

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 21, 2024

**CLEAN HARBORS, INC.**

(Exact name of registrant as specified in its charter)

**Massachusetts**  
(State or other jurisdiction  
of incorporation)

**001-34223**  
(Commission  
File Number)

**04-2997780**  
(IRS Employer  
Identification No.)

**42 Longwater Drive Norwell MA**  
(Address of Principal Executive Offices)

**02061-9149**  
(Zip Code)

Registrant's telephone number, including area code **(781) 792-5000**

**Not Applicable**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

| <b>Title of each class</b>     | <b>Trading Symbol</b> | <b>Name of each exchange on which registered</b> |
|--------------------------------|-----------------------|--|
| Common Stock, \$0.01 par value | CLH                   | New York Stock Exchange                          |

**Item 2.02 Results of Operations and Financial Condition**

On February 21, 2024, Clean Harbors, Inc. (the “Company”) issued a press release announcing the Company’s results of operations for the fourth quarter and year ended December 31, 2023. A copy of that press release is furnished with this report as Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits. The following exhibits are being furnished herewith:

| <b>Exhibit No.</b> | <b>Description</b>  |
|--------------------|---|
| 99.1               | <a href="#">Press Release dated February 21, 2024</a>   |
| 104                | The cover page from this Current Report on Form 8-K, formatted in iXBRL (Inline eXtensible Business Reporting Language) |

**SIGNATURES**

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Clean Harbors, Inc.  
(Registrant)

February 21, 2024

/s/ Eric J. Dugas  
Executive Vice President and Chief Financial Officer

**Press Release****Clean Harbors Announces Fourth-Quarter and Full-Year 2023 Financial Results**

- *Posts Q4 Revenue of \$1.34 Billion, up 5%; Full-Year Revenues of \$5.41 Billion*
- *Generates Q4 Net Income of \$98.3 Million, or EPS of \$1.81; Adjusted EPS of \$1.82; Full-Year Net Income of \$377.9 Million, or EPS of \$6.95; Adjusted EPS of \$6.99*
- *Achieves Q4 Adjusted EBITDA of \$254.9 Million, up 14%; Generates Full-Year Adjusted EBITDA of \$1.013 Billion*
- *Delivers Full-Year Net Cash from Operating Activities of \$734.6 Million and Adjusted Free Cash Flow of \$321.9 Million*
- *Provides Full-Year 2024 Adjusted EBITDA and Adjusted Free Cash Flow Guidance*

**NORWELL, Mass. – February 21, 2024** – [Clean Harbors, Inc.](#) (“Clean Harbors”) (NYSE: CLH), the leading provider of environmental and industrial services throughout North America, today announced financial results for the fourth quarter and year ended December 31, 2023.

“Our Environmental Services (ES) segment capped a year of record growth with an outstanding fourth quarter,” said Mike Battles, Co-Chief Executive Officer. “Demand for our ES services remained robust, as steady volumes, healthy project flow and continued customer interest in our service offerings drove favorable pricing. Our Safety-Kleen Sustainability Solutions (SKSS) segment fell short of our expectations in Q4, as market conditions for base oil deteriorated late in the year. From a safety perspective, we concluded 2023 with an excellent fourth-quarter Total Recordable Incident Rate (TRIR), enabling us to far exceed our annual goal and achieve the best safety year in our history.”

**Fourth-Quarter Results**

Revenues grew 5% to \$1.34 billion compared with \$1.28 billion in the same period of 2022. Income from operations increased by 16% to \$147.3 million compared with \$127.4 million in the fourth quarter of 2022.

Net income was \$98.3 million, or \$1.81 per diluted share compared with \$82.5 million, or \$1.52 per diluted share, for the same period in 2022. Adjusted net income in the fourth quarter of 2023 was \$98.7 million, or \$1.82 per diluted share, compared with \$78.5 million, or \$1.44 per diluted share in the prior year period. (See reconciliation tables below).

Adjusted EBITDA (see description below) grew 14% to \$254.9 million compared with \$224.2 million in the same period of 2022.



## Q4 2023 Segment Review

“Our ES segment delivered a 16% increase in Adjusted EBITDA and a 190-basis point margin improvement year-over-year on 7% revenue growth,” said Eric Gerstenberg, Co-Chief Executive Officer. “All of our service businesses grew revenue from a year ago, led by Safety-Kleen Environmental Services revenue growth of 11%. Industrial Services revenue increased 8%, which includes contributions from our acquisition of Thompson Industrial. Technical Services grew 5% as our incineration utilization was 85%, up from a year ago. Average incineration price was 7% above the fourth quarter of 2022, as we continued to prioritize higher value waste streams and capitalized on the backlog of containerized waste in our network. Project volumes in our landfill business were strong in the quarter as tonnage increased 24% from the same period in 2022. In addition, the pipeline for our unique Total PFAS Solution continues to grow.”

“In our SKSS segment, the base oil and lubricant pricing environment grew more challenging after a promising start to the quarter,” said Battles. “The team continued to aggressively manage our waste oil collection costs in the face of pricing pressure while producing and selling considerable fourth-quarter volumes of products. To feed our re-refineries, we collected 53 million gallons of waste oil in the quarter – averaging a net charge-for-oil compared with a net pay-for-oil in the prior year period. We also increased blended sales volumes by more than 60% from a year ago as we focus on opportunities to sell fewer commoditized products.”

## 2023 Financial Results

Clean Harbors’ revenues increased 5% to \$5.41 billion compared with \$5.17 billion in 2022. Income from operations was \$612.4 million compared with \$634.7 million in 2022.

Net income was \$377.9 million, or \$6.95 per diluted share, compared with net income of \$411.7 million, or \$7.56 per diluted share for 2022. Adjusted for certain items in both periods, the Company reported adjusted net income for 2023 of \$379.9 million, or \$6.99 per diluted share, compared with adjusted net income of \$389.5 million, or \$7.15 per diluted share, for 2022. (See reconciliation table below).

Adjusted EBITDA (see description below) was \$1.01 billion, compared with Adjusted EBITDA of \$1.02 billion in 2022. The Company generated an 11% increase in adjusted free cash flow to \$321.9 million in 2023, compared with \$289.9 million in 2022. The increase is largely attributable to improvements in working capital management, which more than offset increased net capital expenditures of approximately \$76 million in 2023, primarily associated with higher year-over-year spend for the construction of its Nebraska incinerator.

“2023 was an outstanding year for the Company, highlighted by a record financial performance in our ES segment, notable operational accomplishments and extraordinary safety results,” Gerstenberg said. “Adjusted EBITDA margin in the ES segment expanded by 160 basis points through the combination of 8% revenue growth and a 16% increase in Adjusted EBITDA. Beyond our financial strength, 2023 was a year of substantial achievement. We accelerated the construction of our Nebraska incinerator, acquired Thompson Industrial, expanded our billable headcount, significantly improved our ESG ratings and lowered voluntary turnover to below pre-pandemic levels. Most importantly, we achieved a TRIR of 0.63 – the best annual safety performance in our history. Our continuous commitment to safety keeps our workforce safe and enhances our ability to win business, protect the communities we serve, and attract and retain talented people.”



## Business Outlook and Financial Guidance

“We begin 2024 with considerable momentum in our ES segment as our facilities network and service lines remain in high demand,” Gerstenberg said. “We expect the favorable market conditions that drove our 2023 success, including U.S. manufacturing and regulatory trends, to continue to support our profitable growth plans in 2024. Our Kimball, Nebraska incinerator will be coming online later this year, adding much-needed capacity. Based on customer feedback, we have elected to add several enhancements to the facility including more direct burn bays, specialized lines and greater processing capabilities. We began the new year with a healthy backlog of waste streams in our disposal facilities and at customer sites. We see a strong pipeline of remediation and waste projects, which we expect will grow based on infrastructure spending, ongoing reshoring and as PFAS regulations to continue to be established. Within Industrial Services, we expect a record 2023 to carry over into 2024 and are continuing to invest in cross-selling and resource sharing using technology. Our Field Services business will greatly benefit from the expected addition of HEPACO, which we recently announced and expect to close in the first half of this year. Its experienced team, extensive capabilities and geographic footprint align well with our existing business.”

“For SKSS, our strategy will continue to center on areas we can control, including waste oil collection costs, transportation efficiencies and re-refinery production rates. We will continue to focus on the expansion of our value-added products such as blended lubricants. In addition, we will move forward with our promising Group III program that we expect to launch in the second quarter,” Battles concluded. “Overall, we are confident in our ability to deliver solid profitable growth in 2024 in both operating segments as we work toward realizing our Vision 2027 strategy.”

In the first quarter of 2024, Clean Harbors expects Adjusted EBITDA to grow 2-3% compared to the first quarter of 2023 with growth in the ES segment more than offsetting current market conditions in SKSS and slightly higher corporate costs. For full-year 2024, Clean Harbors expects:

- Adjusted EBITDA in the range of \$1.05 billion to \$1.11 billion or a midpoint of \$1.08 billion, which represents 7% growth year-over-year. This guidance assumes no contribution from the previously announced acquisition of HEPACO. This Adjusted EBITDA range is based on anticipated GAAP net income in the range of \$365 million to \$415 million.
- Adjusted free cash flow in the range of \$340 million to \$400 million, or a midpoint of \$370 million, which includes approximately \$65 million of spending related to the Kimball incinerator and \$20 million for the strategic expansion of a mid-Atlantic location. This range is based on anticipated net cash from operating activities in the range of \$730 million to \$820 million.

## Non-GAAP Results

Clean Harbors reports Adjusted EBITDA, which is a non-GAAP financial measure and should not be considered an alternative to net income or other measurements under generally accepted accounting principles (GAAP) but viewed only as a supplement to those measurements. Adjusted EBITDA is not calculated identically by all companies, and therefore the Company’s measurement of Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies. Clean Harbors believes that Adjusted



EBITDA provides additional useful information to investors since the Company's loan covenants are based upon levels of Adjusted EBITDA achieved and management routinely evaluates the performance of its businesses based upon levels of Adjusted EBITDA. The Company defines Adjusted EBITDA in accordance with its existing revolving credit agreement, as described in the following reconciliation showing the differences between reported net income and Adjusted EBITDA for the three and twelve months ended December 31, 2023 and 2022 (in thousands, except percentages):

|  | For the Three Months Ended |                   | For the Twelve Months Ended |                   |
|--|----------------------------|-------------------|-----------------------------|-------------------|
|  | December 31, 2023          | December 31, 2022 | December 31, 2023           | December 31, 2022 |
| Net income                               | \$ 98,349                  | \$ 82,474         | \$ 377,856                  | \$ 411,744        |
| Accretion of environmental liabilities   | 3,386                      | 3,344             | 13,667                      | 12,943            |
| Stock-based compensation                 | 5,894                      | 6,469             | 20,703                      | 26,844            |
| Depreciation and amortization            | 98,336                     | 87,034            | 365,761                     | 347,594           |
| Other income, net                        | (3,148)                    | (399)             | (2,315)                     | (2,472)           |
| Loss on early extinguishment of debt     | 518                        | 422               | 2,880                       | 422               |
| Gain on sale of business                 | —                          | —                 | —                           | (8,864)           |
| Interest expense, net of interest income | 28,195                     | 28,309            | 108,595                     | 107,663           |
| Provision for income taxes               | 23,379                     | 16,591            | 125,423                     | 126,254           |
| Adjusted EBITDA                          | \$ 254,909                 | \$ 224,244        | \$ 1,012,570                | \$ 1,022,128      |
| Adjusted EBITDA Margin                   | 19.0 %                     | 17.5 %            | 18.7 %                      | 19.8 %            |



This press release includes a discussion of net income and earnings per share adjusted for the loss on early extinguishment of debt, gain on sale of business and the impacts of tax-related valuation allowances and other items as identified in the reconciliations provided below. The Company believes that discussion of these additional non-GAAP measures provides investors with meaningful comparisons of current results to prior periods' results by excluding items that the Company does not believe reflect its fundamental business performance. The following table shows the difference between net income and adjusted net income, and the difference between earnings per share and adjusted earnings per share, for the three and twelve months ended December 31, 2023 and 2022 (in thousands, except per share amounts):

|   | <b>For the Three Months Ended</b> |                          | <b>For the Twelve Months Ended</b> |                          |
|---|-----------------------------------|--------------------------|------------------------------------|--------------------------|
|   | <b>December 31, 2023</b>          | <b>December 31, 2022</b> | <b>December 31, 2023</b>           | <b>December 31, 2022</b> |
| <b>Adjusted net income</b>                  |                                   |                          |                                    |                          |
| Net income                                  | \$ 98,349                         | \$ 82,474                | \$ 377,856                         | \$ 411,744               |
| Loss on early extinguishment of debt        | 518                               | 422                      | 2,880                              | 422                      |
| Gain on sale of business                    | —                                 | —                        | —                                  | (8,864)                  |
| Tax-related valuation allowances and other* | (133)                             | (4,354)                  | (786)                              | (13,848)                 |
| Adjusted net income                         | <u>\$ 98,734</u>                  | <u>\$ 78,542</u>         | <u>\$ 379,950</u>                  | <u>\$ 389,454</u>        |
| <b>Adjusted earnings per share</b>          |                                   |                          |                                    |                          |
| Earnings per share                          | \$ 1.81                           | \$ 1.52                  | \$ 6.95                            | \$ 7.56                  |
| Loss on early extinguishment of debt        | 0.01                              | 0.01                     | 0.05                               | 0.01                     |
| Gain on sale of business                    | —                                 | —                        | —                                  | (0.16)                   |
| Tax-related valuation allowances and other* | —                                 | (0.09)                   | (0.01)                             | (0.26)                   |
| Adjusted earnings per share                 | <u>\$ 1.82</u>                    | <u>\$ 1.44</u>           | <u>\$ 6.99</u>                     | <u>\$ 7.15</u>           |

\* For the three and twelve months ended December 31, 2023, other amounts include (\$0.1) million and (\$0.8) million or (\$0.01) per share, respectively, of tax impacts from the loss on early extinguishment of debt. For the three and twelve months ended December 31, 2022, other amounts include (\$0.1) million and \$1.5 million, or \$0.03 per share, of tax impacts from the loss on early extinguishment of debt and gain on sale of business, respectively.

### Adjusted Free Cash Flow Reconciliation

Clean Harbors reports adjusted free cash flow, which it considers to be a measurement of liquidity that provides useful information to investors about its ability to generate cash. The Company defines adjusted free cash flow as 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 and disposal of fixed assets. Adjusted free cash flow should not be considered an alternative to net cash from operating activities or other measurements under GAAP. Adjusted free cash flow is not calculated identically by all companies, and therefore the Company's measurement of adjusted free cash flow may not be comparable to similarly titled measures reported by other companies.



An itemized reconciliation between net cash from operating activities and adjusted free cash flow is as follows for the three and twelve months ended December 31, 2023 and 2022 (in thousands):

|   | For the Three Months Ended |                   | For the Twelve Months Ended |                   |
|---|----------------------------|-------------------|-----------------------------|-------------------|
|   | December 31, 2023          | December 31, 2022 | December 31, 2023           | December 31, 2022 |
| <b>Adjusted free cash flow</b>                  |                            |                   |                             |                   |
| Net cash from operating activities              | \$ 278,860                 | \$ 268,672        | \$ 734,552                  | \$ 626,214        |
| Additions to property, plant and equipment      | (110,394)                  | (100,509)         | (422,300)                   | (345,056)         |
| Proceeds from sale and disposal of fixed assets | 4,521                      | 3,661             | 9,650                       | 8,779             |
| Adjusted free cash flow                         | <u>\$ 172,987</u>          | <u>\$ 171,824</u> | <u>\$ 321,902</u>           | <u>\$ 289,937</u> |

### Adjusted EBITDA Guidance Reconciliation

An itemized reconciliation between projected GAAP net income and projected Adjusted EBITDA is as follows (in millions):

|  | For the Year Ending<br>December 31, 2024 |    |                |
|--|--|----|----------------|
| Projected GAAP net income              | \$365                                    | to | \$415          |
| Adjustments:                           |  |    |                |
| Accretion of environmental liabilities | 15                                       | to | 14             |
| Stock-based compensation               | 27                                       | to | 30             |
| Depreciation and amortization          | 390                                      | to | 380            |
| Interest expense, net                  | 120                                      | to | 115            |
| Provision for income taxes             | 133                                      | to | 156            |
| Projected Adjusted EBITDA              | <u>\$1,050</u>                           | to | <u>\$1,110</u> |

### Adjusted Free Cash Flow Guidance Reconciliation

An itemized reconciliation between projected net cash from operating activities and projected adjusted free cash flow is as follows (in millions):

|   | For the Year Ending<br>December 31, 2024 |    |              |
|---|--|----|--------------|
| Projected net cash from operating activities    | \$730                                    | to | \$820        |
| Additions to property, plant and equipment      | (400)                                    | to | (430)        |
| Proceeds from sale and disposal of fixed assets | 10                                       | to | 10           |
| Projected adjusted free cash flow               | <u>\$340</u>                             | to | <u>\$400</u> |

### Conference Call Information

Clean Harbors will conduct a conference call for investors today at 9:00 a.m. (ET) to discuss the information contained in this press release. During the call, management will discuss Clean Harbors' financial results, business outlook and growth strategy. Investors who wish to listen to the webcast and view the accompanying slides should visit the Investor Relations section of the Company's website at [www.cleanharbors.com](http://www.cleanharbors.com). The live



call also can be accessed by dialing 877.709.8155 or 201.689.8881 prior to the start time. If you are unable to listen to the live conference call, the webcast will be archived on the Company's website.

### **About Clean Harbors**

Clean Harbors (NYSE: CLH) is North America's leading provider of environmental and industrial services. The Company serves a diverse customer base, including a majority of Fortune 500 companies. Its customer base spans a number of industries, including chemical, manufacturing and refining, as well as numerous government agencies. These customers rely on Clean Harbors to deliver a broad range of services such as end-to-end hazardous waste management, emergency spill response, industrial cleaning and maintenance, and recycling services. Through its Safety-Kleen subsidiary, Clean Harbors also is a leading provider of parts washers and environmental services to commercial, industrial and automotive customers, as well as North America's largest re-refiner and recycler of used oil. Founded in 1980 and based in Massachusetts, Clean Harbors operates in the United States, Canada, Mexico, Puerto Rico and India. For more information, visit [www.cleanharbors.com](http://www.cleanharbors.com).

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## Safe Harbor Statement

Any statements contained herein that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements 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, and other statements that are not historical facts. 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, the impact of the HEPACO acquisition and those items identified as “Risk Factors” in Clean Harbors’ most recently filed Form 10-K and Form 10-Q. Forward-looking statements are neither historical facts nor assurances of future performance. Therefore, readers are cautioned not to place undue reliance on these 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 Securities and Exchange Commission, which may be viewed in the “Investors” section of Clean Harbors’ website at [www.cleanharbors.com](http://www.cleanharbors.com).

## Contacts:

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**CLEAN HARBORS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except per share amounts)

|   | For the Three Months Ended |                      | For the Twelve Months Ended |                      |
|---|----------------------------|----------------------|-----------------------------|----------------------|
|   | December 31,<br>2023       | December 31,<br>2022 | December 31,<br>2023        | December 31,<br>2022 |
| Revenues  | \$ 1,338,169               | \$ 1,278,098         | \$ 5,409,152                | \$ 5,166,605         |
| Cost of revenues: (exclusive of items shown separately below) | 923,147                    | 891,424              | 3,746,124                   | 3,543,930            |
| Selling, general and administrative expenses                  | 166,007                    | 168,899              | 671,161                     | 627,391              |
| Accretion of environmental liabilities                        | 3,386                      | 3,344                | 13,667                      | 12,943               |
| Depreciation and amortization                                 | 98,336                     | 87,034               | 365,761                     | 347,594              |
| Income from operations  | 147,293                    | 127,397              | 612,439                     | 634,747              |
| Other income, net   | 3,148                      | 399                  | 2,315                       | 2,472                |
| Loss on early extinguishment of debt                          | (518)                      | (422)                | (2,880)                     | (422)                |
| Gain on sale of business                                      | —                          | —                    | —                           | 8,864                |
| Interest expense, net   | (28,195)                   | (28,309)             | (108,595)                   | (107,663)            |
| Income before provision for income taxes                      | 121,728                    | 99,065               | 503,279                     | 537,998              |
| Provision for income taxes                                    | 23,379                     | 16,591               | 125,423                     | 126,254              |
| Net income  | <u>\$ 98,349</u>           | <u>\$ 82,474</u>     | <u>\$ 377,856</u>           | <u>\$ 411,744</u>    |
| Earnings per share:   |                            |                      |                             |                      |
| Basic   | <u>\$ 1.82</u>             | <u>\$ 1.53</u>       | <u>\$ 6.99</u>              | <u>\$ 7.59</u>       |
| Diluted   | <u>\$ 1.81</u>             | <u>\$ 1.52</u>       | <u>\$ 6.95</u>              | <u>\$ 7.56</u>       |
| Shares used to compute earnings per share - Basic             | <u>53,995</u>              | <u>54,059</u>        | <u>54,071</u>               | <u>54,223</u>        |
| Shares used to compute earnings per share - Diluted           | <u>54,259</u>              | <u>54,378</u>        | <u>54,382</u>               | <u>54,487</u>        |



**CLEAN HARBORS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands)

|   | <b>December 31, 2023</b> | <b>December 31, 2022</b> |
|---|--------------------------|--------------------------|
| <b>Current assets:</b>  |                          |                          |
| Cash and cash equivalents   | \$ 444,698               | \$ 492,603               |
| Short-term marketable securities                                  | 106,101                  | 62,033                   |
| Accounts receivable, net  | 983,111                  | 964,603                  |
| Unbilled accounts receivable                                      | 107,859                  | 107,010                  |
| Inventories and supplies  | 327,511                  | 324,994                  |
| Prepaid expenses and other current assets                         | 82,939                   | 82,518                   |
| Total current assets  | <u>2,052,219</u>         | <u>2,033,761</u>         |
| Property, plant and equipment, net                                | <u>2,193,318</u>         | <u>1,980,302</u>         |
| <b>Other assets:</b>  |                          |                          |
| Operating lease right-of-use assets                               | 187,060                  | 166,181                  |
| Goodwill  | 1,287,736                | 1,246,878                |
| Permits and other intangibles, net                                | 602,797                  | 620,782                  |
| Other long-term assets  | 59,739                   | 81,803                   |
| Total other assets  | <u>2,137,332</u>         | <u>2,115,644</u>         |
| <b>Total assets</b>   | <u>\$ 6,382,869</u>      | <u>\$ 6,129,707</u>      |
| <b>Current liabilities:</b>                                       |                          |                          |
| Current portion of long-term debt                                 | \$ 10,000                | \$ 10,000                |
| Accounts payable  | 451,806                  | 446,629                  |
| Deferred revenue  | 95,230                   | 94,094                   |
| Accrued expenses and other current liabilities                    | 397,157                  | 396,716                  |
| Current portion of closure, post-closure and remedial liabilities | 26,914                   | 23,123                   |
| Current portion of operating lease liabilities                    | 56,430                   | 49,532                   |
| Total current liabilities   | <u>1,037,537</u>         | <u>1,020,094</u>         |
| <b>Other liabilities:</b>   |                          |                          |
| Closure and post-closure liabilities, less current portion        | 105,044                  | 105,596                  |
| Remedial liabilities, less current portion                        | 97,885                   | 106,372                  |
| Long-term debt, less current portion                              | 2,291,717                | 2,414,828                |
| Operating lease liabilities, less current portion                 | 131,743                  | 119,259                  |
| Deferred tax liabilities  | 353,107                  | 350,389                  |
| Other long-term liabilities                                       | 118,330                  | 90,847                   |
| Total other liabilities   | <u>3,097,826</u>         | <u>3,187,291</u>         |
| Total stockholders' equity, net                                   | <u>2,247,506</u>         | <u>1,922,322</u>         |
| <b>Total liabilities and stockholders' equity</b>                 | <u>\$ 6,382,869</u>      | <u>\$ 6,129,707</u>      |



**CLEAN HARBORS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

|  | For the Year Ended |                   |
|--|--------------------|-------------------|
|  | December 31, 2023  | December 31, 2022 |
| Cash flows from operating activities:                                      |                    |                   |
| Net income   | \$ 377,856         | \$ 411,744        |
| Adjustments to reconcile net income to net cash from operating activities: |                    |                   |
| Depreciation and amortization  | 365,761            | 347,594           |
| Allowance for doubtful accounts  | 5,956              | 7,783             |
| Amortization of deferred financing costs and debt discount                 | 5,309              | 6,301             |
| Accretion of environmental liabilities                                     | 13,667             | 12,943            |
| Changes in environmental liability estimates                               | 4,828              | 8,272             |
| Deferred income taxes  | 12,685             | 17,549            |
| Other income, net  | (2,315)            | (2,472)           |
| Stock-based compensation   | 20,703             | 26,844            |
| Loss on early extinguishment of debt                                       | 2,880              | 422               |
| Gain on sale of business   | —                  | (8,864)           |
| Environmental expenditures   | (28,960)           | (13,946)          |
| Changes in assets and liabilities, net of acquisitions:                    |                    |                   |
| Accounts receivable and unbilled accounts receivable                       | 2,453              | (201,087)         |
| Inventories and supplies   | (4,312)            | (74,547)          |
| Other current and non-current assets                                       | (22,645)           | (17,303)          |
| Accounts payable   | (27,425)           | 74,460            |
| Other current and long-term liabilities                                    | 8,111              | 30,521            |
| Net cash from operating activities   | <u>734,552</u>     | <u>626,214</u>    |
| Cash flows used in investing activities:                                   |                    |                   |
| Additions to property, plant and equipment                                 | (422,300)          | (345,056)         |
| Proceeds from sale and disposal of fixed assets                            | 9,650              | 8,779             |
| Acquisitions, net of cash acquired   | (119,596)          | (86,278)          |
| Proceeds from sale of business, net of transaction costs                   | 750                | 16,811            |
| Additions to intangible assets including costs to obtain or renew permits  | (2,649)            | (1,966)           |
| Purchases of available-for-sale securities                                 | (158,264)          | (49,845)          |
| Proceeds from sale of available-for-sale securities                        | 117,359            | 68,611            |
| Net cash used in investing activities                                      | <u>(575,050)</u>   | <u>(388,944)</u>  |
| Cash flows used in financing activities:                                   |                    |                   |
| Change in uncashed checks  | 2,759              | 552               |
| Tax payments related to withholdings on vested restricted stock            | (13,838)           | (8,801)           |
| Repurchases of common stock  | (51,164)           | (50,183)          |
| Deferred financing costs paid  | (6,736)            | (410)             |
| Payments on finance leases   | (15,937)           | (12,821)          |
| Principal payments on debt   | (623,975)          | (115,652)         |
| Proceeds from issuance of debt   | 500,000            | —                 |
| Borrowing from revolving credit facility                                   | 114,000            | —                 |
| Payment on revolving credit facility                                       | (114,000)          | —                 |
| Net cash used in financing activities                                      | <u>(208,891)</u>   | <u>(187,315)</u>  |
| Effect of exchange rate change on cash                                     | 1,484              | (9,927)           |
| (Decrease) increase in cash and cash equivalents                           | (47,905)           | 40,028            |
| Cash and cash equivalents, beginning of year                               | 492,603            | 452,575           |
| Cash and cash equivalents, end of year                                     | <u>\$ 444,698</u>  | <u>\$ 492,603</u> |



Supplemental information:

Cash payments for interest and income taxes:

|  |  |    |         |    |         |
|--|--|----|---------|----|---------|
| Interest paid  |  | \$ | 114,560 | \$ | 105,643 |
| Income taxes paid, net of refunds  |  |    | 132,314 |    | 78,526  |
| Non-cash investing activities:   |  |    |         |    |         |
| Property, plant and equipment accrued                                      |  |    | 52,376  |    | 30,950  |
| Remedial liability assumed in acquisition of property, plant and equipment |  |    | —       |    | 8,092   |

**Supplemental Segment Data (in thousands)**

| Revenue                               | For the Three Months Ended |                                       |                 |                      |                                       |                 |
|---------------------------------------|----------------------------|---------------------------------------|-----------------|----------------------|---------------------------------------|-----------------|
|                                       | December 31, 2023          |                                       |                 | December 31, 2022    |                                       |                 |
|                                       | Third Party Revenues       | Intersegment Revenues (Expenses), net | Direct Revenues | Third Party Revenues | Intersegment Revenues (Expenses), net | Direct Revenues |
| Environmental Services                | \$ 1,112,166               | \$ 10,136                             | \$ 1,122,302    | \$ 1,039,637         | \$ 7,397                              | \$ 1,047,034    |
| Safety-Kleen Sustainability Solutions | 225,891                    | (10,136)                              | 215,755         | 238,388              | (7,397)                               | 230,991         |
| Corporate Items                       | 112                        | —                                     | 112             | 73                   | —                                     | 73              |
| Total                                 | \$ 1,338,169               | \$ —                                  | \$ 1,338,169    | \$ 1,278,098         | \$ —                                  | \$ 1,278,098    |

| Revenue                               | For the Twelve Months Ended |                                       |                 |                      |                                       |                 |
|---------------------------------------|-----------------------------|---------------------------------------|-----------------|----------------------|---------------------------------------|-----------------|
|                                       | December 31, 2023           |                                       |                 | December 31, 2022    |                                       |                 |
|                                       | Third Party Revenues        | Intersegment Revenues (Expenses), net | Direct Revenues | Third Party Revenues | Intersegment Revenues (Expenses), net | Direct Revenues |
| Environmental Services                | \$ 4,469,909                | \$ 41,533                             | \$ 4,511,442    | \$ 4,144,973         | \$ 26,733                             | \$ 4,171,706    |
| Safety-Kleen Sustainability Solutions | 938,796                     | (41,533)                              | 897,263         | 1,021,125            | (26,733)                              | 994,392         |
| Corporate Items                       | 447                         | —                                     | 447             | 507                  | —                                     | 507             |
| Total                                 | \$ 5,409,152                | \$ —                                  | \$ 5,409,152    | \$ 5,166,605         | \$ —                                  | \$ 5,166,605    |

| Adjusted EBITDA                       | For the Three Months Ended |                   | For the Twelve Months Ended |                   |
|---------------------------------------|----------------------------|-------------------|-----------------------------|-------------------|
|                                       | December 31, 2023          | December 31, 2022 | December 31, 2023           | December 31, 2022 |
|                                       | Environmental Services     | \$ 278,659        | \$ 239,423                  | \$ 1,101,608      |
| Safety-Kleen Sustainability Solutions | 46,849                     | 54,284            | 172,873                     | 306,327           |
| Corporate Items                       | (70,599)                   | (69,463)          | (261,911)                   | (237,252)         |
| Total                                 | \$ 254,909                 | \$ 224,244        | \$ 1,012,570                | \$ 1,022,128      |