

# Second-Quarter 2025 Investor Review July 30, 2025



# 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," "will," "should," "estimates," "projects," "may," "likely," "potential," "outlook" or similar expressions. Such statements may include, but are not limited to, statements about the Company's future financial and operating results, plans, strategy, objectives and goals, cost management initiatives, pricing and productivity initiatives, contingent liabilities, liquidity, business, economic and market conditions, trends, customer demand, impacts of tariffs and new legislation, acquisitions, growth opportunities, expectations, challenges 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 the date of this presentation 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 (SEC), including our Annual Report on Form 10-K, which was filed on February 19, 2025. 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 and adjusted free cash flow, 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 and adjusted free cash flow 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 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.

Adjusted EBITDA consists of GAAP 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 transactions not deemed representative of fundamental segment results and other (income) expense, net. The Company defines adjusted free cash flow as net cash from operating activities less additions to property, plant and equipment plus proceeds from sale and disposal of fixed assets. When necessary, the Company adjusts for the cash impact of items derived from non-operating activities. Starting in 2025, the Company is excluding significant one-time growth investments, which the Company expects to realize future long-term benefits from, as they are not indicative of free cash flow generation for the current period. All amounts in USD unless otherwise noted.

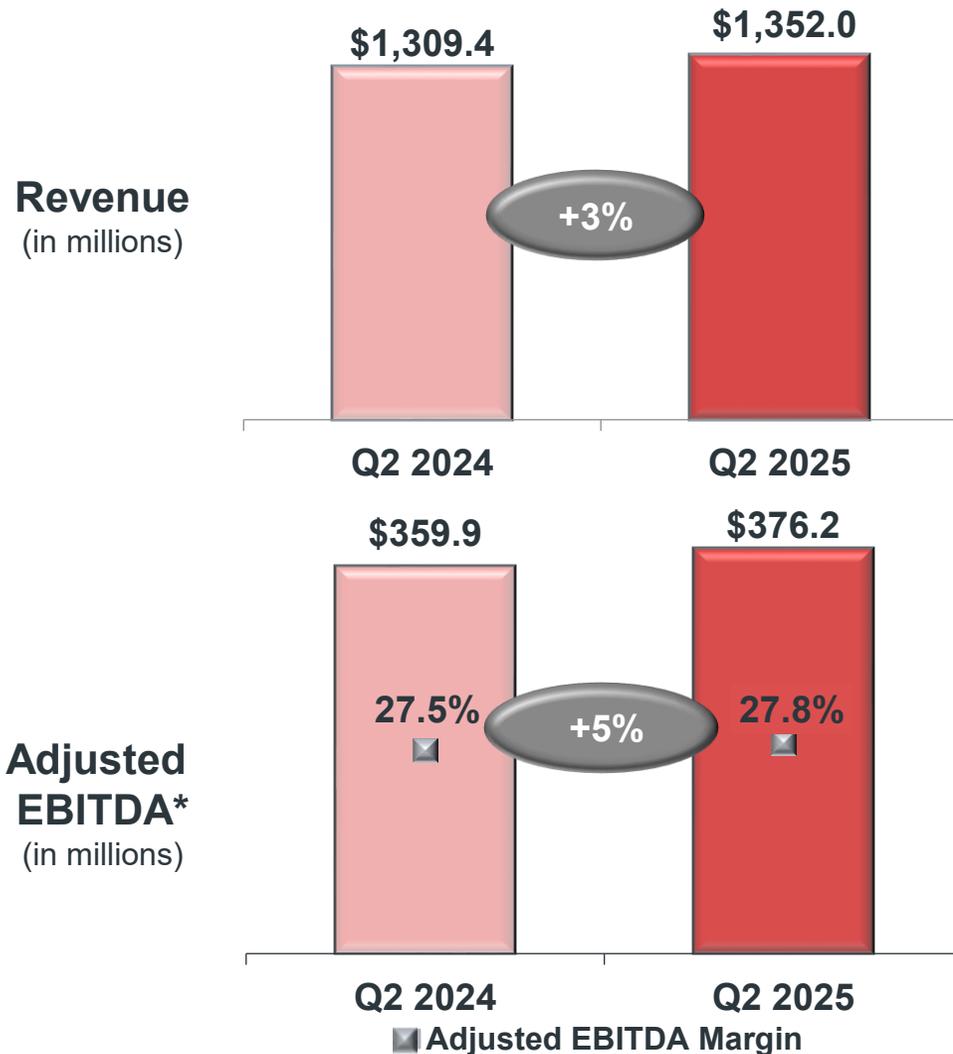
For a reconciliation of net income to Adjusted EBITDA and a reconciliation of net cash from operating activities to adjusted free cash flow, please refer to the appendix of this presentation.

# Summary of Q2 Results

- Revenue of \$1.55B, flat with prior year
- Net income of \$126.9M or EPS of \$2.36
- Adjusted EBITDA\* was \$336.2M; Adjusted EBITDA\* margin up 60 bps to 21.7%
- Adjusted free cash flow\* was \$133.2M; in line with our expectations
- Environmental Services segment delivered solid growth with favorable revenue mix and strong demand for services and disposal assets.
- SKSS segment achieved Q2 expectations due to aggressive management of re-refining spread through waste oil collection strategies and lower cost structure
- Corporate segment costs lower YoY due to headcount savings and non-recurring items in Q2'24, which were partly offset by higher insurance, severance costs and technology investments
- Safety results were excellent; Q2 TRIR of 0.40 is lowest quarter in our history

\* For a reconciliation of non-GAAP measures to its nearest GAAP equivalent, please refer to the appendix in this presentation.

# Environmental Services

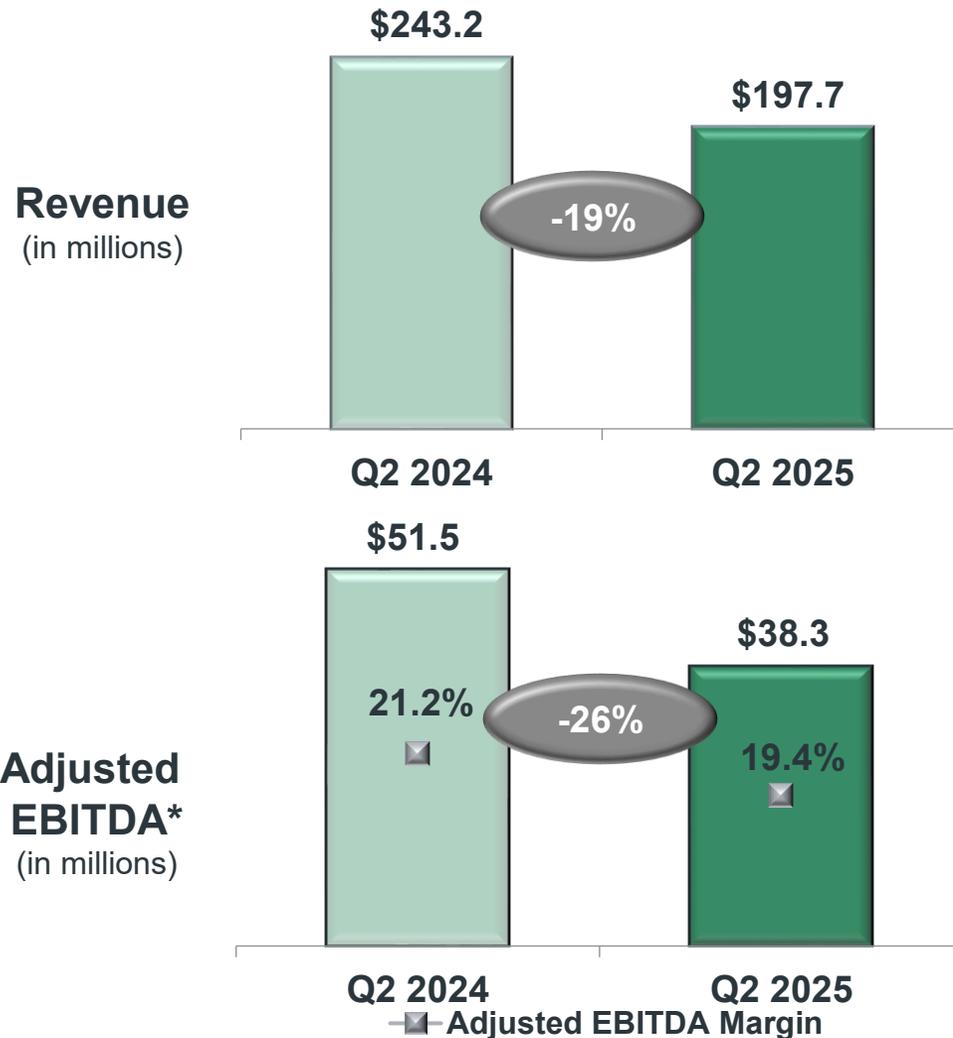


## Q2 Performance

- Revenue increased YoY due to strong demand for disposal and recycling services, project volumes and pricing
- Adjusted EBITDA increased due to higher revenues; Margin is up based on the mix of revenues and pricing as well as network efficiency and productivity gains
- Incinerator utilization was 89% vs. 88% in Q2'24, reflecting robust demand and market trends; Price, on a mix-adjusted basis, was up 7%
- SK Environmental Services revenue up 9%, driven by pricing strategies and growth in its core offerings, including containerized waste and vacuum services; Performed 242K parts washer services vs. 248K a year ago
- One large-scale ER event totaled \$11M of revenue compared with \$24M in the year-ago quarter, which included several major spills

\* For a reconciliation of net income to Adjusted EBITDA, please refer to the appendix in this presentation.

# Safety-Kleen Sustainability Solutions



## Q2 Performance

- Revenue down YoY, reflecting market pricing for base and blended products as well as lower volumes sold, partly offset by a significant contribution from charge for oil (CFO)
- Adjusted EBITDA and margin declined due to lower base oil pricing, partly offset by higher CFO, cost reduction initiatives and efficiency gains
- Gathered 64 million gallons of waste oil compared with 67 million gallons in Q2'24 and 58 million in Q1'25
- Blended products sales volume accounted for 19% of total volumes sold, flat with the year-ago period. Direct sales grew to 9% of total volumes from 8% in Q2'24
- Castrol partnership continues to grow, and Group III production volumes are steadily increasing

\* For a reconciliation of net income to Adjusted EBITDA, please refer to the appendix in this presentation.

# Disciplined Capital Allocation Strategy – Driven by ROIC

**Organic Growth Investments**

**Share Repurchases**



**Acquisitions & Divestitures**

**Debt Repayment**

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

An aerial night photograph of a large industrial facility, likely a refinery or chemical plant. The scene is illuminated by numerous lights, highlighting various structures, pipes, and storage tanks. In the foreground, there are several large industrial buildings and a parking lot filled with cars. The sky is dark with a hint of orange from the setting or rising sun. A semi-transparent white banner is centered over the image, containing the text "FINANCIAL OVERVIEW" in bold, black, uppercase letters.

# FINANCIAL OVERVIEW

# Q2 Income Statement

(in millions, except per share data)

	<u>Q2 2025</u>	<u>Q2 2024</u>
<b>Revenues</b>	<b>\$1,549.9</b>	<b>\$1,552.7</b>
<b>Cost of revenues</b>	<b>\$1,033.5</b>	<b>\$1,035.5</b>
<b>Gross profit</b>	<b>\$516.4</b>	<b>\$517.2</b>
<b><i>Gross margin %</i></b>	<b>33.3%</b>	<b>33.3%</b>
<b>Selling, general and administrative expenses</b>	<b>\$186.2</b>	<b>\$197.9</b>
<b><i>SG&amp;A %</i></b>	<b>12.0%</b>	<b>12.7%</b>
<b>Depreciation and amortization</b>	<b>\$116.3</b>	<b>\$100.5</b>
<b>Income from operations</b>	<b>\$210.3</b>	<b>\$215.5</b>
<b>Adjusted EBITDA*</b>	<b>\$336.2</b>	<b>\$327.8</b>
<b><i>Adjusted EBITDA* margin %</i></b>	<b>21.7%</b>	<b>21.1%</b>
<b>Net income</b>	<b>\$126.9</b>	<b>\$133.3</b>
<b>Diluted earnings per share</b>	<b>\$2.36</b>	<b>\$2.46</b>

\* Please refer to the appendix in this presentation for a reconciliation to the nearest GAAP equivalent.

# Balance Sheet Highlights

(in millions)

	<u>6/30/25</u>	<u>3/31/25</u>	<u>12/31/24</u>
<b>Cash and short-term marketable securities</b>	<b>\$699.1</b>	<b>\$595.3</b>	<b>\$789.8</b>
<b>Billed and unbilled receivables</b>	<b>\$1,295.6</b>	<b>\$1,248.6</b>	<b>\$1,177.6</b>
<b>Accounts payable</b>	<b>\$432.8</b>	<b>\$443.7</b>	<b>\$487.3</b>
<b>Current and long-term debt</b>	<b>\$2,781.6</b>	<b>\$2,783.9</b>	<b>\$2,786.2</b>
<b>Environmental liabilities</b>	<b>\$236.2</b>	<b>\$234.0</b>	<b>\$241.5</b>

# Cash Flow Highlights

(in millions)

**Cash from operations**

**Capital expenditures, net of disposals**

**Cash investment in Phoenix Hub**

**Adjusted free cash flow\***

**Share repurchases**

	<b><u>Q2 2025</u></b>	<b><u>Q2 2024</u></b>
	<b>\$208.0</b>	<b>\$216.0</b>
	<b>(\$87.3)</b>	<b>(\$131.8)</b>
	<b>\$12.4</b>	<b>--</b>
	<hr/>	<hr/>
	<b>\$133.2</b>	<b>\$84.2</b>
	<b>\$12.0</b>	<b>\$5.2</b>

\* Please refer to the appendix in this presentation for a reconciliation to the nearest GAAP equivalent.

# Guidance (as of July 30, 2025)

## Full-Year 2025

*(in millions)*

Range

<b>Net Income</b>	<b>\$383 to \$419</b>
<b>Adjusted EBITDA*</b>	<b>\$1,160 to \$1,200</b>
<b>Net Cash from Operating Activities</b>	<b>\$775 to \$865</b>
<b>Adjusted Free Cash Flow*</b>	<b>\$430 to \$490</b>

\* Please refer to the appendix in this presentation for a reconciliation of Adjusted EBITDA and Adjusted free cash flow to the nearest GAAP equivalent.

# APPENDIX



# Non-GAAP Results Reconciliation

(in thousands, except percentages)

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Net income	\$ 126,905	\$ 133,280	\$ 185,585	\$ 203,112
Accretion of environmental liabilities	3,591	3,304	7,211	6,521
Stock-based compensation	6,063	8,515	13,698	14,853
Depreciation and amortization	116,285	100,504	228,265	195,569
Other expense, net	603	167	1,535	1,308
Interest expense, net of interest income	37,106	36,449	73,183	64,988
Provision for income taxes	45,684	45,597	61,614	71,560
Adjusted EBITDA	<u>\$ 336,237</u>	<u>\$ 327,816</u>	<u>\$ 571,091</u>	<u>\$ 557,911</u>
Adjusted EBITDA Margin	21.7 %	21.1 %	19.2 %	19.0 %

# Non-GAAP Results Reconciliation

(in thousands)

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Net cash from operating activities	\$ 208,040	\$ 216,045	\$ 209,645	\$ 234,594
Additions to property, plant and equipment	(90,029)	(135,110)	(208,724)	(273,023)
Cash investment in Phoenix Hub	12,436	—	12,436	—
Proceeds from sale and disposal of fixed assets	2,720	3,287	4,063	4,295
Adjusted free cash flow	<u>\$ 133,167</u>	<u>\$ 84,222</u>	<u>\$ 17,420</u>	<u>\$ (34,134)</u>

# Non-GAAP Guidance Reconciliation

(in millions)

	<b>For the Year Ending December 31, 2025</b>		
Projected net income	\$383	to	\$419
Adjustments:			
Accretion of environmental liabilities	15	to	14
Stock-based compensation	28	to	31
Depreciation and amortization	450	to	440
Interest expense, net	147	to	142
Provision for income taxes	137	to	154
Projected Adjusted EBITDA	<u>\$1,160</u>	to	<u>\$1,200</u>

(in millions)

	<b>For the Year Ending December 31, 2025</b>		
Projected net cash from operating activities	\$775	to	\$865
Additions to property, plant and equipment	(370)	to	(400)
Cash investment in Phoenix Hub	15	to	15
Proceeds from sale and disposal of fixed assets	10	to	10
Projected adjusted free cash flow	<u>\$430</u>	to	<u>\$490</u>

# Questions





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