



**REPUBLIC**  
SERVICES

Sustainability in Action

# Investor Presentation

August 2024



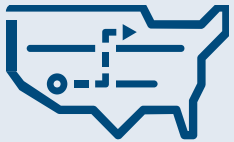
# Forward Looking Statements

Certain statements and information included herein constitute "forward-looking statements" within the meaning of the Federal Private Securities Litigation Reform Act of 1995, including statements with respect to our anticipated 2024 financial results. 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 in 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.

# Overview & Strategy



# 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

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Provide essential services in a **\$114 billion** environmental services industry

**Continued opportunity for consolidation** to drive growth and build scale

## Republic Services

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**Strong and predictable free cash flow**

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

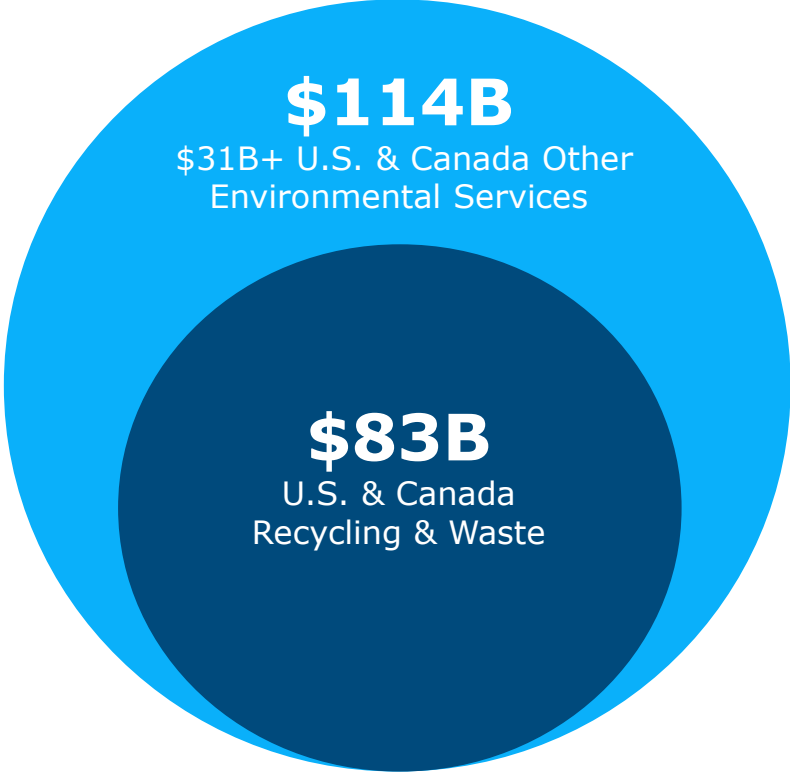
**80%** Approximately 80% of revenue has an annuity-type profile

# Where We Compete

Continue to expand addressable market with our differentiated capabilities

	<b>Recycling &amp; Waste</b> <ul style="list-style-type: none"><li>- Prioritize investment in verticals with above average growth rates and higher return profiles</li></ul>
	<b>Environmental Solutions</b> <ul style="list-style-type: none"><li>- Strong growth opportunity</li><li>- Focused on industrial and manufacturing sectors</li></ul>
	<b>Sustainability Innovation</b> <ul style="list-style-type: none"><li>- Strong growth opportunity</li><li>- Enhancing circularity and decarbonization</li></ul>

## Current Addressable Market



Based on management estimates

# Business Foundation



## Market Position

Goal to obtain a leading market position in the markets where we operate

Recycling and waste operations are vertically integrated in **90%** of the markets we serve

Complete set of products and service offerings



## Operating Model

Standardized processes to deliver operational excellence

Matrix organization; **199** Business Units<sup>1</sup> with individual P&Ls

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



## Talent

Attracting and retaining the best talent

High employee engagement score of **86**

Culture of inclusion and diversity; **48% ethnically diverse**

Robust learning and development programs

<sup>1</sup> Includes 167 Recycling & Waste Business Units, 31 Environmental Solutions Business Units, 1 Polymer Center  
Data as of 06/30/2024

# Strategy

Designed to generate profitable growth by partnering with customers to create a more sustainable world

## Differentiating Capabilities



### CUSTOMER ZEAL

Drive customer loyalty by offering differentiated products and services specifically designed to meet our customers' needs  
**Offering a complete set of products and services**



### DIGITAL

Provide a consistent experience across our business while enabling customers to do business with us the way they prefer  
**RISE tablets implemented across fleet**



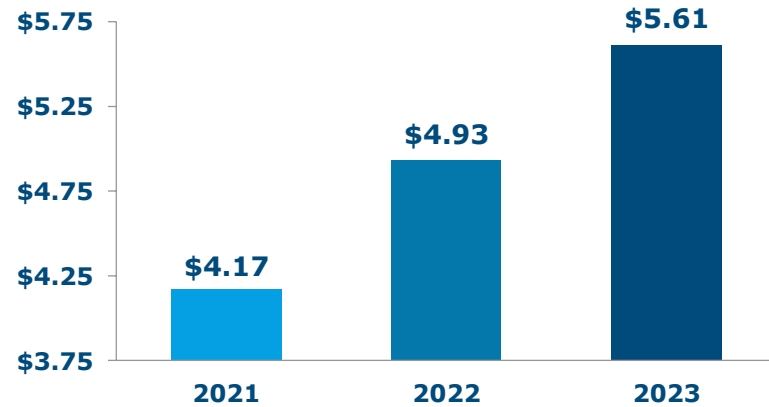
### SUSTAINABILITY

Provide customers with sustainable solutions that support a cleaner, safer and healthier world  
**Ambitious 2030 Sustainability Goals**



# Financial Performance

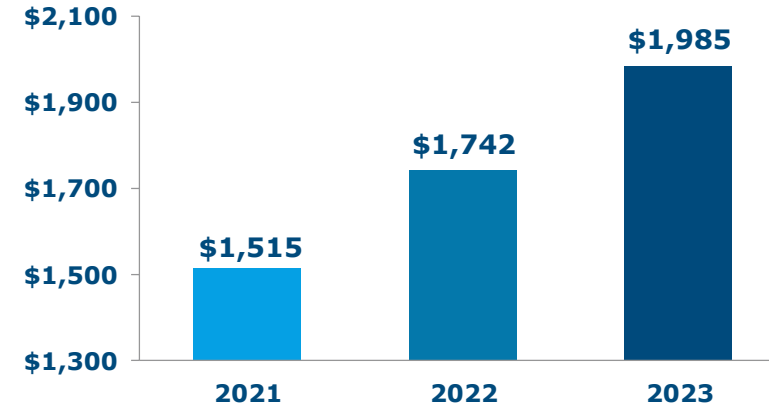
## Adjusted EPS<sup>1</sup>



3-Yr CAGR  
of 16%

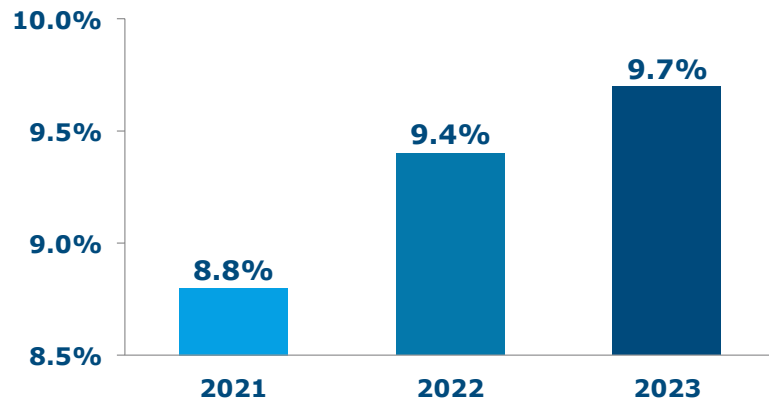
## Adjusted Free Cash Flow<sup>1</sup>

(\$ in millions)



3-Yr CAGR  
of 17%

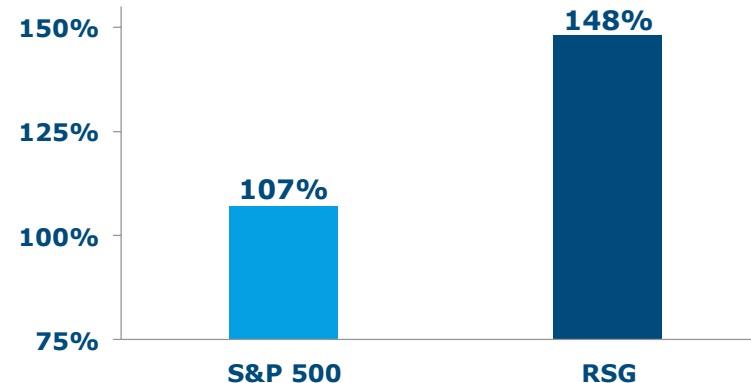
## Return on Invested Capital



Consistent  
ROIC  
growth

## 5-Year Total Shareholder Return

(period ended December 31, 2023)



Outpaced  
S&P 500

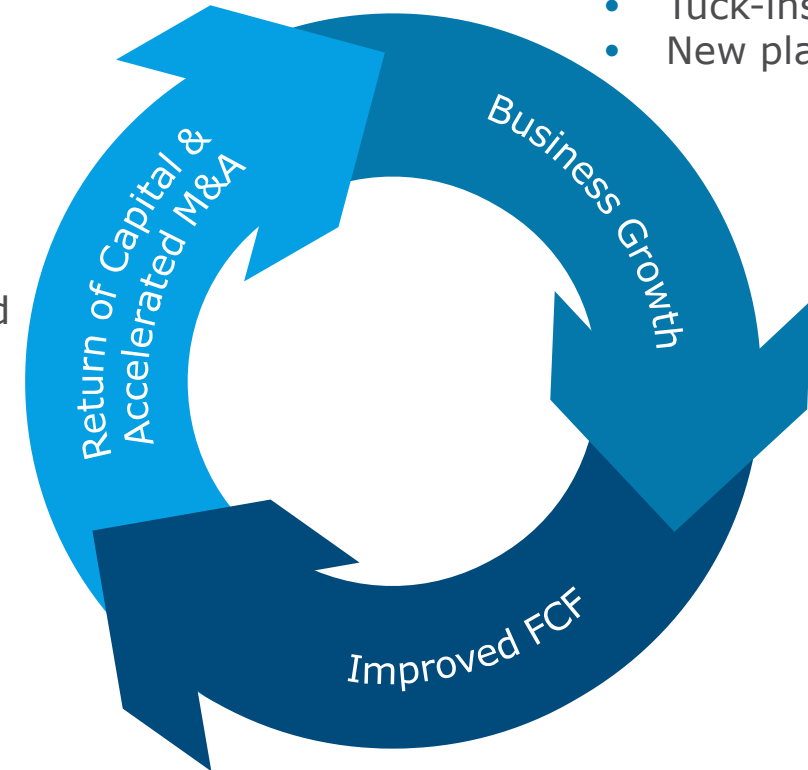
<sup>1</sup> See "Reconciliation of Non-GAAP Measures" in appendix

# Capital Allocation

## Efficient and balanced approach to cash utilization which drives shareholder value

- **\$5.5 billion invested** in acquisitions over the last 3 fiscal years
- **Increased annual dividend** for 21 consecutive years
- **\$2.5 billion cash returned** to shareholders over the last 3 fiscal 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

# Differentiating Capabilities

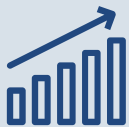




# Customer Zeal

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

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



Customer satisfaction  
measured by NPS

94%

Customer retention rate



Embedded in GM  
compensation plans

Data as of 06/30/2024





# Digital

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

## System Modernization

### Customer & Order Management

- Accounts Receivable
- Invoicing

### MPower Asset Management

- Increased maintenance productivity
- Enhanced warranty recovery



**Capture Pricing Tool**



**Centralized Customer Service**



**Connect Driver Communication Platform**



**Financial Reporting Connected with Procurement**

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024+

*RISE Full Deployment*

**App & Online Account**  
Utilized by 3M customers

**E-Commerce**  
Empowering customers with seamless digital service channels

**RISE Dispatch Platform**  
Over 13.7K efficiently managed routes

**RISE Tablets**  
30M+ automated customer notifications sent

Data as of 06/30/2024



# Sustainability

Driving profitable growth by providing customers with environmentally responsible solutions

**120M**

Tons of material handled annually

**15%**

Reduction in Scope 1 and 2 greenhouse gas emissions since 2017

**75**

Recycling Centers

**78**

Landfill gas & renewable energy projects

**60K+**

Tons annually of plastic circularity per Polymer Center

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

Data as of 06/30/2024

## 2030 Climate Leadership Goals:

**35%**

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

*10% Interim reduction target by 2025*

**40%**

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

**50%**

Increase biogas sent to beneficial reuse by 50%

2017 Baseline Year



Recycling & Waste

Environmental Solutions

Integrated Growth

Sustainability Innovation



# Recycling & Waste

Providing customers with sustainable solutions that support a cleaner, safer and healthier world



Provide safe, high-quality service that supports customer sustainability goals



Vertically integrated to compete effectively across the nation



Strong internalization, controlling material stream from collection to recycling and disposal



Prioritize investments in market verticals with above average growth rates



Leadership position in electric technology innovation for collection fleet



# Environmental Solutions

Expanding capabilities to provide customers a complete set of products and services



Customers desire a single provider for all environmental services needs



Vertically integrated platform serving North America



Leading market position with strategic infrastructure network



Cross-selling a complete set of products and services

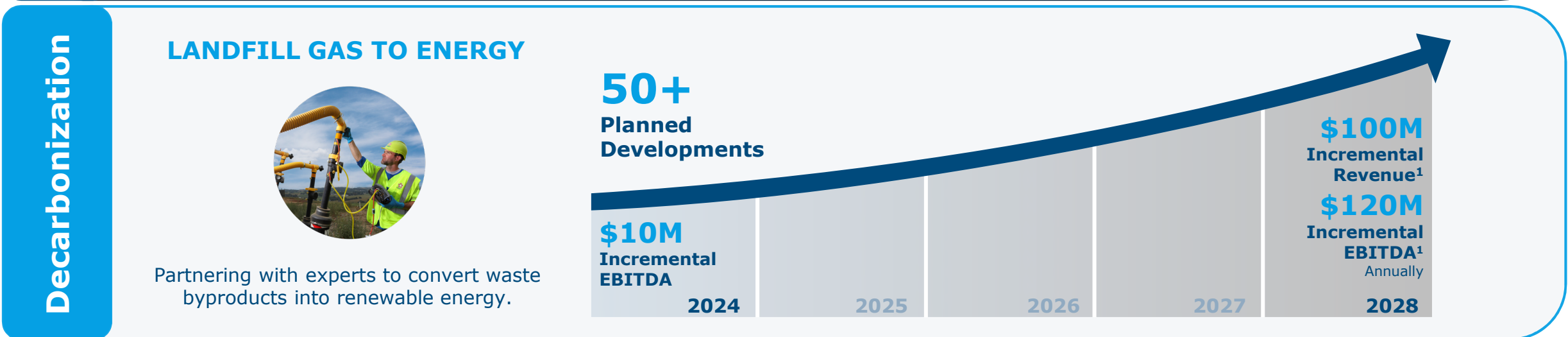
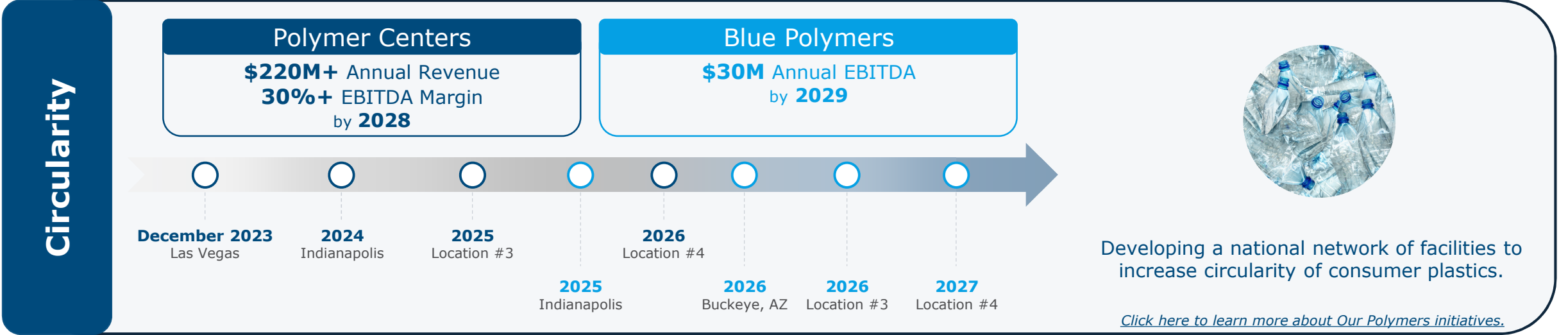


Operating synergy and organic growth drives margin improvement



# Sustainability Innovation

Investing in infrastructure at the intersection of environmental and economic sustainability



All financial values based on management estimates.

<sup>1</sup>Full-year 2023 baseline

# Revenue by Market Type

Balanced portfolio across market types

<b>Franchise</b>	24%	<ul style="list-style-type: none"><li>- Sole service provider</li><li>- Long-term contracts</li><li>- Optimal operating density</li></ul>
<b>Small &amp; Mid-Sized</b>	30%	<ul style="list-style-type: none"><li>- Market leader</li><li>- Vertical integration</li><li>- Strong operating density</li></ul>
<b>Large Urban</b>	35%	<ul style="list-style-type: none"><li>- Vertical integration</li><li>- More competitive</li></ul>
<b>Environmental Solutions</b>	11%	<ul style="list-style-type: none"><li>- Above average growth rate</li><li>- Cross-selling opportunity</li></ul>

Data as of 06/30/2024

# Financial Overview



# Financial Guidance

## 2024 Guidance

**Revenue**

\$16.075 - \$16.125 billion

**Adjusted EBITDA<sup>1</sup>**

\$4.900 - \$4.925 billion

**Adjusted Diluted EPS<sup>1</sup>**

\$6.15 - \$6.20

**Adjusted Free Cash Flow<sup>1</sup>**

\$2.150 - \$2.170 billion

**Average Yield**

5.5% - 6.0% Total Revenue  
6.5% - 7.0% Related Revenue

**Volume**

(1.0%) – (0.5%)

**Acquisition Investment**

Up to \$500 million

<sup>1</sup> See "Reconciliation of Non-GAAP Measures" in appendix

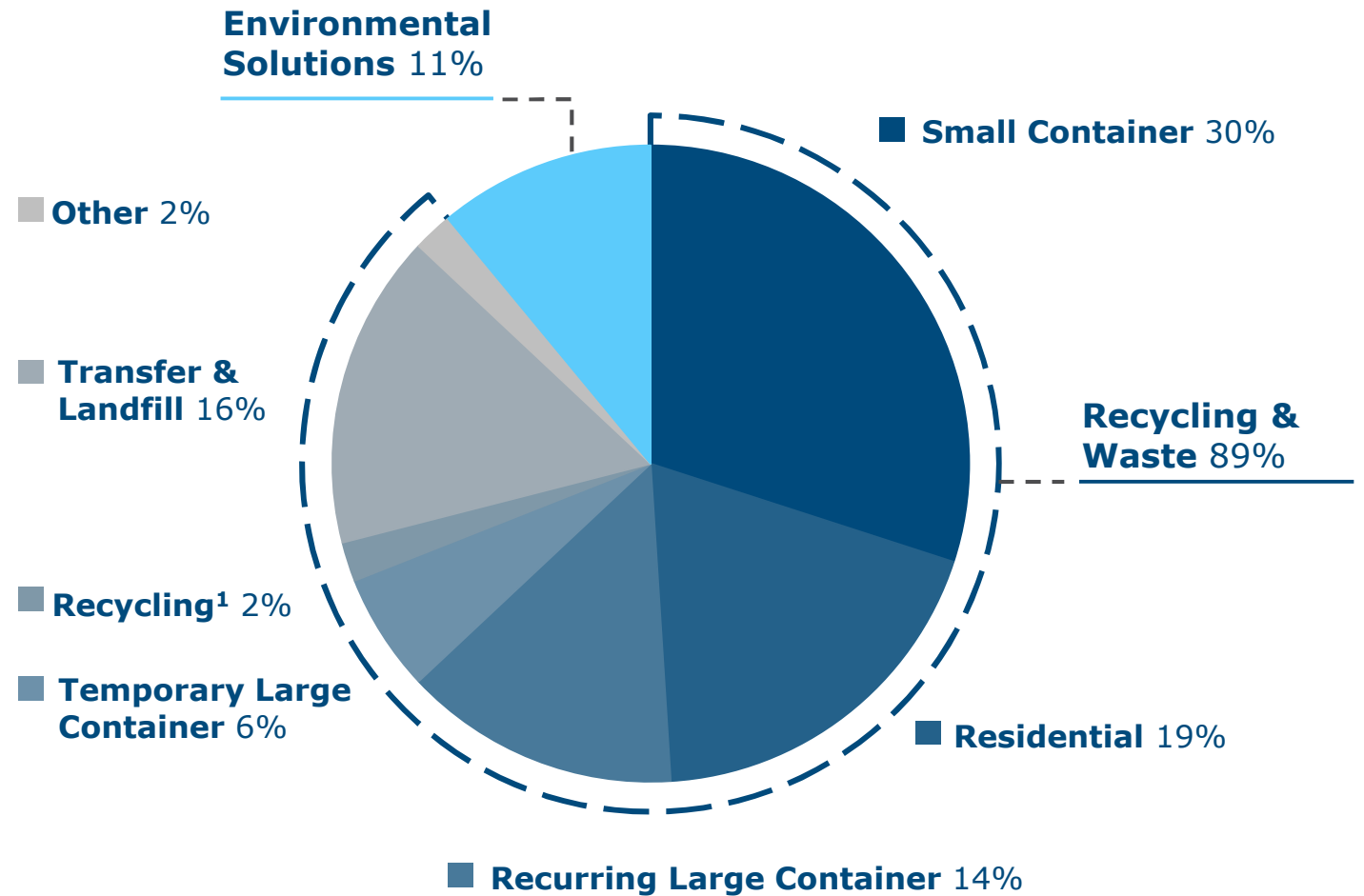
# Revenue by Line of Business

**80%**

Approximately 80% of revenue has an annuity-type profile

**70%**

Collection business represents ~70% of total revenue



<sup>1</sup> Recycling includes recycling processing and commodity sales

Data as of 12/31/2023

# Pricing Trends

## OPEN MARKET (55%)

- Secure price increases directly with customer
- Greater pricing power



**7.4% Core Price in 2023<sup>1</sup>**

## RESTRICTED PRICING (45%)

Converting CPI based contracts to an alternative index<sup>2</sup> or a fixed rate of 4% or greater which better reflects our costs

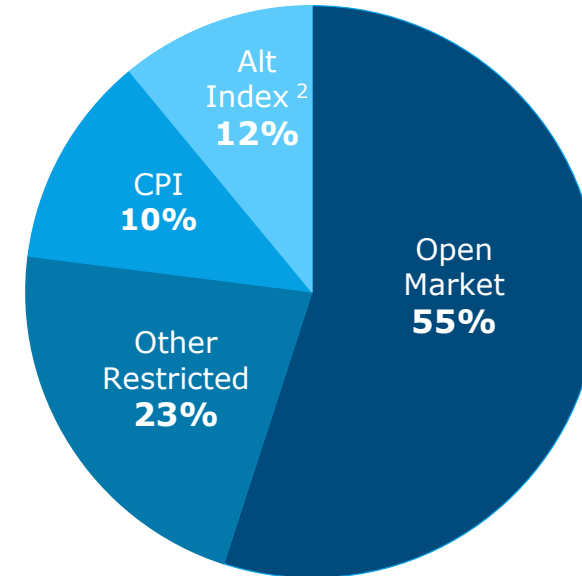


**60% Converted**

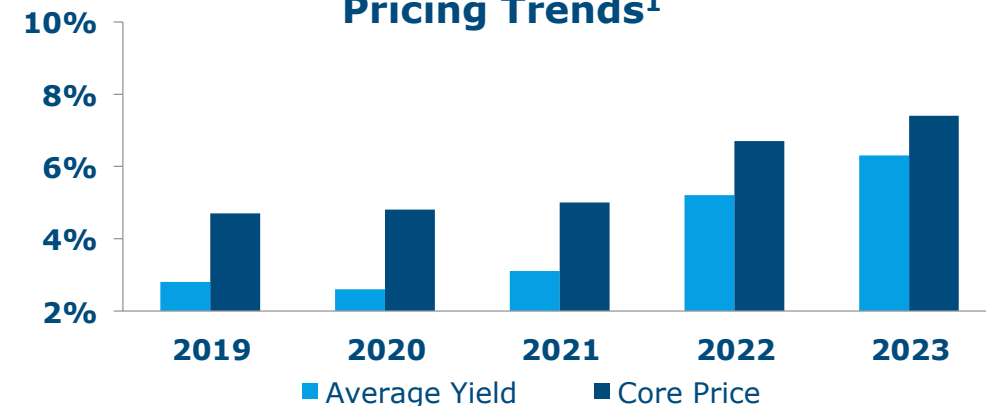
<sup>1</sup>Core price & yield on total revenue

<sup>2</sup>Alternative Index includes Water/Sewer/Trash and Garbage/Trash  
Data as of 06/30/24, Recycling & Waste only

**Pricing Mechanism**



**Pricing Trends<sup>1</sup>**



# Volume Trends



Volume driven by:

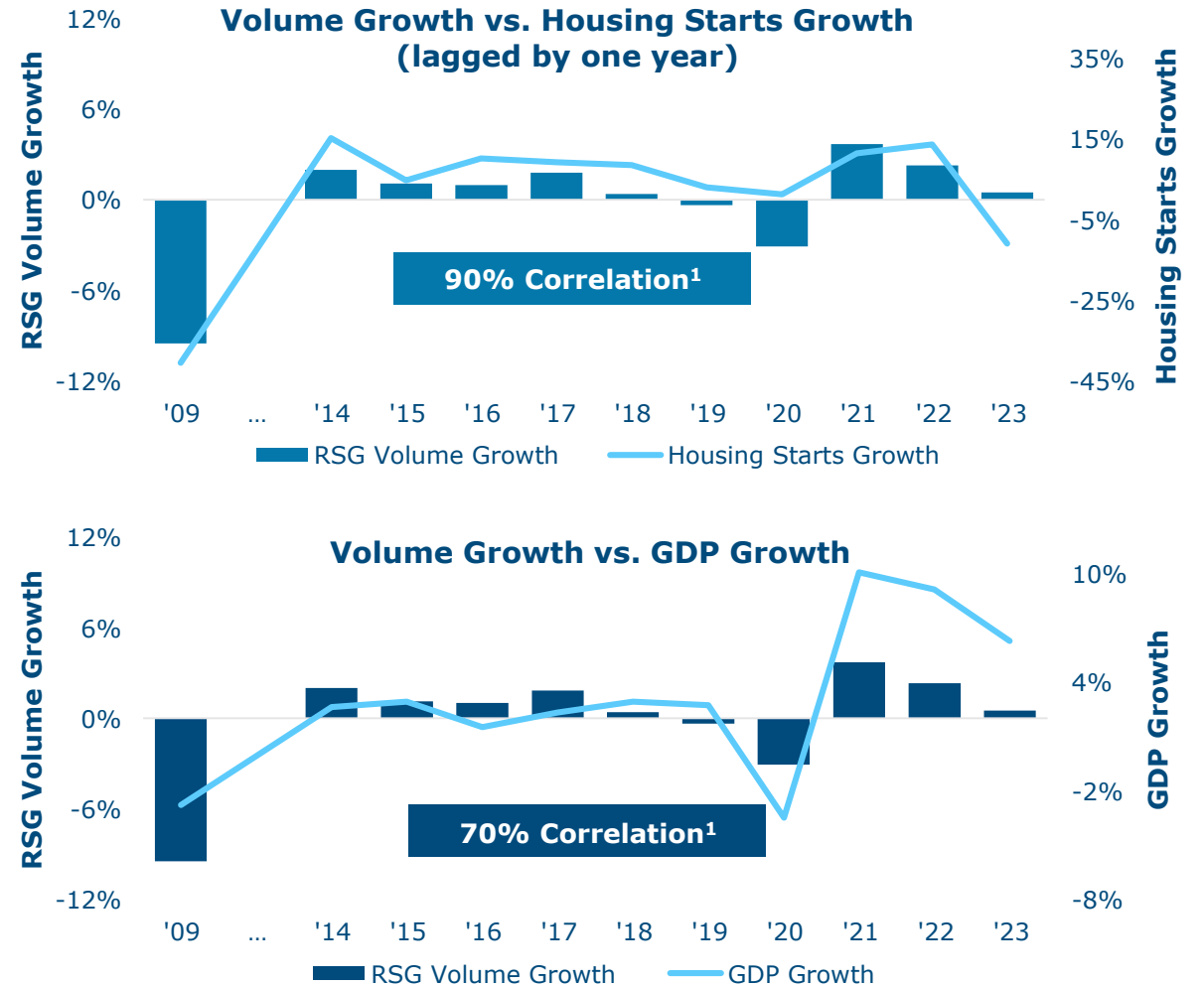
- Population growth
- Household formation
- New business formation



Resilient during a downturn



Highly correlated to housing starts



<sup>1</sup> Correlation excludes 2020 results  
Recycling & Waste only



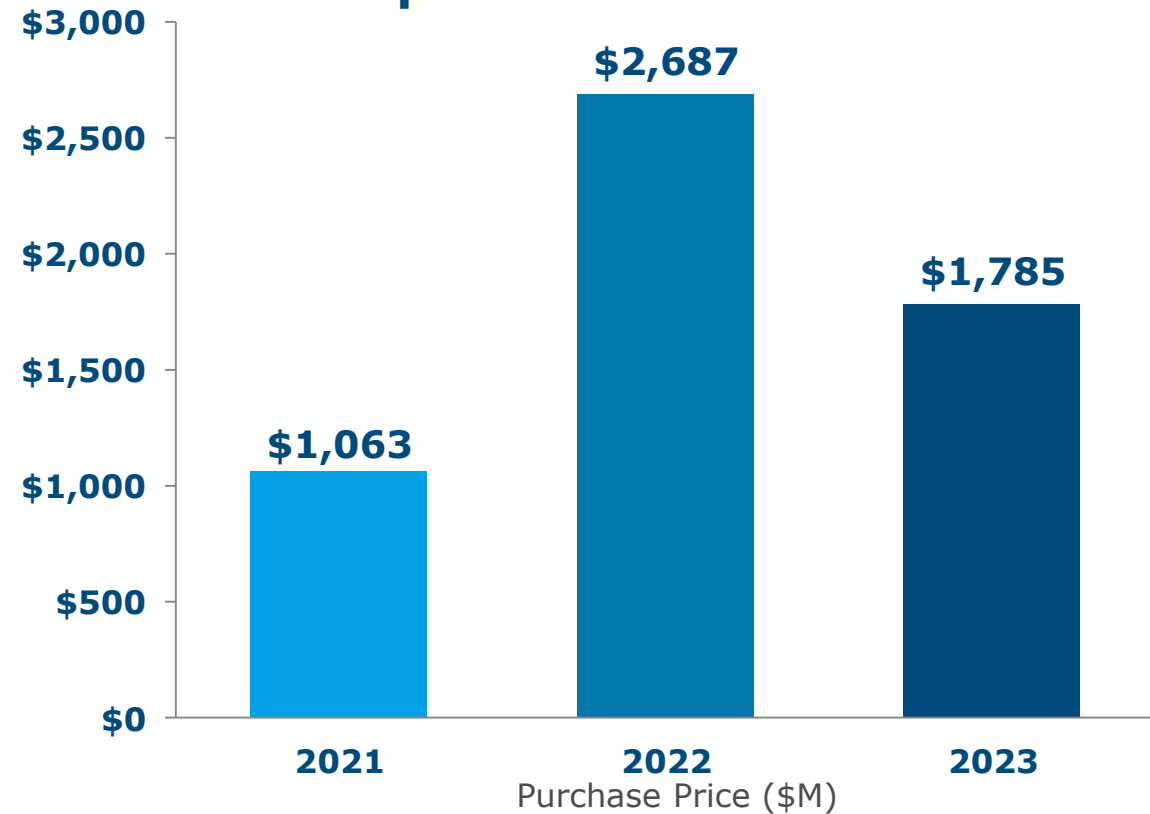
# Acquisition Growth

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



# Debt & Liquidity

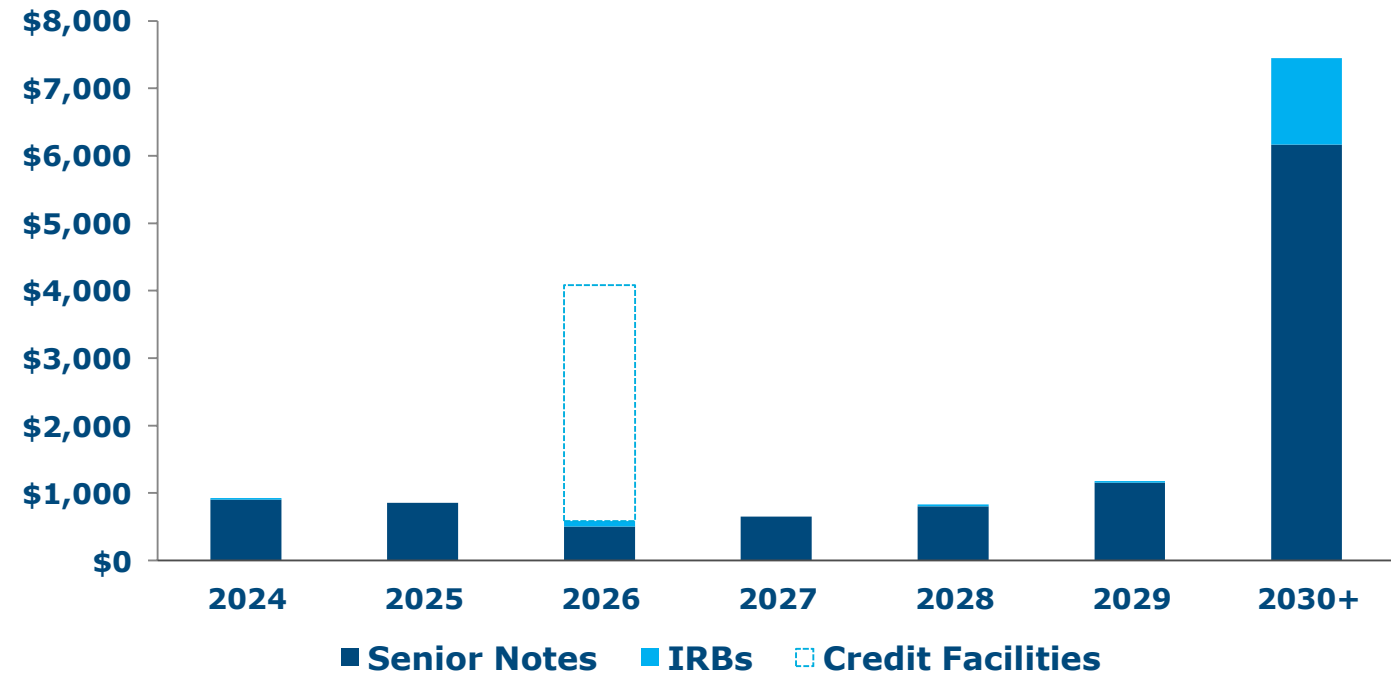
Investment-grade credit rating

Average cash interest rate of  
3.7%

Total liquidity of \$2.8 billion

(\$ in millions)

### Maturity by Debt Type



Credit Facilities include outstanding balances on revolving credit facilities and commercial paper program  
Data as of 06/30/24

# Tax Related Expense

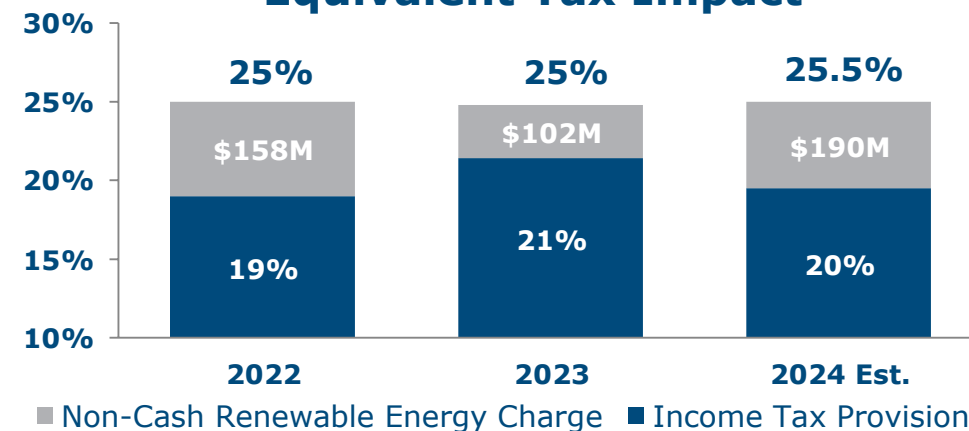
## Equivalent Tax Impact

- Includes tax provision and non-cash charges<sup>2</sup> associated with renewable energy investments
- 2023 non-cash renewable energy charge of \$102M
- Expect long-term equivalent tax impact of 27%

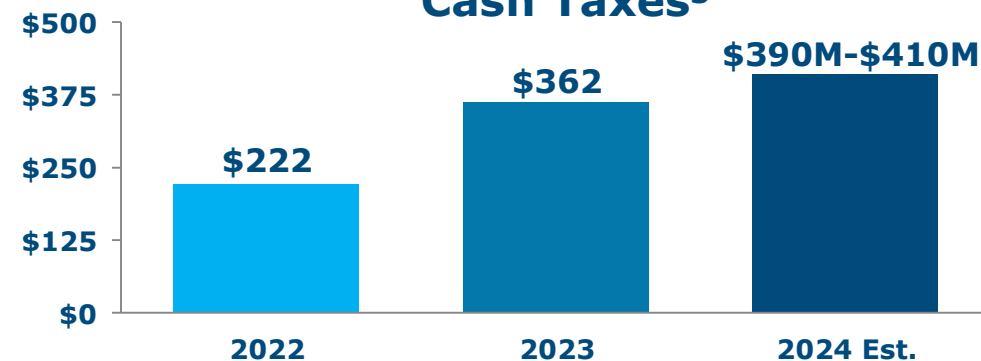
## Cash Tax

- Bonus depreciation benefit begins to phase out in 2023

## Equivalent Tax Impact<sup>1</sup>



## Cash Taxes<sup>3</sup>



<sup>1</sup> Includes both the effective tax rate for income tax provision included in adjusted earnings per 8K filings and the non-cash renewable energy charge

<sup>2</sup> Charge recorded in "Loss from unconsolidated equity method investment" line on the Income Statement

<sup>3</sup> Represents adjusted cash taxes included in adjusted free cash flow per 8K filings

Data as of 06/30/2024



# Appendix

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# EPS

Reconciliation of Non-GAAP Measures	FY 2021	FY 2022	FY 2023
<b>Adjusted Diluted EPS:</b>			
Diluted EPS – as reported	\$4.04	\$4.69	\$5.47
Restructuring charges	0.04	0.06	0.08
Loss (gain) on business divestitures and impairment, net	0.02	(0.01)	(0.03)
Withdrawal costs – multiemployer pension	0.00	0.00	0.01
US Ecology acquisition integration and deal costs	0.00	0.19	0.08
Accelerated vesting of comp expense for CEO transition	0.07	0.00	0.00
<b>Adjusted Diluted EPS</b>	<b>\$4.17</b>	<b>\$4.93</b>	<b>\$5.61</b>

# Free Cash Flow

Reconciliation of Non-GAAP Measures	FY 2021	FY 2022	FY 2023
<b>Adjusted Free Cash Flow: (\$ in millions)</b>			
Cash provided by operating activities	\$2,786.7	\$3,190.0	\$3,617.8
Property and equipment received	(1,303.6)	(1,552.5)	(1,717.5)
Proceeds from sales of property and equipment	19.5	32.8	29.2
MEPP withdrawal liability payments, net of tax	0.0	2.2	0.3
Restructuring payments, net of tax	12.7	14.6	29.1
Divestiture related tax (benefits) payments	(0.1)	2.5	0.9
Cash tax benefit for debt extinguishment and other related costs	0.0	0.0	(0.1)
US Ecology acquisition integration and deal costs, net of tax	0.0	52.8	25.4
<b>Adjusted Free Cash Flow</b>	<b>\$1,515.2</b>	<b>\$1,742.4</b>	<b>\$1,985.1</b>

# 2024 Guidance

Reconciliation of Non-GAAP Measures	FY 2024
<b>Adjusted EBITDA: (\$ in millions)</b>	
Net income attributable to Republic Services, Inc.	\$1,920 - \$1,935
Provision for income taxes	460 - 470
Other income, net	(15)
Interest expense, net	550
Depreciation, amortization, depletion and accretion	1,765
Loss from unconsolidated equity method investments	190
Restructuring charges	30
<b>Adjusted EBITDA</b>	<b>\$4,900 - \$4,925</b>

# 2024 Guidance

Reconciliation of Non-GAAP Measures	FY 2024
<b>Adjusted Diluted Earnings Per Share:</b>	
Diluted earnings per share	\$6.10 - \$6.15
Gain on extinguishment of debt and other related costs	(0.02)
Restructuring charges	0.07
<b>Adjusted Diluted Earnings Per Share</b>	<b>\$6.15 - \$6.20</b>
<b>Adjusted Free Cash Flow: (\$ in millions)</b>	
Cash provided by operating activities	\$3,890 - \$3,950
Property and equipment received	(1,780 - 1,820)
Proceeds from the sale of property and equipment	20
Restructuring payments, net of tax	20
<b>Adjusted Free Cash Flow</b>	<b>\$2,150 - \$2,170</b>



# National Footprint

**362**

Collection Operations

**246**

Transfer Stations

**208**

Active Landfills

**75**

Recycling Centers

**23**

Treatment, Storage and Disposal Facilities

**13M**

Customers

**12**

Deep Injection Wells

**78**

Landfill Gas and Renewable Energy Projects

**42K**

Employees

**5M**

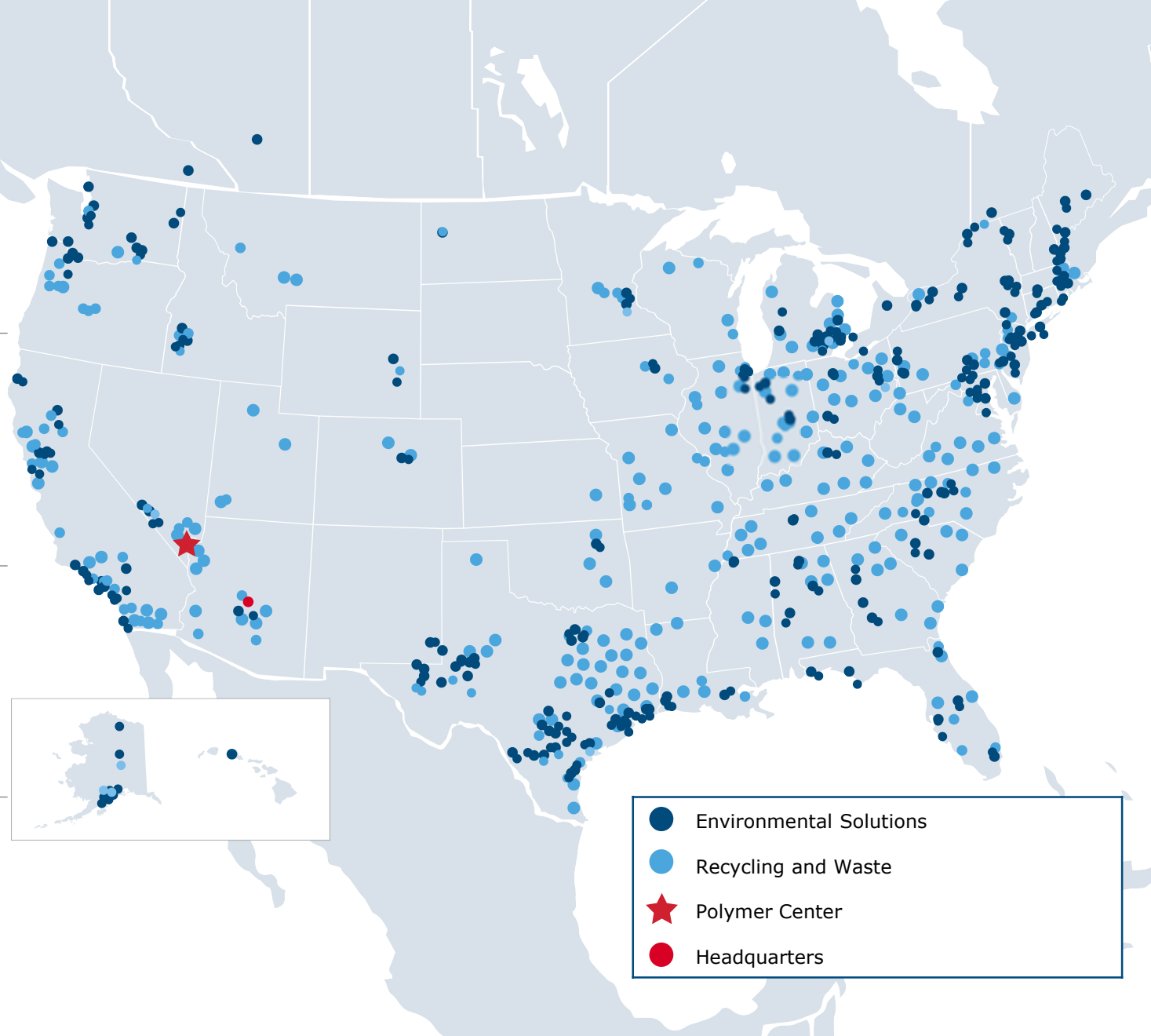
Average Daily Pickups

**5M**

Tons of Material Processed in Recycling Centers in 2023

**17K**

Trucks in Our Fleet



Data as of 06/30/2024

# 2030 Sustainability Goals

## Safety Amplified



**0**  
Employee Fatalities

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

## Engaged Workforce



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

## Charitable Giving



**45M**  
Create sustainable neighborhoods through strong community partnerships for 45 million people by 2030

## Climate Goals:

**35%**

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

*10% Interim reduction target by 2025*

**40%**

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

**50%**

Increase biogas sent to beneficial reuse by 50%

2017 Baseline Year

# Industry Leading Performance



Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA



**Sustainability Yearbook**  
Member 2023  
S&P Global