

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): April 28, 2025

Waste Management, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-12154
(Commission File Number)

73-1309529
(IRS Employer
Identification No.)

800 Capitol Street, Suite 3000, Houston, Texas
(Address of Principal Executive Offices)

77002
(Zip Code)

Registrant's Telephone number, including area code: **(713) 512-6200**

(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))

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--------------------------------|-------------------|---|
| Common Stock, \$0.01 par value | WM | New York Stock Exchange |

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.

Item 2.02. Results of Operations and Financial Condition.

Waste Management, Inc. (the “Company”) issued a press release today announcing its financial results for the first quarter of 2025, a copy of which is furnished as Exhibit 99.1 to this Form 8-K. The Company is conducting an audio webcast to discuss these results beginning at 9:00 a.m. Central Time on April 29, 2025. Listeners can access the live audio webcast by visiting investors.wm.com and selecting “Events & Presentations” from the website menu. A replay of the audio webcast will be available at the same location.

On the webcast, management of the Company is expected to discuss certain non-GAAP financial measures. The Company has provided information regarding its use of non-GAAP measures and reconciliations of such measures to their most comparable GAAP measures in the notes and tables that accompany the press release.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Index

| Exhibit Number | Description |
|-----------------------|--|
| 99.1 | Press Release dated April 28, 2025 |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101) |

SIGNATURES

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

WASTE MANAGEMENT, INC.

Date: April 28, 2025

By: /s/ Charles C. Boettcher

Charles C. Boettcher

Executive Vice President and Chief Legal Officer

WM Announces First Quarter 2025 Earnings

Strong Operational Performance Combined with WM Healthcare Solutions Results Deliver Outsized Growth

WM Adds Two Recycling Automation Projects in Key Markets During the Quarter

HOUSTON — April 28, 2025 — WM (NYSE: WM) today announced financial results for the quarter ended March 31, 2025.

| | Three Months Ended March 31, 2025 | | Three Months Ended March 31, 2024 | |
|---------------------------------|---|----------------------------|---|----------------------------|
| | (in millions, except per share amounts) | | (in millions, except per share amounts) | |
| | As Reported | As Adjusted ^(a) | As Reported | As Adjusted ^(a) |
| Revenue | \$ 6,018 | \$ 6,018 | \$ 5,159 | \$ 5,159 |
| Income from Operations | \$ 1,013 | \$ 1,059 | \$ 1,016 | \$ 1,014 |
| Operating EBITDA ^(b) | \$ 1,669 | \$ 1,715 | \$ 1,530 | \$ 1,528 |
| Operating EBITDA Margin | 27.7% | 28.5% | 29.7% | 29.6% |
| Net Income ^(c) | \$ 637 | \$ 673 | \$ 708 | \$ 706 |
| Diluted EPS | \$ 1.58 | \$ 1.67 | \$ 1.75 | \$ 1.75 |

“Our first quarter results reflect the strong track record of the WM team as we started the year delivering on each of our strategic priorities,” said Jim Fish, WM’s President and CEO. “We continue to deliver disciplined revenue growth and cost optimization in our core business, while advancing our sustainability growth investments and driving value from the Stericycle acquisition. This led to first quarter revenue growth of 16.7% and adjusted operating EBITDA growth of 12.2% compared to the prior year period.^(a) These solid first quarter results, as well as the strength and resiliency of our business model, give us confidence we are on pace to achieve our 2025 outlook.”

Fish continued, “Our new medical waste and secure information destruction businesses, together referred to as WM Healthcare Solutions, performed well in the first full quarter as part of WM. Integration efforts are advancing and keeping us on track to achieve our full year synergy targets.”

KEY HIGHLIGHTS FOR THE FIRST QUARTER OF 2025

Operating EBITDA

| | First Quarter 2025 (\$ in millions) | | | | First Quarter 2024 (\$ in millions) | | | |
|-----------------------------------|--|--------|----------------------------|--------|--|--------|----------------------------|--------|
| | Total Company Breakout | | As Adjusted ^(a) | | Total Company Breakout | | As Adjusted ^(a) | |
| | Amount | Margin | Amount | Margin | Amount | Margin | Amount | Margin |
| WM Legacy Business ^(d) | \$ 1,593 | 29.5% | \$ 1,620 | 30.0% | \$ 1,530 | 29.7% | \$ 1,528 | 29.6% |
| WM Healthcare Solutions | 76 | 12.3% | 95 | 15.3% | - | - | - | - |
| Total Company | \$ 1,669 | 27.7% | \$ 1,715 | 28.5% | \$ 1,530 | 29.7% | \$ 1,528 | 29.6% |

- Adjusted operating EBITDA for the WM Legacy Business grew 6.0% and margin achieved 30% for the fourth consecutive quarter.^(a) The Company's Collection and Disposal business led the way, driven by organic revenue growth from price, disciplined cost initiatives, and a continued focus on optimizing business mix. The Company's Recycling Processing and Sales and WM Renewable Energy businesses together contributed \$18 million to operating EBITDA growth, primarily due to sustainability growth projects.
- WM Healthcare Solutions contributed \$95 million of adjusted operating EBITDA, in line with expectations.^(a) The Company is on track to achieve its targeted synergies of \$80 to \$100 million in 2025.

Revenue

| | First Quarter 2025 (\$ in millions) | | First Quarter 2024 (\$ in millions) | |
|-----------------------------------|--|--------|--|--------|
| | Amount | Growth | Amount | Growth |
| WM Legacy Business ^(d) | \$ 5,399 | 4.7% | \$ 5,159 | 5.5% |
| WM Healthcare Solutions | 619 | N/A | - | - |
| Total Company | \$ 6,018 | 16.7% | \$ 5,159 | 5.5% |

- Revenue growth of 4.7% in the WM Legacy Business was driven by core price of 6.5% and Collection and Disposal yield of 4.0% as the Company continues its focus on maximizing customer lifetime value.^(e)
- Workday adjusted volumes in the Collection and Disposal business were flat in the quarter with growth in landfill volumes offset by the Company's strategic exit from low-margin residential collection business.
- Volume was negatively impacted by 30 basis points from winter weather events in the Company's Eastern Tier.

Operating Expenses

| | First Quarter 2025 (\$ in millions) | | | | First Quarter 2024 (\$ in millions) | | | |
|-----------------------------------|--|--------|----------------------------|--------|--|--------|----------------------------|--------|
| | Total Company Breakout | | As Adjusted ^(a) | | Total Company Breakout | | As Adjusted ^(a) | |
| | Amount | Margin | Amount | Margin | Amount | Margin | Amount | Margin |
| WM Legacy Business ^(d) | \$ 3,269 | 60.5% | \$ 3,262 | 60.4% | \$ 3,140 | 60.9% | \$ 3,140 | 60.9% |
| WM Healthcare Solutions | 378 | 61.1% | 378 | 61.1% | - | - | - | - |
| Total Company | \$ 3,647 | 60.6% | \$ 3,640 | 60.5% | \$ 3,140 | 60.9% | \$ 3,140 | 60.9% |

- Adjusted operating expenses as a percentage of revenue for the WM Legacy Business improved 50 basis points, reflecting the Company's disciplined cost focus driven by a people-first culture, technology adoption, and strategic exit from low-margin residential business.^(a)

SG&A Expenses

| | First Quarter 2025 (\$ in millions) | | | | First Quarter 2024 (\$ in millions) | | | |
|-----------------------------------|--|--------|----------------------------|--------|--|--------|----------------------------|--------|
| | Total Company Breakout | | As Adjusted ^(a) | | Total Company Breakout | | As Adjusted ^(a) | |
| | Amount | Margin | Amount | Margin | Amount | Margin | Amount | Margin |
| WM Legacy Business ^(d) | \$ 531 | 9.8% | \$ 517 | 9.6% | \$ 491 | 9.5% | \$ 491 | 9.5% |
| WM Healthcare Solutions | 156 | 25.2% | 146 | 23.6% | - | - | - | - |
| Total Company | \$ 687 | 11.4% | \$ 663 | 11.0% | \$ 491 | 9.5% | \$ 491 | 9.5% |

- SG&A results in the WM Legacy Business demonstrate the Company's continued focus on cost discipline and optimization.

- Adjusted SG&A as a percentage of revenue for WM Healthcare Solutions improved 70 basis points sequentially, reflecting the contribution of synergies from the Company's efforts to integrate and streamline its sales and back-office processes.^(a)

Cash Flow and Investments

- The Company generated \$1.21 billion of net cash provided by operating activities, with strong operating EBITDA growth more than offset by working capital timing differences and higher cash interest related primarily to the funding of the Stericycle acquisition. Free cash flow was \$475 million, which was in line with the Company's expectations.^(a)
- During the quarter, the Company continued to progress its investments in sustainability growth projects, investing \$128 million in these growth platforms and completing two recycling automation projects in key markets.^(f)

Fish concluded, "2025 is off to a strong start, and our team remains focused on driving further improvements in operational efficiency and maximizing growth opportunities from acquisitions and sustainability investments. Our first quarter performance sets us up for another year of robust financial growth."

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- (a) The information labeled as adjusted in this press release, as well as free cash flow, are non-GAAP measures. Please see "Non-GAAP Financial Measures" below and the reconciliations in the accompanying schedules for more information.
 - (b) Management defines operating EBITDA as GAAP income from operations before depreciation, depletion and amortization; this measure may not be comparable to similarly titled measures reported by other companies.
 - (c) For purposes of this press release, all references to "Net income" refer to the financial statement line item "Net income attributable to Waste Management, Inc."
 - (d) Management defines WM Legacy Business as total Company GAAP results excluding the WM Healthcare Solutions segment and net of intercompany eliminations.
 - (e) Core price is a performance metric used by management to evaluate the effectiveness of our pricing strategies; it is not derived from our financial statements and may not be comparable to measures presented by other companies. Core price is based on certain historical assumptions, which may differ from actual results, to allow for comparability between reporting periods and to reveal trends in results over time.
 - (f) The Company's blended average price received for single stream recycled commodities sold during the quarter was about \$88 per ton compared to about \$84 per ton in the prior year period. The average price received for Renewable Fuel Standard credits was \$2.59 during the quarter compared to \$3.01 in the prior year period. The average price received for natural gas was \$3.93 per MMBtu during the quarter compared to \$2.27 per MMBtu in the prior year period. The average price received for renewable electricity was about \$73 per megawatt hour in the quarter compared to about \$62 per megawatt hour in the prior year period.

The Company will host a conference call at 10 a.m. ET on April 29, 2025, to discuss the first quarter 2025 results. Information contained within this press release will be referenced and should be considered in conjunction with the call.

Listeners can access a live audio webcast of the conference call by visiting investors.wm.com and selecting "Events & Presentations" from the website menu. A replay of the audio webcast will be available at the same location following the conclusion of the call.

Conference call participants should register to obtain their dial in and passcode details. This streamlined process improves security and eliminates wait times when joining the call.

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. WM has the largest disposal network and collection fleet in North America, is the largest recycler of post-consumer materials 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 in North America. WM also has the largest heavy-duty natural gas truck fleet in the industry in North America. WM Healthcare Solutions provides collection and disposal services of regulated medical waste, as well as 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](https://www.wm.com/sustainability).

FORWARD-LOOKING STATEMENTS

The Company, from time to time, provides estimates or projections 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, circumstances or performance. This press release contains a number of such forward-looking statements, including all statements regarding future performance and results of our business; achievement of targets, financial guidance or outlook; growth and optimization of our business; integration of the Stericycle business and related contributions, results and benefits, including amount and timing of synergies; amount and timing of sustainability investments, upgrades and project completions and related returns, contributions, and benefits; future capital allocation and acquisition spending; drivers of performance, including pricing programs and volume; and assumptions regarding commodity prices, natural gas production, tax credits and renewable fuel programs. 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 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, 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; 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 its 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.

NON-GAAP FINANCIAL MEASURES

To supplement its financial information, the Company has presented, and/or may discuss on the conference call, adjusted measures including adjusted earnings per diluted share, adjusted net income, adjusted income from operations and margin, adjusted operating EBITDA and margin, adjusted operating expense and margin, and adjusted SG&A expenses and margin. All adjusted measures and free cash flow are non-GAAP financial measures, as defined in Regulation G of the Securities Exchange Act of 1934, as amended. The Company reports its financial results in compliance with GAAP but believes that also discussing non-GAAP measures provides investors with (i) financial measures the Company uses in the management of its business and (ii) additional, meaningful comparisons of current results to prior periods' results by excluding items that the Company does not believe reflect its fundamental business performance and are not representative or indicative of its results of operations.

The Company discusses free cash flow and provides a projection of free cash flow because the Company believes that it is indicative of its ability to pay its quarterly dividends, repurchase common stock, fund acquisitions and other investments and, in the absence of refinancings, to repay its debt obligations. The Company believes free cash flow gives investors useful insight into how the Company views its liquidity, but the use of free cash flow as a liquidity measure has material limitations because it excludes certain expenditures that are required or that the Company has committed to, such as declared dividend payments and debt service requirements. The Company defines free cash flow as net cash provided by operating activities, less capital expenditures, plus proceeds from divestitures of businesses and other assets (net of cash divested); this definition may not be comparable to similarly-titled measures reported by other companies.

The quantitative reconciliations of non-GAAP measures to the most comparable GAAP measures are included in the accompanying schedules. Non-GAAP measures should not be considered a substitute for financial measures presented in accordance with GAAP.

FOR MORE INFORMATION

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WASTE MANAGEMENT, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In Millions, Except per Share Amounts)
(Unaudited)

| | Three Months Ended March 31, | |
|---|---------------------------------|----------------|
| | 2025 | 2024 |
| Operating revenues | \$ 6,018 | \$ 5,159 |
| Costs and expenses: | | |
| Operating | 3,647 | 3,140 |
| Selling, general and administrative | 687 | 491 |
| Depreciation, depletion and amortization | 656 | 514 |
| Restructuring | 13 | — |
| (Gain) loss from divestitures, asset impairments and unusual items, net | 2 | (2) |
| | <u>5,005</u> | <u>4,143</u> |
| Income from operations | <u>1,013</u> | <u>1,016</u> |
| Other income (expense): | | |
| Interest expense, net | (232) | (130) |
| Equity in net income (loss) of unconsolidated entities | 5 | (19) |
| Other, net | 2 | 2 |
| | <u>(225)</u> | <u>(147)</u> |
| Income before income taxes | 788 | 869 |
| Income tax expense | 151 | 162 |
| Consolidated net income | <u>637</u> | <u>707</u> |
| Less: Net income (loss) attributable to noncontrolling interests | — | (1) |
| Net income attributable to Waste Management, Inc. | <u>\$ 637</u> | <u>\$ 708</u> |
| Basic earnings per common share | <u>\$ 1.58</u> | <u>\$ 1.76</u> |
| Diluted earnings per common share | <u>\$ 1.58</u> | <u>\$ 1.75</u> |
| Weighted average basic common shares outstanding | <u>402.3</u> | <u>401.7</u> |
| Weighted average diluted common shares outstanding | <u>403.9</u> | <u>403.5</u> |

WASTE MANAGEMENT, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In Millions)
(Unaudited)

| | March 31, | December 31, |
|---|------------------|---------------------|
| | 2025 | 2024 |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 216 | \$ 414 |
| Receivables, net | 3,588 | 3,687 |
| Other | 651 | 673 |
| Total current assets | 4,455 | 4,774 |
| Property and equipment, net | 19,553 | 19,340 |
| Goodwill | 13,529 | 13,438 |
| Other intangible assets, net | 4,015 | 4,188 |
| Other | 2,934 | 2,827 |
| Total assets | <u>\$ 44,486</u> | <u>\$ 44,567</u> |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Accounts payable, accrued liabilities and deferred revenues | \$ 4,393 | \$ 4,899 |
| Current portion of long-term debt | 954 | 1,359 |
| Total current liabilities | 5,347 | 6,258 |
| Long-term debt, less current portion | 22,883 | 22,541 |
| Other | 7,605 | 7,514 |
| Total liabilities | 35,835 | 36,313 |
| Equity: | | |
| Waste Management, Inc. stockholders' equity | 8,650 | 8,252 |
| Noncontrolling interests | 1 | 2 |
| Total equity | 8,651 | 8,254 |
| Total liabilities and equity | <u>\$ 44,486</u> | <u>\$ 44,567</u> |

WASTE MANAGEMENT, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Millions)

(Unaudited)

| | Three Months Ended | |
|--|---------------------------|---------------|
| | March 31, | |
| | 2025 | 2024 |
| Cash flows from operating activities: | | |
| Consolidated net income | \$ 637 | \$ 707 |
| Adjustments to reconcile consolidated net income to net cash provided by operating activities: | | |
| Depreciation, depletion and amortization | 656 | 514 |
| Other | 152 | 137 |
| Change in operating assets and liabilities, net of effects of acquisitions and divestitures | (237) | 9 |
| Net cash provided by operating activities | <u>1,208</u> | <u>1,367</u> |
| Cash flows from investing activities: | | |
| Acquisitions of businesses, net of cash acquired | (3) | (11) |
| Capital expenditures | (831) | (668) |
| Proceeds from divestitures of businesses and other assets, net of cash divested | 98 | 15 |
| Other, net | (93) | (91) |
| Net cash used in investing activities | <u>(829)</u> | <u>(755)</u> |
| Cash flows from financing activities: | | |
| New borrowings | 4,993 | 4,412 |
| Debt repayments | (5,163) | (4,570) |
| Common stock repurchase program | — | (250) |
| Cash dividends | (336) | (307) |
| Exercise of common stock options | 25 | 32 |
| Tax payments associated with equity-based compensation transactions | (45) | (48) |
| Other, net | (10) | (6) |
| Net cash used in financing activities | <u>(536)</u> | <u>(737)</u> |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash and cash equivalents | <u>1</u> | <u>(2)</u> |
| Decrease in cash, cash equivalents and restricted cash and cash equivalents | (156) | (127) |
| Cash, cash equivalents and restricted cash and cash equivalents at beginning of period | 487 | 552 |
| Cash, cash equivalents and restricted cash and cash equivalents at end of period | <u>\$ 331</u> | <u>\$ 425</u> |

WASTE MANAGEMENT, INC.

SUMMARY DATA SHEET
(In Millions)
(Unaudited)

Operating Revenues by Line of Business

| | Three Months Ended March 31, | | | | | |
|--|---------------------------------|---------------------------------------|------------------------------|---|--|------------------------------|
| | 2025 | | | 2024 | | |
| | Gross Operating Revenues | Intercompany Operating Revenues | Net Operating Revenues | Gross Operating Revenues ^(a) | Intercompany Operating Revenues ^(a) | Net Operating Revenues |
| Commercial | \$ 1,594 | \$ (214) | \$ 1,380 | \$ 1,501 | \$ (185) | \$ 1,316 |
| Industrial | 940 | (199) | 741 | 934 | (187) | 747 |
| Residential | 894 | (22) | 872 | 876 | (22) | 854 |
| Other collection | 825 | (72) | 753 | 751 | (53) | 698 |
| Total collection | 4,253 | (507) | 3,746 | 4,062 | (447) | 3,615 |
| Landfill ^(a) | 1,193 | (353) | 840 | 1,152 | (360) | 792 |
| Transfer | 592 | (256) | 336 | 560 | (251) | 309 |
| Total Collection and Disposal ^(a) | \$ 6,038 | \$ (1,116) | \$ 4,922 | \$ 5,774 | \$ (1,058) | \$ 4,716 |
| Recycling Processing and Sales | 465 | (81) | 384 | 436 | (68) | 368 |
| WM Renewable Energy | 92 | (1) | 91 | 70 | (1) | 69 |
| WM Healthcare Solutions | 627 | (8) | 619 | — | — | — |
| Corporate and Other ^(a) | 10 | (8) | 2 | 11 | (5) | 6 |
| Total ^(a) | \$ 7,232 | \$ (1,214) | \$ 6,018 | \$ 6,291 | \$ (1,132) | \$ 5,159 |

(a) Beginning in the fourth quarter of 2024, the Company adjusted gross and intercompany operating revenues to reflect the 15% royalty paid by WM Renewable Energy to Collection and Disposal and Corporate and Other businesses for the purchase of landfill gas. There was no change to net operating revenues. Prior periods were recast to conform to current year presentation.

WASTE MANAGEMENT, INC.

SUMMARY DATA SHEET
(In Millions)
(Unaudited)

Internal Revenue Growth

| | Period-to-Period Change for the Three Months Ended March 31, 2025 vs. 2024 | | | |
|---|--|---|--------|--|
| | Amount | As a % of Related Business ^(a) | Amount | As a % of Total Company ^(b) |
| Collection and Disposal | \$ 178 | 4.0% | | |
| Recycling Processing and Sales and WM Renewable Energy ^(c) | 1 | 0.1 | | |
| Energy surcharges and mandated fees | (2) | (0.9) | | |
| Total average yield ^(d) | | | \$ 177 | 3.4% |
| Volume ^(e) | | | 4 | 0.1 |
| Internal revenue growth | | | 181 | 3.5 |
| Acquisitions | | | 694 | 13.5 |
| Divestitures | | | (4) | (0.1) |
| Foreign currency translation | | | (12) | (0.2) |
| Total | | | \$ 859 | 16.7% |

| | Period-to-Period Change for the Three Months Ended March 31, 2025 vs. 2024 | |
|-------------------------------|--|-----------------------|
| | As a % of Related Business ^(a) | |
| | Yield | Volume ^(f) |
| Commercial | 5.8% | 0.1% |
| Industrial | 3.2 | (1.5) |
| Residential | 5.2 | (3.4) |
| Total collection | 4.7 | (1.1) |
| MSW | 4.0 | 3.5 |
| Transfer | 5.7 | (4.1) |
| Total collection and disposal | 4.0% | 0.0% |

- (a) Calculated by dividing the increase or decrease for the current year period by the prior year period's related business revenue adjusted to exclude the impacts of divestitures for the current year period.
- (b) Calculated by dividing the increase or decrease for the current year period by the prior year period's total Company revenue adjusted to exclude the impacts of divestitures for the current period.
- (c) Includes combined impact of commodity price variability in both our Recycling Processing and Sales and WM Renewable Energy segments, as well as changes in certain recycling fees charged by our collection and disposal operations.
- (d) The amounts reported herein represent the changes in our revenues attributable to average yield for the total Company.
- (e) Includes activities from our Corporate and Other businesses.
- (f) Workday adjusted volume impact.

WASTE MANAGEMENT, INC.

SUMMARY DATA SHEET
(In Millions)
(Unaudited)

Free Cash Flow^(a)

| | Three Months Ended | |
|---|---------------------------|-------------|
| | March 31, | |
| | 2025 | 2024 |
| Net cash provided by operating activities | \$ 1,208 | \$ 1,367 |
| Capital expenditures to support the business | (703) | (502) |
| Proceeds from divestitures of businesses and other assets, net of cash divested | 98 | 15 |
| Free cash flow before sustainability growth investments | 603 | 880 |
| Capital expenditures - sustainability growth investments | (128) | (166) |
| Free cash flow | \$ 475 | \$ 714 |

| | Three Months Ended | |
|---|---------------------------|-------------|
| | March 31, | |
| | 2025 | 2024 |
| Supplemental Data | | |
| Internalization of waste, based on disposal costs | 70.7% | 68.3% |
| Landfill depletable tons (in millions) | 29.3 | 29.0 |

Acquisition Summary^(b)

| | | |
|--|-------|------|
| Gross annualized revenue acquired | \$ 11 | \$ 1 |
| Total consideration, net of cash acquired | 7 | 3 |
| Cash paid for acquisitions consummated during the period, net of cash acquired | 7 | 2 |
| Cash paid for acquisitions including contingent consideration and other items from prior periods, net of cash acquired | 13 | 18 |

Landfill Amortization and Accretion Expenses:

| | Three Months Ended | |
|---|---------------------------|-------------|
| | March 31, | |
| | 2025 | 2024 |
| Landfill depletion expense: | | |
| Cost basis of landfill assets | \$ 150 | \$ 146 |
| Asset retirement costs | 33 | 30 |
| Total landfill depletion expense ^(c) | 183 | 176 |
| Accretion expense | 35 | 33 |
| Landfill depletion and accretion expense | \$ 218 | \$ 209 |

(a) The summary of free cash flow has been prepared to highlight and facilitate understanding of the principal cash flow elements. Free cash flow is not a measure of financial performance under generally accepted accounting principles and is not intended to replace the consolidated statement of cash flows that was prepared in accordance with generally accepted accounting principles.

(b) Represents amounts associated with business acquisitions consummated during the applicable period except where noted.

(c) The increase in landfill depletion cost for the three months ended March 31, 2025 as compared to the quarter ended March 31, 2024 was driven by increased volumes, particularly at higher cost sites.

WASTE MANAGEMENT, INC.

RECONCILIATION OF CERTAIN NON-GAAP MEASURES
(In Millions, Except Per Share Amounts)
(Unaudited)

| | Three Months Ended March 31, 2025 | | | | |
|--|-----------------------------------|----------------|-----------------------|---------------------------|--------------------------|
| | Income from Operations | Pre-tax Income | Tax Expense | Net Income ^(a) | Diluted Per Share Amount |
| As reported amounts | \$ 1,013 | \$ 788 | \$ 151 | \$ 637 | \$ 1.58 |
| Adjustments: | | | | | |
| Stericycle acquisition and integration-related costs ^(b) | 33 | 33 | 7 | 26 | |
| Loss from asset impairments, unusual items and other, net ^(c) | 13 | 13 | 3 | 10 | |
| | 46 | 46 | 10 | 36 | 0.09 |
| As adjusted amounts | \$ 1,059 | \$ 834 | \$ 161 ^(d) | \$ 673 | \$ 1.67 |
| Depreciation, depletion and amortization | 656 | | | | |
| As adjusted operating EBITDA | \$ 1,715 | | | | |
| Adjusted operating EBITDA margin | 28.5% | | | | |

| | Three Months Ended March 31, 2024 | | | | |
|---|-----------------------------------|----------------|-----------------------|---------------------------|--------------------------|
| | Income from Operations | Pre-tax Income | Tax Expense | Net Income ^(a) | Diluted Per Share Amount |
| As reported amounts | \$ 1,016 | \$ 869 | \$ 162 | \$ 708 | \$ 1.75 |
| Adjustment: | | | | | |
| Gain from asset impairments, unusual items and other, net | (2) | (2) | — | (2) | — |
| As adjusted amounts | \$ 1,014 | \$ 867 | \$ 162 ^(d) | \$ 706 | \$ 1.75 |
| Depreciation, depletion and amortization | 514 | | | | |
| As adjusted operating EBITDA | \$ 1,528 | | | | |
| Adjusted operating EBITDA margin | 29.6% | | | | |

(a) For purposes of this press release table, all references to "Net income" refer to the financial statement line item "Net income attributable to Waste Management, Inc."

(b) Includes acquisition and integration related costs, severance and retention, and WM Healthcare Solutions Enterprise Resource Planning (ERP) system costs.

(c) Primarily due to a legacy loss contingency reserve adjustment and other restructuring costs.

(d) The Company calculates its effective tax rate based on actual dollars. When the effective tax rate is calculated by dividing the Tax Expense amount in the table above by the Pre-tax Income amount, differences occur due to rounding, as these items have been rounded in millions. The first quarter 2025 and 2024 adjusted effective tax rates were 19.2% and 18.6%, respectively.

WASTE MANAGEMENT, INC.

RECONCILIATION OF CERTAIN NON-GAAP MEASURES
(In Millions)
(Unaudited)

| | Quarter Ended March 31, 2025 | | | | | | |
|--|---|---|------------------------------------|---------------------|--------------------------|-------------------------|----------|
| | Collection and Disposal ^{(a)(b)} | Recycling Processing and Sales ^(a) | WM Renewable Energy ^(b) | Corporate and Other | Total WM Legacy Business | WM Healthcare Solutions | Total WM |
| Adjusted Operating EBITDA and Adjusted Operating EBITDA Margin | | | | | | | |
| Operating revenues, as reported | \$ 4,922 | \$ 384 | \$ 91 | \$ 2 | \$ 5,399 | \$ 619 | \$ 6,018 |
| Income from Operations, as reported | \$ 1,328 | \$ 18 | \$ 19 | \$ (327) | \$ 1,038 | \$ (25) | \$ 1,013 |
| Depreciation, depletion and amortization | 477 | 39 | 15 | 24 | 555 | 101 | 656 |
| Operating EBITDA, as reported | \$ 1,805 | \$ 57 | \$ 34 | \$ (303) | \$ 1,593 | \$ 76 | \$ 1,669 |
| Adjustments: | | | | | | | |
| Stericycle acquisition and integration-related costs ^(c) | — | — | — | 14 | 14 | 19 | 33 |
| Loss from asset impairments, unusual items and other, net ^(d) | 2 | 4 | — | 7 | 13 | — | 13 |
| | 2 | 4 | — | 21 | 27 | 19 | 46 |
| Adjusted operating EBITDA | \$ 1,807 | \$ 61 | \$ 34 | \$ (282) | \$ 1,620 | \$ 95 | \$ 1,715 |
| Operating EBITDA margin, as reported | 36.7% | 14.8% | 37.4% | N/A | 29.5% | 12.3% | 27.7% |
| Adjusted operating EBITDA margin | 36.7% | 15.9% | 37.4% | N/A | 30.0% | 15.3% | 28.5% |

| | Quarter Ended March 31, 2024 | | | | |
|---|---|---|------------------------------------|---------------------|----------|
| | Collection and Disposal ^{(a)(b)} | Recycling Processing and Sales ^(a) | WM Renewable Energy ^(b) | Corporate and Other | Total WM |
| Adjusted Operating EBITDA and Adjusted Operating EBITDA Margin | | | | | |
| Operating revenues, as reported | \$ 4,716 | \$ 368 | \$ 69 | \$ 6 | \$ 5,159 |
| Income from Operations, as reported | \$ 1,279 | \$ 19 | \$ 21 | \$ (303) | \$ 1,016 |
| Depreciation, depletion and amortization | 450 | 29 | 8 | 27 | 514 |
| Operating EBITDA, as reported | \$ 1,729 | \$ 48 | \$ 29 | \$ (276) | \$ 1,530 |
| Adjustment: | | | | | |
| Gain from asset impairments, unusual items and other, net | (2) | — | — | — | (2) |
| Adjusted operating EBITDA | \$ 1,727 | \$ 48 | \$ 29 | \$ (276) | \$ 1,528 |
| Operating EBITDA margin, as reported | 36.7% | 13.0% | 42.0% | N/A | 29.7% |
| Adjusted operating EBITDA margin | 36.6% | 13.0% | 42.0% | N/A | 29.6% |

(a) Certain fees related to the processing of recycled material we collect are included within our Collection and Disposal businesses. The total amount of such fees in income from operations for the three months ended March 31, 2025 and 2024 is \$20 million and \$22 million, respectively.

(b) WM Renewable Energy pays a 15% intercompany royalty to our Collection and Disposal businesses for landfill gas. The total amount of royalties in income from operations for the three months ended March 31, 2025 and 2024 is \$14 million and \$10 million, respectively.

(c) Includes acquisition and integration related costs, severance and retention, and WM Healthcare Solutions Enterprise Resource Planning (ERP) system costs.

(d) Primarily due to a legacy loss contingency reserve adjustment and other restructuring costs.

WASTE MANAGEMENT, INC.

RECONCILIATION OF CERTAIN NON-GAAP MEASURES
(In Millions, Except Per Share Amounts)
(Unaudited)

| | Three Months Ended March 31, 2025 | | | Three Months Ended March 31, 2024 |
|---|--------------------------------------|-------------------------------|----------|--------------------------------------|
| | WM Legacy Business | WM Healthcare Solutions | Total WM | Total WM |
| | | | | |
| Adjusted Operating Expenses and Adjusted Operating Expenses Margin | | | | |
| Operating revenues, as reported | \$ 5,399 | \$ 619 | \$ 6,018 | \$ 5,159 |
| Operating expenses, as reported | \$ 3,269 | \$ 378 | \$ 3,647 | \$ 3,140 |
| As a % of revenues | 60.5% | 61.1% | 60.6% | 60.9% |
| Adjustment: | | | | |
| Legacy loss contingency reserve | (7) | — | (7) | |
| Operating expenses, as adjusted | \$ 3,262 | \$ 378 | \$ 3,640 | |
| As a % of revenues | 60.4% | 61.1% | 60.5% | |

| | Three Months Ended March 31, 2025 | | | Three Months Ended March 31, 2024 |
|---|--------------------------------------|-------------------------------|----------|--------------------------------------|
| | WM Legacy Business | WM Healthcare Solutions | Total WM | Total WM |
| | | | | |
| Adjusted SG&A Expenses and Adjusted SG&A Expenses Margin | | | | |
| Operating revenues, as reported | \$ 5,399 | \$ 619 | \$ 6,018 | \$ 5,159 |
| SG&A expenses, as reported | \$ 531 | \$ 156 | \$ 687 | \$ 491 |
| As a % of revenues | 9.8% | 25.2% | 11.4% | 9.5% |
| Adjustment: | | | | |
| Stericycle acquisition and integration-related costs | (14) | (10) | (24) | |
| As adjusted SG&A expenses | \$ 517 | \$ 146 | \$ 663 | |
| | 9.6% | 23.6% | 11.0% | |

| | Scenario | Scenario |
|---|-----------------|-----------------|
| | 1 | 2 |
| 2025 Projected Free Cash Flow Reconciliation^(a) | | |
| Net cash provided by operating activities | \$ 5,750 | \$ 5,900 |
| Capital expenditures to support the business | (2,575) | (2,625) |
| Proceeds from divestitures of businesses and other assets, net of cash divested | 100 | 150 |
| Free cash flow before sustainability growth investments | \$ 3,275 | \$ 3,425 |
| Capital expenditures - sustainability growth investments | (600) | (650) |
| Free cash flow | \$ 2,675 | \$ 2,775 |

(a) The reconciliation includes two scenarios that illustrate our projected free cash flow range for 2025. The amounts used in the reconciliation are subject to many variables, some of which are not under our control and, therefore, are not necessarily indicative of actual results.

WASTE MANAGEMENT, INC.

SUPPLEMENTAL INFORMATION PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY

(In Millions)

(Unaudited)

Diversity in the structure of recycling contracts results in different accounting treatment for commodity rebates. In accordance with revenue recognition guidance, our Company records gross recycling revenue and records rebates paid to customers as cost of goods sold. Other contract structures allow for netting of rebates against revenue.

Additionally, there are differences in whether companies adjust for accretion expense in their calculation of EBITDA. Our Company does not adjust for landfill accretion expenses when calculating operating EBITDA, while other companies do adjust it for the calculation of their EBITDA measure.

The table below illustrates the impact that differing contract structures and treatment of accretion expense has on the Company's adjusted operating EBITDA margin results. This information has been provided to enhance comparability and is not intended to replace or adjust GAAP reported results.

| | Three Months Ended March 31, | | | |
|-----------------------------|-------------------------------------|---|---------------|---|
| | 2025 | | 2024 | |
| | Amount | Change in Adjusted Operating EBITDA Margin | Amount | Change in Adjusted Operating EBITDA Margin |
| Recycling commodity rebates | \$ 238 | 1.2% | \$ 191 | 1.2% |
| Accretion expense | \$ 35 | 0.6% | \$ 33 | 0.6% |