



WASTE CONNECTIONS
Connect with the Future®

Investor Presentation
June 2021

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 press release 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 press release include, but are not limited to, statements about expected 2021 financial results, outlook and related assumptions, potential growth and margin expansion, potential acquisition activity and return of capital to shareholders. 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 press release. Waste Connections undertakes no obligation to update the forward-looking statements set forth in this press release, 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



Leading adjusted EBITDA margins, free cash flow conversion and safety performance



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



Sector-leading shareholder returns; ten consecutive years of double-digit percentage per share dividend growth



\$500 million commitment towards achieving ESG targets driving value creation

WASTE CONNECTIONS: AT A GLANCE



~19,000 employees

~\$5.8 billion revenue*

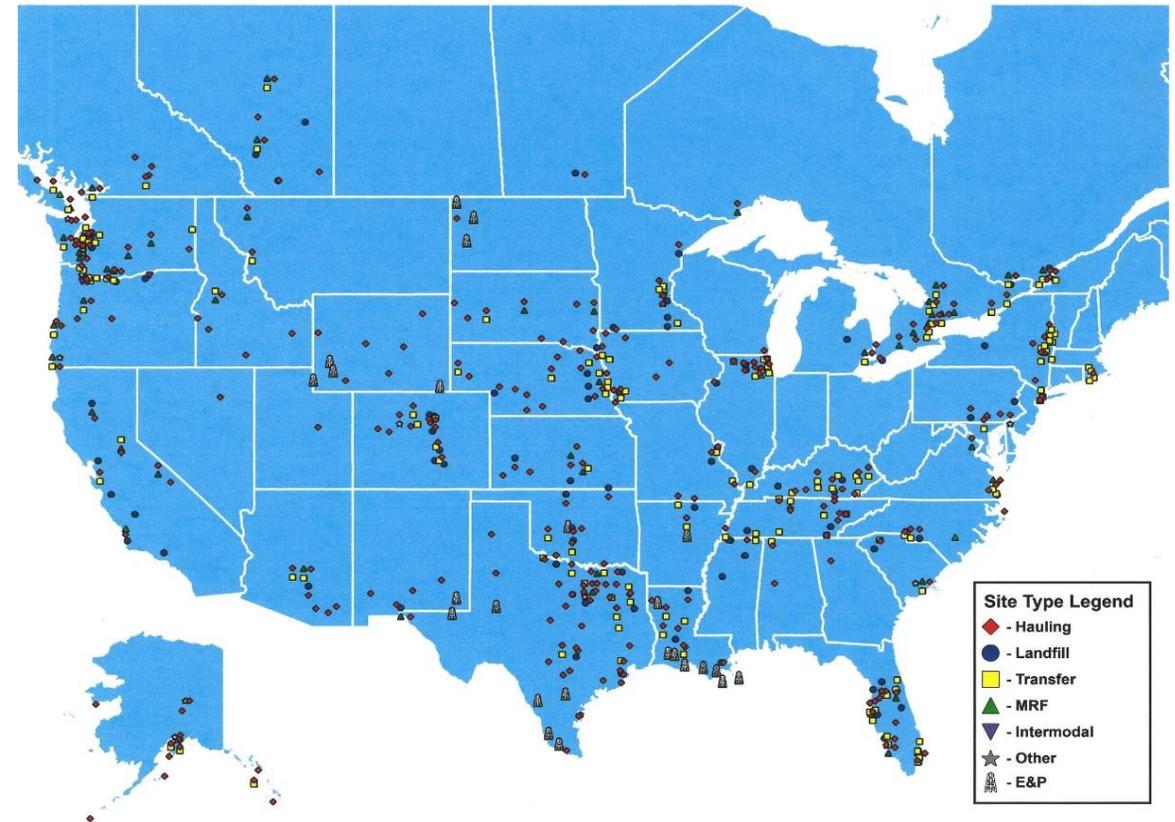
~\$1.8 billion adjusted EBITDA*

~\$950 million adjusted free cash flow*

~\$14 billion assets

~\$36 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



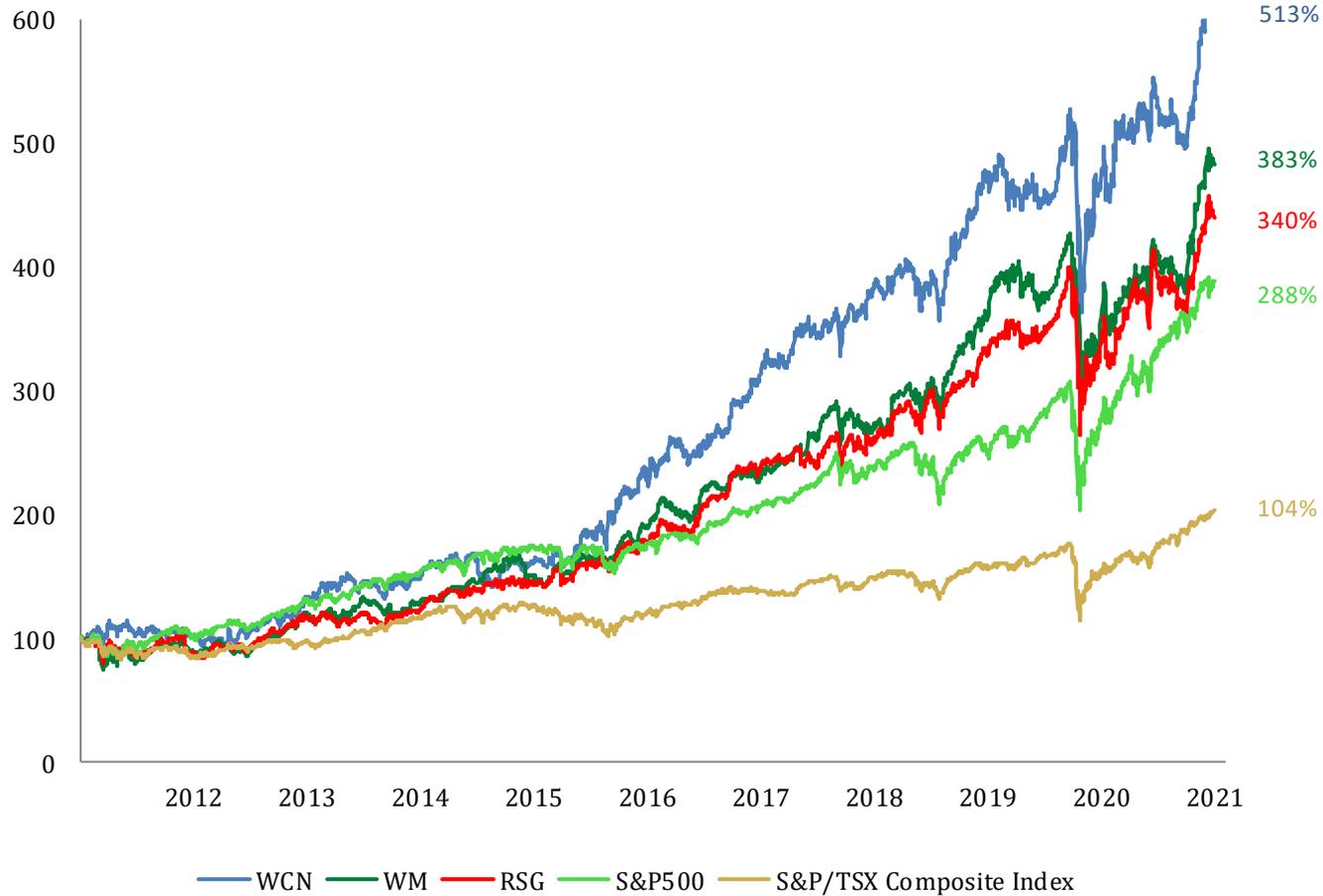
Market Selection Strategy

- 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

~1.4x the average returns of WM & RSG

~1.8x the returns of the S&P500

~4.9x the returns of the TSX60

DIFFERENTIATED COVID-19 RESPONSE



Top priority: protecting employee health, safety and welfare

- Implemented protocols and operational changes
- Established safety net for employee income and family health

\$35 million in COVID-19 costs primarily to support frontline employees

- Bonus payments and supplemental wages to frontline employees
- Increased minimum hourly wage target to \$15 per hour
- Maintained pay for employees impacted directly or indirectly by COVID, including childcare
- Covered COVID-19-related testing and medical costs
- Expanded access to Employee Relief Fund
- Launched WCN Scholarship Program

Robust community support including increased charitable donations

- Support to food banks, families at risk and organizations addressing racial inequities
- Provided meals to healthcare workers and donations of PPE



SUSTAINABILITY: ESG TARGETS*



ESG efforts consistent with long-term value creation

- \$500 million commitment towards achievement of long-term targets
- Targets reflect sustainability priorities, including:
 - Increased offsets to emissions through greater resource recovery
 - Expanded recycling and biogas generation
 - Reduced reliance on third-party leachate disposal
 - Further improvements in safety, employee engagement and retention



15-Year ESG Targets



*To learn more, please visit:

<https://www.wasteconnections.com/sustainability>

TECHNOLOGY AND SUSTAINABILITY INITIATIVES



Environmental-focused Technology

- Robotics at recycling facilities
- On-site landfill leachate treatment
- Evaluating electric vehicles (EV) potential

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

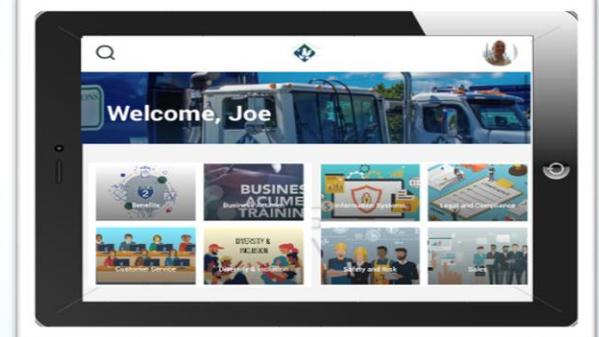


SOCIAL

CONNECTIVITY



EMPLOYEE DEVELOPMENT



CAMERA TELEMATICS

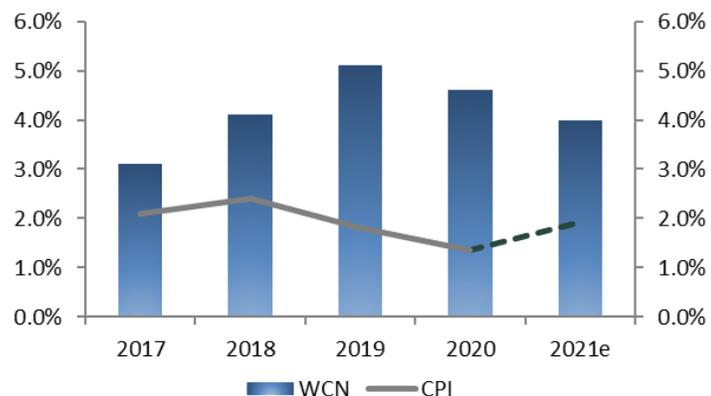


FINANCIAL DISCUSSION

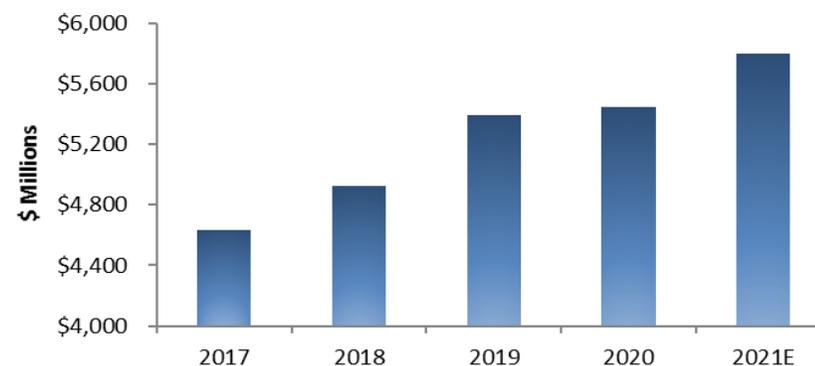
WCN: FINANCIAL HIGHLIGHTS



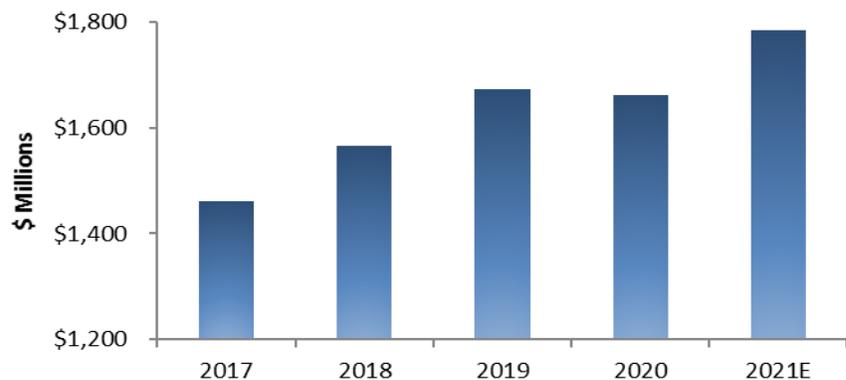
Price



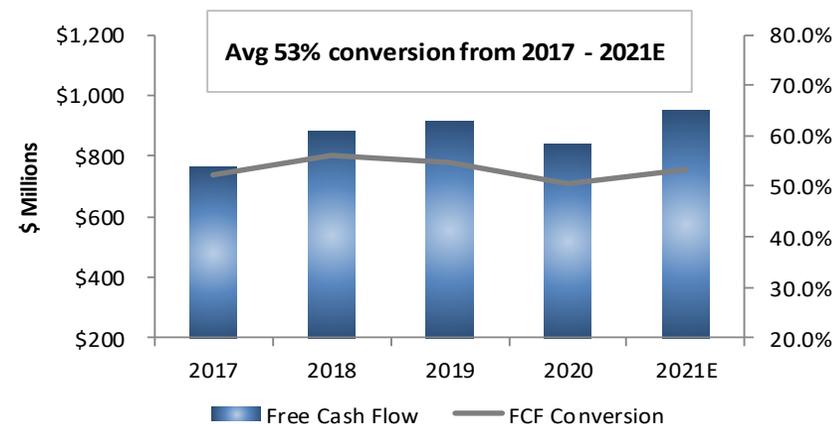
Revenue



Adjusted EBITDA *



Adjusted Free Cash Flow *



*A non-GAAP measure; see appendix for reconciliation tables; 2021e based on February 2021 outlook; CPI Source: OECD

CAPITAL ALLOCATION



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

- M&A: market driven strategy with focus being cash on cash return
- Recent period of outsized activity; typical year represents ~\$125-\$150mm of acquired revenue
- Stock repurchases: opportunistic approach that could become greater portion of capital deployment
- Dividend: over 15% CAGR since initiation in 2010 with visibility on continued growth
- Looking ahead: expected higher dollar of value creation per capital dollar deployed

2006 – 2010: \$2.1B Deployed		2011 – 2015: \$3.9B Deployed		2016 – 2020: \$11.3B Deployed		2021 – 2025 Theoretical Capital Deployment *	
M&A 51%	Return of Capital 21%	M&A 63%	Return of Capital 12%	M&A 69%	Return of Capital 8%	Capex 38%	M&A 25%
	Capex 28%		Capex 25%		Capex 23%		Return of Capital 37%

*Theoretical capital deployment based on typical acquisition activity

2020 HIGHLIGHTS



Financial Metrics

- Revenue: \$5.446 billion
 - Price: +4.3%
 - Volume: (4.8%), with +650bps of sequential improvement 2Q - 4Q
- Adjusted EBITDA: \$1.662 billion or 30.5%
 - Solid waste margins up ~90bps YoY
 - Including ~70bps impact from incremental discretionary COVID-related costs (primarily frontline pay)
- Adjusted Free Cash Flow: \$842 million or 15.5% of revenue
 - ~50.7% conversion of adj. FCF to adj. EBITDA

Capital Deployment

- Acquisitions accelerated in 4Q, closing deals with \$115 million of annualized revenue
 - \$180 million of total acquired revenue in 2020
- Returned over \$300 million of capital to shareholders
 - Increased quarterly dividend by 10.8% in October
 - Completed \$105 million in share repurchases

Q1 2021 HIGHLIGHTS



Financial Metrics

- Revenue: \$1.396 billion, up \$44mm or 3.2% YoY
 - Price: +4.5% core less 30bps of fuel surcharges
 - Volume: (3.2%), 100bps sequential improvement adjusting for leap year and weather impact
- Adjusted EBITDA: \$433 million or 31.0%
 - Margins up 80bps YoY
- Adjusted Free Cash Flow: \$290 million or 20.8% positions to comfortably exceed annual outlook

Other Observations

- Solid waste trends improved during the quarter with March volumes inflecting positive, up 2.6% YoY from higher landfill tons, roll off pulls and commercial
 - Expecting 10% solid waste price + volume in Q2
- Resource recovery values above expectations with OCC and RINs at or above expected ranges
- E&P revenue => \$25 million, down 60% YoY or in line with expectations against the most difficult comp in the prior year
- Actively repurchased ~ 1% of shares outstanding through April

2021 OUTLOOK



Q2 2021 (As of April 29th, 2021)

- Revenue: \$1.490 billion, up \$184mm or 14% YoY
 - Solid waste price + volume of approximately 10%, with volume growth of over 5%
 - Commodities/RINs/E&P in line with current
- Adjusted EBITDA: 31.4% or ~ \$468 million
 - Up \$74 million YoY or +120 bps

Full Year 2021 (As of February 18th, 2021)

- Revenue: \$5.800 billion
 - Solid Waste Price and Volume: ~+5.0%
 - Acquisition rollover: ~\$120 million from 2020 deals completed
- Adjusted EBITDA: ~\$1.800 billion, up 7.4% YoY
- Adjusted EBITDA Margin: 31.0%, up 50bps YoY
- Adjusted Free Cash Flow: at least \$950 million
 - Up ~12.8% YoY
- *Outlook as of February 18th will be reviewed in July; with upside from any reopening activity, improvement in economy, or additional acquisitions during the year*

WASTE CONNECTIONS: IN SUMMARY



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

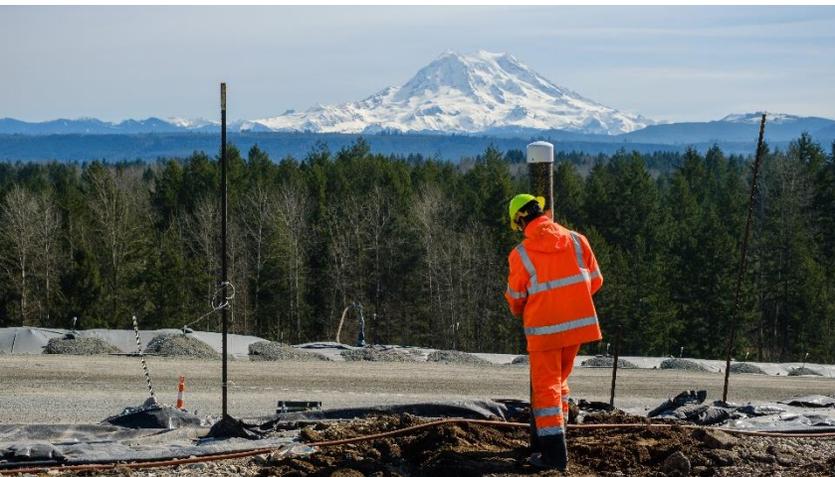
ESG: Integral to our business and consistent with objective to drive value creation

Capital deployment: Track record of value creation

Culture: Culture matters and differentiates

Dividends: Double-digit dividend growth since inception

TSR: 17-consecutive years of positive shareholder returns





NON-GAAP RECONCILIATION TABLES

NON-GAAP ADJUSTED EBITDA RECONCILIATION SCHEDULE

(in thousands, except share and per share amounts)

Adjusted EBITDA*	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021e**</u>
Net income (loss) attributable to Waste Connections	576,817	546,871	566,841	204,677	669,000
Plus/less: Net Inc. (exp.) attributable to noncontrolling interests	603	283	(160)	(685)	-
Plus/less: Income tax provision (benefit)	(68,910)	159,986	139,210	49,922	167,400
Plus: Interest Expense	125,297	132,104	147,368	162,375	162,000
Less: Interest Income	(5,173)	(7,170)	(9,777)	(5,253)	
Plus: Depreciation and Amortization	632,484	680,487	743,918	752,404	786,600
Plus: Closure and post-closure accretion	11,781	12,997	14,471	15,095	15,000
Plus: Impairments and other operating items	156,493	20,118	61,948	466,718	
Less/plus: Other expense (income), net	(1,536)	170	(5,704)	1,392	
Adjustments:					
Plus: Transaction-related expenses	5,700	8,607	12,335	9,803	
Plus: Fair value changes to equity awards	16,357	9,205	3,104	5,536	
Plus: Integration-related and other expenses	10,612	2,760			
Adjusted EBITDA*	1,460,525	1,566,418	1,673,554	1,661,984	1,800,000
Revenues	4,630,488	4,922,941	5,388,679	5,445,990	5,800,000
Adjusted EBITDA* as % of Revenues	31.5%	31.8%	31.1%	30.5%	31.0%

*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.

**2021e based on February 2021 outlook.

NON-GAAP ADJUSTED FREE CASH FLOW RECONCILIATION SCHEDULE

(in thousands, except share and per share amounts)

Adjusted Free Cash Flow*	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021e**</u>
Net cash provided by operating activities	1,187,260	1,411,235	1,540,547	1,408,521	1,575,000
Plus/less: Change in book overdraft	8,241	(839)	(2,564)	1,096	
Plus: Proceeds from disposal of assets	28,432	5,385	3,566	19,084	
Less: Capital Expenditures for Property & Equipment	(479,287)	(546,145)	(634,406)	(597,053)	(625,000)
Less: Distributions to noncontrolling interests		(103)	(570)		
Adjustments:					
Payment of contingent consideration recorded in earnings	10,012	11		10,371	
Cash received for divestitures	(21,100)	(2,030)	(2,376)	(10,673)	
Transaction-related expenses	5,700	8,607	12,335	9,803	
Integration-related and other expenses	10,602	2,760			
Pre-existing Progressive Waste share-based grants	17,037	5,772	4,810	5,770	
Tax Effect	(14,804)	(4,752)	(4,565)	(5,021)	
Adjusted Free Cash Flow*	763,891	879,901	916,777	841,898	950,000
Revenues	4,630,488	4,922,941	5,388,679	5,445,990	5,800,000
Adjusted EBITDA *	1,460,525	1,566,418	1,673,554	1,661,984	1,800,000
Adjusted Free Cash Flow* as % of Adjusted EBITDA*	52.3%	56.2%	54.8%	50.7%	52.8%

*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.

**2021e is based on February 2021 outlook.



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