# Stifel 2023 Cross Sector Insight Conference

## June 7, 2023

# Forward Looking Statements and GAAP Disclaimer

These slides contain (and the accompanying oral discussion will contain) forward-looking statements, which are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans to," "seeks," "should," "estimates," "projects," "may," "likely" or similar expressions. Such statements may include, but are not limited to, statements about future financial and operating results, the Company's plans, objectives, expectations and intentions and other statements that are not historical facts. Forward-looking statements are neither historical facts nor assurances of future performance. Such statements are based upon the beliefs and expectations of Clean Harbors' management as of this date only and are subject to certain risks and uncertainties that could cause actual results to differ materially, including, without limitation, those items identified as "Risk Factors," disclosed in our periodic filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K filed on February 23, 2022. Therefore, readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date hereof. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Clean Harbors undertakes no obligation to revise or publicly release the results of any revision to these forward-looking statements other than through its filings with the SEC, which may be viewed in the "Investors" section of the Clean Harbors website.

Statement Regarding use of Non-GAAP Measures:

Adjusted EBITDA, adjusted free cash flow, adjusted net income and adjusted earnings per share, as presented in these slides, are non-GAAP financial measures and should not be considered alternatives to other measurements under generally accepted accounting principles (GAAP), but viewed only as a supplement to those measurements. These non-GAAP measures are not calculated identically by all companies. Therefore, our measurements of Adjusted EBITDA, adjusted free cash flow, adjusted net income (loss) and adjusted earnings (loss) per share are clearly defined and may not be comparable to similarly titled measures reported by other companies. We believe that Adjusted EBITDA provides additional useful information to investors since our loan covenants are based upon levels of Adjusted EBITDA achieved and the fact that management routinely evaluates the performance of its businesses based upon levels of Adjusted EBITDA. We believe adjusted free cash flow provides useful information to investors about our ability to generate cash. We believe adjusted net income (loss) and adjusted earnings (loss) per share provide useful information about our performance excluding non-recurring or extraordinary items.

Adjusted EBITDA consists of net income (loss) plus accretion of environmental liabilities, stock-based compensation, depreciation and amortization, net interest expense, loss on early extinguishment of debt, provision for income taxes and excludes other gains, losses and non-cash charges not deemed representative of fundamental segment results and other (income) expense, net. Adjusted free cash flow consists of net cash from operating activities excluding cash impacts of items derived from non-operating activities, less additions to property, plant and equipment plus proceeds from sale of fixed assets. All amounts in USD unless otherwise noted.

For a reconciliation of Adjusted EBITDA and adjusted net income to net income, a reconciliation of adjusted earnings per share to net income per share and a reconciliation of net cash from operating activities to adjusted free cash flow, please refer to our quarterly news release dated May 3, 2023, on our website and other periodic filings with the SEC.

# Our Mission is Based in Sustainability

"Create a Safer, Cleaner Environment Through the Treatment, Recycling and Disposal of Hazardous Materials"

# Reasons to Invest in CLH

- Market Leader with High Barriers to Entry
- Growth Potential Beyond GDP
- Best in Class Systems/Management/Culture
- Highly Resilient Business Delivers Consistent Performance
- Sustainability and ESG Profile

# North America's Environmental and Industrial Services Leader

- Largest hazardous waste disposal company
- Largest collector, recycler and re-refiner of used oil
- 100+ waste management facilities
- More than one million waste profiles
- Top 20 largest private motor carrier
- 300,000+ customers
- 20,000+ employees
- ~700 service locations

# Sustainable Business Model – Led by Powerful Brands

(Environmental Services)

Technical Services

Safety-Kleen Environmental

Field Services

Industrial Services

Safety-Kleen Sustainability Solutions



Facilities

1 Gather Waste Perform Services

2 Transport Waste & Waste Oil

3 Transfer & Consolidate

4 Treat, Recycle, Refine, Landfill or Incinerate

# High Barriers to Entry Creates Substantial Moat

- Complex regulatory requirements – own more than 500 permits; impossible to replicate
- Significant customer switching costs
- Unique assets and equipment
- Substantial capital costs
- Required safety standards
- Deeply experienced personnel
- Decades worth of investments in proprietary systems

# Maintains Unmatched Network of Disposal Assets


- **More than 100 Waste Management Facilities**
  - 9 Incinerators
  - 9 Landfill Sites
  - 33 Treatment, Storage & Disposal Facilities (TSDFs)
  - 8 Solvent Recycling Facilities
  - 10 Wastewater Treatment Operations
  - 8 Re-refineries

- **More than 15,000 Company Vehicles**

# Supported by Expansive Network of Service Branches

- Locations in all 50 states, nine Canadian provinces and Puerto Rico
- Only national provider with breadth of services
- All major metropolitan areas covered
- Ability to share assets and personnel

# Aligned with Large and Attractive Market Opportunities

**Environmental Services Segment: ~$25-$30 Billion**

- **Hazardous Waste Management:**
  - Technical Services and SK Branch Services
  - Transportation, Treatment and Storage
  - Recycling and Disposal
  - Field Services and Emergency Response
- **Remediation & Industrial Services:**
  - Remediation Services and Waste Projects
  - Industrial Services

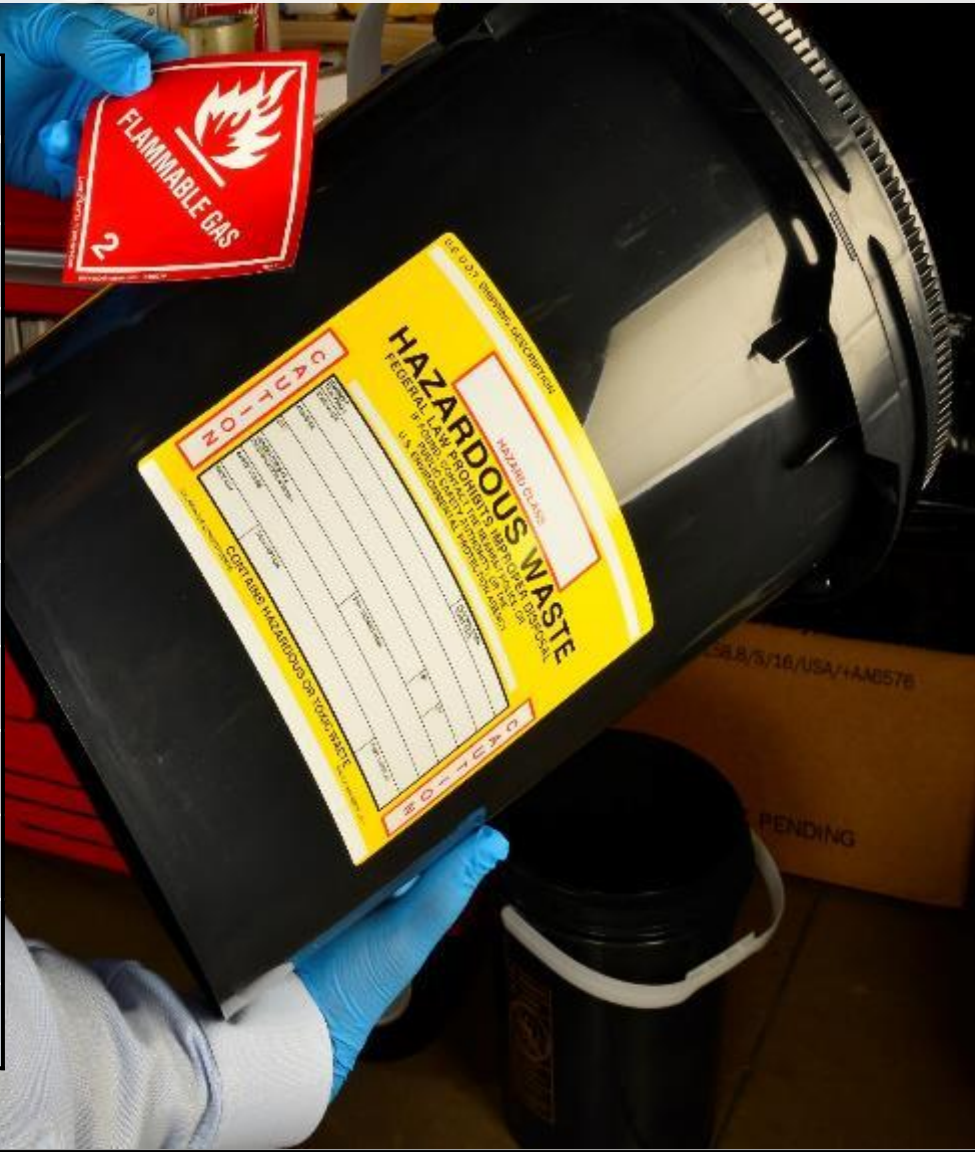
**SKSS Segment: ~$20-$25 Billion**

- **North America Lubricants Industry**
  - Engine Oils
  - Transmission and Hydraulic Fluids

**Sources: Environmental Business Journal, MarketResearch.com and company estimates**

# Limits Downside Risk Through Diversification

| | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Chemical | 14% | 15% | 16% | **17%** |
| Manufacturing | 16% | 17% | 16% | **14%** |
| Refineries | 9% | 8% | 9% | **14%** |
| Base and Blended Oils | 7% | 6% | 9% | **8%** |
| Automotive Service/Repair | 8% | 9% | 8% | **8%** |
| Utilities | 5% | 4% | 5% | **6%** |
| Government | 6% | 5% | 6% | **5%** |
| Transportation | 4% | 5% | 4% | **3%** |
| Oil and Gas | 4% | 3% | 3% | **3%** |
| Retail | 2% | 3% | 3% | **3%** |
| Other Industries | 26% | 25% | 21% | **18%** |



# REPORTING SEGMENTS

# Environmental Services Segment

## Leader in $25B+ Market

- ~$4.1 billion in 2022 revenue
- Multiple service businesses supporting network of disposal and recycling assets
- Turnkey solutions for customers
- Environmental/sustainability partner

## Growth Drivers

- GDP and industrial production
- Regulation and compliance
- Demand for turnarounds
- Vehicle miles driven
- Emergency Response events

# Incineration Network Expansion – Kimball, NE

- Plan to add 70,000-ton state-of-the-art incinerator to Kimball facility
- Kiln modeled after our El Dorado plant and will meet/exceed all state and federal emissions control standards
- ~$180 million project
- Excellent relationship with local community; 100 additional permanent jobs expected
- Target is to have new plant operational in late 2024 and accepting hazardous waste in the first half of 2025
- Market dynamics will support new capacity

# Safety-Kleen Sustainability Solutions Segment

## Leader in $20B+ Market

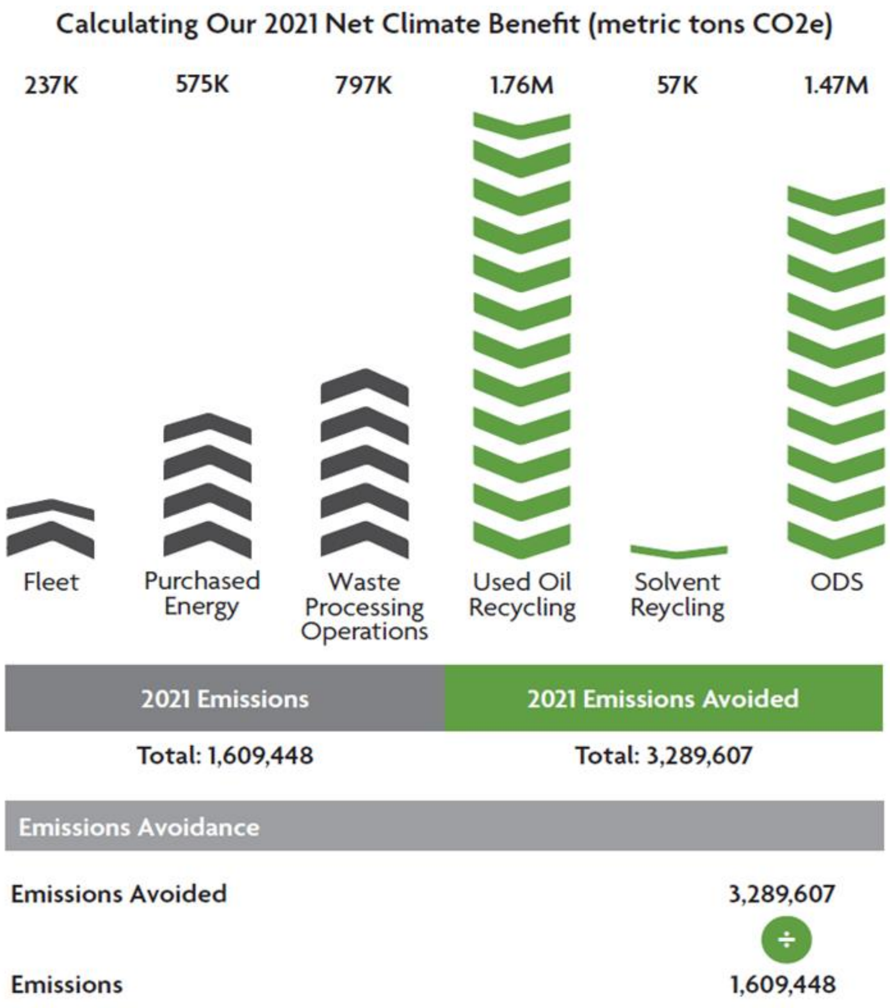
- ~$1 billion in 2022 revenue
- Carefully managed re-refinery spread business
- Focused on providing most environmentally friendly products to customers
- Closed loop offerings including lubricants, oil filters and antifreeze

## Growth Drivers

- Base oil market/lubricant demand
- Regulation and compliance
- Vehicle miles driven
- Waste oil gallons collected

# Sustainability Driving Opportunities

- Demand from customers for “green” solutions and sustainable partners is growing
- Potential financial benefits beyond increased sales include cost savings, additional recycling and other areas
- Improvement in ESG ratings
- Updated ESG report issued in late 2022




**NET CLIMATE BENEFIT FACTOR = 2X**

# CORPORATE STRATEGY

# Complementary Growth Strategies Creating Shareholder Value


THERMO FLUIDS
EMERALD
HPC
safety-kleen
Thompson
Industrial Services

**Cross-Sell Our Solutions**

**Expand Network and Suite of Offerings**

**Pursue Acquisitions and Divestitures**

**Execute Cost, Pricing and Productivity Initiatives**

**Foster Innovation Through Technology**

**Capture Large Scale Opportunities**

# Disciplined Capital Allocation Strategy – Driven by ROIC

**Organic Growth Investments**

**Share Repurchases**

**Acquisitions & Divestitures**

**Debt Repayment**

- Invest capex to drive organic growth
- Evaluate acquisition and divestiture opportunities
- Execute authorized buyback plan
- Assess current debt structure and leverage

# Proven Approach on Acquisitions

- Completed 70 acquisitions in our history; will continue to be a key component of Vision 2027 plan
- Consistent due diligence approach to evaluate deals; review 4-5 opportunities per week
- Seasoned integration team and effective acquisition playbook
- Proven ability to maximize synergies and cross-selling opportunities
- Robust post merger integration process including aggressive cutover to our leading-edge systems
- Supported by strong balance sheet

# Favorable Market Dynamics Support Growth

## Reshoring

- Supply chain disruptions
- Natural gas prices
- Manufacturing renaissance

## Legislative

- Infrastructure Bill
- Chips and Science Act
- Inflation Reduction Act

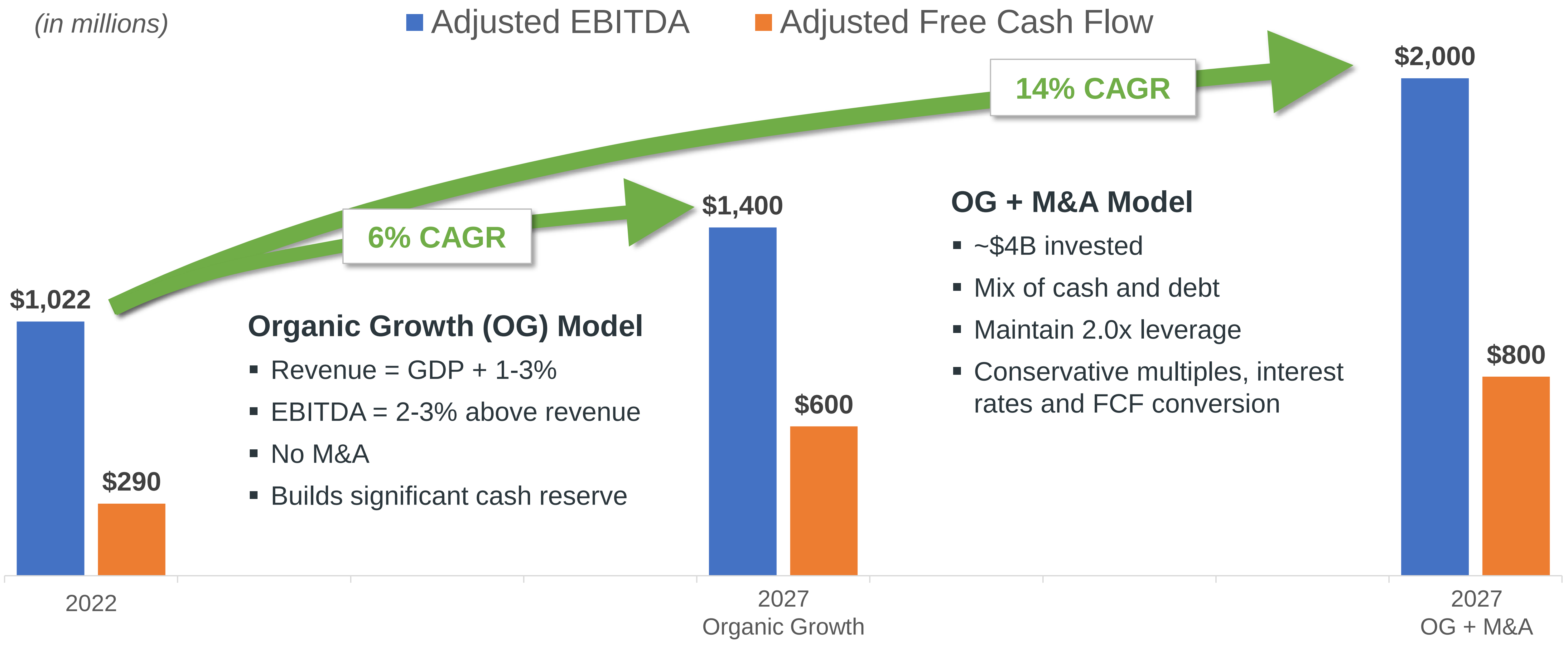
## Regulatory

- Greater enforcement
- Pressure on captives
- Challenging permitting process
- PFAS framework coming

## Sustainability

- Green solutions – more recycling
- Emphasis on ESG
- SKSS has size and scale for collection and end products

# “Vision 2027”– Five-Year Financial Targets



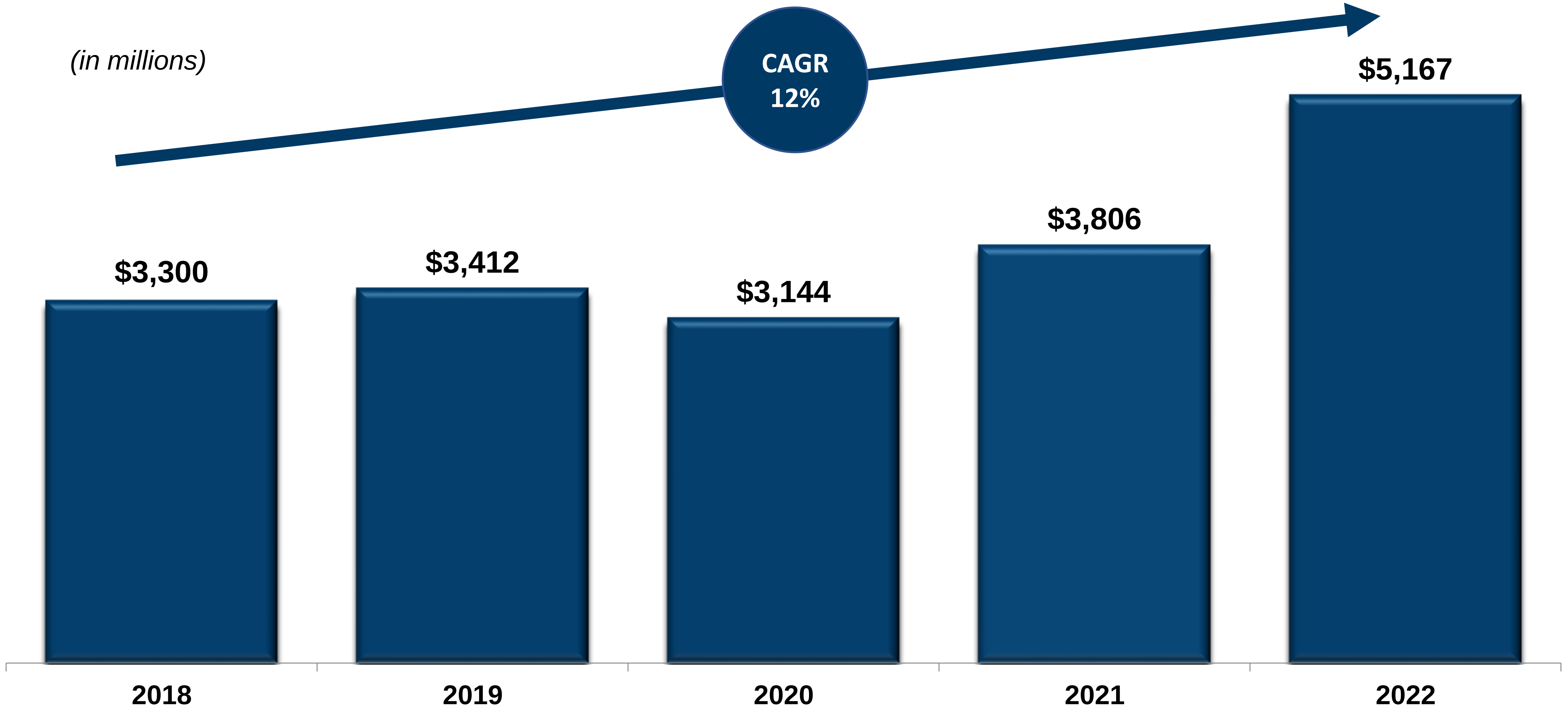
# FINANCIAL OVERVIEW

# Summary of Q1 Results

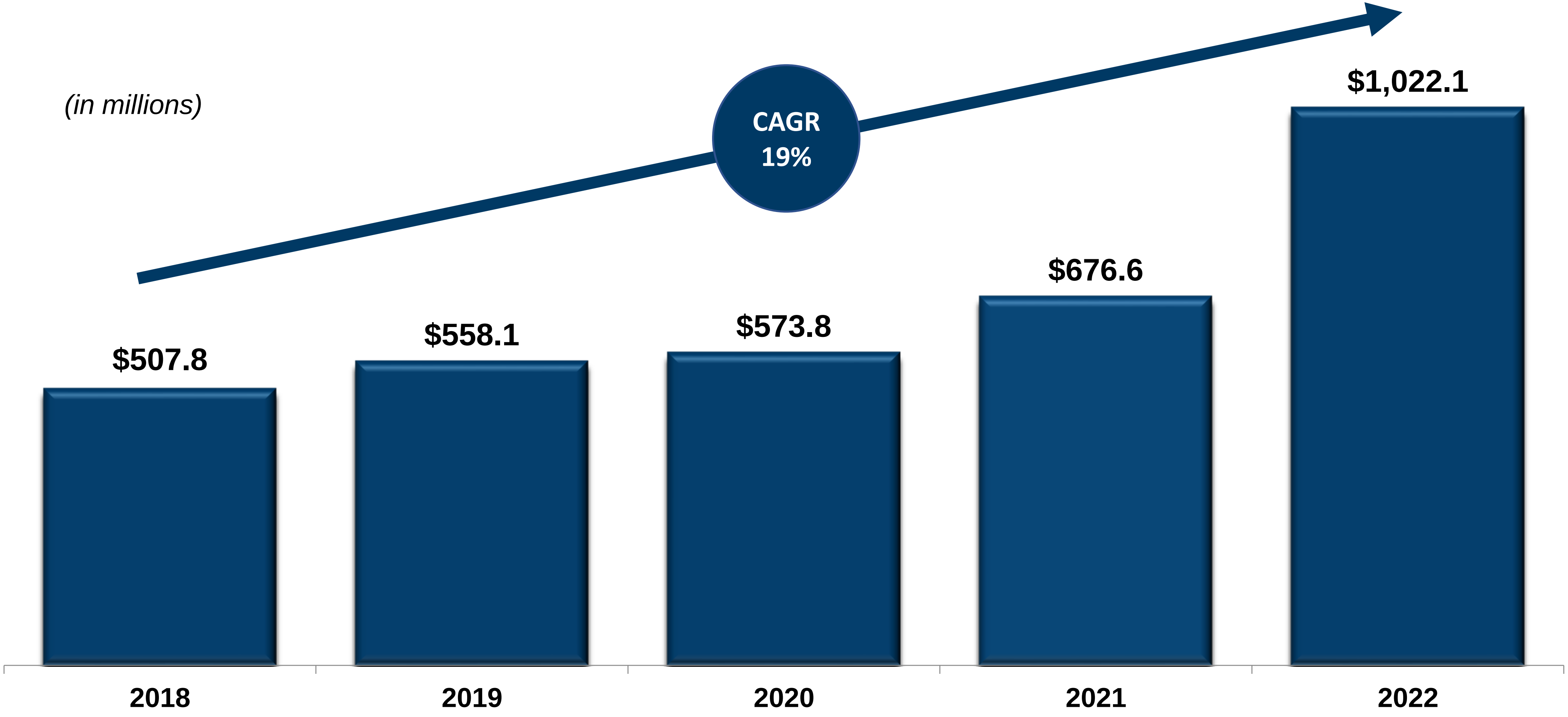
- Revenue of $1.31B, up 12% YoY reflecting strong organic growth in ES segment
- GAAP EPS of $1.33 and Adjusted EPS* of $1.36
- Adjusted EBITDA* increased 19% to $215.1M; Adjusted EBITDA margin of 16.5%
- Adjusted free cash flow* was ($51.8) million compared with ($107.6) million in Q1'22 due to higher profitability, working capital management and timing of certain items
- Environmental Services segment benefited from continued strong demand across all our service businesses and our disposal/recycling network; margin moved up sharply YoY based on labor utilization, pricing, cost measures and increased productivity
- Safety-Kleen Sustainability Solutions segment delivered lower profitability due to pricing environment and re-refinery spread compression
- Corporate segment down slightly YoY due to strong cost management and lower incentive compensation offsetting inflationary pressures

* For a reconciliation of non-GAAP measures to its nearest GAAP equivalent, please refer to the Form 10-Q filed with the Securities and Exchange Commission on May 3, 2023.

# Five-Year Revenue Performance

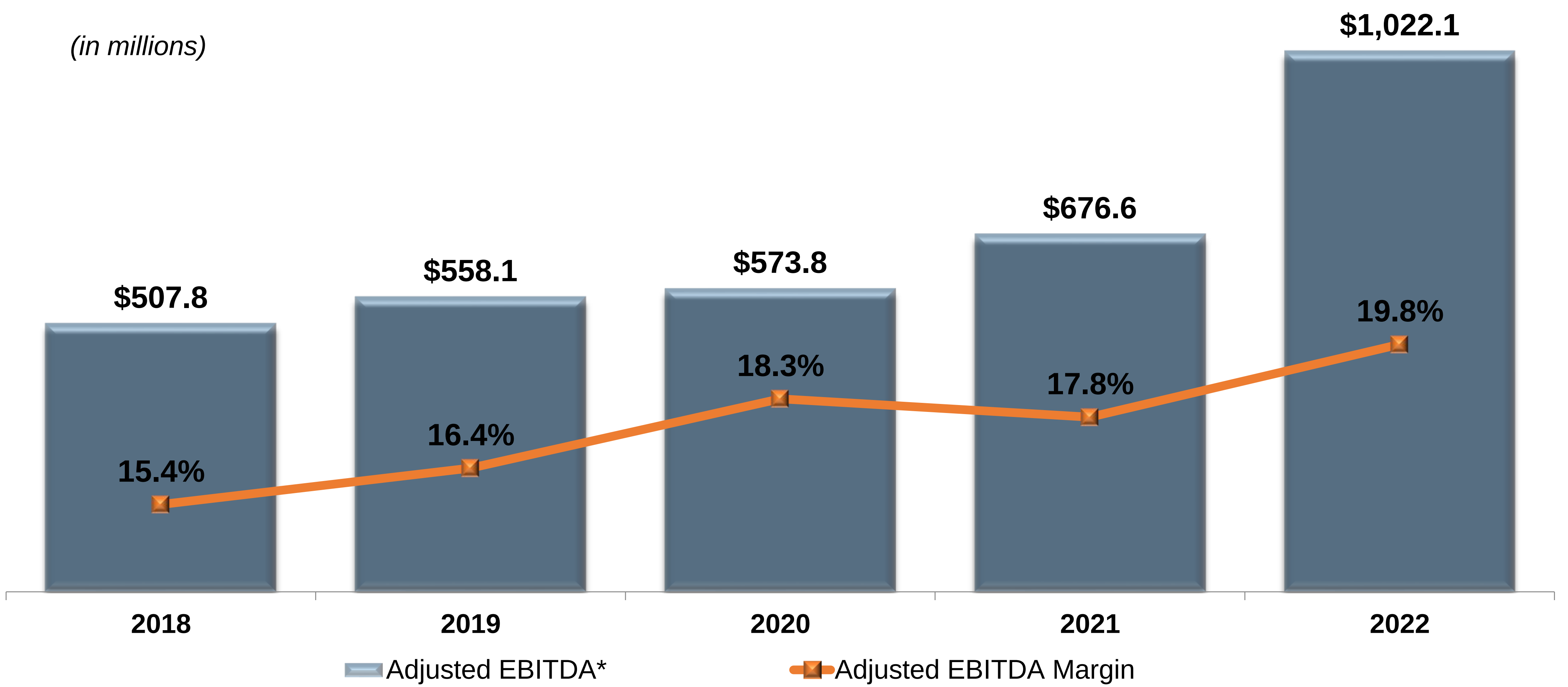


# Five-Year Adjusted EBITDA Performance




* For a reconciliation of Adjusted EBITDA to net income, please refer to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

# Five-Year Margin Performance

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# Balance Sheet Highlights

| *(in millions)* | **3/31/23** | **12/31/22** |
|---|---|---|
| Cash and securities | $376.1 | $554.6 |
| Billed & unbilled receivables | $1,101.2 | $1,071.6 |
| Inventories and supplies | $322.4 | $325.0 |
| Accounts payable | $427.5 | $446.6 |
| Current and long-term debt | $2,419.7 | $2,424.8 |
| Environmental liabilities | $236.0 | $235.1 |

# Historical Adjusted Free Cash Flow

| *(in millions)* | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| **Cash Flow from Operations** | **$373.2** | **$413.2** | **$430.6** | **$546.0** | **$626.2** |
| **Capital Expenditures, net of disposals** | **(177.9)** | **(204.7)** | **(186.6)** | **($219.7)** | **($336.3)** |
| **Purchase and capital improvements of corporate headquarters** | | | **21.1** | | |
| **Adjusted Free Cash Flow** | **$195.3** | **$208.5** | **$265.0** | **$326.3** | **$289.9** |

# Questions

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