



Q1 2024 Investor Review

May 2, 2024



Disclaimer

Unless otherwise indicated, all references in this presentation to “GFL”, “we”, “our”, “us”, the “Company” or similar terms refer to GFL Environmental Inc. and its consolidated subsidiaries.

Forward-Looking Information

This presentation includes certain “forward-looking statements” and “forward-looking information” (collectively, “forward-looking information”) within the meaning of applicable U.S. and Canadian securities laws, respectively. Forward-looking information includes all statements that do not relate solely to historical or current facts and may relate to our future outlook, financial guidance and anticipated events or results and may include statements regarding our financial performance, financial condition or results, business strategy, growth strategies, budgets, operations and services. Particularly, statements regarding our expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate are forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “budget”, “scheduled”, “estimates”, “outlook”, “forecasts”, “projection”, “prospects”, “strategy”, “intends”, “anticipates”, “does not anticipate”, “believes”, or “potential” or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might”, “will”, “will be taken”, “occur” or “be achieved”, although not all forward-looking information includes those words or phrases. In addition, any statements that refer to expectations, intentions, projections, guidance, potential or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts nor assurances of future performance but instead represent management’s expectations, estimates and projections regarding future events or circumstances.

Forward-looking information is based on our opinions, estimates and assumptions that we considered appropriate and reasonable as of the date such information is stated. Forward-looking information is subject to known and unknown risks, uncertainties, assumptions and other important factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to certain assumptions set out herein in the section titled “Net Leverage – Continued Deleveraging in Fiscal 2024”; our ability to obtain and maintain existing financing on acceptable terms; our ability to source and execute on acquisitions on terms acceptable to us; our ability to find purchasers for non-core assets and to complete such divestitures on terms acceptable to us; currency exchange and interest rates; commodity price fluctuations; our ability to implement price increases and surcharges; changes in waste volumes; labour, supply chain and transportation constraints; inflationary cost pressures; fuel supply and fuel price fluctuations; our ability to maintain a favourable working capital position; the impact of competition; the changes and trends in our industry or the global economy; and changes in laws, rules, regulations and global standards. Other important factors that could materially affect our forward-looking information can be found in the “Risk Factors” section of GFL’s annual information form for the year ended December 31, 2023 and GFL’s other periodic filings with the U.S. Securities and Exchange Commission and the securities commissions or similar regulatory authorities in Canada. Shareholders, potential investors and other readers are urged to consider these risks carefully in evaluating our forward-looking information and are cautioned not to place undue reliance on such information. There can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors not currently known to us or that we currently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The forward-looking information contained in this presentation represents our expectations as of the date of this presentation (or as the date it is otherwise stated to be made), and is subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable U.S. or Canadian securities laws. The purpose of disclosing our financial outlook set out in this presentation is to provide investors with more information concerning the financial impact of our business initiatives and growth strategies.

Non-IFRS Measures

This presentation makes reference to certain measures that are not recognized under International Financial Reporting Standards (“IFRS”) and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management’s perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. It should be noted that companies calculate non-IFRS measures differently; as a result, the non-IFRS measures presented herein may not be comparable to similarly titled measures reported by other companies. We use non-IFRS measures, including Acquisition EBITDA, Adjusted EBITDA, EBITDA, Adjusted Cash Flows from Operating Activities, Adjusted Free Cash Flow, Adjusted Net Income (Loss) from continuing operations, Net Leverage, Run-Rate EBITDA and Adjusted EBITDA margin. These non-IFRS measures are used to provide investors with supplemental measures of our operating performance and liquidity, where applicable, and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Our management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation. In addition, the Company’s projected Adjusted EBITDA and Net Leverage set out herein in the section titled “Net Leverage – Continued Deleveraging in Fiscal 2024” are anticipated to exclude the effects of other events or circumstances in 2024 that are not representative or indicative of the Company’s results of operations. Such excluded items are not currently identifiable, but may be significant, and include, without limitation, changes in the foreign exchange rate, the cost of refinancings and acquisition, integration, rebranding and other costs. Due to the uncertainty of the likelihood, amount and timing of any such items, the Company does not have information available to provide a quantitative reconciliation of such projections to the comparable IFRS measure. See the appendix for definitions and reconciliations of the non-IFRS measures used herein.

Certain Other Matters

Any graphs, tables or other information demonstrating our historical performance contained in this presentation are intended only to illustrate past performance and are not necessarily indicative of future performance.

All amounts are presented in Canadian dollars unless otherwise stated.

Q1 2024 Solid Waste Adjusted EBITDA Margin⁽¹⁾ Bridge



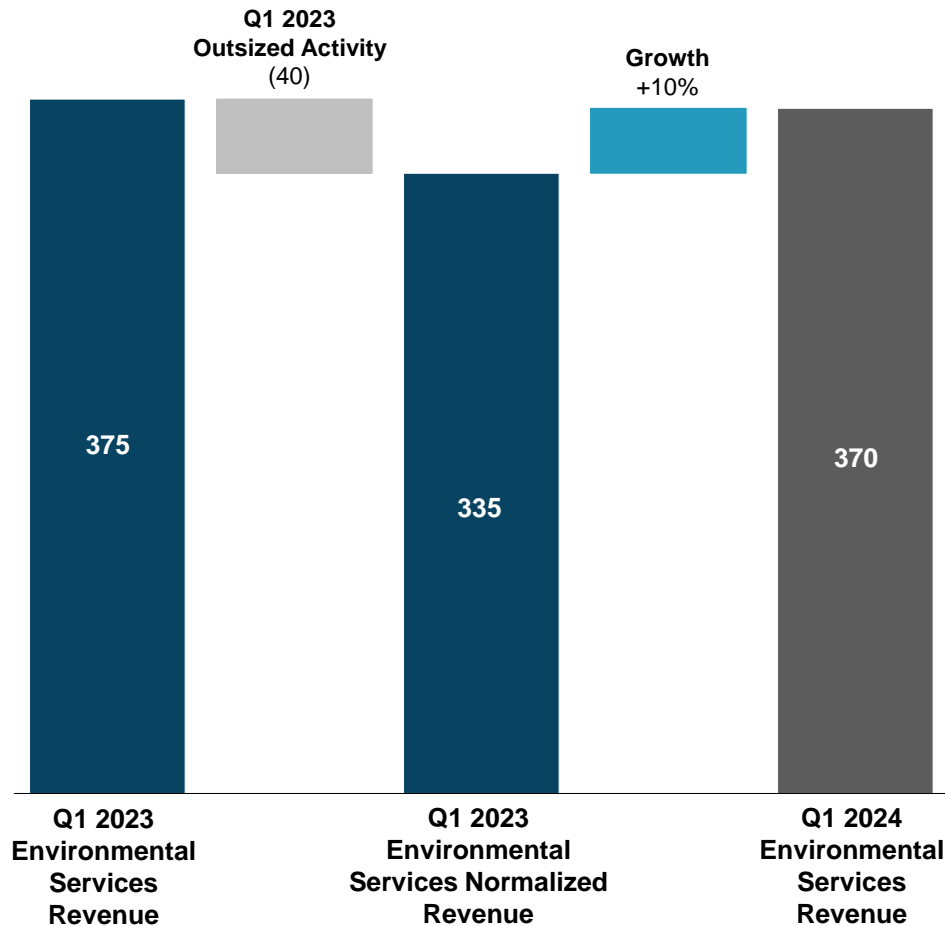
Continued Underlying Margin Expansion

⁽¹⁾ For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.

Environmental Services – Q1 Performance

Environmental Services Revenue Bridge – Q1 2024 vs Q1 2023

(C\$ millions, unless otherwise noted)

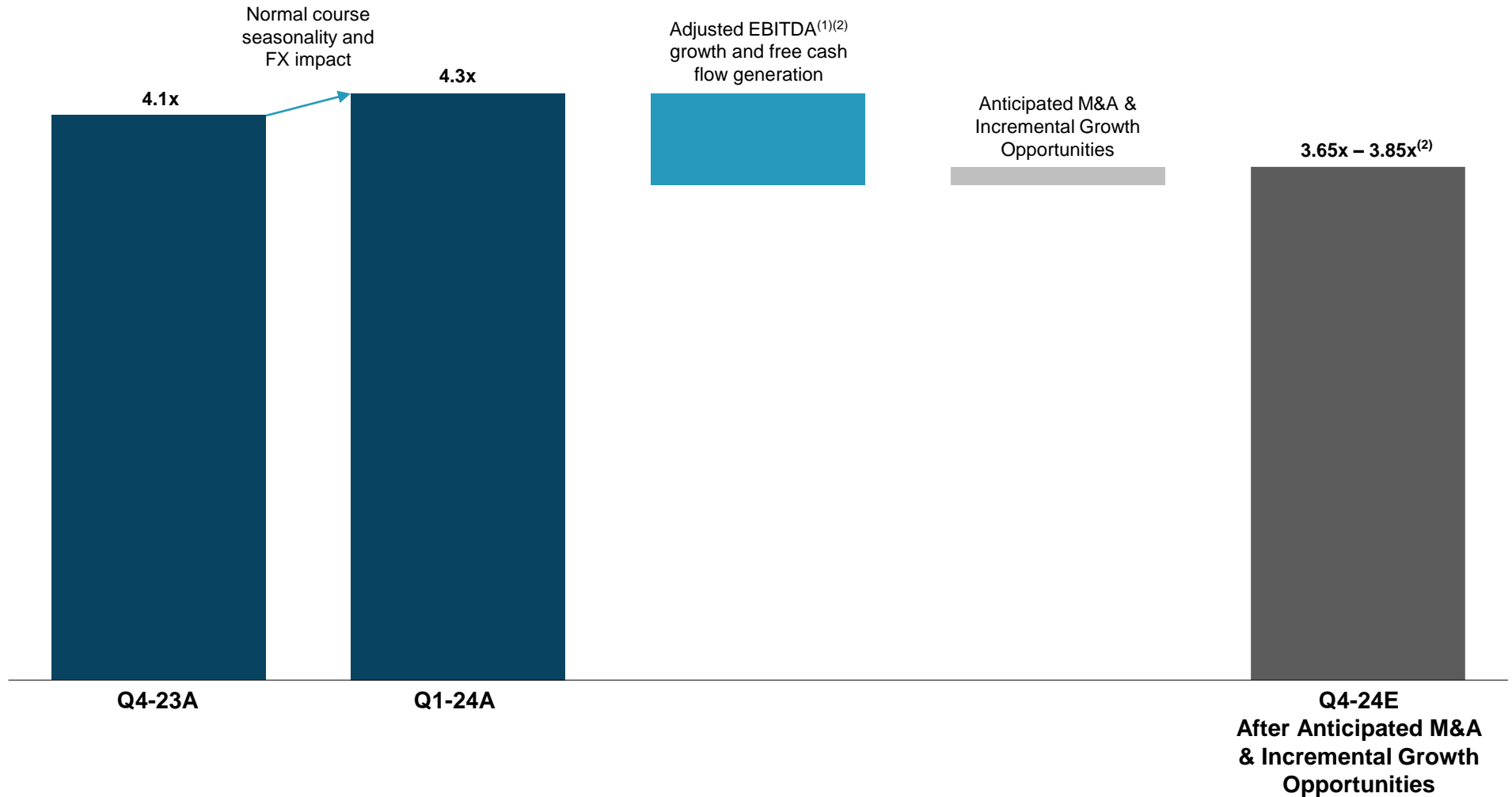


- Double-digit revenue growth when normalizing for outsized prior year activity
- Adjusted EBITDA margin⁽¹⁾ 70 bps ahead of plan despite disruptions from atypical weather patterns in key markets
- Late 2023 facility fire drag to Q1 2024 margins as anticipated; no further impacts expected
- Timing of event driven work year-over-year likely drives growth through remainder of Fiscal 2024
- Price-led growth strategy and cost structure optimization driving underlying margin expansion

Margin Outperformance Despite Temporary Headwinds

(1) For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.

Net Leverage⁽¹⁾ – Continued Deleveraging in Fiscal 2024



Absolutely Committed to Deleveraging Targets

(1) Please refer to the Definitions in the appendix of this presentation.

5 (2) Due to the uncertainty of the likelihood, amount and timing of effects of events or circumstances to be excluded from these measures, GFL does not have information available to provide a quantitative reconciliation of such projections to the comparable IFRS measure.

Appendix



Adjusted EBITDA Reconciliation

(C\$ millions, unless otherwise noted)

	Three months ended March 31,	
	2024	2023
Net loss	(176.5)	(217.8)
Interest and other finance costs	153.0	164.7
Depreciation of property and equipment	255.0	239.8
Amortization of intangible assets	108.7	138.8
Income tax recovery	(53.6)	(42.1)
EBITDA	286.6	283.4
Loss on foreign exchange ⁽¹⁾	74.9	5.3
(Gain) loss on sale of property and equipment	(2.1)	0.1
Mark-to-market loss on Purchase Contracts ⁽²⁾	-	104.3
Share of net loss of investments accounted for using the equity method ⁽³⁾	37.2	21.0
Share-based payments ⁽⁴⁾	57.0	15.0
Gain on divestiture ⁽⁵⁾	-	(5.5)
Transaction costs ⁽⁶⁾	6.1	12.0
Acquisition, rebranding and other integration costs ⁽⁷⁾	0.5	4.9
Other	(4.5)	-
Adjusted EBITDA	\$455.7	\$440.5
Adjusted EBITDA margin (%)	25.3%	24.5%

- Loss on foreign exchange:** Consists of (i) non-cash gains and losses on foreign exchange and interest rate swaps entered into in connection with our debt instruments and (ii) gains and losses attributable to foreign exchange rate fluctuations.
- Mark-to-market loss on Purchase Contracts:** This is a non-cash item that consists of the fair value "mark-to-market" adjustment on the Purchase Contracts.
- Share of net loss of investments accounted for using the equity method:** Excludes share of net income of investments accounted for using the equity method for RNG projects.
- Share-based payments:** This is a non-cash item and consists of the amortization of the estimated fair value of share-based payments granted to certain members of management under share-based payment plans.
- Gain on divestiture:** Consists of gain resulting from the divestiture of certain assets.
- Transaction costs:** Consists of acquisition, integration and other costs such as legal, consulting and other fees and expenses incurred in respect of acquisitions and financing activities completed during the applicable period. We expect to incur similar costs in connection with other acquisitions in the future and, under IFRS, such costs relating to acquisitions are expensed as incurred and not capitalized. This is part of SG&A.
- Acquisition, rebranding and other integration costs:** Consists of costs related to the rebranding of equipment acquired through business acquisitions. We expect to incur similar costs in connection with other acquisitions in the future. This is part of cost of sales.

Adjusted Free Cash Flow Reconciliation

(C\$ millions, unless otherwise noted)

	Three months ended March 31,	
	2024	2023
Cash flows from operating activities	263.2	192.5
Transaction costs ⁽¹⁾	6.1	12.0
Acquisition, rebranding and other integration costs ⁽²⁾	0.5	4.9
Cash interest paid on TEUs ⁽³⁾	-	0.2
Distribution received from joint ventures	6.3	-
Adjusted Cash Flows from Operating Activities	276.1	209.6
Proceeds on disposal of assets and other	7.7	13.2
Purchase of property and equipment	(296.3)	(272.9)
Adjusted Free Cash Flow (including incremental growth investments)	(12.5)	(50.1)
Incremental growth investments ⁽⁴⁾	61.6	-
Adjusted Free Cash Flow	\$49.1	(50.1)

- Transaction costs:** Consists of acquisition, integration and other costs such as legal, consulting and other fees and expenses incurred in respect of acquisitions and financing activities completed during the applicable period. We expect to incur similar costs in connection with other acquisitions in the future and, under IFRS, such costs relating to acquisitions are expensed as incurred and not capitalized. This is part of SG&A.
- Acquisition, rebranding and other integration costs:** Consists of costs related to the rebranding of equipment acquired through business acquisitions. We expect to incur similar costs in connection with other acquisitions in the future. This is part of cost of sales.
- Cash interest paid on TEUs:** Consists of interest paid in cash on the Amortizing Notes.
- Incremental growth investments:** Consists of incremental sustainability related capital projects, primarily related to recycling and RNG.

Adjusted Net Income Reconciliation

(C\$ and shares in millions, unless otherwise noted)

	Three months ended March 31,	
	2024	2023
Net loss	(176.5)	(217.8)
Amortization of intangible assets ⁽¹⁾	108.7	138.8
Incremental depreciation of property and equipment due to recapitalization	-	4.5
Amortization of deferred financing costs	4.9	5.3
Loss on foreign exchange ⁽²⁾	74.9	5.3
Mark-to-market loss on Purchase Contracts ⁽³⁾	-	104.3
Share of net loss of investments accounted for using the equity method ⁽⁴⁾	37.2	21.0
Gain on divestiture ⁽⁵⁾	-	(5.5)
Transaction costs ⁽⁶⁾	6.1	12.0
Acquisition, rebranding and other integration costs ⁽⁷⁾	0.5	4.9
TEU amortization expense	-	0.1
Other	(4.5)	-
Tax effect ⁽⁸⁾	(50.4)	(44.2)
Adjusted Net Income	\$0.9	\$28.7
Weighted average number of shares outstanding	373.0	369.2
Adjusted income per share, basic and diluted (\$)	-	0.08

- Amortization of intangible assets:** This is a non-cash item and consists of the amortization of intangible assets such as customer lists, municipal contracts, non-compete agreements, trade name and other licenses.
- Loss on foreign exchange:** Consists of (i) non-cash gains and losses on foreign exchange and interest rate swaps entered into in connection with our debt instruments and (ii) gains and losses attributable to foreign exchange rate fluctuations.
- Mark-to-market loss on Purchase Contracts:** This is a non-cash item that consists of the fair value "mark-to-market" adjustment on the Purchase Contracts.
- Share of net loss of investments accounted for using the equity method:** Excludes share of net income of investments accounted for using the equity method for RNG projects.
- Gain on divestiture:** Consists of gain resulting from the divestiture of certain assets.
- Transaction costs:** Consists of acquisition, integration and other costs such as legal, consulting and other fees and expenses incurred in respect of acquisitions and financing activities completed during the applicable period. We expect to incur similar costs in connection with other acquisitions in the future and, under IFRS, such costs relating to acquisitions are expensed as incurred and not capitalized. This is part of SG&A.
- Acquisition, rebranding and other integration costs:** Consists of costs related to the rebranding of equipment acquired through business acquisitions. We expect to incur similar costs in connection with other acquisitions in the future. This is part of cost of sales.
- Tax effect:** Consists of the tax effect of the adjustments to net loss.

Definitions

“EBITDA” represents, for the applicable period, net income (loss) plus (a) interest and other finance costs, plus (b) depreciation and amortization of property and equipment, landfill assets and intangible assets, plus (less) (c) the provision (recovery) for income taxes, in each case to the extent deducted or added to/from net income (loss). We present EBITDA to assist readers in understanding the mathematical development of Adjusted EBITDA. Management does not use EBITDA as a financial performance metric.

“Adjusted EBITDA” is a supplemental measure used by management and other users of our financial statements including, our lenders and investors, to assess the financial performance of our business without regard to financing methods or capital structure. Adjusted EBITDA is also a key metric that management uses prior to execution of any strategic investing or financing opportunity. For example, management uses Adjusted EBITDA as a measure in determining the value of acquisitions, expansion opportunities, and dispositions. In addition, Adjusted EBITDA is utilized by financial institutions to measure borrowing capacity. Adjusted EBITDA is calculated by adding and deducting, as applicable from EBITDA, certain expenses, costs, charges or benefits incurred in such period which in management’s view are either not indicative of underlying business performance or impact the ability to assess the operating performance of our business, including: (a) (gain) loss on foreign exchange, (b) (gain) loss on sale of property and equipment, (c) mark-to-market (gain) loss on Purchase Contracts, (d) share of net (income) loss of investments accounted for using the equity method for associates, (e) share-based payments, (f) (gain) loss on divestiture, (g) transaction costs, (h) acquisition, rebranding and other integration costs (included in cost of sales related to acquisition activity) and (i) other. We use Adjusted EBITDA to facilitate a comparison of our operating performance on a consistent basis reflecting factors and trends affecting our business. As we continue to grow our business, we may be faced with new events or circumstances that are not indicative of our underlying business performance or that impact the ability to assess our operating performance.

“Adjusted EBITDA margin” represents Adjusted EBITDA divided by revenue. Management and other users of our financial statements including our lenders and investors use Adjusted EBITDA margin to facilitate a comparison of the operating performance of each of our operating segments on a consistent basis reflecting factors and trends affecting our business.

“Acquisition EBITDA” represents, for the applicable period, management’s estimates of the annual Adjusted EBITDA of an acquired business, based on its most recently available historical financial information at the time of acquisition, as adjusted to give effect to (a) the elimination of expenses related to the prior owners and certain other costs and expenses that are not indicative of the underlying business performance, if any, as if such business had been acquired on the first day of such period and (b) contract and acquisition annualization for contracts entered into and acquisitions completed by such acquired business prior to our acquisition (collectively, “Acquisition EBITDA Adjustments”). Further adjustments are made to such annual Adjusted EBITDA to reflect estimated operating cost savings and synergies, if any, anticipated to be realized upon acquisition and integration of the business into our operations. Acquisition EBITDA is calculated net of divestitures. We use Acquisition EBITDA for the acquired businesses to adjust our Adjusted EBITDA to include a proportional amount of the Acquisition EBITDA of the acquired businesses based upon the respective number of months of operation for such period prior to the date of our acquisition of each such business.

“Run-Rate EBITDA” represents Adjusted EBITDA for the applicable period as adjusted to give effect to management’s estimates of (a) Acquisition EBITDA Adjustments (as defined above) and (b) the impact of annualization of certain new municipal and disposal contracts and cost savings initiatives, entered into, commenced or implemented, as applicable, in such period, as if such contracts or costs savings initiatives had been entered into, commenced or implemented, as applicable, on the first day of such period ((a) and (b), collectively, “Run-Rate EBITDA Adjustments”). Run-Rate EBITDA has not been adjusted to take into account the impact of the cancellation of contracts and cost increases associated with these contracts. These adjustments reflect monthly allocations of Acquisition EBITDA for the acquired businesses based on straight line proration. As a result, these estimates do not take into account the seasonality of a particular acquired business. While we do not believe the seasonality of any one acquired business is material when aggregated with other acquired businesses, the estimates may result in a higher or lower adjustment to our Run-Rate EBITDA than would have resulted had we adjusted for the actual results of each of the acquired businesses for the period prior to our acquisition. We primarily use Run-Rate EBITDA to show how GFL would have performed if each of the acquired businesses had been consummated at the start of the period as well as to show the impact of the annualization of certain new municipal and disposal contracts and cost savings initiatives. We also believe that Run-Rate EBITDA is useful to investors and creditors to monitor and evaluate our borrowing capacity and compliance with certain of our debt covenants. Run-Rate EBITDA as presented herein is calculated in accordance with the terms of our revolving credit agreement.

“Net Leverage” is a supplemental measure used by management to evaluate borrowing capacity and capital allocation strategies. Net Leverage is equal to our total long-term debt, as adjusted for fair value, deferred financings and other adjustments and reduced by our cash, divided by Run-Rate EBITDA.

“Adjusted Net Income (Loss)” represents net income (loss) adjusted for (a) amortization of intangible assets, (b) incremental depreciation of property and equipment due to recapitalization, (c) amortization of deferred financing costs, (d) (gain) loss on foreign exchange, (e) mark-to-market (gain) loss on Purchase Contracts, (f) share of net (income) loss of investments accounted for using the equity method, (g) (gain) loss on divestiture, (h) transaction costs, (i) acquisition, rebranding and other integration costs, (j) TEU amortization expense, (k) other and (l) the tax impact of the forgoing. For the three months ended March 31, 2024, we added back our share of net loss of investments accounted for using the equity method. Adjusted income (loss) per share is defined as Adjusted Net Income (Loss) divided by the weighted average shares in the period. We believe that Adjusted income (loss) per share provides a meaningful comparison of current results to prior periods’ results by excluding items that GFL does not believe reflect its fundamental business performance.

“Adjusted Cash Flows from Operating Activities” represents cash flows from operating activities adjusted for (a) transaction costs, (b) acquisition, rebranding and other integration costs, (c) cash interest paid on TEUs and (d) distribution received from joint ventures. Adjusted Cash Flows from Operating Activities is a supplemental measure used by investors as a valuation and liquidity measure in our industry. For the three months ended March 31, 2024, distributions received from joint ventures have been added back to Adjusted Cash Flows from Operating Activities. These amounts were not received in prior periods. Adjusted Cash Flows from Operating Activities is a supplemental measure used by management to evaluate and monitor liquidity and the ongoing financial performance of GFL.

“Adjusted Free Cash Flow” represents Adjusted Cash Flows from Operating Activities adjusted for (a) proceeds on disposal of assets and other, (b) purchase of property and equipment and (c) incremental growth investments. Adjusted Free Cash Flow is a supplemental measure used by investors as a valuation and liquidity measure in our industry. Adjusted Free Cash Flow is a supplemental measure used by management to evaluate and monitor liquidity and the ongoing financial performance of GFL. For the three months ended March 31, 2023, we excluded investment in joint ventures and associates from the calculation of Adjusted Free Cash Flow.