WM Announces Planned 14.5% Dividend Increase and $3 Billion Share Repurchase Authorization, Positioning the Company to Deliver Outsized Shareholder Returns in 2026

Dec 15, 2025

HOUSTON--(BUSINESS WIRE)--Dec. 15, 2025-- WM (NYSE: WM) today announced that its Board of Directors has approved a capital allocation program that includes a planned 14.5% increase in the 2026 dividend rate and a new $3 billion share repurchase authorization, superseding the authority remaining under the prior $1.5 billion repurchase authorization announced in 2023. The planned quarterly dividend rate of $0.945 per share in 2026, up from $0.825 per share in 2025, marks the twenty-third consecutive year of dividend increases and raises the annual dividend rate to $3.78 per share.

“Our business continues to generate strong, predictable cash flow that fuels shareholder returns and supports our disciplined approach to capital allocation,” said Jim Fish, Chief Executive Officer of WM. “In recent years, we’ve made intentional investments to drive organic growth, particularly in our recycling and renewable energy businesses, and we are entering a period of harvesting the strong returns from those investments and earnings growth in our business. We are well positioned to return approximately 90% of 2026 free cash flow to shareholders through dividends and share repurchases while at the same time continuing our focus on organic growth, maintaining strong investment grade credit ratings and targeting between $100 and $200 million in tuck-in acquisitions.”[(a)]

The Company expects to finish 2025 with a leverage ratio of approximately 3.1x by reducing debt $1 billion during the year. In consideration of the substantial progress already made on leverage reduction following the November 2024 acquisition of Stericycle, the Company now anticipates resuming share repurchases after announcing its fourth quarter 2025 financial results. The Company plans to repurchase approximately $2 billion of its shares during 2026, while continuing to emphasize returning to its targeted leverage ratio range of between 2.5x and 3.0x during 2026.[(b)]

Fish concluded, “Our 2026 capital allocation program underscores the confidence we have in our cash flow outlook for next year. We remain committed to a disciplined capital allocation strategy that prioritizes organic growth in our business, sustained dividend growth, prudent share repurchases, and strategic acquisition growth, while maintaining a solid investment-grade credit profile to support long-term shareholder value.”

Each individual future quarterly dividend must be declared at the discretion of WM’s Board of Directors prior to payment. It is expected that the first increased dividend will be paid in March of 2026.

(a) Free cash flow is a non-GAAP measure. Free cash flow is not intended to replace “Net cash provided by operating activities,” which is the most comparable U.S. GAAP measure. The Company defines free cash flow as net cash provided by operating activities, less capital expenditures, plus proceeds from divestitures of business (net of cash divested) and other sales of assets. This definition may not be comparable to similarly titled measures presented by other companies.

(b) Leverage ratio is calculated based on the defined terms for this financial covenant in the Company’s revolving credit agreement, which is Exhibit 10.9 to the Company’s Form 10-K filed Feb. 19, 2025.

ABOUT WM

WM (WM.com) is North America's leading provider of comprehensive environmental solutions. Previously known as Waste Management and based in Houston, Texas, WM is driven by commitments to put people first and achieve success with integrity. The company, through its subsidiaries, provides collection, recycling and disposal services to millions of residential, commercial, industrial, medical and municipal customers throughout the U.S. and Canada. With innovative infrastructure and capabilities in recycling, organics and renewable energy, WM provides environmental solutions to and collaborates with its customers in helping them pursue their sustainability goals. In North America, WM has the largest disposal network and collection fleet, is the largest recycler and is a leader in beneficial use of landfill gas, with a growing network of renewable natural gas plants and the most landfill gas-to-electricity plants, as well as the largest heavy-duty natural gas truck fleet in the industry. WM Healthcare Solutions provides collection and disposal services of regulated medical waste and secure information destruction services in the U.S., Canada and Western Europe. To learn more about WM and the company's sustainability progress and solutions, visit Sustainability.WM.com.

FORWARD-LOOKING STATEMENTS

The Company, from time to time, provides estimates of financial and other data, comments on expectations relating to future periods and makes statements of opinion, view or belief about current and future events. This press release contains such forward-looking statements, including all statements regarding the amount, declaration, timing and payment of dividends in 2026; the amount and timing of future share repurchases; future leverage ratio, debt levels and debt reduction; future cash generation, capital allocation priorities and funding of such priorities; future credit ratings; amount and timing of future acquisition activity; and future business performance, growth, earnings and returns. You should view these statements with caution. They are based on the facts and circumstances known to the Company as of the date the statements are made. These forward-looking statements are subject to risks and uncertainties that could cause actual results to be materially different from those set forth in such forward-looking statements, including but not limited to, failure to implement our optimization, automation, growth, and cost savings initiatives and overall business strategy; failure to obtain the results anticipated from strategic initiatives, investments, acquisitions, or new lines of business; failure to identify acquisition targets, consummate and integrate acquisitions, including our ability to integrate the acquisition of Stericycle and achieve the anticipated benefits therefrom, including synergies; legal, regulatory, operational, technological and other matters that may affect the costs and timing of our ability to integrate and deliver all of the expected benefits of the Stericycle acquisition; failure to maintain an effective system of internal control over financial reporting; existing or new environmental and other regulations, including developments related to emerging contaminants, gas emissions, renewable energy, recyclables, extended producer responsibility and our natural gas fleet; significant environmental, safety or other incidents resulting in liabilities or brand damage; failure to obtain and maintain necessary permits due to land scarcity, public opposition or otherwise; diminishing landfill capacity, resulting in increased costs and the need for disposal alternatives; exposure to different regulatory, legal, financial and economic conditions in international jurisdictions; failure to attract, hire and retain key team members and a high quality workforce; increases in labor costs due to union organizing activities or changes in wage- and labor-related regulations; disruption and costs resulting from severe weather and destructive climate events; failure to achieve our sustainability goals or execute on our sustainability-related strategy and initiatives, including within planned timelines or anticipated budgets due to disruptions, delays, cost increases or changes in environmental or tax regulations and incentives; focus on, and regulation of, environmental and sustainability-related disclosures, which could lead to increased costs, risk of non-compliance, brand damage and litigation risk related to our sustainability efforts; macroeconomic conditions, geopolitical conflict and large-scale market disruption resulting in labor, supply chain and transportation constraints, inflationary cost pressures and fluctuations in commodity prices, fuel and other energy costs; increased competition; pricing actions; impacts from international trade restrictions and tariffs; competitive disposal alternatives, diversion of waste from landfills and declining waste volumes; changing conditions in the healthcare industry; changing conditions in the recycling industry, including impacts on demand, pricing and availability of counterparties; weakness in general economic conditions and capital markets; instability of financial institutions; adoption of new tax legislation; fuel shortages; failure to develop and protect new technology; failure of technology to perform as expected; failure to prevent, detect and address cybersecurity incidents or comply with privacy regulations; inability to adapt and manage the benefits and risks of artificial intelligence; negative outcomes of litigation or governmental proceedings, including those acquired through transactions; and operational or management decisions or developments that result in impairment charges. Please also see the Company's filings with the SEC, including Part I, Item 1A of the Company's most recently filed Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q, for additional information regarding these and other risks and uncertainties applicable to our business. The Company assumes no obligation to update any forward-looking statement, including financial estimates and forecasts, whether as a result of future events, circumstances or developments or otherwise.

WM

Website
www.wm.com

Analysts
Ed Egl
713.265.1656
eegl@wm.com

Media
Toni Werner
media@wm.com

Source: WM