



March 5, 2019

Waste Management, Inc.

RAYMOND JAMES & ASSOCIATES 40TH ANNUAL INSTITUTIONAL INVESTORS CONFERENCE



Cautionary Statement

Certain statements provided in this presentation are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are often identified by the words, “will,” “may,” “should,” “continue,” “anticipate,” “believe,” “expect,” “plan,” “forecast,” “project,” “estimate,” “intend” and words of similar nature, and such statements generally contain projections about accounting and finances; strategy, plans and objectives for the future and outcomes from such strategic plans and objectives; projections, estimates, or assumptions relating to our performance; results of investments in new technologies; implementation of innovation and efficiency projects; predictions or assumptions about future trends or conditions in our industry; or our opinions, views or beliefs about the effects of current or future events, circumstances or performance. You should view these statements with caution. These statements are not guarantees of future performance, circumstances or events. They are based on the facts and circumstances known to us as of the date the statements are made. All phases of our business are subject to uncertainties, risks and other influences, many of which we do not control. Any of these factors, either alone or taken together, could have a material adverse effect on us and could cause actual results to be materially different from those set forth in such forward-looking statement. We assume no obligation to update any forward-looking statement, including financial estimates, whether as a result of future events, circumstances or developments or otherwise. Some of these risks and uncertainties are described in greater detail in Waste Management’s Form 10-K for the year ended December 31, 2018, as filed with the Securities and Exchange Commission.

Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures under Regulation G of the Securities Exchange Act of 1934, as amended. The Company believes that these non-GAAP financial measures are useful to investors to assess the Company's performance, results of operations and cash available for the Company's capital allocation program. These non-GAAP measures are meant to supplement, not replace, comparable GAAP measures, and such non-GAAP measures may be different from similarly titled measures used by other companies. A reconciliation of these non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles can be found in the Appendix at the end of this presentation and under the Investor Relations tab on our website: www.wm.com.

Waste Management Investment Thesis



INDUSTRY LEADERSHIP

- Largest and most diverse asset and customer base
- Unmatched return on invested capital
- Experienced and committed management team and employees



STRATEGIC FOCUS TO DRIVE

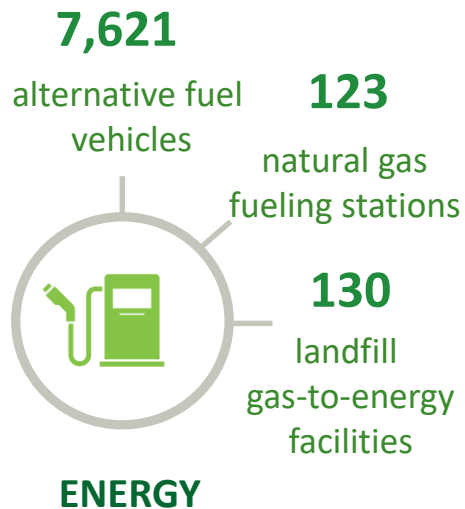
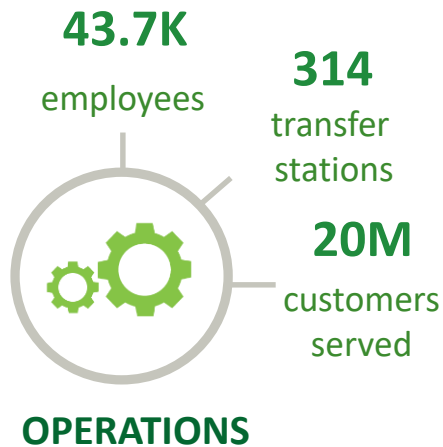
- A customer-centric culture
- Pricing discipline
- Volume growth in our highest return businesses
- Continuous improvement to reduce costs and expand margins
- Earnings and free cash flow growth



FINANCIAL AND BUSINESS PROFILE PROVIDES

- Recession-resilient revenues
- Strong and consistent free cash flow to fund balanced return of cash to shareholders
- Strong balance sheet that provides strategic flexibility

Waste Management At-A-Glance¹



2018 FINANCIALS

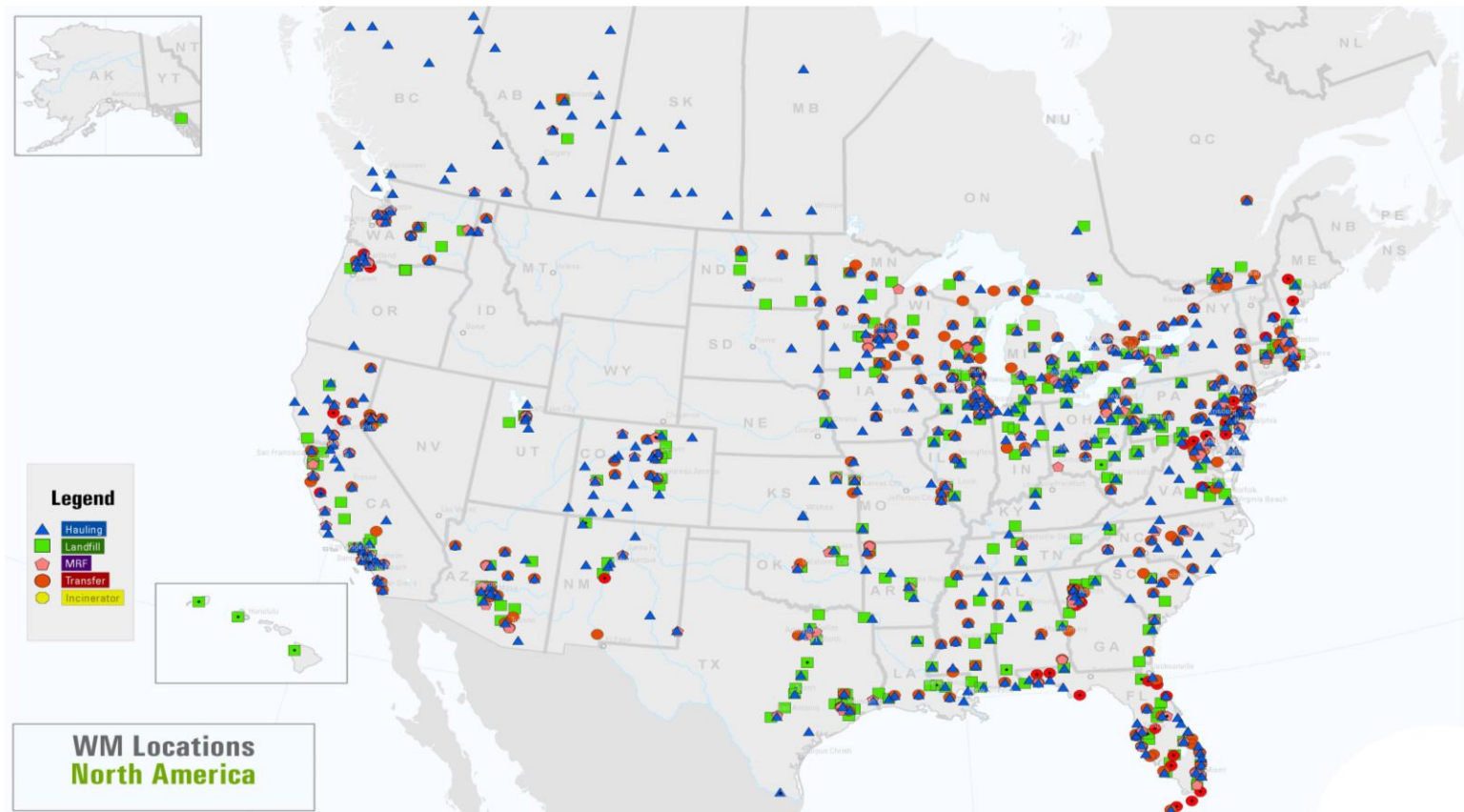


\$14.9B total revenue

LANDFILLS



Geographic & Operational Diversification



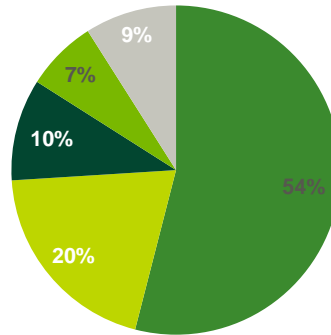
Broad and Diverse Customer Base

Serve over 20 million customers across the U.S. and Canada

Waste Management's largest customer accounts for about 1% of revenue

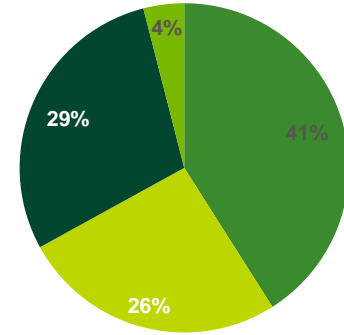
Long-standing customer relationships with significant contracted business

2018 REVENUE MIX



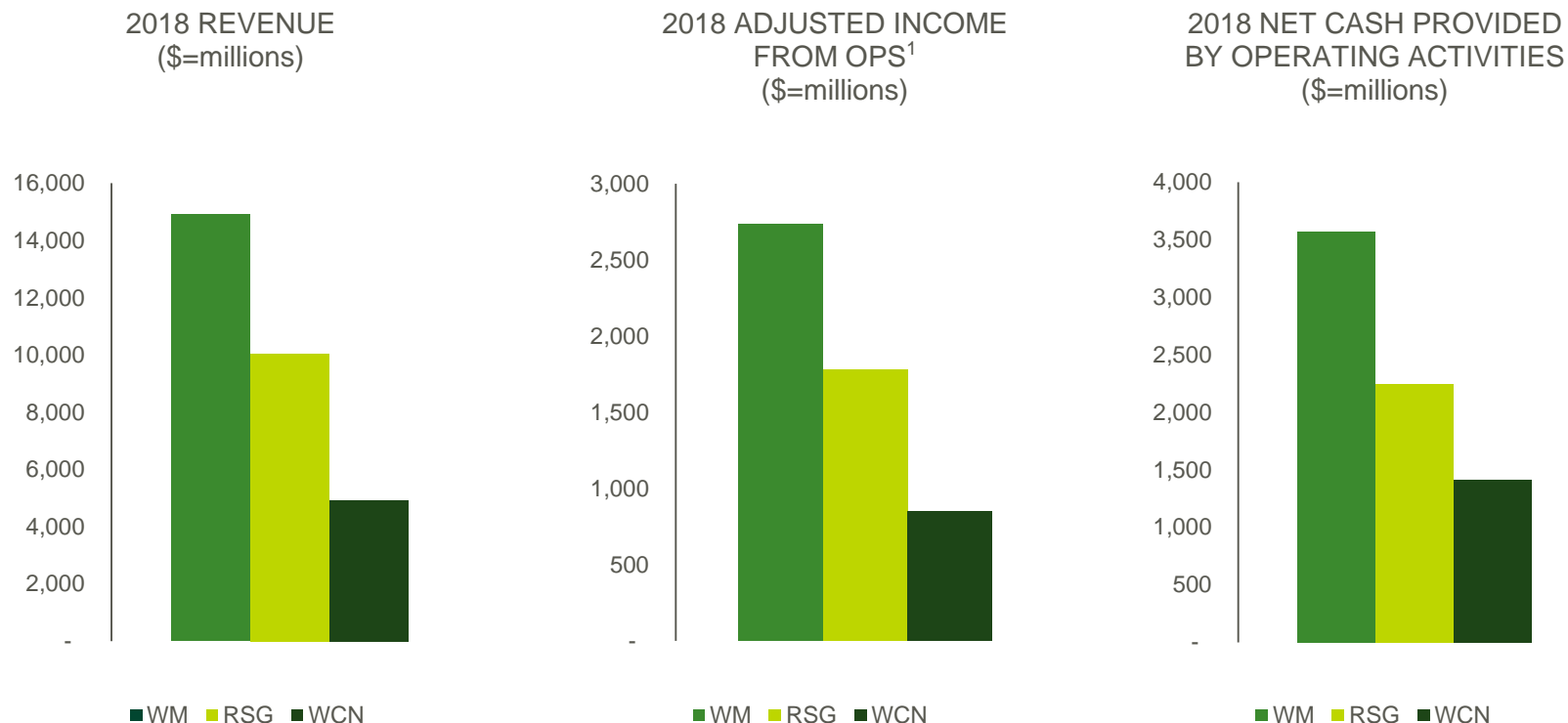
- Collection
- Landfill
- Transfer
- Recycling
- Other

2018 COLLECTION REVENUE MIX



- Commercial
- Residential
- Industrial
- Other

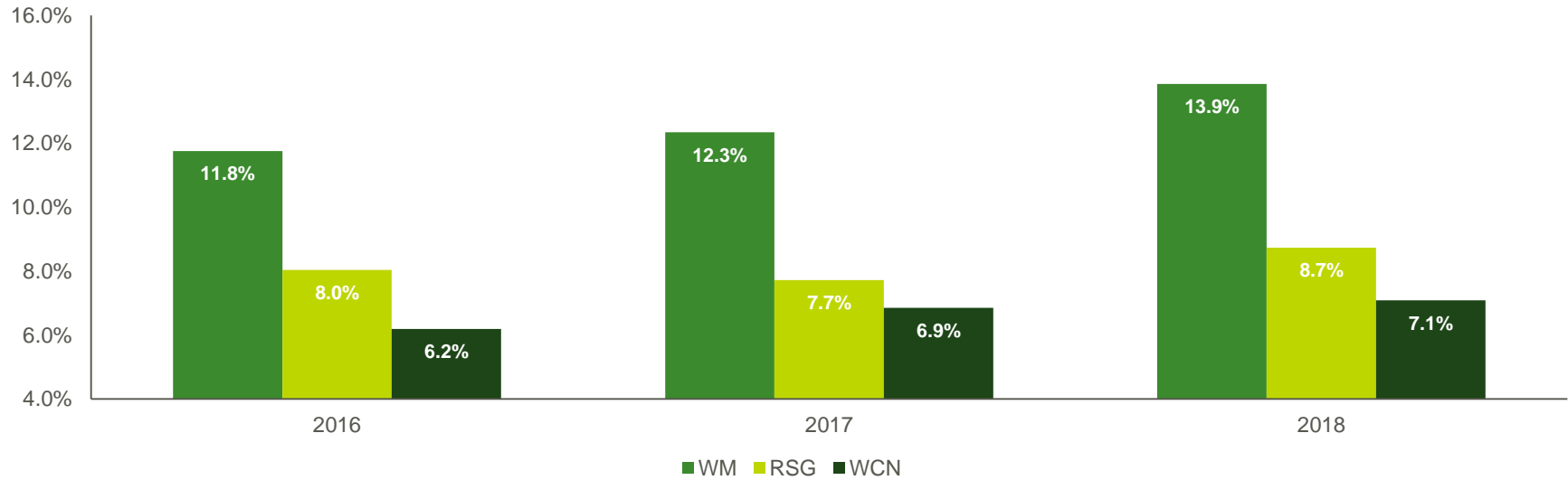
Asset and Customer Base Produce Strong Earnings and Cash Flow



¹ In the case of WM, see the appendix at the end of this presentation for the reconciliation of this non-GAAP financial measure to the most comparable GAAP measure.

WM Generates Industry's Best Return on Invested Capital¹

Returns Driven by Earnings Quality and Disciplined Investment



¹ In the case of WM, see the appendix at the end of this presentation for the reconciliation of this non-GAAP financial measure to the most comparable GAAP measure.

Source: Company filings

Strategic Execution

Our strategy, or how we compete, leverages our unique resources and assets.

Successful execution of our strategic priorities will help us achieve our financial and non-financial goals.

What we will deliver

Operating:
Customer Service, Culture, Diversity

Financial:
EPS, Operating EBITDA, and FCF Growth

Our unique resources



People



Asset
Network



Technology



Growth
Engine

How we will compete

Focused Differentiation & Continuous Improvement

Disciplined Revenue Growth

Drive sustainable, profitable revenue growth through pricing and competing for and securing attractive volumes

Attractive volumes:

- Foster favorable competitive dynamics and positive market conduct
- Support our pricing strategy
- Have accretive margins

We continue to focus on our disciplined pricing programs; however, we also focus on improving volumes through:

- Improving our sales processes, especially for our SMB customers, to attract the right quality and quantity of new customers
- Expanding core customer reach, stickiness and differentiation through technology and e-commerce solutions
- Reducing current customer losses through improved processes, service quality and customer experience

Core Optimization and Cost Controls



Improve core operations, customer satisfaction and service reliability thereby minimizing customer defections



Achieve operating and SG&A cost reduction goals from continued efficiency focus

We have maintained strong focus on costs over the last three years, and we intend to continue that focus and expand it into other areas of the business through:

- Continued reduction in collection operating costs from ongoing Service Delivery Optimization (SDO)
- Application of learnings from SDO deployment to fleet maintenance practices to enhance standardization (MSDO)
- Improved alignment between field operations and call centers
- Continuously raising our standard for customer service excellence

Using Technology to Improve Customer Service and to Reduce Costs



CUSTOMER SOLUTIONS

- Enhanced WM.com and mobile applications improve customer interactions and increase ease of doing business with WM
- Complete customer service channel of choice (self-service, chat, phone, etc.)



DATA & ANALYTICS

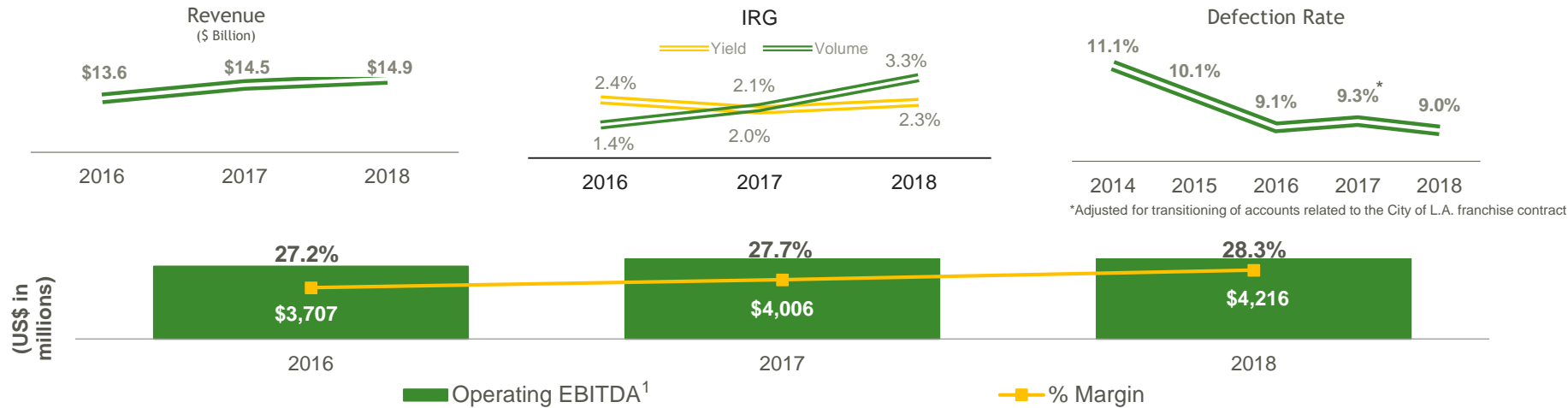
- Customer interaction analytics to enable predictive customer solutions
- Enhanced pricing tools reduce churn resulting from pricing program



OPERATIONAL TECHNOLOGIES

- Integration of map, traffic and vehicle data to optimize routes
- Predictive maintenance and parts purchasing
- Piloting smart bins and containers

Financial Results Indicative of Strategic Execution



Execution of pricing, disciplined revenue growth, efficiency and continuous improvement strategies drove financial results that exceeded expectations

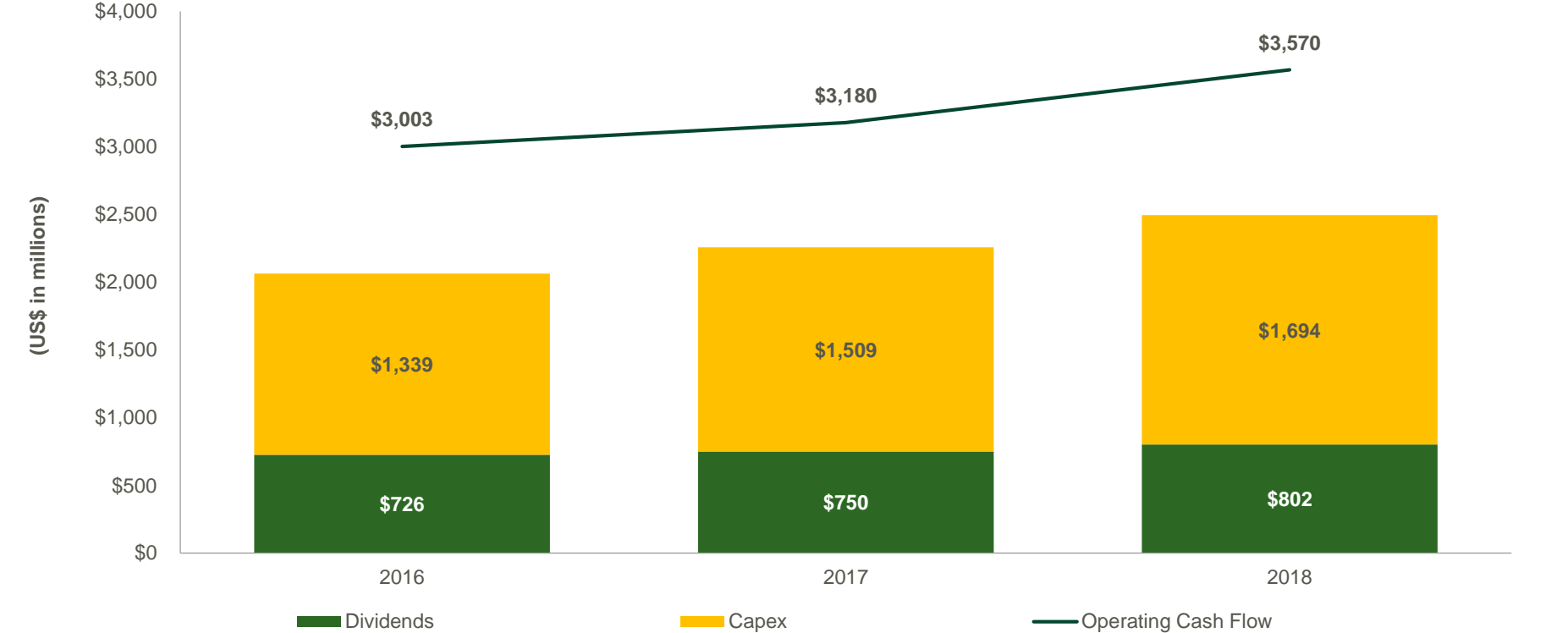


Operating EBITDA reaches an all-time high



Operating EBITDA Margin highest we have seen since the merger in 1998

Significant Cash Generated by Operations
Supports Investment in the Business and Return of Cash to Shareholders



Committed to Growing Shareholder Returns

Board of Directors Approves Increase in 2019 Planned Quarterly Dividends for 16th Consecutive Year, up 10.2%*



Solid Financial Position Provides Strategic Flexibility



Best-in-Class Credit Ratings

- S&P - A- (stable)
- Moody's - Baa1 (stable)
- Fitch - BBB+ (stable)

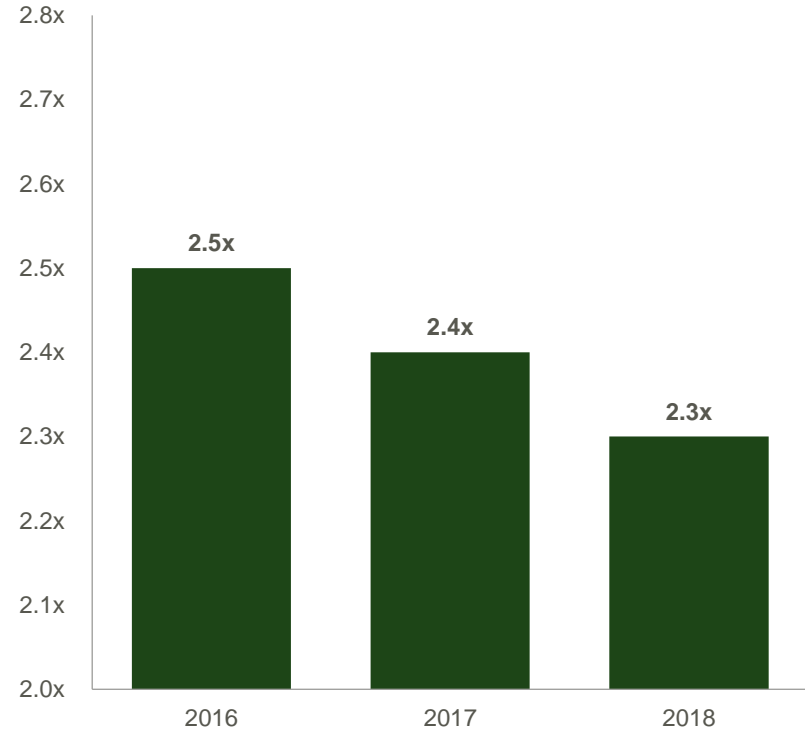


Committed to maintenance of strong investment grade credit ratings

- Access to capital markets
- Competitive advantage, particularly with municipal and large M&I customers
- Strategic flexibility

Cornerstones of WM credit rating include strong liquidity, modest leverage, a balanced debt maturity profile, and industry leadership

Net Debt / EBITDA¹



SUMMARY

- 2018 was a record year
 - Highest operating EBITDA
 - Returned \$1.8 billion to shareholders
 - ROIC expanded 160 basis points
- 2019 expected to continue that success
 - Expected 10.2% increase in dividends
 - \$1.5 billion share repurchase authorization



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Appendix

Financial Information and Reconciliation of Non-GAAP Measures

Financial Highlights

Amounts in millions, except margins

	2018	2017	2016
Revenue¹	\$14,914	\$14,485	\$13,609
Operating costs	\$9,249	\$9,021	\$8,486
Operating cost margin	62.0%	62.3%	62.4%
SG&A	\$1,453	\$1,468	\$1,410
SG&A margin	9.7%	10.1%	10.4%
Adjusted income from operations²	\$2,739	\$2,630	\$2,406

¹ 2018 revenue was impacted by the adoption of ASU 2014-09 associated with revenue recognition

² The reconciliation of this non-GAAP financial measure is provided on slide 23

Financial Highlights (Continued)

Amounts in millions

	2018	2017	2016
Net cash provided by operations	\$3,570	\$3,180	\$3,003
Capital expenditures	\$1,694	\$1,509	\$1,339
Free cash flow ¹	\$2,084	\$1,770	\$1,710
Acquisitions and investments	\$466	\$200	\$611
Cash dividends	\$802	\$750	\$726
Common stock repurchases	\$1,004	\$750	\$725

Reconciliation of Non-GAAP Measures

Adjusted Income from Operations | Amounts in millions

	2018	2017	2016
Income from operations (as reported)	\$2,789	\$2,636	\$2,296
Adjustments			
(Income)/expense from divestitures, asset impairments and unusual items, net	\$(55)	\$(17)	\$108
Restructuring	\$2	-	\$2
Multiemployer pension withdrawal costs	\$3	\$11	-
Adjusted income from operations¹	\$2,739	\$2,630	\$2,406

¹ Refer to the tables to the press release filed with our Form 8-K filed on February 14, 2019 for additional information.

Reconciliation of Non-GAAP Measures

Operating EBITDA | Amounts in millions, except margins

	2018	2017	2016
Income from operations	\$2,789	\$2,636	\$2,296
Depreciation and amortization	\$1,477	\$1,376	\$1,301
Multiemployer pension withdrawal costs	\$3	\$11	-
Restructuring	\$2	-	-
(Income) expense from divestitures, asset impairments and unusual items, net	\$(55)	\$(17)	\$110
Adjusted Operating EBITDA	\$4,216	\$4,006	\$3,707
Revenue	\$14,914	\$14,485	\$13,609
Adjusted Operating EBITDA Margin	28.3%	27.7%	27.2%

Reconciliation of Non-GAAP Measures

Adjusted Tax Expense | Amounts in millions

	2018	2017	2016
Provision for income taxes, as reported	\$453	\$242	\$642
Adjustments			
Tax benefits related to income tax audit settlements	\$33	-	-
Impact of Tax Cuts and Jobs Act	\$27	\$529	-
Tax benefits related to adjustment to deferred taxes	\$17	-	-
Expense from divestitures, asset impairments and unusual items, net	\$(17)	\$(6)	\$37
Loss on early extinguishment of debt	-	\$2	-
Restructuring	\$1	-	-
Tax benefits related to equity-based compensation	-	\$32	-
Multiemployer pension withdrawal costs	\$1	\$4	-
Adjusted provision for income taxes	\$515	\$803	\$679

Reconciliation of Non-GAAP Measures

Free Cash Flow | Amounts in millions

	2018	2017	2016
Net cash provided by operations	\$3,570	\$3,180	\$3,003
Capital expenditures	\$(1,694)	\$(1,509)	\$(1,339)
Proceeds from divestitures of businesses (net of cash divested) and other sale of assets	\$208	\$99	\$43
Free cash flow	\$2,084	\$1,770	\$1,710

Reconciliation of Non-GAAP Measures

Return on Invested Capital | Amounts in millions, except margins

	2018	2017	2016
Adjusted income from operations ¹	\$2,739	\$2,630	\$2,406
Less: Adjusted provision for income tax ¹	\$(515)	\$(803)	\$(679)
After-tax adjusted income from operations	\$2,224	\$1,827	\$1,727
Current portion of long-term debt ²	\$691	\$594	\$497
Long-term debt (less current portion) ²	\$9,258	\$8,640	\$8,927
Noncontrolling interests ²	\$7	\$22	\$22
Stockholders' equity ²	\$6,153	\$5,575	\$5,289
Less: Cash ²	\$(61)	\$(30)	\$(51)
Total Invested Capital ²	\$16,048	\$14,801	\$14,684
Return on Invested Capital	13.9%	12.3%	11.8%

Reconciliation of Non-GAAP Measures

Net Debt / EBITDA | Amounts in millions

	2018	2017	2016
Balance sheet debt	\$10.026	\$9,491	\$9,310
Adjustments for accounting for fair value hedges and discounts	\$52	\$56	\$47
Guarantees of indebtedness of others	\$4	\$5	\$6
Numerator¹	\$10,082	\$9,552	\$9,363
Operating EBITDA ²	\$4,216	\$4,006	\$3,707
Less: Restructuring cost	-	-	\$4
Less: Net income attributable to noncontrolling interests	-	-	\$(2)
Other	\$92	\$50	\$(10)
Denominator - EBITDA¹	\$4,308	\$4,056	\$3,699
Net Debt / EBITDA¹	2.3x	2.4x	2.5x

¹ The Numerator and Denominator used for this calculation are based on defined terms for this covenant within the Company's revolving credit facility.

² See Slide 24 for a reconciliation of this non-GAAP financial measure.