



First Quarter 2021 Investor Review

May 5, 2021

Forward Looking Statements and GAAP Disclaimer

These slides contain (and the accompanying oral discussion will contain) forward-looking statements, which are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans to," "seeks," "should," "estimates," "projects," "may," "likely" or similar expressions. Such statements may include, but are not limited to, statements about future financial and operating results, the Company's plans, objectives, expectations and intentions and other statements that are not historical facts. Forward-looking statements are neither historical facts nor assurances of future performance. Such statements are based upon the beliefs and expectations of Clean Harbors' management as of this date only and are subject to certain risks and uncertainties that could cause actual results to differ materially, including, without limitation, the risks and uncertainties surrounding COVID-19 and the related impact on our business, and those items identified as "Risk Factors," disclosed in our periodic filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K filed on February 24, 2021. Therefore, readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date hereof. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Clean Harbors undertakes no obligation to revise or publicly release the results of any revision to these forward-looking statements other than through its filings with the SEC, which may be viewed in the "Investors" section of the Clean Harbors website.

Statement Regarding use of Non-GAAP Measures:

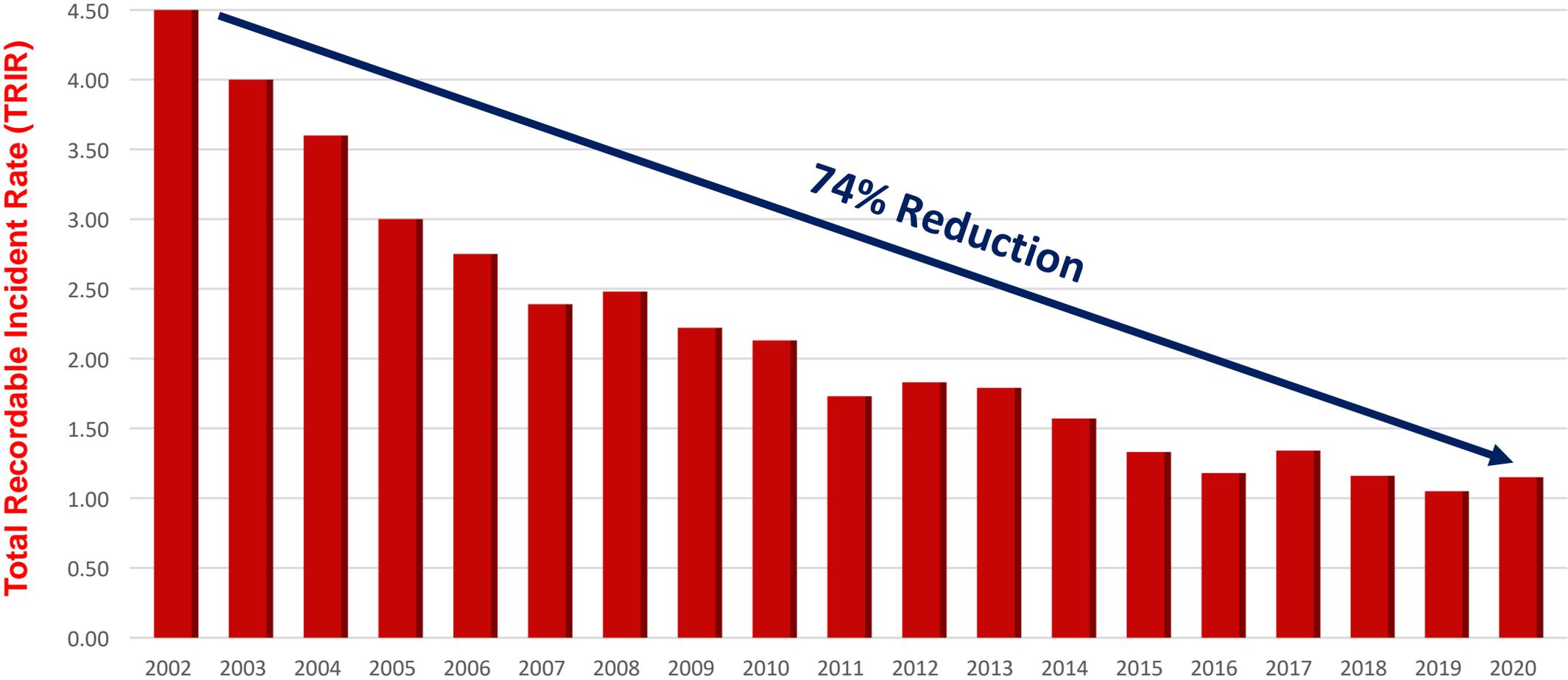
Adjusted EBITDA, adjusted free cash flow, adjusted net income and adjusted earnings per share, as presented in these slides, are non-GAAP financial measures and should not be considered alternatives to other measurements under generally accepted accounting principles (GAAP), but viewed only as a supplement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

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

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

ESG Spotlight: Safety

Two Decades of Improvement in TRIR

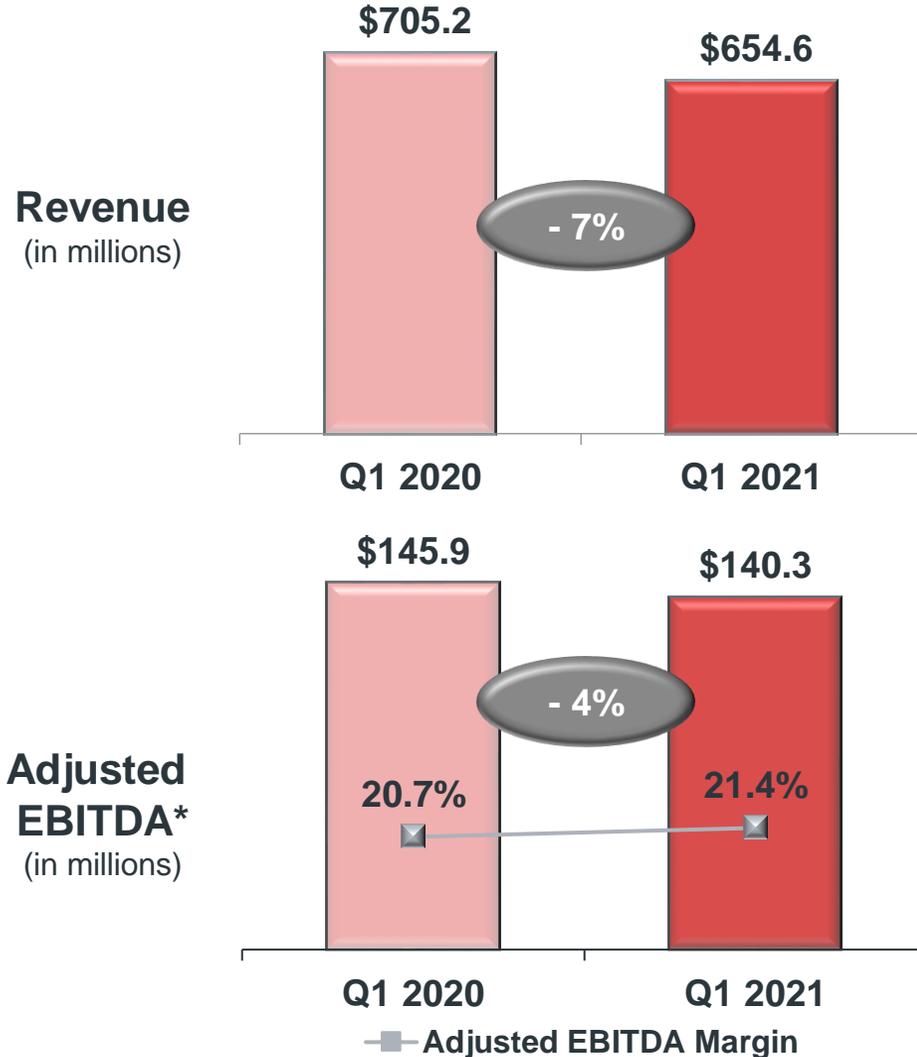


Summary of Q1 Results

- Revenue of \$808.1M – ahead of expectations; Down 6% YoY reflecting pandemic-related impact; up sequentially from Q4
- GAAP EPS of \$0.39 and Adjusted EPS of \$0.42
- Adjusted EBITDA* increased to \$129.5M, including \$5.4M from government pandemic relief programs; Adjusted EBITDA margin climbed 130 bps to 16.0%
- Adjusted free cash flow was \$62.3 million compared with (\$26.2) million in Q1'20
- Environmental Services segment benefited from high-value waste streams and ongoing recovery in service businesses, supported by productivity, cost and pricing measures
- Safety-Kleen Sustainability Solutions segment delivered flat YoY revenue but strong profitability due to ongoing pricing gains driven by market conditions
- Corporate segment down YoY due to lower marketing and travel spend, and other cost savings, which more than offset higher healthcare and incentive comp

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

Environmental Services

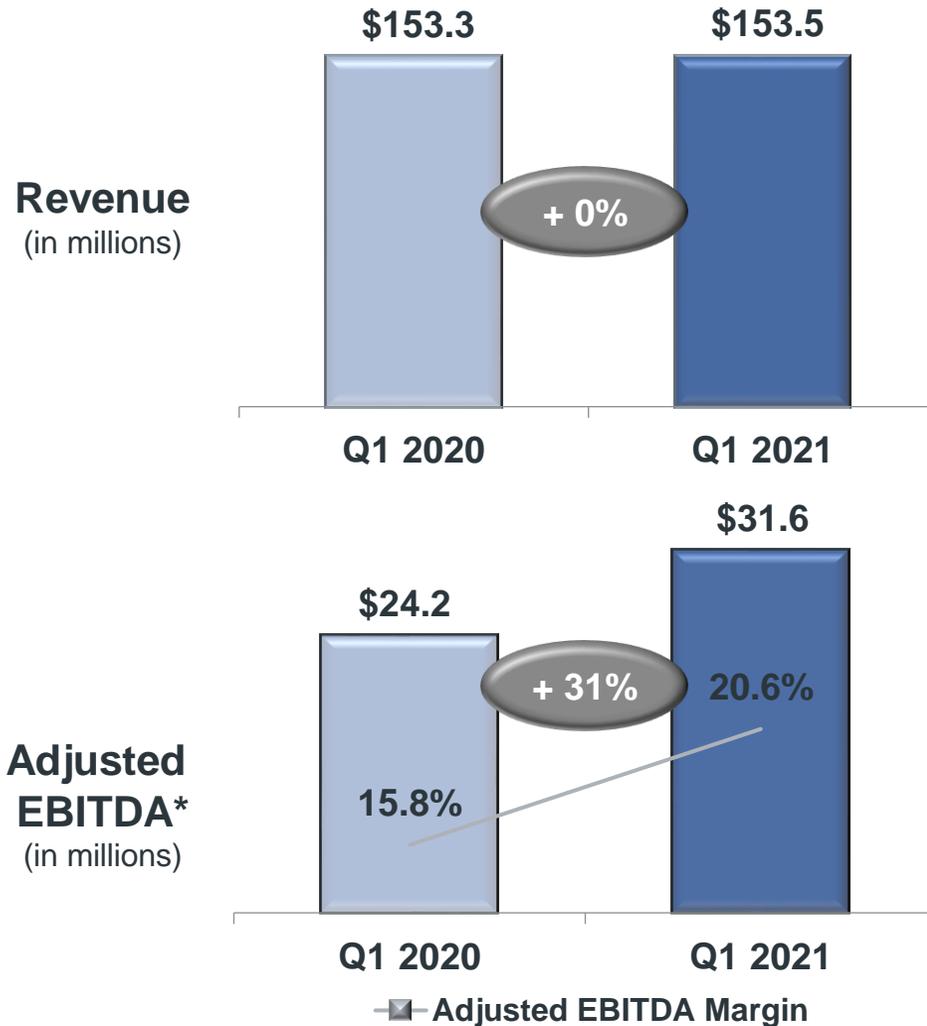


Q1 Performance

- Revenue down YoY due to lingering COVID-related impacts on some businesses and project work. February deep freeze in Gulf disrupted incinerators and delayed some branch work
- Adjusted EBITDA down slightly based on lower revenue but margin up on combination of pricing, cost savings, mix of waste and government assistance
- Incinerator utilization was 80% vs. 86% in Q1'20, reflecting storm related shutdowns; Strong volumes of high-value streams drove average price up 8% from Q1'20
- Landfill tonnage down 29% YoY due to lower project volumes, while average price per ton up 24% from prior year based on mix
- \$28M in the quarter from COVID-19 decontamination response work; completed more than 17,000 responses since inception
- Performed 235K parts washer services vs. 241K a year ago, and up from 221K in Q4; most SK core offerings trending up sequentially

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

Safety-Kleen Sustainability Solutions



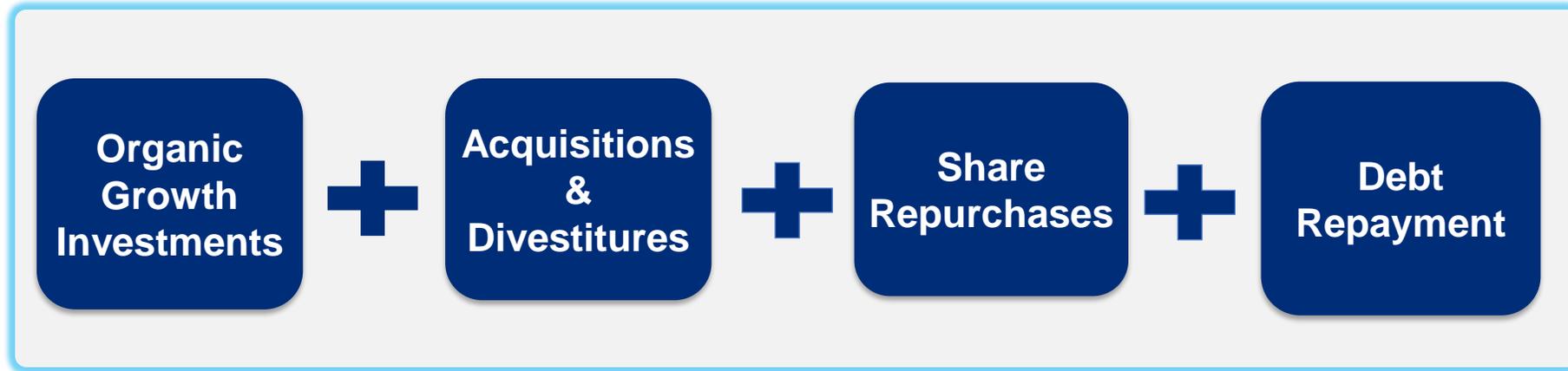
Q1 Performance

- Revenue flat YoY as lower collection volumes offset by higher pricing and a return to normal demand for base and blended products; revenue up 19% from Q4 as recovery in demand and higher pricing more than offset normal seasonality
- Higher Adjusted EBITDA and margin reflect widening of re-refining spread due to supply-driven increases in base oil pricing, supported by productivity and cost initiatives
- Gathered 47 million gallons of waste oil, compared with 55 million a year ago and 49 million in Q4; average charge-for-oil up from a year ago
- Blended products accounted for 23% of volume compared with 25% in Q1'20; direct volume was 7% in the quarter, level with Q1'20

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

Capital Allocation Strategy

Four key elements:



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



FINANCIAL OVERVIEW

Q1 Income Statement

(in millions, except per share data)

	<u>Q1 2021</u>	<u>Q1 2020</u>
Revenues	\$808.1	\$858.6
Cost of revenues	\$560.5	\$606.7
Gross profit	\$247.6	\$251.9
<i>Gross margin %</i>	<i>30.6%</i>	<i>29.3%</i>
Selling, general and administrative expenses	\$121.6	\$129.3
<i>SG&A %</i>	<i>15.1%</i>	<i>15.1%</i>
Depreciation and amortization	\$72.2	\$74.5
Income from operations	\$50.9	\$45.5
Adjusted EBITDA*	\$129.5	\$125.9
<i>Adjusted EBITDA* margin %</i>	<i>16.0%</i>	<i>14.7%</i>
Net income	\$21.7	\$11.6
Diluted earnings per share	\$0.39	\$0.21
Adjusted earnings per share*	\$0.42	\$0.28

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

Balance Sheet Highlights

(in millions)

	<u>3/31/21</u>	<u>12/31/20</u>	<u>3/31/20</u>
Cash and short-term marketable securities	\$570.7	\$571.0	\$494.3
Accounts payable	\$213.4	\$195.9	\$267.9
Billed and unbilled receivables	\$675.4	\$667.2	\$709.7
Current and long-term debt	\$1,556	\$1,557	\$1,711
Environmental liabilities	\$205.4	\$202.7	\$191.3

Cash Flow Highlights

(in millions)

	<u>Q1 2021</u>	<u>Q1 2020</u>
Cash from operations	\$103.0	\$33.7
Capital expenditures, net of disposals	(\$40.7)	(\$80.6)
Purchase and capital improvements of corporate HQ	—	\$20.7
Adjusted free cash flow*	\$62.3	(\$26.2)
Share repurchases	\$26.5	\$17.3

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

Guidance (as of May 5, 2021)

Full-Year 2021

(in millions)

	Range
Net Income	\$116 to \$157
Adjusted EBITDA*	\$560 to \$600
Net Cash from Operating Activities	\$415 to \$475
Adjusted Free Cash Flow*	\$230 to \$270

* Please refer to the appendix in this presentation for a reconciliation of Adjusted EBITDA and Adjusted Free Cash Flow to the nearest GAAP equivalent.

Five-Year Financial Targets

1. Organic Growth

- 1-2 percentage points greater than US GDP

2. Adjusted EBITDA Margin

- 30 to 50 basis point improvement annually

3. Adjusted Free Cash Flow

- Exceed \$300 million in 2025



APPENDIX

Non-GAAP Results Reconciliation

For the Three Months Ended:

(in thousands)

	March 31, 2021	March 31, 2020
Net income	\$21,736	\$11,572
Accretion of environmental liabilities	2,953	2,561
Stock-based compensation	3,480	3,291
Depreciation and amortization	72,163	74,533
Other expense, net	1,228	2,365
Loss on sale of businesses	—	3,074
Interest expense, net of interest income	17,918	18,787
Provision for income taxes	9,973	9,698
Adjusted EBITDA	\$129,451	\$125,881
Adjusted EBITDA Margin	16.0%	14.7%

Non-GAAP Results Reconciliation

(in thousands, except per share amounts)

	For the Three Months Ended:	
	March 31, 2021	March 31, 2020
Adjusted net income		
Net income	\$21,736	\$11,572
Loss on sale of businesses	—	3,074
Tax-related valuation allowances	1,648	931
Adjusted net income	<u>\$23,384</u>	<u>\$15,577</u>
Adjusted earnings per share		
Earnings per share	\$0.39	\$0.21
Loss on sale of businesses	—	0.05
Tax-related valuation allowances	0.03	0.02
Adjusted earnings per share	<u>\$0.42</u>	<u>\$0.28</u>

Non-GAAP Results Reconciliation

(in thousands)

	For the Three Months Ended:	
	March 31, 2021	March 31, 2020
Adjusted free cash flow		
Net cash from operating activities	\$103,000	\$33,681
Additions to property, plant and equipment	(41,913)	(82,767)
Purchase and capital improvements of corporate HQ	—	20,735
Proceeds from sale and disposal of fixed assets	1,204	2,150
Adjusted free cash flow	<u>\$62,291</u>	<u>\$(26,201)</u>

Non-GAAP Guidance Reconciliation

(in millions)

	For the Year Ending December 31, 2021		
Projected GAAP net income	\$116	to	\$157
Adjustments:			
Accretion of environmental liabilities	12	to	11
Stock-based compensation	16	to	18
Depreciation and amortization	290	to	280
Interest expense, net	73	to	72
Provision for income taxes	53	to	62
Projected Adjusted EBITDA	<u>\$560</u>	to	<u>\$600</u>

(in millions)

	For the Year Ending December 31, 2021		
Projected net cash from operating activities	\$415	to	\$475
Additions to property, plant and equipment	(195)	to	(215)
Proceeds from sale and disposal of fixed assets	10	to	10
Projected adjusted free cash flow	<u>\$230</u>	to	<u>\$270</u>

QUESTIONS?

