756	1,382,485
Revenues	5,445,990	6,151,361	7,211,859	8,021,951	8,850,000	3,921,598	4,320,819
Adjusted EBITDA* as % of Revenues	30.5%	31.2%	30.8%	31.5%	32.8%	30.5%	32.0%

*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 July 2024 outlook.

NON-GAAP ADJUSTED FREE CASH FLOW RECONCILIATION SCHEDULE

(in thousands, except share and per share amounts)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024e**</u>	<u>Six Months Ended</u>	
						<u>2023</u>	<u>2024</u>
Adjusted Free Cash Flow*							
Net cash provided by operating activities	1,408,521	1,698,229	2,022,492	2,126,817	2,337,085	1,016,712	1,101,687
Plus/(less): Change in book overdraft	1,096	(367)	(1,076)	(790)	1,350	(234)	1,350
Plus: Proceeds from disposal of assets	19,084	42,768	30,676	31,581	2,997	3,819	2,997
(Less): Capital Expenditures for Property & Equipment	(597,053)	(744,315)	(912,677)	(934,000)	(1,150,000)	(394,143)	(387,170)
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	8,680	2,264	8,680
Pre-existing Progressive Waste share-based grants	5,770	397	286	1,285	1,131	841	1,131
Executive separation costs	-	-	-	1,686	1,670	1,686	1,670
Tax Effect	(5,021)	(1,287)	(2,993)	(1,772)	(2,913)	(990)	(2,913)
Adjusted Free Cash Flow*	841,898	1,009,598	1,164,844	1,224,132	1,200,000	629,955	727,432
Revenues	5,445,990	6,151,361	7,211,859	8,021,951	8,850,000	3,921,598	4,320,819
Adjusted EBITDA *	1,661,984	1,919,158	2,220,652	2,522,956	2,900,000	1,195,756	1,382,485
Adjusted Free Cash Flow* as % of Adjusted EBITDA*	50.7%	52.6%	52.5%	48.5%	41.4%	52.7%	52.6%

*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 July 2024 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, Vice President – Investor Relations
Phone: (832) 442-2153
joe.box@wasteconnections.com

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