

Industry Update

Resiliency and Innovation Despite A Challenged Backdrop

- **Pricing Power Remains:** Waste pricing continues to run above inflation as scaled operators maximize their capabilities and network to spread price increases across their service mix. Pricing power is strongest in disposal-constrained regions, such as the Northeast
- **Stagnant Core Waste Volumes:** New organic opportunities, especially in residential, are limited across the U.S. given the current macro backdrop and continued uncertainty felt by consumers and business owners
- **Alternative Disposal Monetization:** Landfill diversion solutions have seen significant momentum in 2026 as diminishing capacity and regulatory pressures are driving a material shift in strategic initiatives towards long-haul transport, recycling facilities, transfer stations, and renewable energy
- **M&A Momentum:** Consolidation and revenue diversification remain key growth levers in an environment where strategics are facing increasingly stiff competition from sponsors. Existing platforms are aggressively pursuing bolt-ons, while new players are drawn to the industry's environmental-forward focus and appealing cash flow dynamics

Key Macro Indicators

	Latest Release	One Year Ago	Y/Y Change
Manufacturing Purchasing Manager's Index ⁽¹⁾	54.6	48.9	11.7%
Nonresidential Construction Spending ⁽²⁾	\$1,286K	\$1,303K	(1.2%)
Dodge Momentum Index ⁽²⁾	291.7	261.2	11.7%
Housing Starts ⁽²⁾	1,239k	1,432k	(13.5%)
Housing Permits ⁽²⁾	1,433K	1,400K	2.4%
Core PCE ⁽²⁾	3.3%	2.9%	13.8%
Unemployment Rate ⁽²⁾	4.1%	4.3%	20 bps
Wholesale Diesel Fuel Price (\$ per gallon) ⁽¹⁾	\$4.25	\$2.33	82.4%
Henry Hub Spot Price (\$ per million btu) ⁽²⁾	\$2.86	\$2.91	(1.7%)

Latest Release: (1) August 2026, (2) July 2026

Volume Drivers

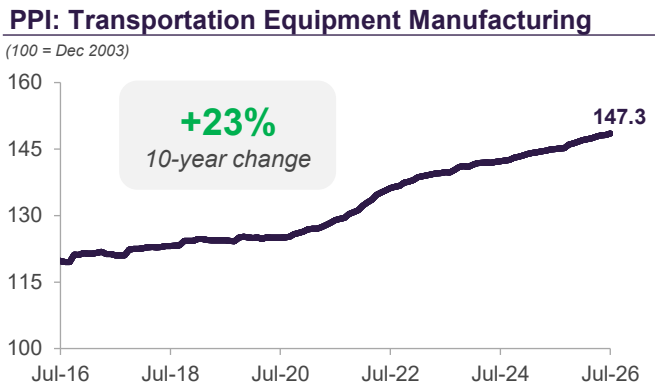
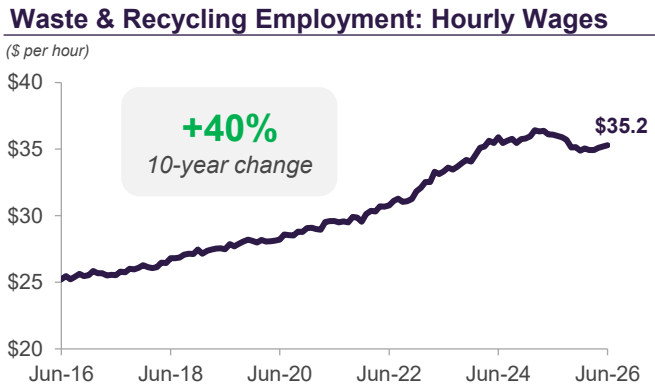
- **Residential:** Housing activity remains subdued as affordability challenges continue to weigh on demand
- **Nonresidential:** Infrastructure and industrial projects offset limited commercial development

Cost Pressures

- **Labor:** The talent pool for skilled labor is gradually diminishing, pressuring operating expenses
- **Fuel:** Prices have been highly volatile in 2026, however strong operators are able to pass off costs through efficient fuel surcharge programs

Waste Operating Cost Trends: Labor & Equipment

The waste industry is adapting by emphasizing strategies around technology, employee satisfaction, and safety improvement with the intention to offset ongoing cost inflation



Sources: Bloomberg, U.S. Census Bureau, Bureau of Labor Statistics, Institute of Supply Management, Federal Reserve Bank of St. Louis, Waste Dive, EIA, Industry Research
Data updated as of 9/4/2026



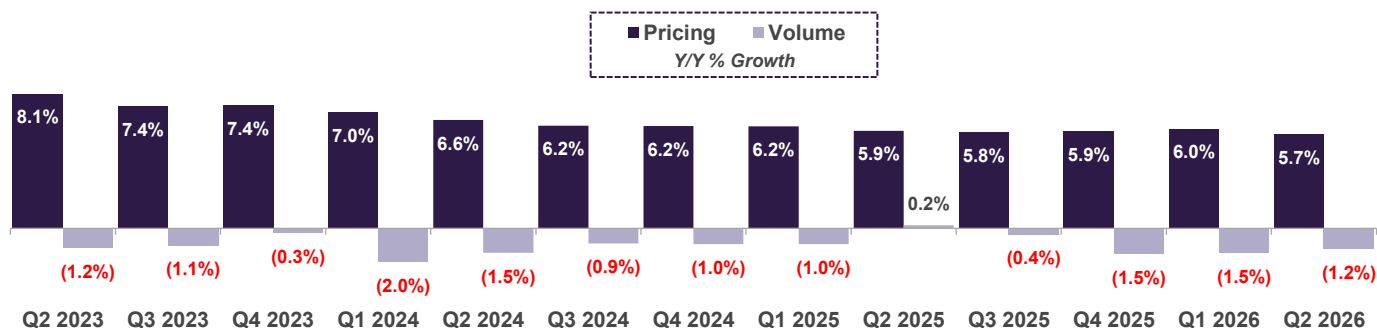
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Waste Pricing Mitigating Muted Demand & Elevated Costs

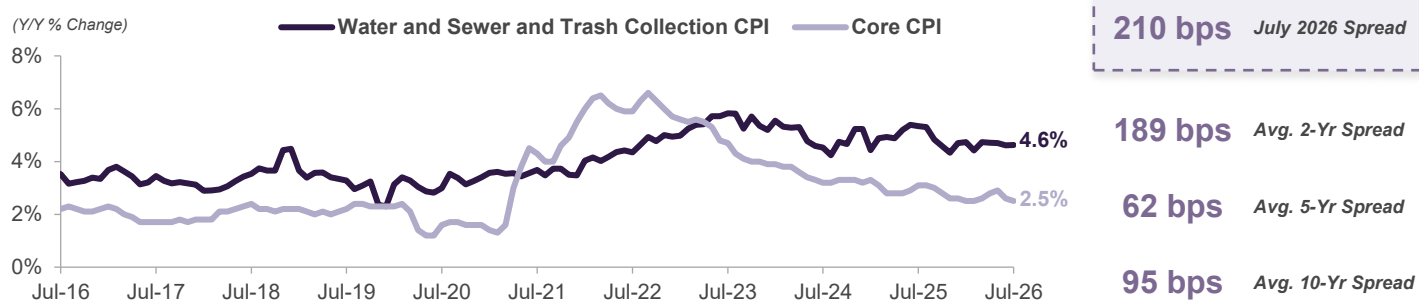
Strategies Are Pushing Price Despite Three Years of Weak Volumes

Pricing remains the primary growth driver, with strategics⁽¹⁾ consistently achieving 5%+ price increases despite muted demand. With flat-to-slightly-negative volume gains since 2023, strong pricing realization continues to support organic revenue growth



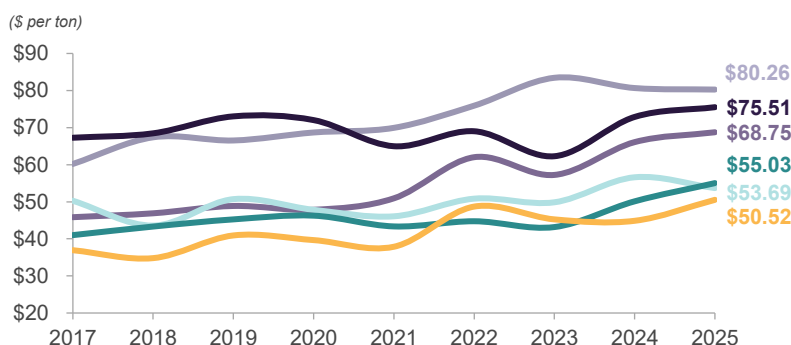
Waste Price to Cost Spread Has Widened in Recent Years

Industry players have prioritized margin expansion over market share gains in recent years, evident by strong pricing discipline over the last two years

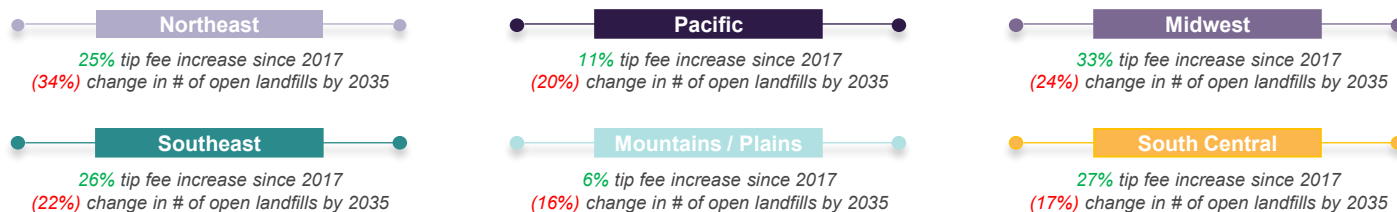


Landfill Access is Driving Competitive Advantage

- Regional tipping fees correlate with trends in local landfill capacity
- States that are emphasizing environmental responsibility and soundness are expected to see significant declines in operating landfills over the next 10+ years
- Alternative disposal options are seeing increased demand as legislators push regulation that diverts waste volumes away from traditional streams towards solutions that accelerate second-hand use of waste material



Regional Trends



(1) Public waste companies: Waste Management, Republic Services, Waste Connections, Casella Waste Systems, GFL Environmental

Sources: Bloomberg, Public Company Reports, Environmental Research & Education Foundation (EREF), Bureau of Labor Statistics, Environmental Protection Agency
Data updated as of 9/4/2026

Key Plays: Revenue Diversification & Scale

Alternative Disposal & Byproduct Monetization

- Long-haul transportation is becoming a key solution for capacity-constrained markets, paving the way for the movement of waste by rail and across highways to more economical disposal destinations with available capacity
- Advanced processing technologies in transfer stations and material recycling facilities are expanding, helping operators extract greater value from new and existing waste streams
- Projects converting landfill gas and other waste byproducts into renewables and electricity are creating attractive recurring revenue streams and helping municipalities meet environmental goals

Waste By Rail

+17% Y/Y

Q2 2026 vs Q2 2025
growth in waste & scrap
carloads by Class I rail

Recycling

7 states

Have enacted EPR
packaging laws, with
several more to come

Renewables

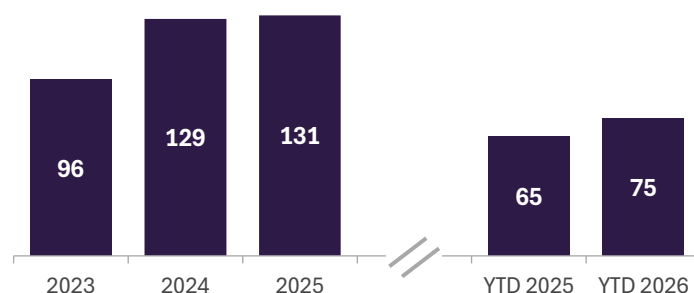
599 landfills

Convert landfill gas
byproducts into
renewable energy

M&A Activity Remains Steady

Solid Waste

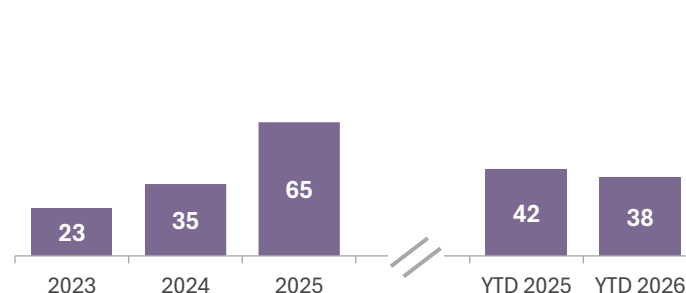
of transactions



Landfill scarcity and favorable pricing dynamics continue to support healthy solid waste consolidation activity, with 2026 YTD deal volume ahead of activity in the prior period

Specialty Waste & Environmental Services

of transactions



Investors continue to pursue environmental services platforms and specialty waste operations, with activity increasing over the last 3 years, even as 2026 YTD volume trails the prior period

Industry Financial Performance Benchmarking

						Median	Average
Revenue	\$25,667	\$16,891	\$9,764	\$6,972	\$1,955	\$9,764	\$12,250
Revenue Y/Y % Δ	7.2%	3.2%	5.7%	9.6%	13.5%	7.2%	7.8%
EBITDA	\$7,774	\$5,257	\$3,124	\$1,675	\$419	\$3,124	\$3,650
EBITDA Y/Y % Δ	10.7%	2.4%	25.1%	(0.8%)	13.2%	10.7%	10.1%
EBITDA Margin	30.3%	31.1%	32.0%	24.0%	21.4%	30.3%	27.8%
Capex % of Rev.	11.5%	11.2%	13.3%	17.4%	12.6%	12.6%	13.2%
FCF Conversion	30.2%	37.0%	33.6%	19.6%	29.0%	30.2%	29.9%
Net Debt / EBITDA	2.8x	2.6x	3.0x	5.6x	3.1x	3.0x	3.4x
EV / LTM EBITDA	14.4x	15.3x	16.4x	18.2x	17.0x	16.4x	16.3x
EV / NTM EBITDA	13.0x	13.9x	14.6x	12.4x	13.9x	13.9x	13.6x

* Results represent last twelve months (LTM) of financial performance as of Q2 2026

** \$ in millions

Sources: Association of American Railroads, American Biogas Council, Dropcurb, Capital IQ, Waste Dive, Public Company Reports
Data updated as of 9/4/2026