Casella Waste Systems, Inc.
Investor Meetings
March 2024
Certain matters discussed in this presentation, including, but not limited to, the statements regarding our intentions, beliefs or current expectations concerning, among other things, our financial performance; financial condition; operations and services; prospects; growth; strategies; anticipated impacts from future or completed acquisitions; and guidance for fiscal year 2024, are “forward-looking statements” intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such by the context of the statements, including words such as “believe,” “expect,” “anticipate,” “plan,” “may,” “would,” “intend,” “estimate,” “will,” “guidance” and other similar expressions, whether in the negative or affirmative. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industry and markets in which the Company operates and management’s beliefs and assumptions. The Company cannot guarantee that it actually will achieve the financial results, plans, intentions, expectations or guidance disclosed in the forward-looking statements made. Such forward-looking statements, and all phases of the Company's operations, involve a number of risks and uncertainties, any one or more of which could cause actual results to differ materially from those described in its forward-looking statements.

Such risks and uncertainties include or relate to, among other things, the following: the Company may be unable to adequately increase prices or drive operating efficiencies to adequately offset increased costs and inflationary pressures, including increased fuel prices and wages; it is difficult to determine the timing or future impact of a sustained economic slowdown that could negatively affect our operations and financial results; the closure of the Subtitle D landfill located in Southbridge, Massachusetts (“Southbridge Landfill”) could result in material unexpected costs; the increasing focus on PFAS and other emerging contaminants may lead to increased compliance and remediation costs and litigation risks; adverse weather conditions may negatively impact the Company's revenues and its operating margin; the Company may be unable to increase volumes at its landfills or improve its route profitability; the Company may be unable to reduce costs or increase pricing or volumes sufficiently to achieve estimated Adjusted EBITDA and other targets; landfill operations and permit status may be affected by factors outside the Company's control; the Company may be required to incur capital expenditures in excess of its estimates; the Company's insurance coverage and self-insurance reserves may be inadequate to cover all of its risk exposures; fluctuations in energy pricing or the commodity pricing of its recyclables may make it more difficult for the Company to predict its results of operations or meet its estimates; the Company may be unable to achieve its acquisition or development targets on favorable pricing or at all, including due to the failure to satisfy all closing conditions and to receive required regulatory approvals that may prevent closing of any announced transaction; the Company may not be able to successfully integrate and recognize the expected financial benefits from acquired businesses; and the Company may incur environmental charges or asset impairments in the future.

There are a number of other important risks and uncertainties that could cause the Company's actual results to differ materially from those indicated by such forward-looking statements. These additional risks and uncertainties include, without limitation, those detailed in Item 1A. "Risk Factors" in the Company's most recently filed Form 10-K and in other filings that the Company may make with the Securities and Exchange Commission in the future.

The Company undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.
Solid waste is a recession-resistant, necessary service

Integrated operations, providing collection, recycling, disposal and sustainability solutions for customers

Well-positioned disposal footprint in capacity-constrained Northeast

Strong track record of consistent growth, margin expansion and cash flow generation

Disciplined growth strategy encompassing organic development and significant M&A opportunity, with low leverage and ample liquidity
Where we were...

- Founded in Vermont in 1975, IPO in 1997
- Sustainability in our culture from the beginning
  - Built first recycling facility in 1977
- Began establishing strategic plans and financial goals publicly, focused on core competencies and markets

Where we are...

- Strong team, culture and core values
- Successful execution against strategic plans
- Long track record of financial performance and shareholder returns
  - 5 years: +113% Adjusted EBITDA and 200% TSR
- Growing into contiguous Mid-Atlantic region

Where we’re going...

- Continued organic growth and margin expansion
- Disciplined capital allocation with robust M&A pipeline
- Leveraging technology
Casella at a Glance

Provides integrated solid waste, recycling and resource solution services

- $1.3 billion revenue ($1.5 billion in 2024E)
- Regional company, focused on secondary and tertiary markets of Eastern U.S., with operations in 9 contiguous states

Key Strategies:

1. Increasing landfill returns
2. Driving additional profitability in collection operations
3. Creating incremental value through Resource Solutions
4. Allocating capital to return driven growth
5. Strengthening foundational pillars
   - People
   - Sustainable growth
   - Technology
   - Facilities
Overview of Operations

- 65 Collection Operations
- 29 Recycling Facilities
- 9 Disposal Facilities (1), (2), (3)
- 3 Landfill Gas-to-Energy
- 71 Transfer Stations

**North Country LF**
- No annual cap
- 0.6mm tons capacity

**Clinton LF**
- 250k tons/yr
- 14.0mm tons capacity

**WasteUSA LF**
- 600k tons/yr
- 13.5mm tons capacity

**Ontario LF**
- 918k tons/yr
- 4.4mm tons capacity

**Chemung LF**
- 437k tons/yr
- 13.5mm tons capacity

**Hakes LF**
- 462k tons/yr
- 4.2mm tons capacity

**Juniper Ridge LF**
- No annual cap
- 10.2mm tons capacity

**Hyland LF**
- 465k tons/yr
- 30.0mm tons capacity

**McKean LF** (3)
- 1.6mm tons/yr
- 22.3mm tons capacity

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(1) Includes 8 Subtitle D landfills and 1 landfill permitted to accept construction and demolition materials.  (2) Total disposal capacity includes permitted and permittable airspace estimates at each site as of 12/31/23.  (3) McKean permit allows for a maximum of 6,500 tons per day from either A) up to 6,500 tons per day via rail or B) up to 2,000 tons per day via truck with the remaining daily limit coming by rail; capped at an average of 6,000 tons per day within any calendar quarter.
1. **Strategy: Increasing Landfill Returns**

**Key Strategies:**

- Capitalize on asset positioning in capacity-constrained Northeast market to drive price
- Increase annual and total permitted capacity across footprint
- Increase vertical integration
- Improve landfill operations

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**Landfill Capacity (million tons)**

<table>
<thead>
<tr>
<th>CYE 12/31/19</th>
<th>CYE 12/31/23</th>
</tr>
</thead>
<tbody>
<tr>
<td>44.4</td>
<td>105.1</td>
</tr>
</tbody>
</table>

- Permittable airspace
- Permitted airspace

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**Landfill Price Growth**

- **Average LF Price** (2) is up +9.8% for CYE 12/31/23

<table>
<thead>
<tr>
<th>CYE 12/31/19</th>
<th>CYE 12/31/20</th>
<th>CYE 12/31/21</th>
<th>CYE 12/31/22</th>
<th>CYE 12/31/23</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.2%</td>
<td>7.0%</td>
<td>3.9%</td>
<td>5.0%</td>
<td>8.1%</td>
</tr>
</tbody>
</table>

(1) Includes both permitted and permittable airspace at landfills.
(2) Average landfill price per ton considers all tons and all customers.
Strategy: Increasing Landfill Returns

- 9 Casella disposal facilities (1)
- Other disposal sites (closed)
- Other disposal sites (potential to close)

1. Hyland LF
   - 465k tons/yr
   - 30.0mm tons capacity

2. Ontario LF
   - 918k tons/yr
   - 4.4mm tons capacity

3. Clinton LF
   - 250k tons/yr
   - 14.0mm tons capacity

4. WasteUSA LF
   - 600 tons/yr
   - 13.5mm tons capacity

5. North Country LF
   - No annual cap
   - 0.6mm tons

6. Juniper Ridge LF
   - No annual cap
   - 10.2mm tons capacity

7. Moretown LF
   - 286k tons/yr, Closed 2013

8. Claremont WTE
   - 73k tons/yr, Closed 2013

9. Albany LF
   - 330k tons/yr, Closing 2026

10. Rockland
    - 45k tons/yr, Closed 2023

11. Allied Niagara LF
    - 550k tons/yr
    - Closing 2025

12. Auburn LF
    - 96k tons/yr
    - Closed 2020

13. Albany LF
    - 330k tons/yr
    - Closing 2026

14. Pittsfield WTE
    - 80k tons/yr
    - Closed 2022

15. Taunton LF
    - 120k tons/yr
    - Closing 2024

16. MIRA WTE
    - 700k tons/yr
    - Closed 2022

17. Fall River LF
    - 376k tons/yr
    - Closed 2019

18. Wallingford WTE
    - 130k tons/yr
    - Closed 2015

19. Brookhaven LF (3)
    - 750k tons/yr
    - Closing 2024

20. Big Run LF
    - 775k tons/yr
    - Rail ceased 2016

21. Allegany LF
    - 55k tons/yr
    - Closed 2016

22. McKean LF (2)
    - 1.6mm tons/yr
    - 22.3mm tons capacity

23. Hakes LF
    - 462k tons/yr
    - 6.0mm tons capacity

24. Chemung LF
    - 437.5k tons/yr
    - 4.2mm tons capacity

25. Chemung LF
    - 437.5k tons/yr
    - 4.2mm tons capacity

26. MIRA WTE
    - 700k tons/yr
    - Closed 2022

27. Fall River LF
    - 376k tons/yr
    - Closed 2019

28. Wallingford WTE
    - 130k tons/yr
    - Closed 2015

29. Brookhaven LF (3)
    - 750k tons/yr
    - Closing 2024

30. Big Run LF
    - 775k tons/yr
    - Rail ceased 2016

Other disposal sites (potential to close):

- McKeans LF (2)
- Hakes LF
- Chemung LF
- MIRA WTE
- Fall River LF
- Wallingford WTE
- Brookhaven LF (3)
- Big Run LF

(1) Total disposal capacity includes permitted and permittable airspace estimates at each site as of 12/31/23; (2) McKeans permit allows for a maximum of 6,500 tons per day from either A) up to 6,500 tons per day via rail or B) up to 2,000 tons per day via truck with the remaining daily limit coming by rail; capped at an average of 6,000 tons per day within any calendar quarter. (3) Brookhaven expected to cease acceptance of C&D waste (~750k capacity) but continue acceptance of WTE ash through 2027.
Key Strategies:

- Price to maintain positive spread over inflation and proper returns on each customer
- Operating programs
  - Automation
  - Route density
  - Technology
- Acquisition integration and synergies
- Risk mitigation through cost recovery fees and recycling commodity volatility sharing

(1) Excludes corporate overhead cost allocation.
Key Strategies:

- Structure contracts to mitigate risk and ensure sufficient margins and returns through the commodity cycle
  - Processing fees at MRFs
  - SRA fee for collection customers
  - Focus on transitioning recently acquired contracts to Casella structure

- Invest in recycling processing infrastructure
  - Boston MRF (2023)
  - Willimantic MRF (2024)

- Develop partnerships with industrial consumers of recycled materials to meet their needs

- Grow National Accounts business – professional services to help large companies meet their sustainability goals

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ACR Indexed (1) vs. Recycling Adjusted EBITDA Margins

Recycling Adj. EBITDA Margins net of Boston MRF temporary shutdown

(1) Company consolidated Average Commodity Revenue (ACR) per ton value indexed from the CY2019 price.
Key Strategies:

- **Execute on robust M&A pipeline**
  - $800 million pipeline of potential transactions in existing or adjacent markets
  - 60 transactions acquisitions since 2018 with over $600 million annualized revenue
  - Tuck-ins and platform acquisitions
  - Focus on synergies and effective integration

- **Organic growth investments**
  - MRF upgrades
  - McKean Landfill waste by rail
  - Hyland landfill expansion
  - RNG
  - Collection operating efficiencies

- **Disciplined capital return hurdles and commitment to moderate leverage**
### Recent Acquisition Case Study: GFL Operations

#### Expanded Footprint Provides New Growth Opportunity

- **Mix of Acquired Revenues**
  - Residential Collection: 58%
  - Commercial Collection: 30%
  - Industrial Permanent Roll-off: 4%
  - Transfer Station: 1%
  - Recycling: 2%
  - C&D / Temporary Roll Off: 5%

#### Transaction at a Glance

**Acquired select solid waste operations from GFL Environmental Inc.**

- **June 30, 2023 close**
- **New geographic platform establishing new organic and inorganic growth opportunities**
- **Expect to generate $8 million of annual synergies by year three of operations through internalization and fleet automation opportunities**
- **Multi-year tax benefit from transaction structuring**

<table>
<thead>
<tr>
<th>Revenue Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Annualized Revenue</td>
<td>~$185mm</td>
</tr>
<tr>
<td>Initial Annualized Adjusted EBITDA</td>
<td>~$43mm</td>
</tr>
<tr>
<td>Facilities</td>
<td>11</td>
</tr>
<tr>
<td>Customers</td>
<td>~275,000</td>
</tr>
<tr>
<td>Market Make-up Secondary &amp; Tertiary</td>
<td>~570</td>
</tr>
</tbody>
</table>

Employees
Recent Acquisition Case Study: Twin Bridges

Tuck-In Acquisition in New York State

Transaction at a Glance

Acquired Consolidated Waste Services, LLC and its affiliates (dba “Twin Bridges”)

- September 1, 2023 close
- Existing Casella market tuck-in
- New, high quality assets: collection fleet with an average age of ~3 years; transfer station constructed in 2020; MRF upgraded with robotics in 2022
- Expect to generate $4 million of annual synergies by year three of operations through route consolidation, internalization, and operational improvements
- Multi-year tax benefit from transaction structuring

Mix of Acquired Revenues

- Residential Collection: 60%
- Commercial Collection: 16%
- Permanent / Temporary Roll-off: 11%
- Recycling: 9%
- Transfer Station: 4%

Initial Annualized Revenue: ~$70mm
Initial Annualized Adjusted EBITDA: ~$18mm
Facilities: 4
Customers: ~112,000
Market Make-up: Secondary
Employees: ~175
Financial Performance

$ in millions

Revenue

Adjusted EBITDA / Margin

Adjusted Free Cash Flow

Leverage (2)

(1) CY 2024 Guidance as announced on 2/15/24 and represent midpoints of ranges.
(2) Defined as “Consolidated Net Leverage Ratio” in the Company’s Credit Agreement.
2023 Highlights

**Financial**

- **Revenue:** $1.265 billion
  - Up $180 million or +16.5%
  - Solid waste price up +7.5%

- **Adjusted EBITDA:** $295 million
  - Up $49 million or +20.1%
  - Margin at 23.3%, up +70 bps

- **Adjusted Free Cash Flow:** $128 million
  - Up $17 million or +15.4%

- **Consolidated Leverage Ratio:** 2.78x
  - In line with strategic target of < 3.25x

**Strategic and Operating**

- Acquired 7 businesses with approximately $315 million in revenue

- Created new Mid-Atlantic Region to manage operations in new geographic markets

- Completed Boston MRF retrofit

- Operating programs driving cost of operations down 80 bps as % of revenue

- Well-positioned to continue momentum in 2024
2024 Financial Guidance

**Guidance**

- **Revenue:** $1.48 to $1.51 billion
  - Up $230 million or +18% at midpoint

- **Adjusted EBITDA:** $350 to $360 million
  - Up $60 million or +20% at midpoint
  - Margins up +30 to 50 bps

- **Adjusted Free Cash Flow:** $140 to $150 million
  - Up $17 million or +13% at midpoint

- **Net Income:** $35 to $45 million
  - Up $15 million

- **Operating Cash Flow:** $260 to $270 million
  - Up $32 million

**Key Assumptions**

- Revenue growth: +14% from rollover of acquisitions and +3 to 5% organic

- Solid Waste: 21 to 23% revenue growth
  - Price: +5.0% to 6.0%
  - Volume: 0.0% to down (1.0%)
  - Acquisition rollover: +17%

- Resource Solutions: +4 to 8% revenue growth

- Capex: $180 million
  - $135 million recurring
  - $40 million non-recurring acquisition-related
  - $5 million McKean Landfill rail project

- **Guidance assumes no acquisitions and no non-recurring items (GAAP metrics)**
Clear strategy and disciplined execution lead to strong financial performance and long-term value creation for shareholders

(1) Peer group includes WM, RSG, WCN and GFL.
Investment Thesis

✓ Solid waste is a recession-resistant, necessary service

✓ Integrated operations, providing collection, recycling, disposal and sustainability solutions for customers

✓ Well-positioned disposal footprint in capacity-constrained Northeast

✓ Strong track record of consistent growth, margin expansion and cash flow generation

✓ Disciplined growth strategy encompassing organic development and significant M&A opportunity, with low leverage and ample liquidity
Balance Sheet

12/31/23 - Capitalization Table ($mm)

<table>
<thead>
<tr>
<th></th>
<th>12/31/2023</th>
<th>12/31/2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$220.9</td>
<td>$71.2</td>
</tr>
<tr>
<td>Revolver (S$300mm, S+163.5bps, due 2026)</td>
<td>-</td>
<td>6.0</td>
</tr>
<tr>
<td>Term Loan A (S+213.5bps, due 2026)</td>
<td>419.3</td>
<td>-</td>
</tr>
<tr>
<td>Term Loan A (S+163.5bps, due 2026)</td>
<td>350.0</td>
<td>350.0</td>
</tr>
<tr>
<td>Industrial Revenue Bonds (2.75% - 5.25%, due 2025 - 2052)</td>
<td>232.0</td>
<td>197.0</td>
</tr>
<tr>
<td>Finance leases &amp; Notes Payable</td>
<td>53.3</td>
<td>50.5</td>
</tr>
<tr>
<td><strong>Total Debt</strong></td>
<td><strong>1,054.6</strong></td>
<td><strong>603.5</strong></td>
</tr>
<tr>
<td>Unencumbered Cash per Credit Agreement (1)</td>
<td>100.0</td>
<td>69.2</td>
</tr>
<tr>
<td><strong>Total Debt, Net of Unencumbered Cash</strong></td>
<td><strong>954.6</strong></td>
<td><strong>534.3</strong></td>
</tr>
<tr>
<td>Consolidated Bank EBITDA (LTM)</td>
<td>$343.2</td>
<td>$257.1</td>
</tr>
<tr>
<td><strong>Total Debt, Net / Consolidated Bank EBITDA</strong> (2)</td>
<td>2.78x</td>
<td>2.08x</td>
</tr>
<tr>
<td><strong>Total Debt (net all cash) / Consolidated Bank EBITDA</strong></td>
<td>2.43x</td>
<td>2.07x</td>
</tr>
<tr>
<td>Available Liquidity (including Cash)</td>
<td>$493.2</td>
<td>$337.2</td>
</tr>
</tbody>
</table>

(1) Unencumbered cash and cash equivalents in excess of $2.0mm up to a maximum of $100.0mm
(2) Consolidated net leverage ratio as defined by the Credit Agreement.

Capital Structure Highlights

Capital structure provides necessary liquidity and flexibility to continue to execute on strategy

- Consolidated Leverage ratio of 2.78x on 12/31/23
- Available Liquidity of $493.2mm on 12/31/23
- At 12/31/23, inclusive of floating-to-fixed interest rate swaps, 76% of our consolidated debt had fixed interest rates
- At 12/31/23, average cash interest rate of 5.02% on consolidated debt
- Next major debt maturity is $25mm FAME IRB’s in Jan 2025
- Implemented Sustainability Linked Loan in Feb 2023

Consolidated Net Leverage Ratio (2)

(1) Credit Agreement only allows up to $100mm of unencumbered cash to be netted against Total Debt, net for the purpose of calculating leverage ratio.
(2) Defined as “Consolidated Net Leverage Ratio” in the Company’s Credit Agreement.
Strategic alignment to ESG

- We are proud to help enable our customers to meet sustainability related goals
- Emphasis on providing safe and sustainable environmental services
- Founding member of EPA Climate Leaders program in 2005
- 2022 Net Climate Benefit was greater than 4x; ratio of emission benefits from services we provide vs. Scope 1 & 2 emissions we produce
- Implemented Sustainability-linked loan in Feb 2023 aligning borrowing costs to ESG goals

Focus on enhancing public disclosures

- Find our Sustainability Accounting Standards Board ("SASB") report, Carbon Disclosure Project ("CDP") response, Sustainability Report, and other related disclosures here:

ir.casella.com/esg-practices
We present Adjusted EBITDA, which is a non-GAAP performance measure, to provide an understanding of operational performance because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of our results. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods. Management uses Adjusted EBITDA to further understand our “core operating performance” and believes our “core operating performance” is helpful in understanding our ongoing performance in the ordinary course of operations. We believe that providing Adjusted EBITDA to investors, in addition to the corresponding income statement measures, affords investors the benefit of viewing our performance using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and our results of operations have performed.

## Non-GAAP Reconciliation of Adjusted EBITDA to Net income (1)

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$ 743,290</td>
<td>$ 774,584</td>
<td>$ 889,211</td>
<td>$ 1,085,089</td>
<td>$ 1,264,542</td>
</tr>
<tr>
<td>Net income</td>
<td>$ 31,653</td>
<td>$ 91,106</td>
<td>$ 41,100</td>
<td>$ 53,079</td>
<td>$ 25,399</td>
</tr>
<tr>
<td>(Benefit) provision for income taxes</td>
<td>(1,874)</td>
<td>(52,804)</td>
<td>16,946</td>
<td>21,887</td>
<td>11,646</td>
</tr>
<tr>
<td>Other income</td>
<td>(1,439)</td>
<td>(1,073)</td>
<td>(1,313)</td>
<td>(2,585)</td>
<td>(1,646)</td>
</tr>
<tr>
<td>Impairment of investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loss on debt extinguishment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>24,735</td>
<td>22,068</td>
<td>20,927</td>
<td>23,013</td>
<td>8,191</td>
</tr>
<tr>
<td>Southbridge Landfill closure charge, net</td>
<td>2,709</td>
<td>4,587</td>
<td>496</td>
<td>1,436</td>
<td>467</td>
</tr>
<tr>
<td>Expense from acquisition activities and other items</td>
<td>2,687</td>
<td>1,862</td>
<td>5,304</td>
<td>4,613</td>
<td>15,038</td>
</tr>
<tr>
<td>Environmental remediation charge</td>
<td>-</td>
<td>-</td>
<td>924</td>
<td>759</td>
<td>-</td>
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<tr>
<td>Development project charge</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contract settlement charge</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Withdrawal costs - multiemployer pension plan</td>
<td>3,591</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Change in fair value of contingent consideration - acquisition</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(965)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>79,790</td>
<td>90,782</td>
<td>103,590</td>
<td>126,351</td>
<td>170,705</td>
</tr>
<tr>
<td>Landfill capping charge - veneer failure</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Legal settlement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depletion of landfill operating lease obligations</td>
<td>7,711</td>
<td>7,781</td>
<td>8,265</td>
<td>8,674</td>
<td>9,026</td>
</tr>
<tr>
<td>Interest accretion on landfill and environmental remediation liabilities</td>
<td>6,976</td>
<td>7,090</td>
<td>7,324</td>
<td>8,008</td>
<td>9,885</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$ 156,539</td>
<td>$ 171,399</td>
<td>$ 203,563</td>
<td>$ 245,235</td>
<td>$ 294,603</td>
</tr>
<tr>
<td>Solid Waste</td>
<td>564,687</td>
<td>578,273</td>
<td>654,089</td>
<td>785,211</td>
<td>971,743</td>
</tr>
<tr>
<td>Resource Solutions</td>
<td>178,603</td>
<td>196,311</td>
<td>235,126</td>
<td>299,878</td>
<td>292,799</td>
</tr>
<tr>
<td>Third party revenues</td>
<td>$ 743,290</td>
<td>$ 774,584</td>
<td>$ 889,211</td>
<td>$ 1,085,089</td>
<td>$ 1,264,542</td>
</tr>
<tr>
<td>Adjusted EBITDA margins</td>
<td>21.1%</td>
<td>22.1%</td>
<td>22.9%</td>
<td>22.6%</td>
<td>23.3%</td>
</tr>
<tr>
<td>Net income margins</td>
<td>4.3%</td>
<td>11.8%</td>
<td>4.6%</td>
<td>4.9%</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

(1) We present Adjusted EBITDA, which is a non-GAAP performance measure, to provide an understanding of operational performance because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of our results. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods. Management uses Adjusted EBITDA to further understand our “core operating performance” and believes our “core operating performance” is helpful in understanding our ongoing performance in the ordinary course of operations. We believe that providing Adjusted EBITDA to investors, in addition to the corresponding income statement measures, affords investors the benefit of viewing our performance using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and our results of operations have performed.
Reconciliation of Adjusted Free Cash Flow

$ in 000’s

### Non-GAAP Reconciliation of Adjusted Free Cash Flow to Net cash provided by operating activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by operating activities (1)</td>
<td>$116,829</td>
<td>$139,922</td>
<td>$182,737</td>
<td>$217,314</td>
<td>$233,092</td>
</tr>
<tr>
<td>Payments on landfill operating lease contracts (i)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Proceeds from sale of property and equipment</td>
<td>750</td>
<td>533</td>
<td>788</td>
<td>600</td>
<td>1,110</td>
</tr>
<tr>
<td>Proceeds from property insurance settlement</td>
<td>332</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Southbridge landfill closure and Potsdam environmental remediation (ii)</td>
<td>15,445</td>
<td>8,906</td>
<td>6,274</td>
<td>3,766</td>
<td>4,308</td>
</tr>
<tr>
<td>Contract settlement costs (iii)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash outlays from acquisition activities and other items (iv)</td>
<td>2,622</td>
<td>1,307</td>
<td>4,988</td>
<td>4,284</td>
<td>13,105</td>
</tr>
<tr>
<td>Waste USA Landfill phase VI capital expenditures (v)</td>
<td>4,873</td>
<td>10,573</td>
<td>13,325</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>McKean landfill rail capital expenditures (vi)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,725</td>
</tr>
<tr>
<td>Post acquisition and development project capital expenditures (vii)</td>
<td>17,782</td>
<td>16,014</td>
<td>10,515</td>
<td>16,209</td>
<td>20,866</td>
</tr>
<tr>
<td><strong>Adjusted Free Cash Flow</strong></td>
<td>$55,468</td>
<td>$69,147</td>
<td>$95,332</td>
<td>$111,213</td>
<td>$128,299</td>
</tr>
</tbody>
</table>

(i) Effective January 1, 2019, as a part of implementing ASC Topic 842, Leases, cash payments on landfill operating lease contracts, which historically were capitalized as property, plant and equipment and presented in the Condensed Consolidated Statements of Cash Flows as cash outflows from investing activities, are classified as cash flows from operating activities that reduce net cash provided by operating activities.

(ii) Southbridge Landfill closure and Potsdam environmental remediation are cash outlays (and inflows) associated with the unplanned closure of the Southbridge Landfill and the Company’s portion of costs associated with environmental remediation at the Company’s Potsdam, New York scrap yard which are added back when calculating Adjusted Free Cash Flow due to their non-recurring nature and the significance of the related cash flows. The Company initiated the unplanned closure of the Southbridge Landfill in the fiscal year ended December 31, 2017 and expects to incur cash outlays through completion of the closure and environmental remediation process. The Potsdam site was deemed a Superfund site in 2000 and is not associated with current operations.

(iii) Includes a contract settlement cash outlay associated with exiting a contract.

(iv) Cash outflows from acquisition activities and other items are cash outflows for transaction and integration costs relating to specific acquisition transactions and include legal, environmental, valuation and consulting as well as asset, workforce and system integration costs as part of the Company’s strategic growth initiative and other items.

(v) Waste USA Landfill phase VI capital expenditures are capital expenditures related to Waste USA Landfill phase VI construction and development that are added back when calculating Adjusted Free Cash Flow due to the specific nature of this investment in the development of long-term infrastructure which is different from landfill construction investments in the normal course of operations. This investment at the Waste USA Landfill is unique because the Company is investing in long-term infrastructure over an estimated four year period that will not yield a positive economic benefit until 2023 and extending over approximately 20 years.

(vi) McKean Landfill rail capital expenditures related to the Company’s landfill in Mount Jewett, PA (“McKean landfill”) rail side development that are added back when calculating Adjusted Free Cash Flow due to the specific nature of this investment in the development of long-term infrastructure which is different from the landfill construction investments in the normal course of operations.

(vii) Post acquisition and development project capital expenditures are (x) acquisition related capital expenditures that are necessary to optimize strategic synergies associated with integrating newly acquired operations as contemplated by the discounted cash flow return analysis conducted by management as part of the acquisition investment decision; and (y) non-routine development investments that are expected to provide long-term returns. Acquisition related capital expenditures include costs required to achieve initial operating synergies and integrate operations.

(1) We present non-GAAP liquidity measures such as Adjusted Free Cash Flow, Bank Consolidated EBITDA, Consolidated Funded Debt, Net and Consolidated Net Leverage Ratio that provide an understanding of the Company’s liquidity because we consider them important supplemental measures of our liquidity that are frequently used by securities analysts, investors and other interested parties in the evaluation of our cash flow generation from our core operations that are then available to be deployed for strategic acquisitions, growth, investments, development projects, unusual landfill closures, site improvements and remediation, and strengthening our balance sheet through paying down debt. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods. Management uses non-GAAP liquidity measures to further understand our cash flow provided by operating activities after certain expenditures along with our consolidated net leverage and believes that these measures demonstrate our ability to execute on our strategic initiatives. We believe that providing such non-GAAP liquidity measures to investors, in addition to corresponding cash flow statement measures, affords investors the benefit of viewing our liquidity using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and cash flow generation has performed.
We present non-GAAP liquidity measures such as Consolidated EBITDA, Consolidated Funded Debt, Net and Consolidated Net Leverage Ratio that provide an understanding of the Company’s liquidity because we consider them important supplemental measures of our liquidity that are frequently used by securities analysts, investors and other interested parties in the evaluation of our cash flow generation from our core operations that are then available to be deployed for strategic acquisitions, growth, investments, development projects, unusual landfill closures, site improvements and remediation, and strengthening our balance sheet through paying down debt. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods. Management uses non-GAAP liquidity measures to further understand our cash flow provided by operating activities after certain expenditures along with our consolidated net leverage and believes that these measures demonstrate our ability to execute on our strategic initiatives. We believe that providing such non-GAAP liquidity measures to investors, in addition to corresponding cash flow statement measures, affords investors the benefit of viewing our liquidity using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and cash flow generation has performed.

| Reconciliation of Consolidated EBITDA (as defined by the applicable credit facility agreement) to Net Cash Provided by Operating Activities |
|--------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Net cash provided by operating activities | $ 120.8 | $ 116.8 | $ 139.9 | $ 182.7 | $ 217.3 | $ 233.1 |
| Changes in assets and liabilities, net of effects of acquisitions and divestitures | 5.4 | 28.7 | 25.2 | 13.1 | 11.2 | 23.8 |
| Disposition of assets, other items and charges, net extraordinary | (16.5) | 0.8 | (1.8) | (1.0) | (0.7) | - |
| Loss on debt extinguishment | (7.4) | - | - | - | - | (8.2) |
| Stock based compensation and related severance expense, net of excess tax benefit | (8.4) | (7.2) | (8.2) | (11.6) | (8.2) | (9.1) |
| Development project charge | (0.3) | - | - | - | - | - |
| Impairment of investments | (1.1) | - | - | - | - | (3.0) |
| Operating lease right-of-use assets expense | - | (9.6) | (8.5) | (5.6) | (5.1) | (6.3) |
| Withdrawals - multiemployer pension plan | - | (2.2) | - | - | - | - |
| Southbridge Landfill insurance recovery for investing activities | - | - | - | - | - | (0.7) |
| Interest expense, less amortization of debt issuance costs and discount on long-term debt | 23.9 | 22.8 | 20.2 | 18.9 | 21.8 | 44.6 |
| Provision (benefit) for income taxes, net of deferred taxes | (1.6) | (0.6) | (0.5) | 1.9 | 5.4 | (0.0) |
| Adjustments as allowed by the applicable credit facility agreement | 34.7 | 20.5 | 14.1 | 27.4 | 15.4 | 69.0 |
| Minimum Consolidated EBITDA | $ 153.0 | $ 169.9 | $ 180.5 | $ 225.8 | $ 257.1 | $ 343.2 |

Consolidated Funded Debt (Total Debt) | $ 555.2 | $ 522.7 | $ 548.4 | $ 562.6 | $ 603.5 | $ 1,054.6 |
Consolidated Net Leverage Ratio (Total Debt-to-EBITDA) | 3.62 | 3.07 | 2.76 | 2.35 | 2.08 | 2.78 |
Reconciliation of Adjusted Net Income

$ in 000's

<table>
<thead>
<tr>
<th>Non-GAAP Reconciliation of Adjusted Net Income to Net income</th>
<th>12 months ended Dec. 31, 2022</th>
<th>12 months ended Dec. 31, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$ 53,079</td>
<td>$ 25,399</td>
</tr>
<tr>
<td>Loss from termination of bridge financing (i)</td>
<td>-</td>
<td>8,191</td>
</tr>
<tr>
<td>Expense from acquisition activities (ii)</td>
<td>4,613</td>
<td>15,038</td>
</tr>
<tr>
<td>Southbridge Landfill closure charge (iii)</td>
<td>1,436</td>
<td>467</td>
</tr>
<tr>
<td>Legal settlement (iv)</td>
<td>-</td>
<td>6,150</td>
</tr>
<tr>
<td>Landfill capping charge - veneer failure (v)</td>
<td>-</td>
<td>3,870</td>
</tr>
<tr>
<td>Gain on resolution of acquisition related contingent consideration (vi)</td>
<td>-</td>
<td>(965)</td>
</tr>
<tr>
<td>Environmental remediation charge (vii)</td>
<td>759</td>
<td>-</td>
</tr>
<tr>
<td>Interest expense from acquisition activities (vii)</td>
<td>-</td>
<td>496</td>
</tr>
<tr>
<td>Gain on sale of cost method investment (ix)</td>
<td>(1,340)</td>
<td>-</td>
</tr>
<tr>
<td>Tax effect (x)</td>
<td>(1,640)</td>
<td>(6,911)</td>
</tr>
<tr>
<td>Adjusted Net Income</td>
<td>$ 56,907</td>
<td>$ 51,735</td>
</tr>
</tbody>
</table>

(i) Loss from termination of bridge financing is related to the write-off of the remaining unamortized debt issuance costs associated with the extinguishment of bridge financing agreements associated with acquisitions, including the acquisition of the equity interests of four wholly owned subsidiaries of GFL Environmental Inc. (the “GFL Acquisition”) and the acquisition of the assets of Consolidated Waste Services, LLC and its affiliates (dba Twin Bridges) (the “Twin Bridges Acquisition”).

(ii) Expense from acquisition activities is primarily legal, consulting or other similar costs incurred during the period associated with the due diligence, acquisition and integration of acquired businesses, including the GFL Acquisition and the Twin Bridges Acquisition, in the three and twelve months ended December 31, 2023, or select development projects as part of the Company’s strategic growth initiative.

(iii) Southbridge Landfill closure charge are expenses related to the unplanned early closure of the Southbridge Landfill along with associated legal activities. The Company initiated the unplanned, premature closure of the Southbridge Landfill in the fiscal year ended December 31, 2017 due to the significant capital investment required to obtain expansion permits and for future development coupled with an uncertain regulatory environment. The unplanned closure of the Southbridge Landfill reduced the economic useful life of the assets from prior estimates by approximately ten years. The Company expects to incur certain costs through completion of the closure process.

(iv) Legal settlement is related to reaching an agreement in June 2023 with the collective class members of a class action lawsuit relating to certain claims under the Fair Labor Standards Act of 1938 (“FLSA”) as well as state wage and hours laws.

(v) Landfill capping charge - veneer failure consists of both (i) the write-off of historical payments associated with capping work that has been deemed no longer viable due to a veneer failure and (ii) the related operating expenses incurred to clean up the affected capping material at the Company’s landfill in Seneca, New York. Engineering analysis is currently underway to determine root causes and responsibility for the event.

(vi) Gain on resolution of acquisition-related contingent consideration is associated with the reversal of a contingency for a transfer station permit expansion that is no longer deemed viable.

(vii) Environmental remediation charge is associated with the investigation of potential remediation at an inactive waste disposal site that adjoins one of the landfills we operate.

(viii) Interest expense from acquisition activities is the amortization of debt issuance costs comprising transaction, legal, and other similar costs associated with bridge financing activities related to the GFL Acquisition and the Twin Bridges Acquisition.

(ix) Gain on sale of cost method investment is associated with the sale of the Company’s minority ownership interest in a subsidiary of Vanguard Renewables.

(x) Tax effect of the adjustments is an aggregate of the current and deferred tax impact of each adjustment, including the impact to the effective tax rate, current provision and deferred provision. The computation considers all relevant impacts of the adjustments, including available net operating loss carryforwards and the impact on the remaining valuation allowance.
The Company’s capital expenditures are broadly defined as pertaining to either growth or replacement activities. **Growth capital expenditures** are defined as costs related to development projects, organic business growth, and the integration of newly acquired operations. Growth capital expenditures include costs related to the following: 1) post acquisition and development projects that are necessary to optimize strategic synergies associated with integrating newly acquired operations as contemplated by the discounted cash flow return analysis conducted by management as part of the acquisition investment decision as well as non-routine development investments that are expected to provide long-term returns and includes the following capital expenditures required to achieve initial operating synergies: trucks, equipment and machinery; and facilities, land, IT infrastructure or related upgrades to integrate operations; 2) Waste USA Landfill phase VI construction and development for long-term infrastructure, which is unique and different from landfill construction investments in the normal course of operations because the Company is investing in long-term infrastructure over an estimated four year period that will not yield a positive economic benefit until 2023 and extending over approximately 20 years; and 3) development of new airspace, permit expansions, and new recycling contracts, equipment added directly as a result of organic business growth and infrastructure added to increase throughput at transfer stations and recycling facilities. **Replacement capital expenditures** are defined as landfill cell construction costs not related to expansion airspace, costs for normal permit renewals, and replacement costs for equipment due to age or obsolescence.

### Capital Expenditure Detail

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growth Capital Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Post acquisition and development projects</td>
<td>$17,782</td>
<td>$16,014</td>
<td>$10,515</td>
<td>$16,209</td>
<td>$20,866</td>
</tr>
<tr>
<td>Waste USA Landfill Phase VI</td>
<td>4,873</td>
<td>10,573</td>
<td>13,325</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>McKean Landfill rail infrastructure</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,725</td>
</tr>
<tr>
<td>Other</td>
<td>1,582</td>
<td>4,362</td>
<td>13,480</td>
<td>5,636</td>
<td>9,894</td>
</tr>
<tr>
<td><strong>Growth Capital Expenditures</strong></td>
<td>$24,237</td>
<td>$30,949</td>
<td>$37,320</td>
<td>$21,845</td>
<td>$41,485</td>
</tr>
<tr>
<td><strong>Replacement Capital Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landfill development</td>
<td>26,915</td>
<td>36,981</td>
<td>23,490</td>
<td>30,684</td>
<td>37,928</td>
</tr>
<tr>
<td>Vehicles, machinery, equipment, and containers</td>
<td>42,828</td>
<td>30,846</td>
<td>48,427</td>
<td>60,936</td>
<td>53,819</td>
</tr>
<tr>
<td>Facilities</td>
<td>7,001</td>
<td>5,170</td>
<td>7,550</td>
<td>12,494</td>
<td>15,829</td>
</tr>
<tr>
<td>Other</td>
<td>2,184</td>
<td>4,162</td>
<td>6,508</td>
<td>5,001</td>
<td>5,846</td>
</tr>
<tr>
<td><strong>Total Replacement Capital Expenditures</strong></td>
<td>$78,928</td>
<td>$77,159</td>
<td>$85,975</td>
<td>$109,115</td>
<td>$113,422</td>
</tr>
<tr>
<td><strong>Total Capital Expenditures</strong></td>
<td>$103,165</td>
<td>$108,108</td>
<td>$123,295</td>
<td>$130,960</td>
<td>$154,907</td>
</tr>
</tbody>
</table>

(1) The Company’s capital expenditures are broadly defined as pertaining to either growth or replacement activities. **Growth capital expenditures** are defined as costs related to development projects, organic business growth, and the integration of newly acquired operations. Growth capital expenditures include costs related to the following: 1) post acquisition and development projects that are necessary to optimize strategic synergies associated with integrating newly acquired operations as contemplated by the discounted cash flow return analysis conducted by management as part of the acquisition investment decision as well as non-routine development investments that are expected to provide long-term returns and includes the following capital expenditures required to achieve initial operating synergies: trucks, equipment and machinery; and facilities, land, IT infrastructure or related upgrades to integrate operations; 2) Waste USA Landfill phase VI construction and development for long-term infrastructure, which is unique and different from landfill construction investments in the normal course of operations because the Company is investing in long-term infrastructure over an estimated four year period that will not yield a positive economic benefit until 2023 and extending over approximately 20 years; and 3) development of new airspace, permit expansions, and new recycling contracts, equipment added directly as a result of organic business growth and infrastructure added to increase throughput at transfer stations and recycling facilities. **Replacement capital expenditures** are defined as landfill cell construction costs not related to expansion airspace, costs for normal permit renewals, and replacement costs for equipment due to age or obsolescence.
We present Adjusted EBITDA, which is a non-GAAP performance measure, to provide an understanding of operational performance because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of our results. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods. Management uses Adjusted EBITDA to further understand our “core operating performance” and believes our “core operating performance” is helpful in understanding our ongoing performance in the ordinary course of operations. We believe that providing Adjusted EBITDA to investors, in addition to the corresponding income statement measures, affords investors the benefit of viewing our performance using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and our results of operations have performed.

Following is a reconciliation of the Company’s estimated Adjusted EBITDA from estimated Net income for the fiscal year ending December 31, 2024.

<table>
<thead>
<tr>
<th>$ in thousands</th>
<th>(Estimated) Fiscal Year Ending December 31, 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$35,000 - $45,000</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>52,000</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>16,000</td>
</tr>
<tr>
<td>Southbridge Landfill closure charge</td>
<td>1,000</td>
</tr>
<tr>
<td>Expense from acquisition activities</td>
<td>5,000</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>221,000</td>
</tr>
<tr>
<td>Depletion of landfill operating lease obligations</td>
<td>10,000</td>
</tr>
<tr>
<td>Interest accretion on landfill and environmental remediation liabilities</td>
<td>10,000</td>
</tr>
<tr>
<td>Adjusted EBITDA (1)</td>
<td>$350,000 - $360,000</td>
</tr>
</tbody>
</table>
We present non-GAAP liquidity measures such as Adjusted Free Cash Flow, Bank Consolidated EBITDA, Consolidated Funded Debt, Net and Consolidated Net Leverage Ratio that provide an understanding of the Company’s liquidity because we consider them important supplemental measures of our liquidity that are frequently used by securities analysts, investors and other interested parties in the evaluation of our cash flow generation from our core operations that are then available to be deployed for strategic acquisitions, growth, investments, development projects, unusual landfill closures, site improvements and remediation, and strengthening our balance sheet through paying down debt. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods.

Management uses non-GAAP liquidity measures to further understand our cash flow provided by operating activities after certain expenditures along with our consolidated net leverage and believes that these measures demonstrate our ability to execute on our strategic initiatives. We believe that providing such non-GAAP liquidity measures to investors, in addition to corresponding cash flow statement measures, affords investors the benefit of viewing our liquidity using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and cash flow generation has performed.

Following is a reconciliation of the Company’s estimated Adjusted Free Cash Flow from estimated Net cash provided by operating activities for the fiscal year ending 12/31/2024.

<table>
<thead>
<tr>
<th>$ in thousands</th>
<th>(Estimated)</th>
<th>Fiscal Year Ending December 31, 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash Provided by Operating Activities</td>
<td>$260,000 - $270,000</td>
<td></td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(180,000)</td>
<td></td>
</tr>
<tr>
<td>FLSA legal settlement payment</td>
<td>6,000</td>
<td></td>
</tr>
<tr>
<td>Southbridge Landfill closure and Potsdam environmental remediation (i)</td>
<td>4,000</td>
<td></td>
</tr>
<tr>
<td>Post acquisition and development project capital expenditures (ii)</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Cash outlays from acquisition activities (iii)</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>McKean Landfill rail capital expenditures (iv)</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Free Cash Flow (1)</strong></td>
<td><strong>$140,000 - $150,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

(i) Southbridge Landfill closure and Potsdam environmental remediation are cash outlays associated with the unplanned closure of the Southbridge Landfill and the Company’s portion of costs associated with environmental remediation at the Company’s Potsdam, New York scrap yard which are added back when calculating Adjusted Free Cash Flow due to their non-recurring nature and the significance of the related cash flows. The Company initiated the unplanned closure of the Southbridge Landfill in the fiscal year ended December 31, 2017 and expects to incur cash outlays through completion of the closure and environmental remediation process. The Potsdam site was deemed a Superfund site in 2000 and is not associated with current operations.

(ii) Post acquisition and development project capital expenditures are (x) acquisition related capital expenditures that are necessary to optimize strategic synergies associated with integrating newly acquired operations as contemplated by the discounted cash flow return analysis conducted by management as part of the acquisition investment decision; and (y) non-routine development investments that are expected to provide long-term returns. Acquisition related capital expenditures include the following costs required to achieve initial operating synergies: trucks, equipment and machinery; and facilities, land, IT infrastructure or related upgrades to integrate operations.

(iii) Cash outlays from acquisition activities are cash outlays for transaction and integration costs relating to specific acquisition transactions and include legal, environmental, valuation and consulting as well as asset, workforce and system integration costs as part of the Company’s strategic growth initiative.

(iv) McKean Landfill rail capital expenditures related to the Company’s landfill in Mount Jewett, PA (“McKean landfill”) rail side development that are added back when calculating Adjusted Free Cash Flow due to the specific nature of this investment in the development of long-term infrastructure which is different from the landfill construction investments in the normal course of operations.