

Risk Factors Comparison 2024-02-29 to 2023-02-23 Form: 10-K

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This Annual Report on Form 10-K contains certain forward-looking information about us that is intended to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Words such as “guidance,” “expect,” “will,” “may,” “anticipate,” “plan,” “estimate,” “project,” “intend,” “should,” “can,” “likely,” “could,” “outlook” and similar expressions are intended to identify forward-looking statements. Among other sections of this Form 10-K, the Risk Factors and Management’s Discussion and Analysis of Financial Condition and Results of Operations include forward-looking statements. These statements include statements about our plans, strategies and prospects. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of our management and are subject to risk and uncertainties that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, such expectations may not prove to be correct. Among the factors that could cause actual results to differ materially from the expectations expressed in the forward-looking statements are: • general economic and market conditions, including inflation and changes in fuel, interest rates, labor, risk, health insurance and other variable costs that generally are not within our control, and our exposure to credit and counterparty risk; • fluctuations in prices for recycled commodities that we sell to customers; • ~~our ability to integrate the operations of US Ecology into our operations and to realize the intended benefits of such acquisition~~ • whether our estimates and assumptions concerning critical accounting issues are correct or appropriate, including estimates and assumptions concerning selected balance sheet accounts, income tax accounts, final capping, closure, post-closure and remediation costs, available airspace, projected costs and expenses related to our landfills and property and equipment, fair values of acquired assets and liabilities assumed in our acquisitions and labor, fuel rates and economic and inflationary trends; • competition and demand for services in the environmental services industry; • price increases to our customers, which may not be adequate to offset the impact of increased costs, including labor, third-party disposal and fuel and may cause us to lose volume; • our ability to manage growth and execute our growth strategy; • our compliance with, and future changes in, environmental and flow control regulations and our ability to obtain approvals from regulatory agencies in connection with operating and expanding our landfills **and other facilities**; • the impact on us of our substantial indebtedness, including on our ability to obtain financing on acceptable terms to finance our operations and growth strategy and to operate within the limitations imposed by financing arrangements; • our ability to retain our investment grade ratings for our debt; • our dependence on key personnel; • our dependence on large, long-term collection, transfer and disposal contracts; • the capital intensive nature of our business, which may consume cash in excess of cash flow from operations; • exposure to liabilities or losses, to the extent not adequately covered by insurance, which could result in substantial expenses; • risks associated with undisclosed liabilities of acquired businesses; • risks associated with pending and future legal proceedings, including litigation, audits or investigations brought by or before any governmental body; • severe weather conditions, including those brought about by climate change, which could impair our financial results by causing increased costs, loss of revenue, reduced operational efficiency or disruptions to our operations; • compliance with existing and future legal and regulatory requirements, including changes relating to PFAS and other chemicals of emerging concern and limitations or bans on disposal of certain types of wastes or on the transportation of waste, which could limit our ability to conduct or grow our business, increase our costs to operate or require additional capital expenditures; • our ability to achieve reduction in our greenhouse gas emissions and our other sustainability goals; • safety and operational risks, including the risk of personal injury to our employees or third parties; • potential increases in our costs if we are required to provide additional funding to any multiemployer pension plan to which we contribute or if a withdrawal event (including our voluntary withdrawal, which we consider from time to time, or the mass withdrawal of all contributing employers from any underfunded multiemployer pension plan) occurs with respect to any such plan; • the negative impact on our operations of union organizing campaigns, work stoppages or labor shortages; • the negative effect that trends toward requiring recycling, waste reduction at the source and prohibiting the disposal of certain types of wastes could have on volumes of waste going to landfills; • changes by the Financial Accounting Standards Board or other accounting regulatory bodies to generally accepted accounting principles or policies; • the impact of United States and international tax laws and regulations on our business; • risks related to interruptions and breaches of our information technology systems that could adversely affect, or temporarily disable, all or a portion of our operations or have a negative effect on our infrastructure; • the negative impact that a cyber-security incident could have on our business and our relationships with customers and employees; and • acts of war, riots or terrorism, including the continuing war on terrorism, as well as actions taken or to be taken by the United States or other governments as a result of further acts or threats of terrorism and the impact of these acts on economic, financial and social conditions in the United States. The risks included here are not exhaustive. Refer to the Risk Factors in this Item 1A for further discussion regarding our exposure to risks. You should be aware that any forward-looking statement in this Annual Report on Form 10-K and the documents incorporated herein by reference or elsewhere, speaks only as of the date on which we make it. Additionally, new risk factors emerge from time to time and it is not possible for us to predict all such risk factors, or to assess the impact such risk factors might have on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. You should not place undue reliance on any forward-looking statement. Except to the extent required by applicable law or regulation, we undertake no obligation to update or publish revised forward-looking statements to reflect events or

circumstances after the date of this Annual Report on Form 10-K and the documents incorporated by reference, as the case may be, or to reflect the occurrence of unanticipated events. Risks Related to Our Business and Operations The environmental services industry is highly competitive and includes competitors that may have greater financial and operational resources, flexibility to reduce prices or other competitive advantages that could make it difficult for us to compete effectively. We principally compete with large national waste management companies, numerous municipalities and numerous regional and local companies. Competition for collection accounts is typically based on the quality of services, ease of doing business and / or price. Competition for disposal business is primarily based on geographic location, quality of operations and price. One of our competitors may have greater financial and operational resources than we do. Further, many counties and municipalities that operate their own collection and disposal facilities have the benefits of tax revenue and greater opportunities for tax- exempt financing. Our ability to obtain solid waste volume for our landfills also may be limited by the fact that some major collection operations also own or operate landfills to which they send their waste. In certain markets in which we do not own or operate a landfill, our collection operations may have difficulty competing effectively. **We are also subject to risks associated with contracts awarded by municipalities and other entities through competitive bidding. For example, we may not be the successful bidder, we may need to lower our price in order to win or retain a contract, and our competitors may have lower financial expectations that permit them to reduce their prices in order to win a contract.** If we were to lose market share or if we were to lower prices to address competitive issues, it could negatively impact our consolidated financial condition, results of operations and cash flows. Increases in the cost of fuel or petrochemicals increase our operating expenses, and we may not be able to recover such cost increases from our customers. We depend on fuel purchased in the open market to operate our collection and transfer trucks and other equipment used for collection, transfer, disposal and other environmental services. Fuel prices are unpredictable and fluctuate significantly based on events beyond our control, including geopolitical developments, actions by the Organization of the Petroleum Exporting Countries and other oil and gas producers, changes in refinery operations, supply and demand for oil and gas, war, terrorism and unrest in oil- producing countries, adverse weather and regional production patterns. Due to contractual or market factors, we may not be able to offset increased fuel costs resulting from such volatility through fuel recovery fees. Our fuel costs were \$ **541.6 million in 2023, or 3.6 % of revenue, compared to \$ 631.1 million in 2022, or 4.7 % of revenue, compared to \$ 383.0 million in 2021, or 3.4 % of revenue.** At current consumption levels, a twenty- cent per gallon change in the price of diesel fuel changes our fuel costs by approximately \$ 27 million on an annual basis. Offsetting these changes in fuel expense would be changes in our fuel recovery fee charged to our customers. At current participation rates, we believe a twenty- cent per gallon change in the price of diesel fuel changes our fuel recovery fee by approximately \$ **31.36 million.** A substantial rise or drop in fuel costs could materially affect our revenue and cost of operations. Over the last decade, regulations have been adopted mandating changes in the composition of fuels for motor vehicles. The renewable fuel standards that the EPA sets annually affect the type of fuel our motor vehicle fleet uses. It is difficult to predict the quantity of renewable fuel volumes that the EPA will mandate for future years. These regulations are one of many factors that may affect the cost of the fuel we use. Part of our fleet of vehicles is powered by CNG and we also operate CNG fueling stations. We have invested higher upfront capital costs in order to purchase and support our CNG vehicles and fueling stations in order to reduce our overall fleet operating costs through lower fuel expenses and to create a competitive advantage in communities that focus on protecting the environment. CNG is not yet widely adopted in North America. As the CNG industry develops, new regulations, the availability of alternative fuel technologies, fluctuations in the price or availability of CNG or reductions in tax incentives for the use of CNG vehicles could substantially affect our revenue and costs of operations and reduce the benefits sought by investing in CNG vehicles and fueling stations. Our operations also require the use of products (such as liners at our landfills) whose costs may vary with the price of petrochemicals. An increase in the price of petrochemicals could increase the cost of those products, which would increase our operating and capital costs. Petrochemical prices, and hence our operating and capital costs, may be further affected by regulatory efforts to reduce greenhouse gases from the industries that produce such petrochemicals. We are also susceptible to increases in fuel recovery fees from our vendors. Fluctuations in prices for recycled commodities that we sell to customers may adversely affect our consolidated financial condition, results of operations and cash flows. We purchase or collect and process recyclable materials such as paper, cardboard, plastics, aluminum and other metals for sale to third parties. Our results of operations may be affected by changing prices or market requirements for recyclable materials. The resale and purchase prices of, and market demand for, recyclable materials are volatile due to changes in economic conditions and numerous other factors beyond our control. For instance, in 2017 the Chinese government imposed strict limits on the import of recyclable materials, including by restricting the amount of contaminants allowed in imported recycled paper. These limitations significantly decreased the global demand for recyclable materials and resulted in lower commodity prices. Significant price fluctuations or increased operating costs may affect our consolidated financial condition, results of operations and cash flows. In **2022-2023**, approximately **81-82%** of our recycling center volume was fiber based and included OCC, ONP and other mixed paper. At current volumes and mix of materials, we believe a \$ 10 per ton change in the price of recycled commodities change both annual revenue and operating income by approximately \$ 10 million. Accordingly, a substantial rise or drop in recycled commodity prices could materially affect our revenue and operating income. Although we have entered into hedging agreements to help offset volatility in recycled commodity prices in the past, we may not enter into these agreements in the future. Acute and chronic weather events, including those brought about by climate change, may **limit adversely impact** our operations and increase the costs of collection, transfer, disposal and other environmental services we provide. Our operations could be adversely impacted by extreme weather events, changing weather patterns and rising mean temperature and sea levels, some of which we are already experiencing. For example, we have operations in multiple states that are affected by hurricanes and we have seen the impact of storms and associated flooding in our day- to- day operations and our infrastructure. Changing weather patterns and rising temperatures are expected to result in more severe heat waves, fires, storms and other extreme weather events. Any of these factors could

increase the volume of material collected or processed under our existing contracts (without corresponding compensation), impede our employees' and equipment' s ability to operate, disrupt our supply chain, delay the development of landfill capacity, or reduce the volume of material generated by our customers. In addition, adverse weather conditions may result in the temporary suspension of our operations, which can significantly affect our operating results in the affected regions during those periods. The environmental services industry is a capital- intensive industry and our capital expenditures may exceed current expectations, which could require us to obtain additional funding for our operations or impair our ability to grow our business. Our ability to remain competitive and to grow our business largely depends on our cash flow from operations and access to capital. If our capital efficiency programs cannot offset the effect of inflation and business growth, it may be necessary to increase the amount we spend. Additionally, if we make acquisitions or further expand our operations, the amount we spend on capital, capping, closure, post- closure, environmental remediation and other items will increase. Our cash needs also will increase if the expenditures for capping, closure, post- closure and remediation activities increase above our current estimates, which may occur over a long period due to changes in federal, state, provincial, or local government requirements and other factors beyond our control. Increases in expenditures would negatively impact our cash flows. We may be unable to obtain or maintain required permits or to expand existing permitted capacity of our facilities, which could decrease our revenue and increase our costs. We cannot assure you that we will be able to obtain or maintain the permits required for our operations because permits to operate new landfills, transfer stations and other facilities, or to expand the permitted capacity of existing landfills, increase acceptable volume at transfer stations or otherwise increase the capabilities of our facilities, have become more difficult and expensive to obtain and maintain. Permits often take years to obtain as a result of numerous hearings and compliance requirements with regard to zoning, environmental and other regulations. These permits are also often subject to resistance from citizen or other groups and other political pressures. Local communities and citizen groups, adjacent landowners, governmental agencies and others may oppose the issuance of a permit or approval we may need, allege violations of the permits under which we currently operate or laws or regulations to which we are subject, or seek to impose liability on us for environmental damage. Such actions could also create risks related to our reputation, which may limit our ability to do business. Responding to these challenges has, at times, increased our costs and extended the time associated with establishing new landfills, transfer stations and other facilities and expanding existing facilities. In addition, failure to receive regulatory and zoning approval may prohibit us from establishing new landfills, transfer stations and other facilities, or expanding existing facilities. Our failure to obtain the required permits to operate our landfills, transfer stations and other facilities could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. In addition, we may have to dispose collected waste at landfills operated by our competitors or haul the waste long distances at a higher cost to one of our other landfills, either of which could significantly increase our waste disposal costs. If we do not appropriately estimate landfill capping, closure, post- closure and remediation costs, our **consolidated** financial condition and results of operations may be adversely affected. A landfill must be closed and capped, and post- closure maintenance commenced, once the landfill' s permitted capacity is reached and additional capacity is not authorized. Further, we undertake remediation activities at some of our solid waste facilities. We have significant financial obligations relating to capping, closure, post- closure and remediation costs at our existing owned or operated landfills, and will have material financial obligations with respect to any future owned or operated landfills. We establish accruals for the estimated costs associated with capping, closure, post- closure and remediation obligations. We could underestimate such costs and our financial obligations for capping, closure, post- closure or remediation costs could exceed the amounts accrued or amounts otherwise receivable pursuant to trust funds established for this purpose. Additionally, if a landfill must be closed earlier than expected or its remaining airspace is reduced for any other reason, the accruals for capping, closure, post- closure and remediation could be required to be accelerated. If our capping, closure, post- closure or remediation costs exceed the amounts accrued, or if such accruals are required to be accelerated, this could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. Alternatives to landfill disposal could reduce our disposal volumes and cause our revenues and operating results to decline. Most of the states in which we operate landfills require counties and municipalities to formulate comprehensive plans to reduce the volume of solid waste deposited in landfills through waste planning, composting, recycling or other programs. Some state and local governments mandate waste reduction at the source and prohibit the disposal of certain types of wastes, such as yard waste, at landfills. Further, many of our customers voluntarily are diverting waste to alternatives to landfill disposal, such as recycling and composting, while also working to reduce the amount of waste they generate. Many of the largest companies in the United States are setting zero- waste goals in which they strive to send no waste to landfills and some jurisdictions have enacted or are considering waste reduction regulations such as extended producer responsibility, organic diversion and minimum recycled content regulations. Although such actions help to protect our environment and reduce the impact of waste on climate change, they have reduced, and will in the future reduce, the volume of waste going to landfills and may affect the prices that we can charge for landfill disposal. Accordingly, we may not be able to operate our landfills at their current volumes or charge current prices for landfill disposal services due to possible decreases in demand for such services. If we cannot expand our service offerings and grow lines of business to service waste streams that do not go to landfills and to provide services for customers that wish to reduce waste entirely, this could have a negative effect on our consolidated financial condition, results of operations and cash flows. Further, even if we can develop such service offerings and lines of business, disposal alternatives nonetheless could have a negative effect on our consolidated financial condition, results of operations and cash flows. We could incur charges to income, which could be material, if landfill and transfer station site development projects or expansion projects are not completed, or certain other events occur. In accordance with the accounting principles generally accepted in the United States of America (U. S. GAAP), we capitalize certain expenditures relating to **the development , and expansion of landfills, transfer stations** and other projects. If a facility or operation is permanently shut down or determined to be impaired, or a development, expansion or other project is not completed or is determined to be impaired, we will charge against earnings any unamortized

capitalized expenditures relating to such facility or project that we are unable to recover through sale, transfer or otherwise. We also carry a significant amount of goodwill on our consolidated balance sheets, which we must assess for impairment annually, and more frequently in the case of certain triggering events. We may incur charges against earnings in accordance with this policy, or other events may cause impairments. Such charges could have a material adverse effect on our results of operations. The business and assets we operate expose us to safety, operational and other risks, including the risk of personal injury to our employees or third parties. The provision of environmental services, including the operation of our facilities, a substantial fleet of trucks and other waste- related assets, involves risks. These risks include, among others, the risk of truck accidents, equipment defects, malfunctions and failures, improper use of dangerous equipment, the release of hazardous substances, fire and explosion, any of which could result in environmental liability, personal injury, loss of life, business interruption or property damage or destruction. While we carry insurance to cover many contingencies, and seek to minimize our exposure to these risks through maintenance, training and compliance programs, any substantial losses could have a material adverse effect on our business, results of operations and financial condition. We may be subject to work stoppages and other workforce effects, which could increase our operating costs and disrupt our operations. As of December 31, ~~2022~~ **2023**, approximately 23 % of our workforce was covered by collective bargaining agreements. If our union- represented employees engage in strikes, work stoppages or other slowdowns, we could experience a significant disruption of our operations and an increase in our operating costs, which could have an adverse effect on our consolidated financial condition, results of operations and cash flows. We have experienced interrupted service when our union- represented employees have engaged in strikes and work stoppages in the past, and we would expect the same to occur as a result of any future strikes or work stoppages. Additional groups of employees may seek union representation in the future which could result in increased operating costs. If a greater percentage of our workforce becomes union- represented, our consolidated financial condition, results of operations and cash flows could be adversely impacted due to the potential for increased operating costs. We may not be able to achieve reduction of our greenhouse gas emissions and our other sustainability goals. Climate change and other sustainability matters are embedded in our core value and vision. As part of our strategic long- term plans to address sustainability, **among other sustainability goals**, we are committed to reducing our absolute Scope 1 and Scope 2 greenhouse gas emissions 35 % by 2030 ~~among relative to other~~ **the sustainability goals 2017 baseline year**. The execution of our plans and achievement of our goals are subject to risks and uncertainties, including our ability to develop, obtain, license or scale the innovations, technologies and modeling and measurement tools that may be necessary to achieve our plans and the availability, cost and benefits of materials and infrastructure associated with our sustainability projects, such as our CNG vehicles, fleet electrification, recycling, circularity of key materials, landfill gas- to- energy and other renewable energy projects. In addition, increasing governmental and societal attention to sustainability matters, including expanding mandatory and voluntary reporting, diligence and disclosure on topics such as climate change, waste production, water usage, ~~talent human capital~~, management and risk oversight, could expand the nature, scope and complexity of matters that we are required to control, assess and report. These and other rapidly changing laws, regulations, policies and related interpretations, as well as increased enforcement actions by various governmental and regulatory agencies, create challenges for us. If we are unable to continue to meet these challenges and comply with all laws, regulations, policies and related interpretations, and meet the sustainability values, standards and metrics that we set for ourselves, it could negatively impact our reputation and our business results. Risks Related to our Legal and Regulatory Environment We are subject to costly environmental ~~regulations~~ and flow- control regulations **and requirements** that may affect our operating margins, restrict our operations and subject us to additional liability. Complying with laws and regulations governing the collection, treatment, storage, transfer and disposal of material, air quality and emissions of greenhouse gases, water quality and the remediation of contamination associated with the release of hazardous substances is costly. Laws and regulations often require us to, among other things, enhance or replace our equipment and to modify landfill operations or initiate final closure of a landfill. We may not be able to implement price increases sufficient to offset the costs of complying with these laws and regulations. In addition, environmental regulatory changes, including those relating to per- and polyfluoroalkyl substances (commonly referred to as PFAS) and other chemicals of emerging concern, could accelerate or increase expenditures for capping, closure, post- closure and environmental and remediation activities at our waste facilities and obligate us to spend sums in addition to those presently accrued for such purposes, which could have a negative effect on our consolidated financial position, results of operations and cash flows. For example, the EPA has indicated it is considering listing certain PFAS as hazardous substances under CERCLA, which if finalized could trigger additional obligations or liabilities under CERCLA or other laws and regulations. **Further, under certain municipal and other agreements, we are subject to landfill diversion requirements that if not met, subject us to liquidated damages and other costs and expenses, the result of which could adversely affect our business, reputation and operating margins**. Our Group 3 operations and facilities also are subject to Canadian environmental laws and regulations, including federal and provincial regulations governing the management of hazardous waste, as well as various treaties, laws and regulations governing the ownership, operation and maintenance of maritime vessels used in the business. Our Group 3 operations are also subject to federal statutes regulating the treatment, storage and disposal of certain radioactive materials. Our business is and will continue to be affected by state, county, provincial, or local laws or regulations that restrict the transportation of solid waste across state, county, provincial, or other jurisdictional lines or that direct the flow of waste to a specified facility or facilities. Such laws and regulations could negatively affect our operations, resulting in declines in landfill volumes and increased costs of alternate disposal. Regulation of greenhouse gas emissions and other governmental regulations could impose costs on our operations, the magnitude of which is difficult to estimate. Efforts to curtail the emission of greenhouse gases and to ameliorate the effects of climate change continue to progress. Our landfill operations emit anthropogenic methane, identified as a greenhouse gas, and our vehicle fleet emits, among other things, carbon dioxide, which also is a greenhouse gas. While passage of comprehensive, federal climate change legislation appears unlikely in the near term, we expect any such legislation, if enacted, to impose costs on our operations, which could be

material. Absent comprehensive federal legislation to control greenhouse gas emissions, the EPA has taken certain actions administratively under its existing Clean Air Act authority. The EPA is compelled to issue rules by the United States Supreme Court's April 2007 Massachusetts v. EPA ruling that greenhouse gases are pollutants for purposes of the Clean Air Act and the EPA's December 2009 finding that continued emissions of greenhouse gases endanger human health and welfare. With respect to our light- and heavy- duty vehicle fleet, the EPA has finalized regulations limiting greenhouse gas emissions and increasing fuel economy standards. The EPA and the NHTSA have finalized such regulations applicable to light- duty vehicles through model year 2025. In 2018, the EPA and the NHTSA proposed to revise the light- duty vehicle standards for model years 2021 through 2024 to make them less stringent; final action on the proposal took place in 2020 but has been challenged in court. On August 16, 2016, the EPA and the NHTSA issued additional regulations that would impose more stringent standards for heavy-duty vehicles through model- year 2027. **For further discussion, see Item 1. Business – Regulation – Federal Regulation – The Clean Air Act, in this Annual Report on Form 10-K.** These standards and further federal efforts to curtail greenhouse gas emissions and to increase the fuel efficiency of light- duty and heavy- duty vehicles could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. With regard to greenhouse gas emissions from our landfills, on July 14, 2016, the EPA issued amendments to its regulations that require large landfills that commenced construction, reconstruction or modification on or after July 17, 2014 to capture additional landfill gas to reduce emissions of methane and certain non- methane gases, which are recognized as greenhouse gases. In a separate action finalized that same day, the EPA issued updates to its 1996 Emission Guidelines to reduce emissions of landfill gas from existing active landfills. As part of the Biden Administration focus on climate change, the EPA has taken further steps to implement these regulations. These regulations, or an amended version of them that eventually goes into effect, may require our landfills to deploy more stringent emission controls and monitoring systems, with resulting capital or operating costs. The application of these or other greenhouse gas regulations to our landfills could have a material adverse effect on our landfill operations and on our consolidated financial condition, results of operations and cash flows. We cannot predict what other actions or regulations the current administration may undertake that would affect our industry. **In Canada, the federal Greenhouse Gas Pollution Pricing Act imposes a carbon pricing system for industry in provinces and territories that have not implemented carbon pricing systems of their own or, in the opinion of the federal government, have implemented carbon pricing systems that do not align with the federal benchmark requirements. This federal system imposes a carbon levy to the sale of fuel and sets out an output-based pricing system that applies to industrial emitters that meet certain criteria set out in the statute and its regulations, which creates a price incentive for industrial emitters to reduce greenhouse gas emissions by establishing a regulatory trading system for industry. The carbon levy on fuel is administered by the Canada Revenue Agency and is a carbon tax that applies to the sale of 22 different types of fuel as set out in the statute and its regulations. As of 2024, the Fuel Charge is \$ 80 per ton of CO₂e and will increase to \$ 170 per ton by 2030. Both direct and indirect costs associated with compliance with this and other greenhouse gas legislation could have a material adverse effect on our consolidated financial condition, results of operations and cash flows, including material increases to our capital or operating costs related to matters such as infrastructure upgrades or increased fuel costs.** We may incur losses from liabilities that are not covered by our insurance. Changes in insurance markets also may impact our financial results. We may incur liabilities or suffer losses arising from our operations or properties that resulted in harm to the environment, property, employees or the general public. We maintain insurance for these liabilities and losses, including high deductibles for our environmental liability insurance coverage. If we were to incur substantial liability or loss in connection with these contingencies, our insurance coverage may be inadequate to cover such liability or loss. This could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. Also, due to the variable condition of the insurance market, we have experienced, and may experience in the future, increased insurance retention levels and increased premiums or unavailability of insurance. As we assume more risk for insurance through higher retention levels, we may experience more variability in our insurance reserves and expense. Despite our efforts, we may incur additional liability under environmental laws in excess of amounts presently known and accrued. We are a potentially responsible party at many sites under CERCLA, which provides for the remediation of contaminated facilities and imposes strict, joint and several liability for the cost of remediation on current owners and operators of a facility at which there has been a release or a threatened release of a hazardous substance. CERCLA liability also extends to parties who were site owners and operators at the time hazardous substances were disposed and on persons who arrange for the disposal of such substances at the facility (e. g., generators of the waste and transporters who selected the disposal site). Hundreds of substances are defined as hazardous under CERCLA and their presence, even in minute amounts, can result in substantial liability. Notwithstanding our efforts to comply with applicable environmental laws, we may have additional liability under environmental laws in excess of our current reserves because, among other things, hazardous substances may be present in waste collected by us or disposed of in our landfills (or in waste collected, transported or disposed of in the past by businesses we have acquired), environmental laws or regulations may change, or there may be adverse environmental conditions that develop or were otherwise previously unknown to us. Environmental liabilities in excess of our current reserves could have a material adverse effect on our consolidated financial position, results of operations and cash flows. Currently pending or future litigation or governmental proceedings could result in material adverse consequences, including judgments or settlements. We are and will continue to be involved in lawsuits, regulatory inquiries and governmental and other legal proceedings. Many of these matters raise complicated factual and legal issues and are subject to uncertainties. The timing of the final resolutions to lawsuits, regulatory inquiries and governmental and other legal proceedings is uncertain. Further, the possible outcomes or resolutions to these matters could include adverse judgments, fines or settlements, any of which could require substantial payments and adversely affect our consolidated financial condition, results of operations and cash flows. For example, we incur costs to defend against litigation brought by government agencies and private parties who allege we are in violation of our permits and applicable environmental laws and regulations, or who assert claims alleging nuisance,

environmental damage, personal injury or property damage. As a result, we may be required to pay fines or judgments or implement corrective measures, or we may have our permits and licenses modified or revoked. A significant judgment against us **or settlement**, the loss of a significant permit or license, or the imposition of a significant fine could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. We establish accruals for our estimates of the costs associated with lawsuits, regulatory, governmental and other legal proceedings. We could underestimate such accruals. Such shortfalls could result in significant unanticipated charges to income. Changes to federal renewable fuel policies could affect our financial performance in that sector as a renewable fuel producer and impact our projected future investments. We are engaged in **73-76** landfill gas- to- energy and other renewable energy projects. The production of renewable fuel through certain of these projects is incentivized by the federal Renewable Fuel Standard (RFS) program. Oil refiners and importers are required through the RFS program to blend specified volumes of renewable transportation fuels with gasoline or buy RINs from renewable fuel producers. RIN prices generally respond to administrative actions, decisions and / or regulations from the EPA, including the issuance of an annual renewable volumetric obligation, as well as fluctuations in supply and demand. Changes in the RFS market, the structure of the RFS program or RIN prices and demand may impact the financial performance of the projects developed to capture and treat gas and could impact or alter our projected future investments.

Risks Related to Financial Strategy and Indebtedness We have substantial indebtedness, which may limit our financial flexibility. As of December 31, **2022** **2023**, we had approximately \$ **42-13** billion in principal value of debt and finance leases outstanding. This amount of indebtedness and our debt service requirements may limit our financial flexibility to access additional capital and make capital expenditures and other investments in our business, to withstand economic downturns and interest rate increases, to plan for or react to changes in our business and our industry and to comply with the financial and other covenants of our debt instruments. Further, our ability to comply with these financial and other covenants may be affected by changes in economic or business conditions or other events that are beyond our control. If we do not comply with these covenants, we may be required to take actions such as reducing or delaying capital expenditures, reducing or eliminating dividends or stock repurchases, selling assets, restructuring or refinancing all or part of our existing debt, or seeking additional equity capital. We may be unable to maintain our credit ratings or execute our financial strategy. Our ability to execute our financial strategy depends in part on our ability to maintain investment grade ratings on our debt. The credit rating process is contingent upon a number of factors, many of which are beyond our control. We may not be able to maintain our investment grade ratings in the future. If we were unable to do so, our interest expense would increase and our ability to obtain financing on favorable terms may be adversely affected. Our financial strategy also depends on our ability to generate sufficient cash flow to reinvest in our existing business, fund internal growth, acquire other environmental services businesses, pay dividends, repurchase stock and take other actions to enhance shareholder value. We may not succeed in executing our broad- based pricing initiatives, and we may not generate sufficient cash flow to execute our financial strategy, pay cash dividends at our present rate, or increase them, or be able to continue our share repurchase program. Weakness in the United States economy may expose us to credit risk for amounts due from governmental entities, large national accounts, industrial customers and others. Weakness in the United States economy **can**, ~~including contractions caused by the COVID-19 pandemic, reduces~~ **reduce** the amount of taxes collected by various governmental entities. We provide services to a number of these entities, including numerous municipalities. These governmental entities may suffer financial difficulties resulting from a decrease in tax revenue and may ultimately be unable or unwilling to pay amounts owed to us. In addition, weakness in the economy may cause other customers, including our large national accounts, or industrial or environmental services clients, to suffer financial difficulties and ultimately to be unable or unwilling to pay amounts owed to us. This could negatively impact our consolidated financial condition, results of operations and cash flows. Our consolidated financial statements are based on estimates and assumptions that may differ from actual results. The liabilities we record based on such estimates and assumptions may not be adequate to cover the costs we ultimately will face. Our consolidated financial statements have been prepared in accordance with U. S. GAAP and necessarily include amounts based on management' s estimates. Actual results may differ from these amounts. Significant items requiring management to make subjective or complex judgments that are inherently uncertain include the recoverability of long- lived assets, the depletion and amortization of landfill development costs, accruals for final capping, closure and post- closure costs, valuation allowances for accounts receivable and deferred tax assets, liabilities for potential litigation, claims and assessments and liabilities for environmental remediation, multiemployer pension plans, employee benefit plans, deferred taxes, uncertain tax positions, insurance and our estimates of the fair values of assets acquired and liabilities assumed in any acquisition. The liabilities recorded for items such as these may not be adequate to cover the costs we ultimately will face. Our obligation to fund multiemployer pension plans to which we contribute, or our withdrawal from such plans, may have an adverse effect on us. We participate in multiemployer pension plans that generally provide retirement benefits to participants of contributing employers. We do not administer these plans and generally are not represented on the boards of trustees of these plans. The Pension Protection Act enacted in 2006 (the PPA) requires under- funded pension plans to improve their funding ratios. Based on the information available to us, we believe that some of the multiemployer plans to which we contribute are either critical or endangered as those terms are defined in the PPA. We cannot presently determine the amount of additional funding, if any, we may be required to make to these plans. However, plan assessments could have a material adverse effect on our results of operations or cash flows for a given period. Further, under current law, upon the termination of a multiemployer pension plan, or in the event of a withdrawal by us (which we consider from time to time) or a mass withdrawal of contributing employers (each, a Withdrawal Event), we would be required to make payments to the plan for our proportionate share of the plan' s unfunded vested liabilities. We cannot assure you that there will not be a Withdrawal Event with respect to any of the multiemployer pension plans to which we contribute or that, in the event of such a Withdrawal Event, the amounts we would be required to contribute would not have a material adverse effect on our consolidated financial condition, results of operations and cash flows. For additional discussion and detail regarding multiemployer pension plans see Note 12, Employee Benefit Plans, of

the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K. The costs of providing for pension benefits and related funding requirements are subject to changes in pension fund values and fluctuating actuarial assumptions and may have a material adverse effect on our **consolidated** financial condition, results of operations and cash flows. We sponsor a defined benefit pension plan that is funded with trustee assets invested in a diversified portfolio of debt and equity securities. Our costs for providing such benefits and related funding requirements are subject to changes in the market value of plan assets. Our pension expenses and related funding requirements are also subject to various actuarial calculations and assumptions, which may differ materially from actual results due to changing market and economic conditions, interest rates and other factors. A significant increase in our pension obligations and funding requirements could have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

Risks Related to Our Growth Strategy We may be unable to manage our growth effectively. Our growth strategy places significant demands on our financial, operational and management resources. To continue our growth, we may need to add administrative, managerial and other personnel, and may need to make additional investments in operations and systems. We may not be able to find and train qualified personnel, or do so on a timely basis, or to expand or otherwise modify our operations and systems to the extent, and in the time, required. We may be unable to execute our acquisition growth strategy. Our ability to execute our growth strategy depends in part on our ability to identify and acquire desirable acquisition candidates and on our ability to successfully integrate acquired operations into our business. The integration of our operations with those of acquired companies may present significant challenges to our management. In addition, competition for acquisition candidates may prevent us from acquiring certain acquisition candidates. Thus, we cannot assure you that:

- desirable acquisition candidates exist or will be identified;
- we will be able to acquire any of the candidates identified;
- we will effectively integrate and manage companies we acquire; or
- any acquisitions will be profitable or accretive to our earnings.

If any of these factors force us to alter our growth strategy, our growth prospects could be adversely affected. Businesses we acquire may have undisclosed liabilities. Our due diligence investigations of acquisition candidates may fail to discover certain undisclosed liabilities. If we acquire a company with undisclosed liabilities such as environmental, remediation or contractual liabilities, as a successor owner we may be responsible for such undisclosed liabilities. We try to minimize our exposure to such liabilities by conducting due diligence, by obtaining indemnification from each seller of the acquired companies, by deferring payment of a portion of the purchase price as security for the indemnification, by obtaining representations and warranties insurance and by acquiring only specified assets. However, we may not be able to obtain indemnification ~~or~~, insurance coverage **or other security**, and such indemnification ~~or~~, insurance coverage **or other security** obtained may not be enforceable, collectible or sufficient in amount, scope or duration to fully offset any undisclosed liabilities arising from our acquisitions.

Risks Related to Technology and Intellectual Property Our strategy includes an increasing dependence on technology in our operations. If any of our key technology fails, our business could be adversely affected. Our operations are increasingly dependent on technology. Our information technology systems are critical to our ability to drive profitable growth through differentiation, continue the implementation of standardized processes and deliver a consistent customer experience. One of our three differentiating capabilities is to enable our customers to do business with us through more channels and with better access to information and, accordingly, we have made substantial investment in our e-commerce platform. Problems with the operation of the information or communication technology systems we use could adversely affect, or temporarily disable, all or a portion of our operations. Inabilities and delays in implementing new systems can also affect our ability to realize projected or expected revenue or cost savings. Further, any systems failures could impede our ability to timely collect and report financial results in accordance with applicable laws. Emerging technologies, including those that are used to recycle and process waste as an alternative to disposal of waste in landfills, represent risks, as well as opportunities, to our current business model. The costs associated with developing or investing in emerging technologies could require substantial capital and adversely affect our results of operations and cash flows. Delays in the development or implementation of such emerging technologies and difficulties in marketing new products or services based on emerging technologies could have similar negative impacts. Our financial results may suffer if we are not able to develop or license emerging technologies, or if a competitor obtains exclusive rights to an emerging technology that disrupts the current methods used in the environmental services industry. A ~~cyber security~~ **cybersecurity** incident could negatively impact our business and our relationships with customers. We use information technology and operational technology assets, including computer and information networks, in substantially all aspects of our business operations. We also use mobile devices, social networking and other online activities to connect with our employees and our customers. Such uses give rise to ~~cyber security~~ **cybersecurity** risks, including security breach, espionage, system disruption, theft and inadvertent release of information. Our business involves the storage and transmission of numerous classes of sensitive and / or confidential information and intellectual property, including customers' personal information, private information about employees and financial and strategic information about us and our business partners. We also rely on a Payment Card Industry compliant third party to protect our customers' credit card information. In connection with our strategy to grow through acquisitions and to pursue new initiatives that improve our operations and cost structure, we are also expanding and improving our information technologies, resulting in a larger technological presence and corresponding exposure to ~~cyber security~~ **cybersecurity** risk. If we fail to assess and identify ~~cyber security~~ **cybersecurity** risks ~~risks~~ **threats** associated with acquisitions and new initiatives, we may become increasingly vulnerable to such ~~risks~~ **threats**. Additionally, while we have implemented measures to prevent security breaches and cyber incidents, our preventive measures and incident response efforts may not be entirely effective. Also, the regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements. This changing regulatory landscape may cause increasingly complex compliance challenges, which may increase our compliance costs. Any failure to comply with these changing security and privacy laws and regulations could result in significant penalties, fines, legal challenges and reputational harm. The theft, destruction, loss, misappropriation, or release of sensitive and / or confidential information or intellectual property, or interference with our information technology

systems or the technology systems of third parties on which we rely, could result in business disruption, negative publicity, brand damage, violation of privacy laws, loss of customers, potential liability and competitive disadvantage. Other Risks Relevant to Our Business Price increases may not be adequate to offset the effect of increased costs and may cause us to lose volume. We seek to secure price increases necessary to offset increased costs, improve our operating margins and earn an appropriate return on our substantial investments in assets such as our landfills. From time to time, our competitors reduce their prices in an effort to expand their market share. Contractual, general economic or market- specific conditions also may limit our ability to raise prices. For example, many of our contracts have price adjustment provisions that are tied to an index such as the consumer price index. Particularly in a weak or volatile United States economy, our costs may increase in excess of the increase, if any, in the consumer price index. This may continue to be the case even when the United States economy recovers because a recovery in the environmental services industry historically has lagged behind a recovery in the general economy. As a result, we may be unable to offset increases in costs, improve our operating margins and obtain adequate investment returns through price increases. Price increases also might cause us to lose volume to lower- cost competitors. The loss of key personnel could have a material adverse effect on our consolidated financial condition, results of operations, cash flows and growth prospects. Our future success depends on the continued contributions of several key employees and officers. The loss of the services of key employees and officers, whether through resignation or other causes, or the inability to attract additional qualified personnel, could have a material adverse effect on our consolidated financial condition, results of operations, cash flows and growth prospects. In some of our markets, we compete with other similar businesses which may drive labor costs or reduce the amount of available qualified personnel. The introduction of new accounting rules, laws or regulations could adversely impact our reported results of operations. Complying with new accounting rules, laws or regulations, such as, for example, those related to our asset retirement obligations and environmental liabilities, could adversely impact our results of operations or cause unanticipated fluctuations in our results of operations or financial conditions in future periods. Weakened or volatile economic conditions have and may continue to harm our industry, business and results of operations. Our business is directly affected by changes in local, national, global and general economic factors and overall economic activity that are outside of our control, including changes in governmental monetary policies, consumer confidence, slowing economic growth, inflation, pandemics, supply chain issues and interest rates. In 2022-recent years, for example, the COVID- 19 pandemic, inflation, the Ukraine- Russia conflict, United States- China relations, the Israel- Gaza conflict, monetary policy changes, and the resulting increases in interest rates have negatively impacted the economy, disrupted supply chains and created significant volatility and disruption of financial markets. In particular, disruption of the labor market and supply chains related to vehicles, especially trucks and the mechanical and electrical components in order to service them, negatively impacts our ability to provide services. A weak or volatile economy may result in decreases in volumes, which adversely affects our revenues. In addition, we have certain fixed costs (e. g., facility expense associated with long- term leases, depreciation expense and accretion expense), which may be difficult to adjust quickly to match declining volume levels. Consumer uncertainty and the loss of consumer confidence may decrease overall economic activity and thereby limit the amount of services we provide. Additionally, a decline in volumes may result in increased competitive pricing pressure and increased customer turnover, resulting in lower revenue and increased operating costs. Operating in an environment of worsening economic conditions could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. Further, recovery in the environmental services industry historically has lagged behind recovery in the general economy. Accordingly, we cannot assure you that an improvement in general economic conditions will result in an immediate, or any, improvement in our consolidated financial condition, results of operations or cash flows.