



REPUBLIC[®]
SERVICES

Investor Presentation

NOVEMBER 2021

Certain statements and information included herein constitute "forward-looking statements," including statements with respect to our anticipated 2021 financial results, within the meaning of the Federal Private Securities Litigation Reform Act of 1995. Words such as "will," "expect," "anticipate," "estimate," "guidance" and similar words and phrases are used in this presentation to identify the forward-looking statements. These forward-looking statements, although based on assumptions that we consider reasonable, are subject to risks and uncertainties that could cause actual results, events or conditions to differ materially from those expressed or implied by the forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give no assurance that the expectations will prove to be correct. Other factors which could materially affect our forward-looking statements can be found in our periodic reports filed with the Securities and Exchange Commission. Stockholders, potential investors and other readers are urged to consider these factors carefully in evaluating our forward-looking statements and are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements made herein are only made as of the date of this presentation, and except as required by law, we undertake no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Investment Thesis

- National vertically integrated operations and high-quality asset base
- Focused on customer needs and sustainability to drive profitable growth
- Advancing use of technology to differentiate service offerings and drive operational efficiencies
- Resilient business that benefits in a strengthening economy
- Consistent earnings and free cash flow growth

Overview

MARKET



Provide essential services in an **\$87+ billion** environmental services industry

Continued opportunity for consolidation to drive growth and build scale

REPUBLIC SERVICES

Strong and predictable free cash flow

80% Approximately 80% of revenue has an annuity-type profile

National footprint with diversified exposure to franchise, large urban and small to mid-sized markets

Business Foundation



Market Position

#1 or #2 leading market position in 95% of the markets we operate

Vertically integrated in **90%** of the markets we operate

68% internalization rate

Nearly **\$2B invested** in acquisitions over last 5 years



Operating Model

Standardized processes to deliver operational excellence

Matrix Organization; **170** Business Units with individual P&Ls

Safety performance **~40% better** than industry average



Talent

Attracting and retaining the best talent

High employee engagement score of **85%**

Culture of inclusion and diversity; **47% ethnically diverse**

Robust learning and development programs

Strategy

Designed to generate profitable growth by sustainably managing our customers' needs

Differentiating Capabilities



CUSTOMER ZEAL

Drive customer loyalty by offering differentiated products and services specifically designed to meet our customers' needs

Improved NPS score 7 points in 2020



SUSTAINABILITY

Protect our Blue Planet[®] by providing customers with environmentally responsible solutions

Ambitious 2030 Sustainability Goals



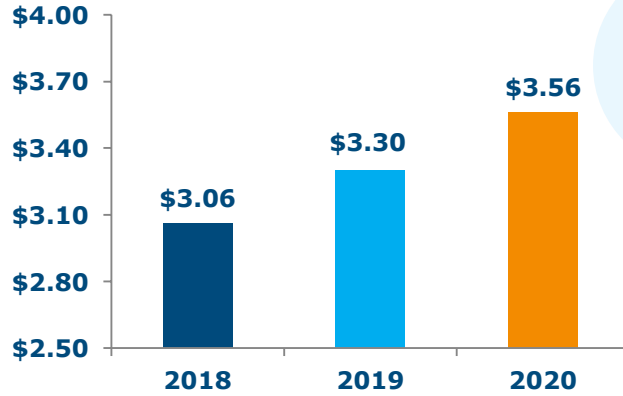
DIGITAL

Provide a consistent experience across our business while enabling customers to do business with us the way they prefer

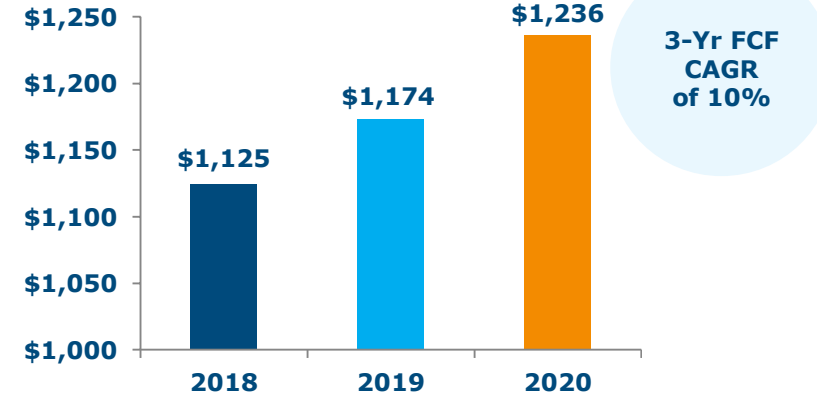
RISE platform implemented in all locations

Financial Performance

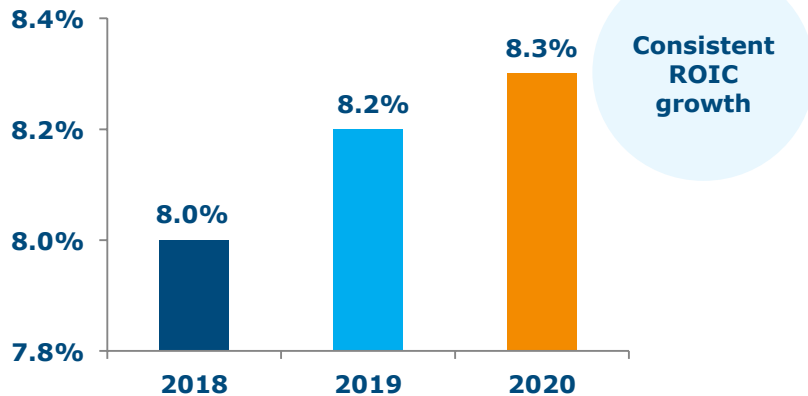
Adjusted EPS¹



Adjusted Free Cash Flow¹

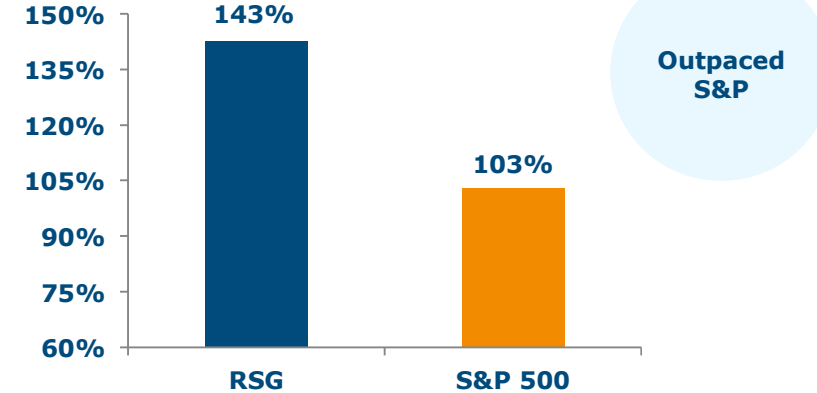


Return on Invested Capital



5-Year Total Shareholder Return

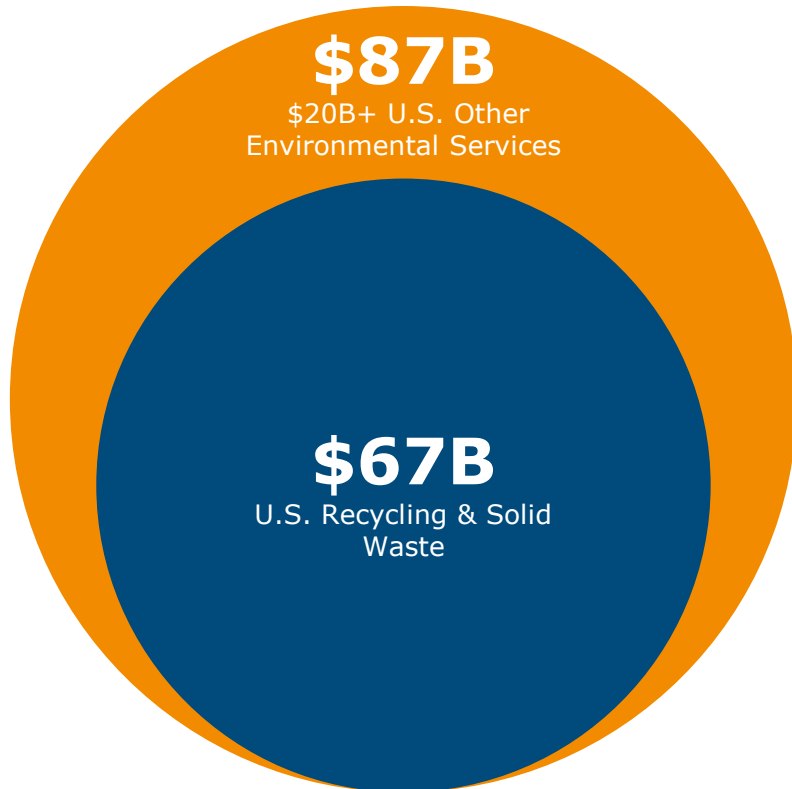
(period ended December 31st)



¹ See "Reconciliation of Non-GAAP Measures" in appendix

Where to Compete

Focusing on growth opportunities in our most profitable lines of business



Current addressable market:

\$67B U.S. recycling and solid waste

\$20B+ U.S. other environmental services

Potential to expand addressable market with our differentiated capabilities

Recycling and Solid Waste:

- Prioritize investment in verticals with above average growth rates and higher return profiles

Environmental Solutions:

- Higher growth opportunity
- Focused on downstream and broader industrial manufacturing sectors

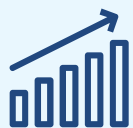
Based on management estimates



Customer Zeal

Customer centric culture with short and long-term initiatives to win with customers and drive loyalty

- Seamless sales and service resolution
- Setting and exceeding customer expectations
- Empowering employees to deliver with zeal
- Expect to drive significant value by **increasing customer retention and attracting new business**



Increased NPS
7 points in 2020

95%

Customer
retention rate



Embedded in GM
compensation plans





Sustainability

Driving profitable growth by providing customers with environmentally responsible solutions

100M

Tons of material handled annually



Operate 73 recycling centers

75

Landfill gas & renewable energy projects

2B

Pounds of organic waste processed at 10 compost facilities



21% of fleet powered by natural gas and working with multiple partners on EV technology

Ambitious 2030 sustainability goals aligned with the United Nations' Sustainable Development Goals

2030 Climate Leadership Goals:



35%

Reduce absolute Scope 1 and 2 greenhouse gas emissions 35%
APPROVED BY SBTi

40%

Increase recovery of key materials by 40% on a combined basis

50%

Increase biogas sent to beneficial reuse by 50%

Note: 2017 baseline year



Digital

Using technology to differentiate service offerings with customers and drive operational efficiencies



Capture Pricing Tool

Centralized Customer Service

Connect Driver Communication Platform

2021+

RISE Tablets

Connecting the customer with the cab enables:

- Real-time communication
- Proactive resolution
- Demand anticipation



Core System Modernization



Capital Allocation

Efficient and balanced approach to cash utilization which drives shareholder value

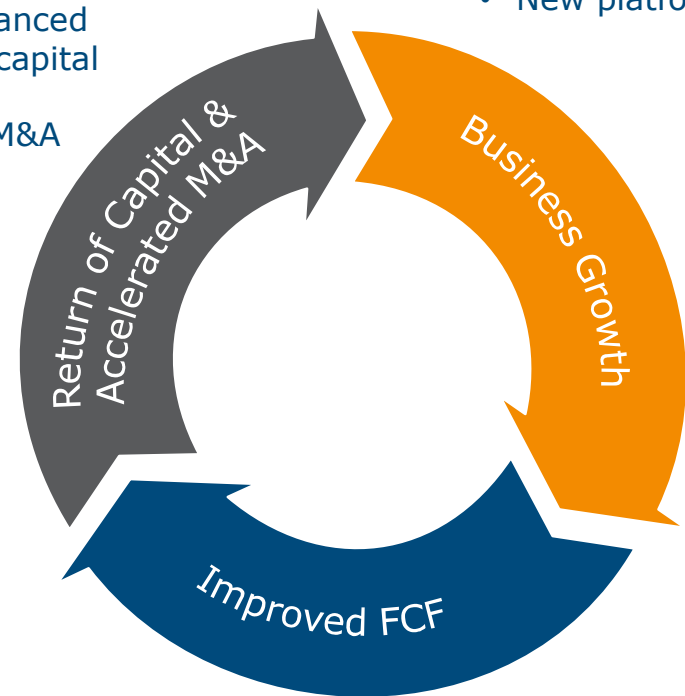
\$1.3 billion invested in acquisitions over last 3 years

Increased annual dividend for 17 consecutive years

\$2.7 billion cash returned to shareholders over last 3 years

- Continue balanced approach to capital allocation
- Accelerated M&A

- Organic growth
- Tuck-ins
- New platforms



- Improved market vertical mix
- Differentiating capabilities
- Commitment to FCF conversion

Financial Overview

FY 2021 Guidance

Guidance

| | |
|-----------------------------------|-----------------|
| Adjusted Diluted EPS ¹ | \$4.10 - \$4.13 |
|-----------------------------------|-----------------|

| | |
|--------------------------------------|---------------------------|
| Adjusted Free Cash Flow ¹ | \$1,475 - \$1,500 million |
|--------------------------------------|---------------------------|

Other Assumptions

| | |
|---------------|--------------------|
| Average Yield | Approximately 2.8% |
|---------------|--------------------|

| | |
|--------|------------------|
| Volume | Approximately 3% |
|--------|------------------|

| | |
|------------------------|------------------|
| Acquisition Investment | >\$1,000 million |
|------------------------|------------------|

¹ See "Reconciliation of Non-GAAP Measures" in appendix

Revenue by Market Type

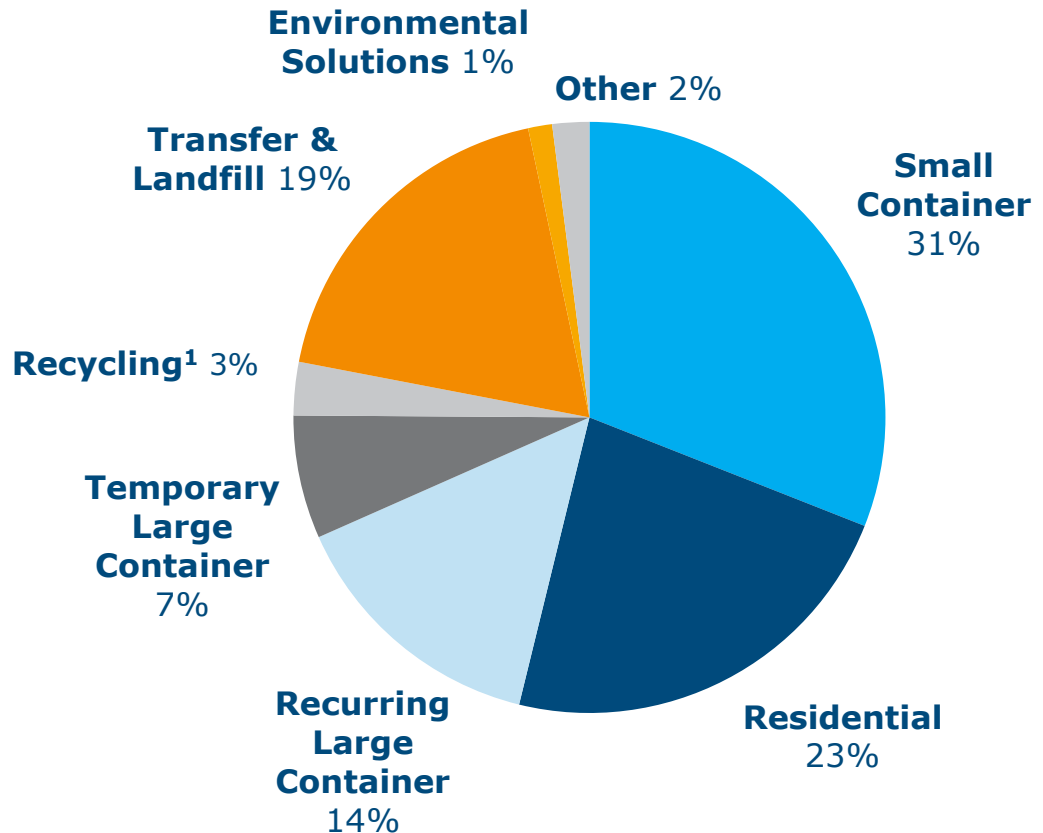
Balanced portfolio across market types

| | | |
|-------------------------|-----|---|
| Franchise | 29% | <ul style="list-style-type: none">• Sole service provider• Long-term contracts• Optimal operating density |
| Small & Mid-Sized | 33% | <ul style="list-style-type: none">• Market leader• Vertical integration• Strong operating density |
| Large Urban | 37% | <ul style="list-style-type: none">• Vertical integration• More competitive |
| Environmental Solutions | 1% | <ul style="list-style-type: none">• Outsized growth opportunity• Highly fragmented service providers |

Revenue by Line of Business

Approximately **80%** of revenue has an annuity-type profile

Collection business represents **~75%** of total revenue



¹ Recycling includes recycling processing and commodity sales

Pricing Trends

Open Market (50%):

- Secure price increases directly with customer
- Greater pricing power



5.6% 2020 Core Price

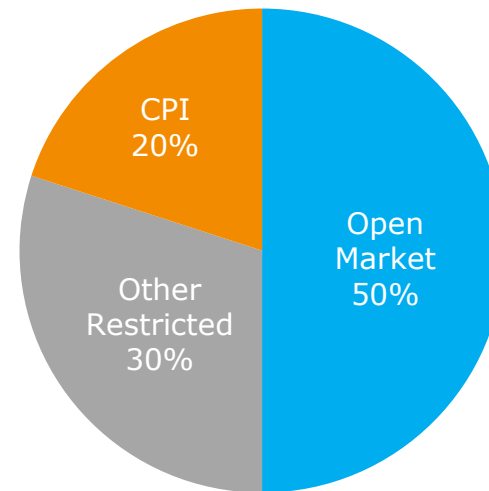
Restricted Pricing (50%):

- Converting CPI based contracts to a more favorable index or fixed rate of 3% or greater

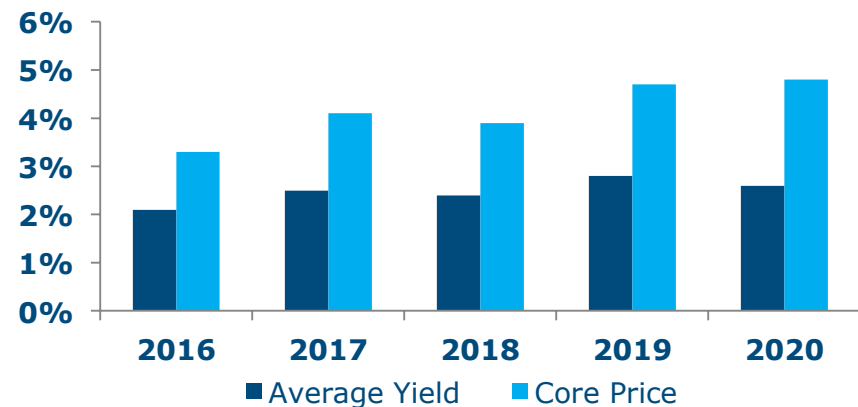


40% Converted

Pricing Mechanism



Pricing Trends



Volume Trends

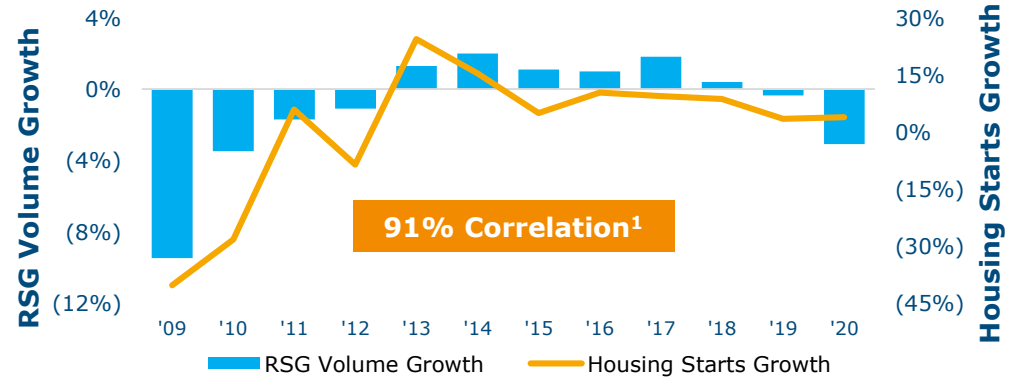
Volume driven by:

- Population growth
- Household formation
- New business formation

Resilient during a downturn

Highly correlated to housing starts

Volume Growth vs. Housing Starts Growth
(lagged by one year)



Volume Growth vs. GDP Growth



¹ Correlation excludes 2020 results

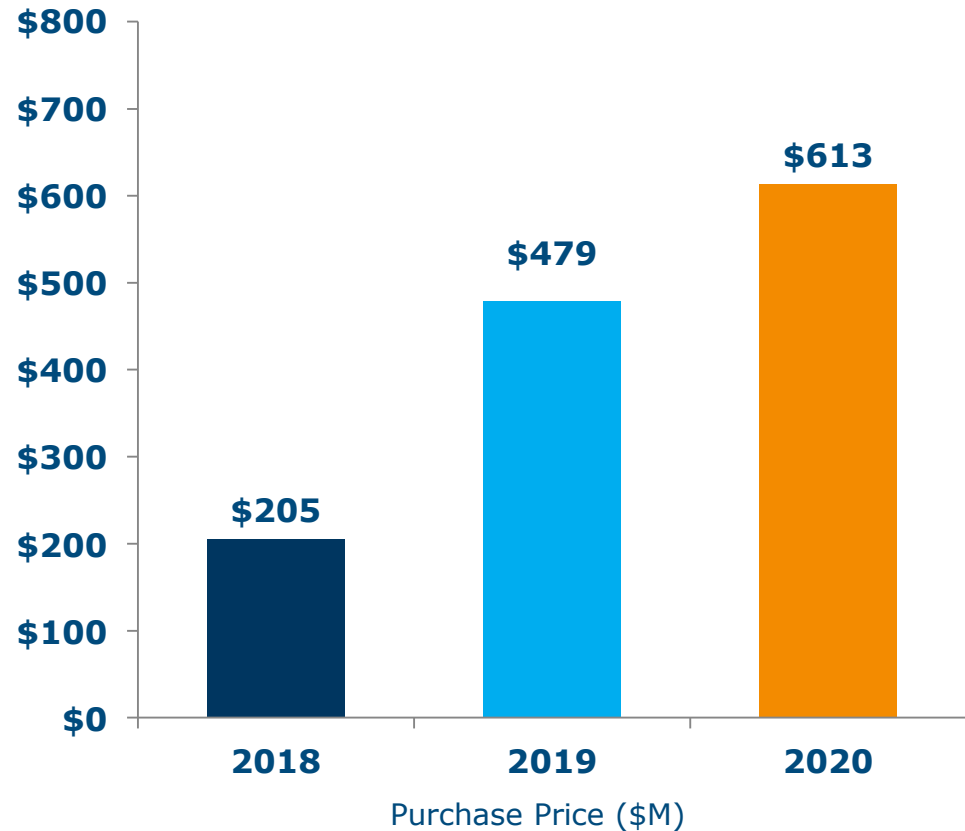
Acquisition Growth

Tuck-in acquisitions experience significant synergy capture within first year

Expand our footprint and capabilities

Dedicated M&A team has built a robust pipeline

Acquisition Investment



Margin & Free Cash Flow

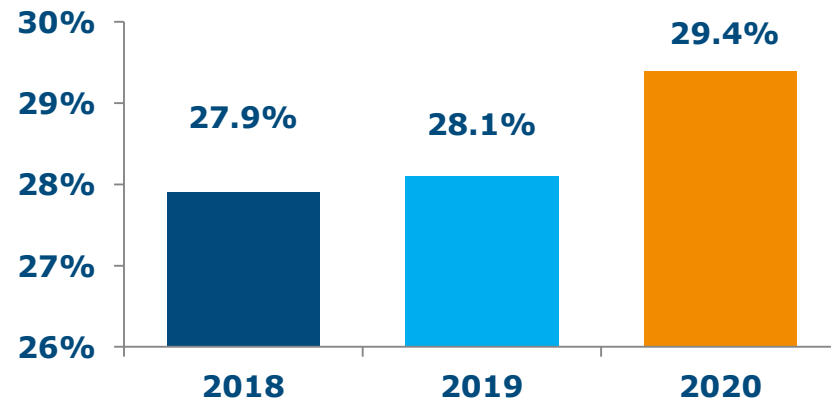
Pricing in excess of cost inflation

Reducing recycled commodity price volatility

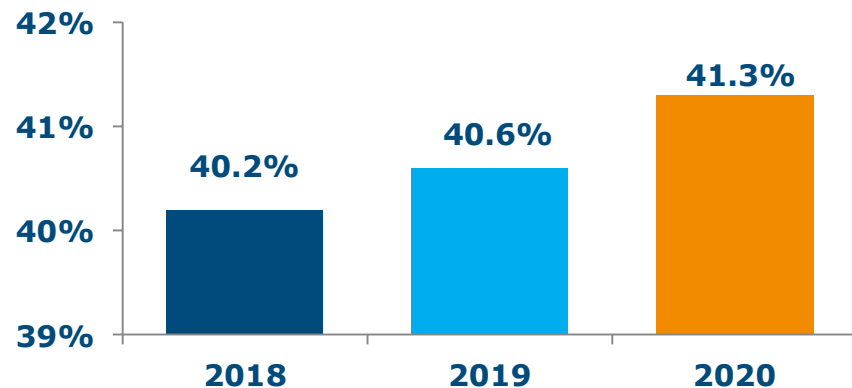
Effective cost management

Opportunity to further improve free cash flow conversion

Adjusted EBITDA Margin¹

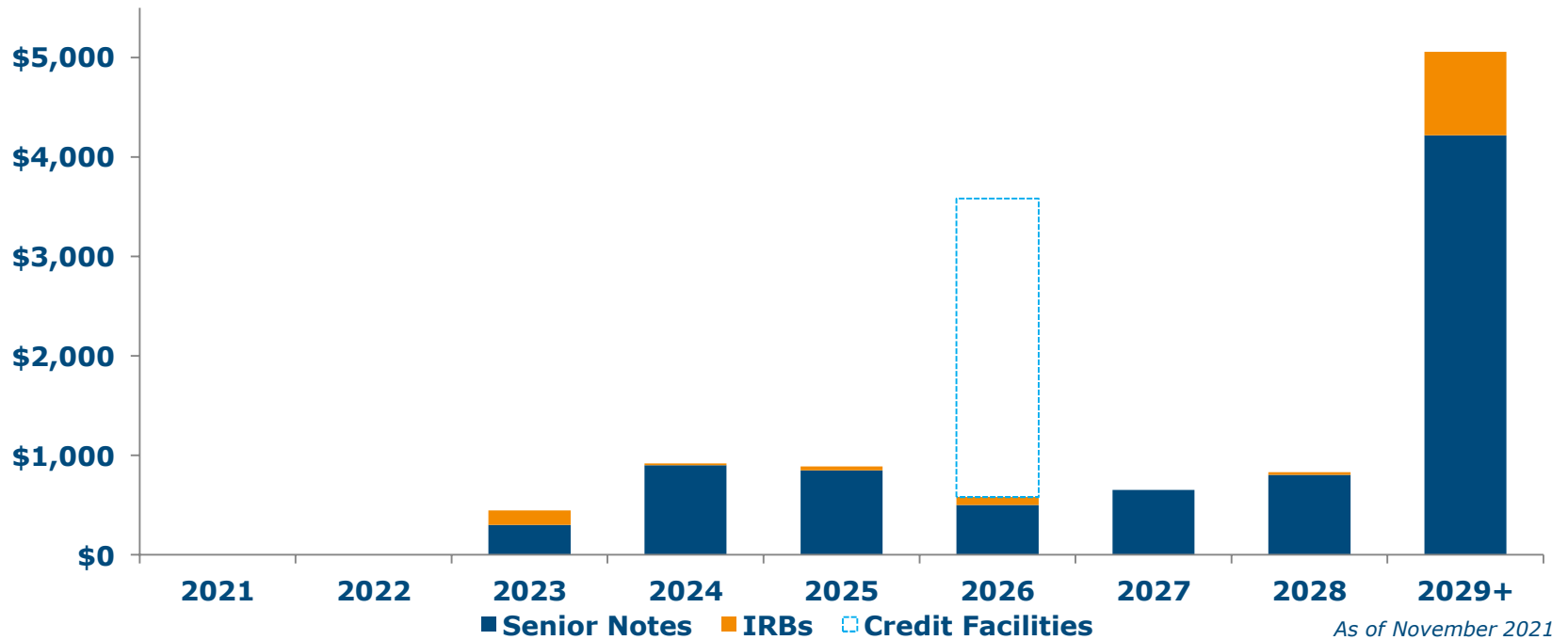


Free Cash Flow Conversion¹



¹ See "Reconciliation of Non-GAAP Measures" in appendix

Debt & Liquidity



Investment grade credit rating

Average cash interest rate of 2.7%

Leverage ratio of 2.8x

Tax Related Expense

Equivalent Tax Impact

Includes tax provision and non-cash charges² associated with solar investments

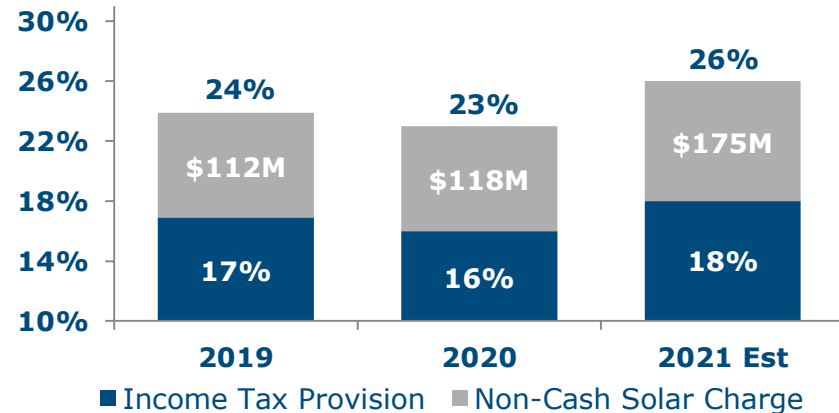
2021 estimated non-cash solar charge of \$175M

Expect long term equivalent tax impact of 27%

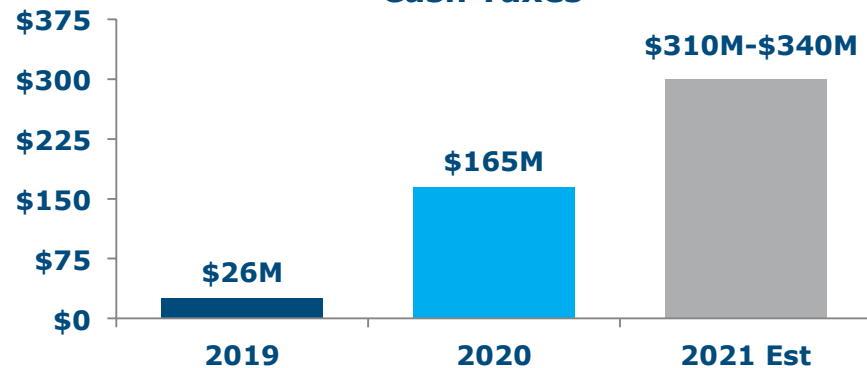
Cash Tax

2019 and 2020 includes tax refunds

Equivalent Tax Impact¹



Cash Taxes³



¹ Includes both the effective tax rate for income tax provision included in adjusted earnings per 8K filings and the non-cash solar charge

² Charge recorded in the "Loss from unconsolidated equity method investment" on the Income Statement

³ Represents adjusted cash taxes included in adjusted free cash flow

Appendix

EPS

Reconciliation of Non-GAAP Measures

| | FY 2018 | FY 2019 | FY 2020 |
|---|---------------|---------------|---------------|
| <u>Adjusted Diluted EPS:</u> | | | |
| Diluted EPS – as reported | \$3.16 | \$3.33 | \$3.02 |
| Loss on extinguishment of debt | 0.00 | 0.00 | 0.23 |
| Restructuring charges | 0.06 | 0.04 | 0.05 |
| Loss (gain) on business divestitures and impairment, net | (0.08) | (0.03) | 0.21 |
| Incremental contract startup costs – large municipal contract | 0.01 | 0.00 | 0.00 |
| Withdrawal costs – multiemployer pension | 0.00 | 0.00 | 0.08 |
| Fire-damage related costs | 0.00 | 0.02 | 0.00 |
| Bridgeton insurance recovery | (0.09) | (0.06) | (0.03) |
| Adjusted Diluted EPS | \$3.06 | \$3.30 | \$3.56 |

Free Cash Flow

Reconciliation of Non-GAAP Measures

| | FY 2018 | FY 2019 | FY 2020 |
|--|------------------|------------------|------------------|
| <u>Adjusted Free Cash Flow:</u> | | | |
| (\$ in millions) | | | |
| Cash provided by operating activities | \$2,242.8 | \$2,352.1 | \$2,471.6 |
| Property and equipment received | (1,157.7) | (1,215.8) | (1,240.6) |
| Proceeds from sales of property and equipment | 31.6 | 21.7 | 30.1 |
| MEPP withdrawal liability payments, net of tax | 0.0 | 0.0 | 25.4 |
| Restructuring payments, net of tax | 18.2 | 7.8 | 11.5 |
| Divestiture related tax (benefits) payments | 20.2 | 7.8 | (9.7) |
| Bridgeton insurance recovery, net of tax | (30.5) | 0.0 | (26.4) |
| Cash tax benefit for debt extinguishment and other related costs | 0.0 | 0.0 | (26.0) |
| Adjusted Free Cash Flow | \$1,124.6 | \$1,173.6 | \$1,235.9 |
| Free Cash Flow Conversion (adjusted free cash flow / adjusted EBITDA) | 40.2% | 40.6% | 41.3% |

EBITDA

Reconciliation of Non-GAAP Measures

| | FY 2018 | FY 2019 | FY 2020 |
|---|------------------|------------------|------------------|
| <u>Adjusted EBITDA:</u> (\$ in millions) | | | |
| Net income attributable to Republic Services, Inc. | \$1,036.9 | \$1,073.3 | \$967.2 |
| Net income attributable to non-controlling interests | 0.7 | 0.5 | 2.4 |
| Provision for income taxes | 283.3 | 222.0 | 173.1 |
| Other income, net | (3.4) | (6.4) | (4.1) |
| Interest income | (1.6) | (6.4) | (5.2) |
| Interest expense | 383.8 | 392.0 | 355.6 |
| Depreciation, amortization and depletion | 1,033.4 | 1,040.5 | 1,075.9 |
| Accretion | 80.7 | 81.9 | 82.9 |
| Loss from unconsolidated equity method investment | 35.8 | 112.2 | 118.2 |
| Loss on extinguishment of debt and other related costs | 0.3 | 0.0 | 101.9 |
| Restructuring charges | 26.4 | 14.2 | 20.0 |
| Loss (gain) on business divestitures and impairments, net | (44.9) | (14.7) | 77.7 |
| Incremental contract startup costs – large municipal contract | 5.8 | 0.7 | 0.0 |
| Fire-damage related costs | 0.0 | 7.7 | 0.0 |
| Withdrawal costs – multiemployer pension | 0.0 | 0.0 | 34.5 |
| Bridgeton insurance recovery | (40.0) | (24.0) | (10.8) |
| Adjusted EBITDA | \$2,797.2 | \$2,893.5 | \$2,989.3 |

2021 Guidance

Reconciliation of Non-GAAP Measures

FY 2021

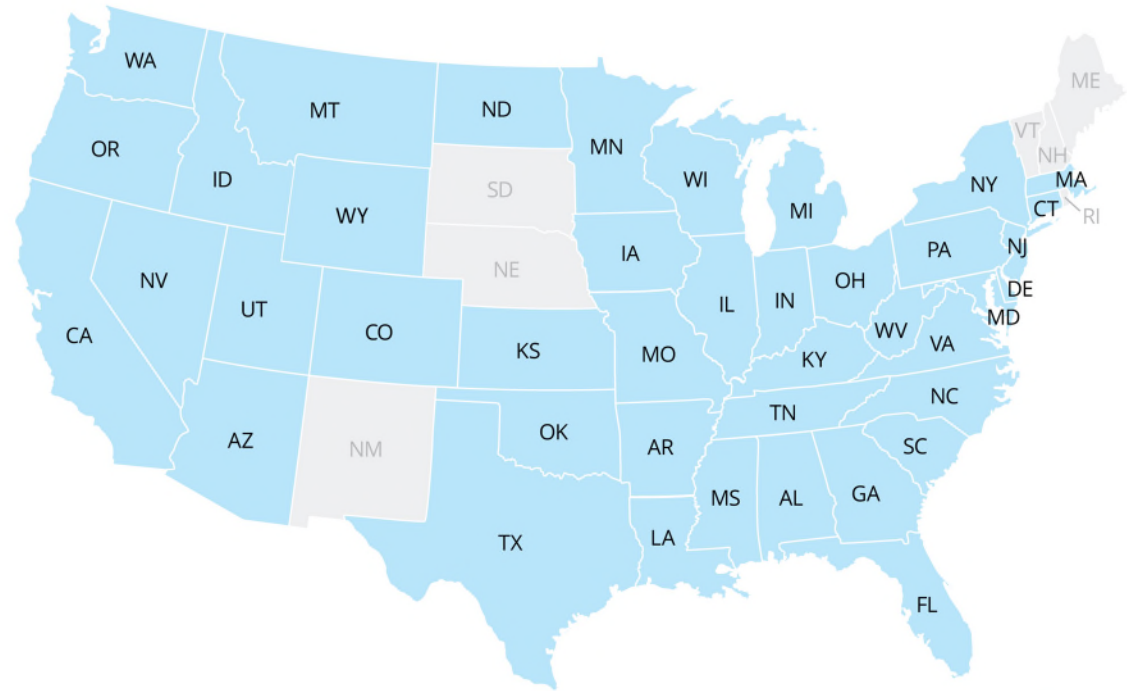
Adjusted Diluted Earnings Per Share:

| | |
|--|------------------------|
| Diluted earnings per share | \$4.01 - \$4.04 |
| Restructuring charges | 0.04 |
| Accelerated vesting of compensation expense for CEO transition | 0.05 |
| Adjusted diluted earnings per share | \$4.10 - \$4.13 |

Adjusted Free Cash Flow:

| | |
|--|--------------------------|
| Cash provided by operating activities | \$2,735 - \$2,770 |
| Property and equipment received | (1,290 - 1,300) |
| Proceeds from the sale of property and equipment | 15 |
| Restructuring payments, net of tax | 15 |
| Adjusted free cash flow | \$1,475 - \$1,500 |

National Footprint



41
States

355
Collection Operations

238
Transfer Stations

198
Active Landfills

73
Recycling Processing Centers

3
Treatment, Recovery and
Disposal Facilities

6
Salt Water Disposal Wells

7
Deep Injection Wells

75
Landfill Gas and Renewable
Energy Projects



35K

Employees



5M

Average Daily Pickups



41

States



6M

Tons Of Materials
Processed Per Year



16K

Trucks In Our Fleet



198

Active Modern Day
Landfills



73

Recycling Centers



75

LFGE Projects



355

Collection Operations

2030 Sustainability Goals



SAFETY

Safety Amplified

0

Employee Fatalities

<2.0

Reduce our OSHA Total Recordable Incident Rate (TRIR) to 2.0 or less by 2030



PEOPLE

Engaged Workforce

88%

Achieve and maintain employee engagement scores at or above 88% by 2030



CLIMATE LEADERSHIP

Climate Leadership

35%

Reduce absolute Scope 1 and 2 greenhouse gas emissions 35% by 2030 (2017 baseline year)
APPROVED BY SBTI

40%

Increase recovery of key materials by 40% on a combined basis by 2030 (2017 baseline year)

50%

Increase biogas sent to beneficial reuse by 50% by 2030 (2017 baseline year)



COMMUNITIES

Charitable Giving

20M

Positively impact **20 million people** by 2030

Industry Leading Performance



BARRON'S
Most Sustainable Companies
2021

FORTUNE
WORLD'S MOST
ADMIRED
COMPANIES[®] 2021



2021
People
COMPANIES
THAT CARE



Member of
Dow Jones
Sustainability Indices

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Sustainability Yearbook
Member 2021

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