GFL GREEN FOR LIFE environmental

Q4 2022 Investor Review & 2023 Guidance

February 22, 2023

Disclaimer

Unless otherwise indicated, all references in this presentation to “GFL”, “we”, “our”, “us”, the “Company” or similar terms refer to GFL Environmental Inc. and its consolidated subsidiaries.

Forward-Looking Information

This presentation includes certain “forward-looking statements” and “forward-looking information” (collectively, “forward-looking information”) within the meaning of applicable U.S. and Canadian securities laws, respectively. Forward-looking information includes all statements that do not relate solely to historical or current facts and may relate to our future outlook, financial guidance and anticipated events or results and may include statements regarding our financial performance, financial condition or results, business strategy, growth strategies, budgets, operations and services. Particularly, statements regarding our expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “budget”, “scheduled”, “estimates”, “outlook”, “forecasts”, “projection”, “prospects”, “strategy”, “intends”, “anticipates”, “does not anticipate”, “believes”, or “potential” or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might”, “will”, “will be taken”, “occur” or “be achieved”, although not all forward-looking information includes those words or phrases. In addition, any statements that refer to expectations, intentions, projections, guidance, potential or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts nor assurances of future performance but instead represent management's expectations, estimates and projections regarding future events or circumstances.

Forward-looking information is based on our opinions, estimates and assumptions that we considered appropriate and reasonable as of the date such information is stated. Forward-looking information is subject to known and unknown risks, uncertainties, assumptions and other important factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to certain assumptions set out herein in the sections titled “Fiscal 2023 Guidance – Revenue Bridge”, “Fiscal 2023 Full Year Guidance”, “Fiscal 2023 Priorities”, “GFL Renewables – Illustrative RNG Contribution” and “Potential U.S. Solid Waste Divestitures”; our ability to obtain and maintain existing financing on acceptable terms; our ability to source and execute on acquisitions on terms acceptable to us; our ability to find purchasers for non-core assets and to complete such divestitures on terms acceptable to us; currency exchange and interest rates; commodity price fluctuations; our ability to implement price increases and surcharges; changes in waste volumes; labour, supply chain and transportation constraints; inflationary cost pressures; fuel supply and fuel price fluctuations; our ability to maintain a favourable working capital position; the impact of competition; the changes and trends in our industry or the global economy; changes in laws, rules, regulations, and global standards; and the duration and severity of the COVID-19 pandemic, including variants, and its impact on the economy, the North American financial markets, our operations, our M&A pipeline and our financial results. Other important factors that could materially affect our forward-looking information can be found in the “Risk Factors” section of GFL’s annual information form for the year ended December 31, 2022 and GFL’s other periodic filings with the U.S. Securities and Exchange Commission and the securities commissions or similar regulatory authorities in Canada. Shareholders, potential investors and other readers are urged to consider these risks carefully in evaluating our forward-looking information and are cautioned not to place undue reliance on such information. There can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors not currently known to us or that we currently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The forward-looking information contained in this presentation represents our expectations as of the date of this presentation (or as the date it is otherwise stated to be made), and is subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable U.S. or Canadian securities laws. The purpose of disclosing our financial outlook set out in this presentation is to provide investors with more information concerning the financial impact of our business initiatives and growth strategies.

Non-IFRS Measures

This presentation makes reference to certain measures that are not recognized under International Financial Reporting Standards (“IFRS”) and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management’s perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. It should be noted that companies calculate non-IFRS measures differently; as a result, the non-IFRS measures presented herein may not be comparable to similarly titled measures reported by other companies. We use non-IFRS measures, including Acquisition EBITDA, Adjusted EBITDA, EBITDA, Adjusted Cash Flows from Operating Activities, Adjusted Free Cash Flow, Adjusted Net Income (Loss) from continuing operations, Net Leverage, Run-Rate EBITDA, and Adjusted EBITDA margin. These non-IFRS measures are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Our management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation. See the appendix for definitions and reconciliations of the non-IFRS measures used herein.

In addition, the Company’s projected full year 2023 Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Free Cash Flow and Net Leverage, are anticipated to exclude the effects of other events or circumstances in 2023 that are not representative or indicative of the Company’s results of operations. Such excluded items are not currently determinable, but may be significant, and include, without limitation, changes in the foreign exchange rate, the mark-to-market (gain) loss on the purchase contracts (the “Purchase Contracts”) forming part of the Company’s tangible equity units (the “TEUs”), the cost of refinancings and acquisition, integration, rebranding and other costs. Due to the uncertainty of the likelihood, amount and timing of any such items, the Company does not have information available to provide a quantitative reconciliation of such projections to the comparable IFRS measure.

Certain Other Matters

Any graphs, tables or other information demonstrating our historical performance contained in this presentation are intended only to illustrate past performance and are not necessarily indicative of future performance.

On April 25, 2022, GFL announced the completion of the divestiture of our Infrastructure services division (“GFL Infrastructure”). GFL Infrastructure has been presented as discontinued operations in the comparative results of our audited consolidated financial statements for the year ended December 31, 2022 (the “Annual Financial Statements”). Information contained herein excludes GFL Infrastructure.

All amounts are presented in millions of Canadian dollars unless otherwise stated.

Q4 2022 & Fiscal 2022 Highlights

Notable Highlights

Delivered on Growth Strategies

- Grew revenue by 31.6% and increased Adjusted EBITDA[1] and Adjusted Free Cash Flow [1] by 22.0% and 20.6%, respectively
- Outperformed our previously increased full year 2022 guidance despite ongoing inflationary cost pressures and supply chain disruptions
- Achieved Solid Waste core pricing increase of 9.9% in Q4 2022, highest in company history
- Material progress in fuel cost recovery initiatives, with tremendous opportunity remaining in the near-term
- Contribution from 2021 and 2022 acquisitions exceeded plan

Executed on M&A Strategy

- Executed on M&A Strategy
- Closed 40 strategic, accretive acquisitions
  - Completed acquisitions generating ~$480M of annualized revenue
  - Deployed ~$1,270M vs initial guidance of $450M – $525M
- Densified our Solid Waste USA platform through strategic tuck-in acquisitions in core markets
- Realized ~$140M from the sale of non-core assets and $224M from the spin-off of GFL Infrastructure to Green Infrastructure Partners Inc.

Advanced ESG Initiatives

- Published our 2021 Sustainability Report with significantly more disclosure
- 21 renewable natural gas (“RNG”) projects at various stages (full Run-Rate EBITDA[1] of $175M anticipated by end of Fiscal 2025)
- EPR regulations driving growth in state-of-the-art material recovery facility (“MRF”) pipeline
- Continued progress on increasing mix of CNG fleet (~15%+ of fleet)
- 20% of management compensation is directly tied to ESG targets

(1) For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.

Multi-Pronged Growth Strategy to Create Long-Term Shareholder Value

Drive Organic Growth

- Optimize base business price / volume mix
- Drive volume to underutilized asset base
- Continue to lead in sustainable alternatives
- Divest non-core assets and redeploy capital into organic and inorganic growth initiatives in key markets

Expand Adjusted EBITDA Margin[1]

- Leverage investment in best-in-class strategic network of assets
- Utilize purchasing power from enhanced scale
- Realize synergies from M&A

Reduce Cost of Debt

- Continue to improve credit quality
- Opportunistically refinance debt
- Assess alternative financing arrangements

Reinvest Excess Free Cash Flow into M&A Strategy

- Execute strategic, accretive acquisitions
- Maintain capital allocation discipline
- Densify existing platform
- Evaluate new market opportunities

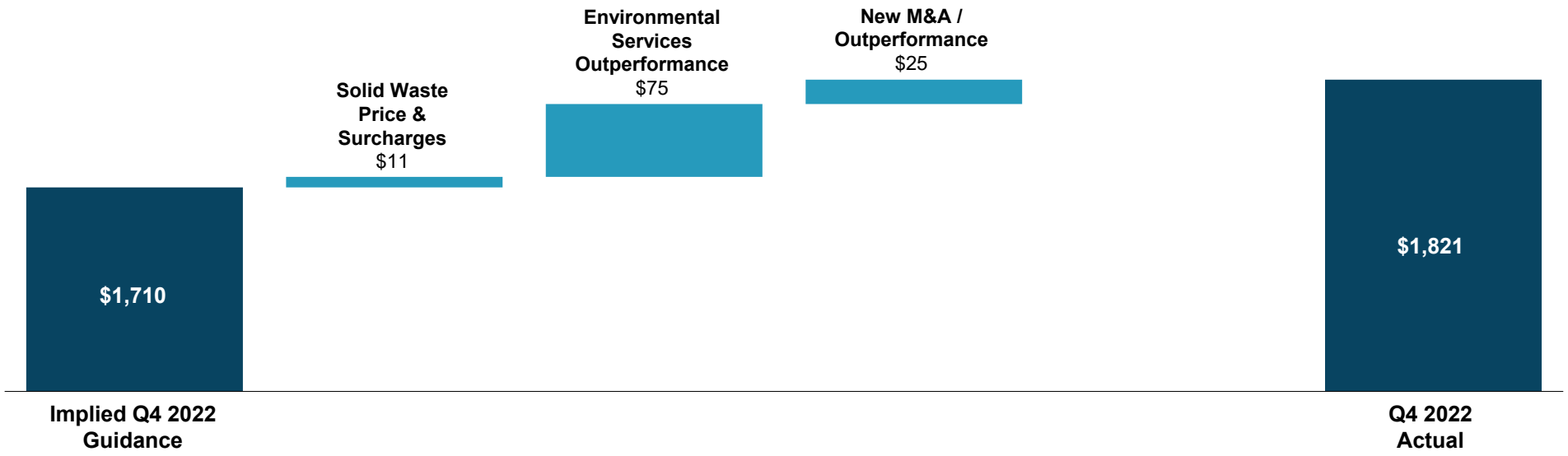
Maximize Value From Sustainability Initiatives

- Expand portfolio of RNG projects
- Grow and automate MRF network
- Increase CNG fleet

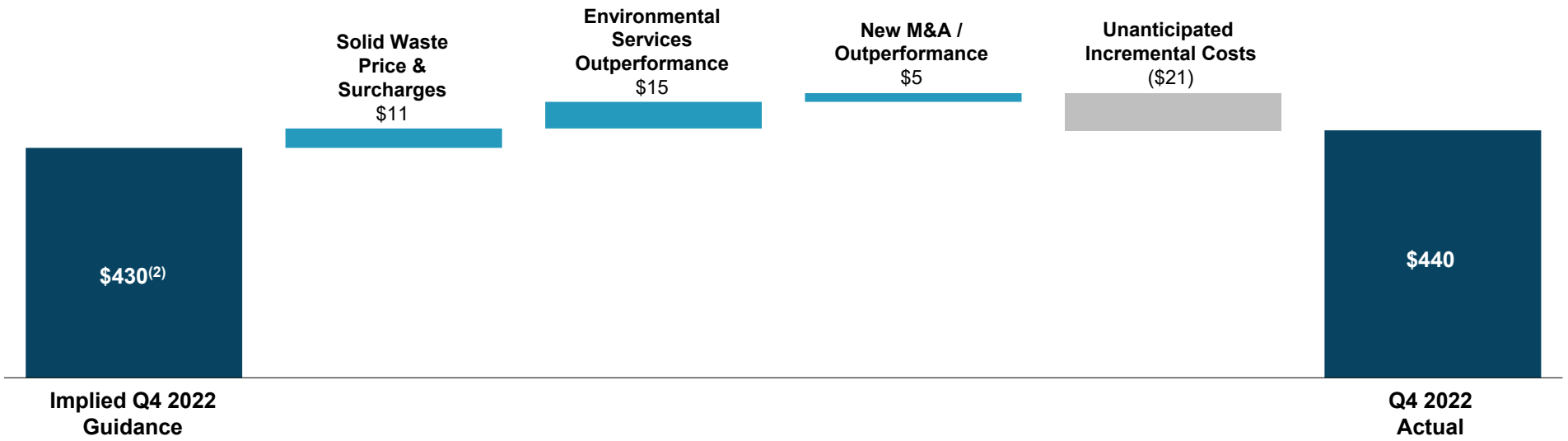
(1) *For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.*

Q4 2022 Bridges – Implied Guidance vs Actual

Revenue Bridge



Adjusted EBITDA[1] Bridge

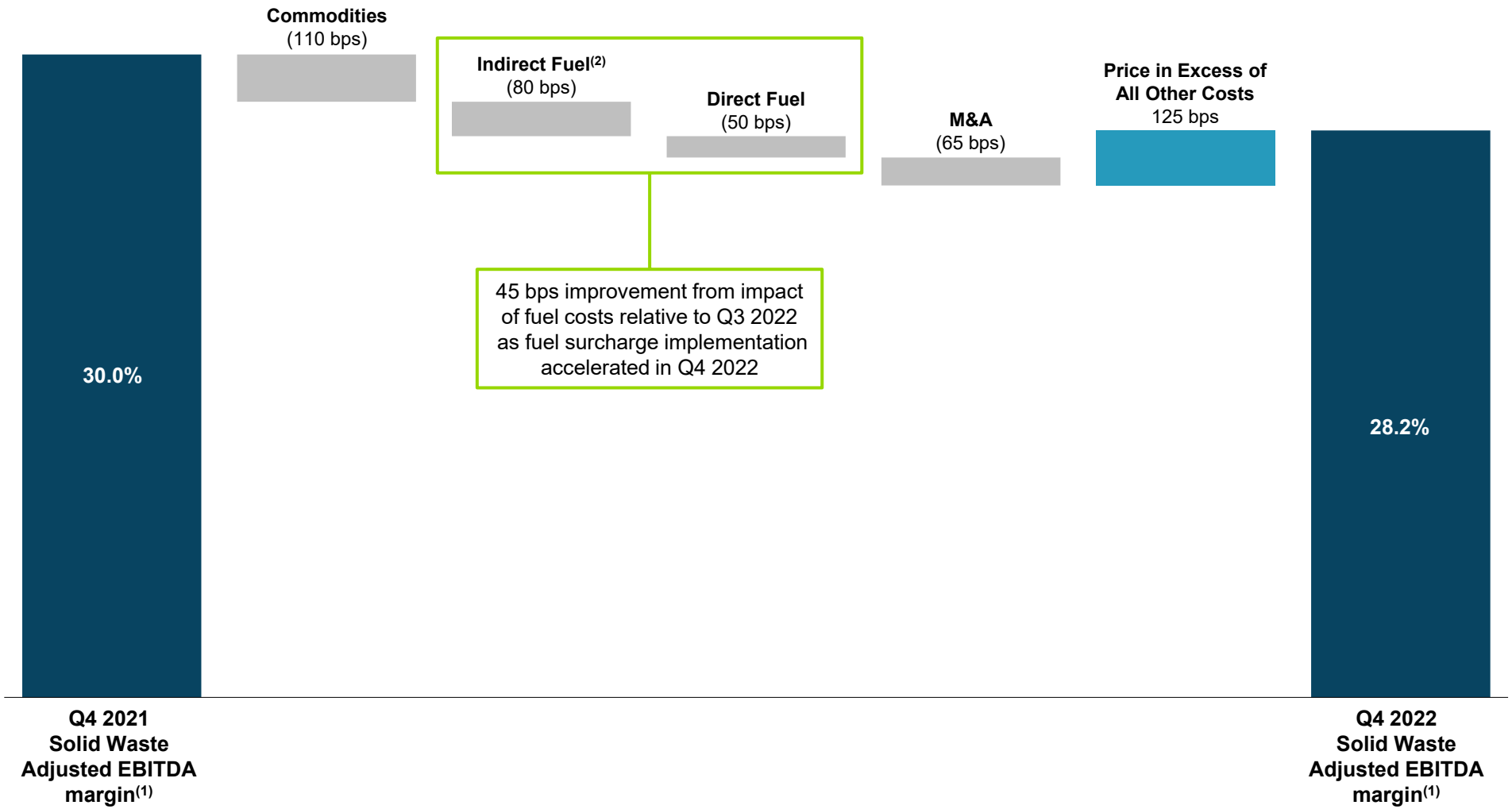


Note: CAD$ millions, unless otherwise noted.

(1) For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.

(2) Inclusive of Corporate costs.

Q4 2022 Solid Waste Adjusted EBITDA Margin[1] Bridge – Year-Over-Year



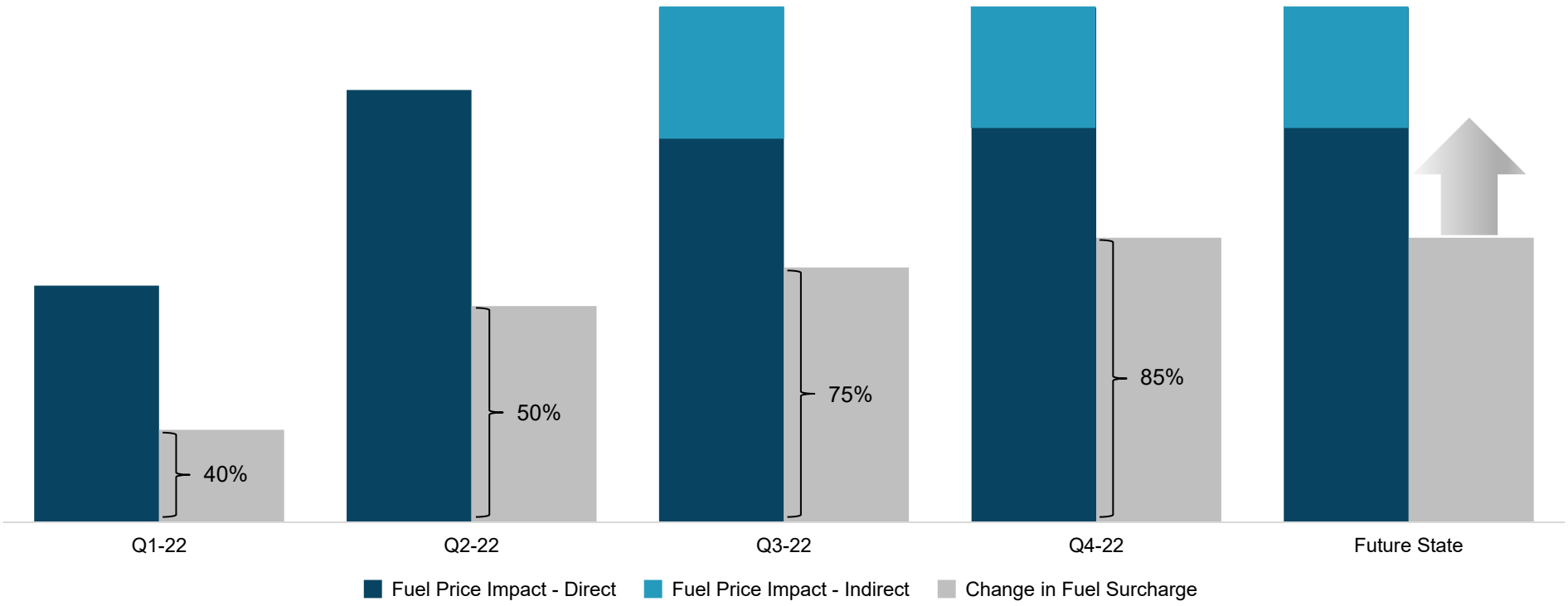
Base Business Margin Expansion Excluding the Impact of Fuel & Commodities

(1) *For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.*
(2) *Reflects indirect fuel pass-throughs from our transportation and other third-party service providers.*

Fuel Surcharge Implementation Continued to Accelerate

Direct & Indirect Fuel Price Impact & Change in Fuel Surcharge

Significant Incremental Fuel Cost Recovery Opportunity



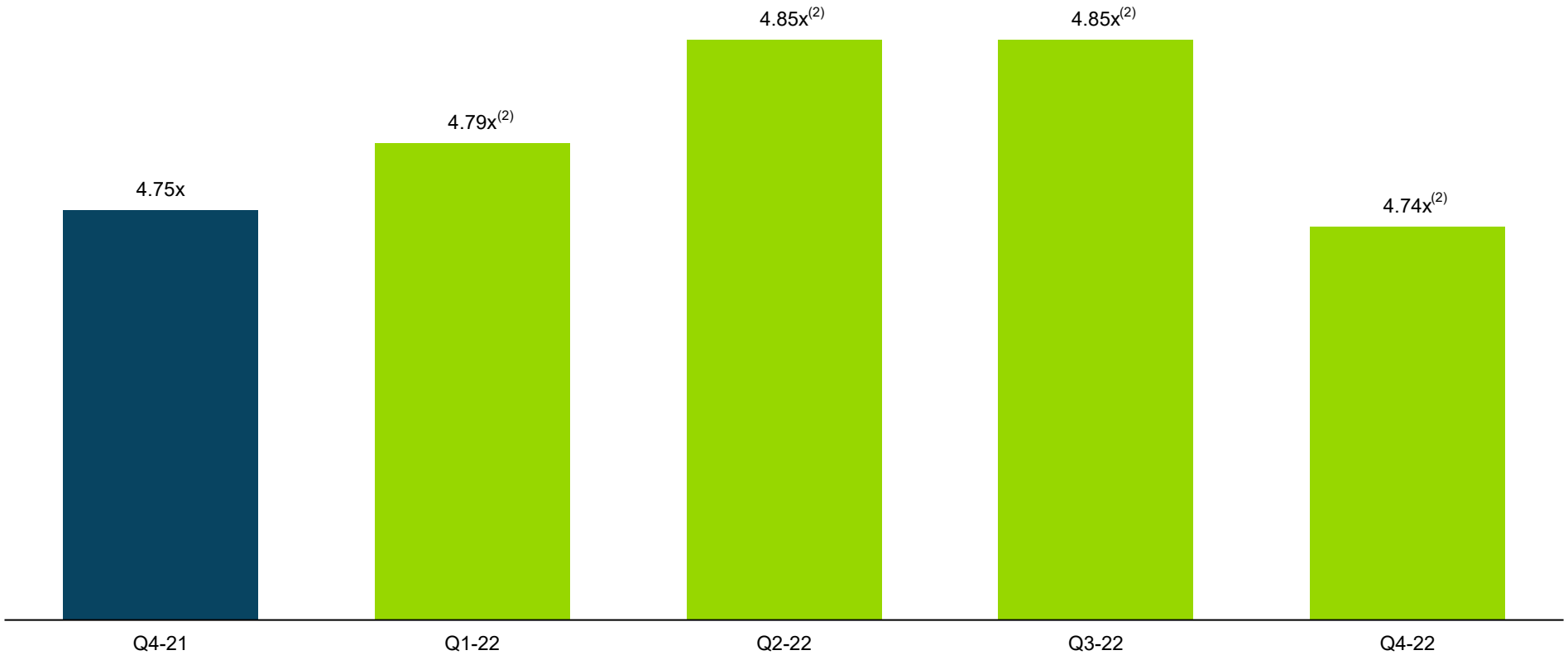
Meaningful Progress to Date on Fuel Surcharge Implementation with Significant Further Upside Opportunities Available in the Near-Term

Net Leverage[1] in Constant Currency – Delevering Driven by Growth

Illustrative Net Leverage[1] Profile at December 31, 2021 FX Rate

Subsequent to the initial full year 2022 guidance provided in February 2022:

- Interest rates increased between 400 bps and 450 bps
- Inflationary environment has been more severe and persisted longer than expected
- Deployed over $1.2B on strategic, accretive acquisitions



Demonstrated Delevering Despite Unanticipated Headwinds in Fiscal 2022

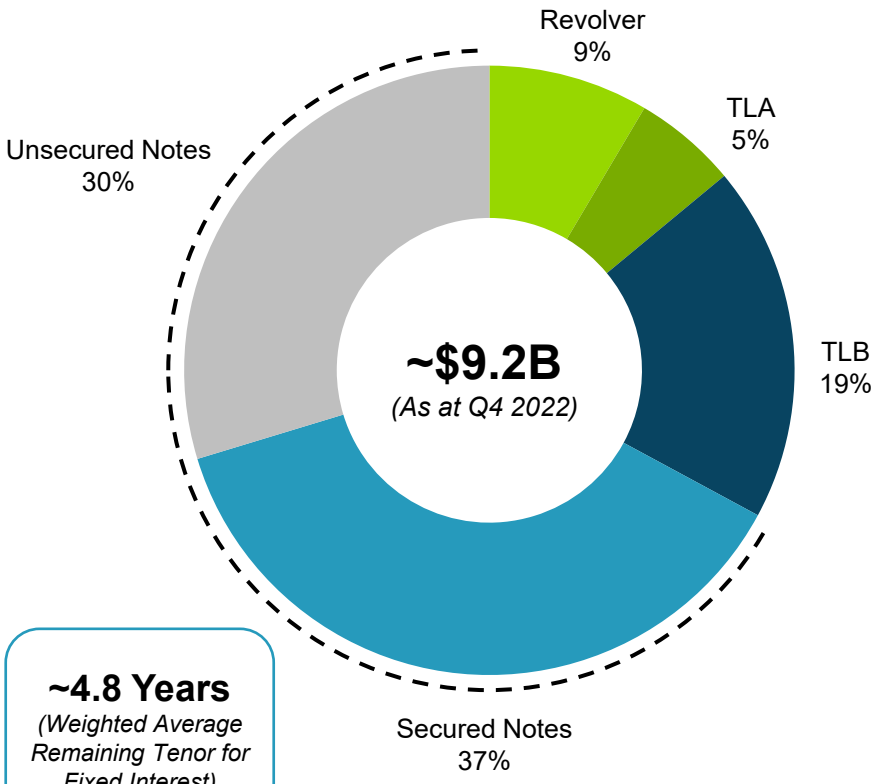
Note: CAD$, unless otherwise noted.

(1) Please refer to the Definitions in the appendix of this presentation.

(2) Calculated as Total long-term debt excluding deferred finance costs and other adjustments, less cash, translated from USD to CAD using an exchange rate of 1.2678, divided by Run-Rate EBITDA for the respective periods.

Greater Weighting of Fixed Rate Obligations in Rising Rate Environment

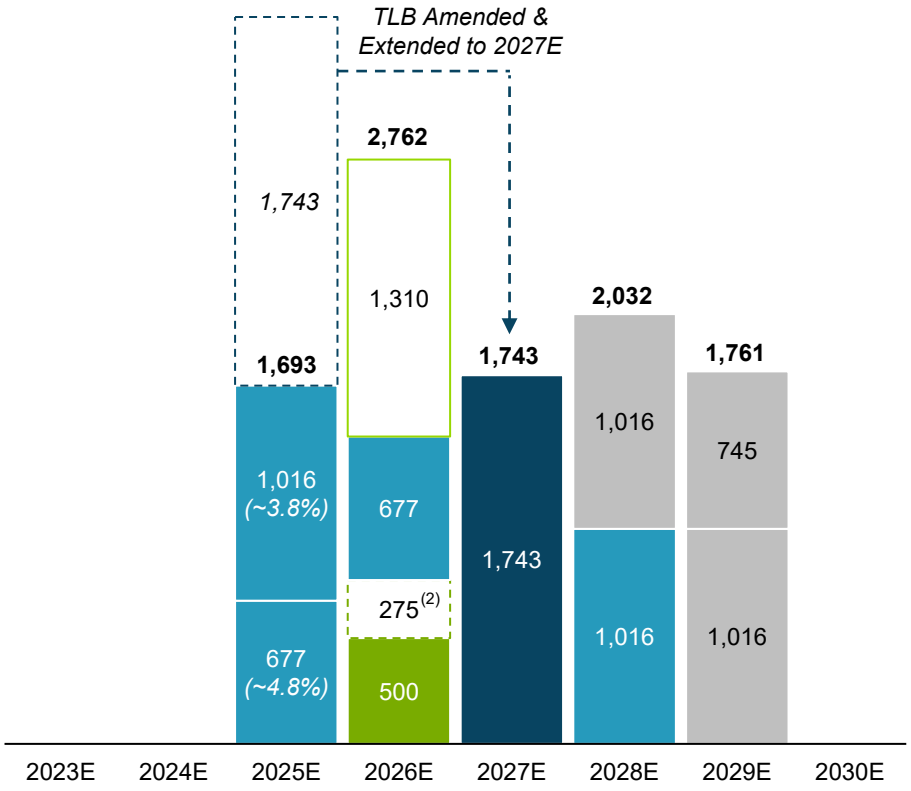
Variable vs Fixed Interest



~4.8 Years
(Weighted Average Remaining Tenor for Fixed Interest)

Current Debt Maturity Profile

Anticipate Credit Rating Upgrades Prior to Maturity



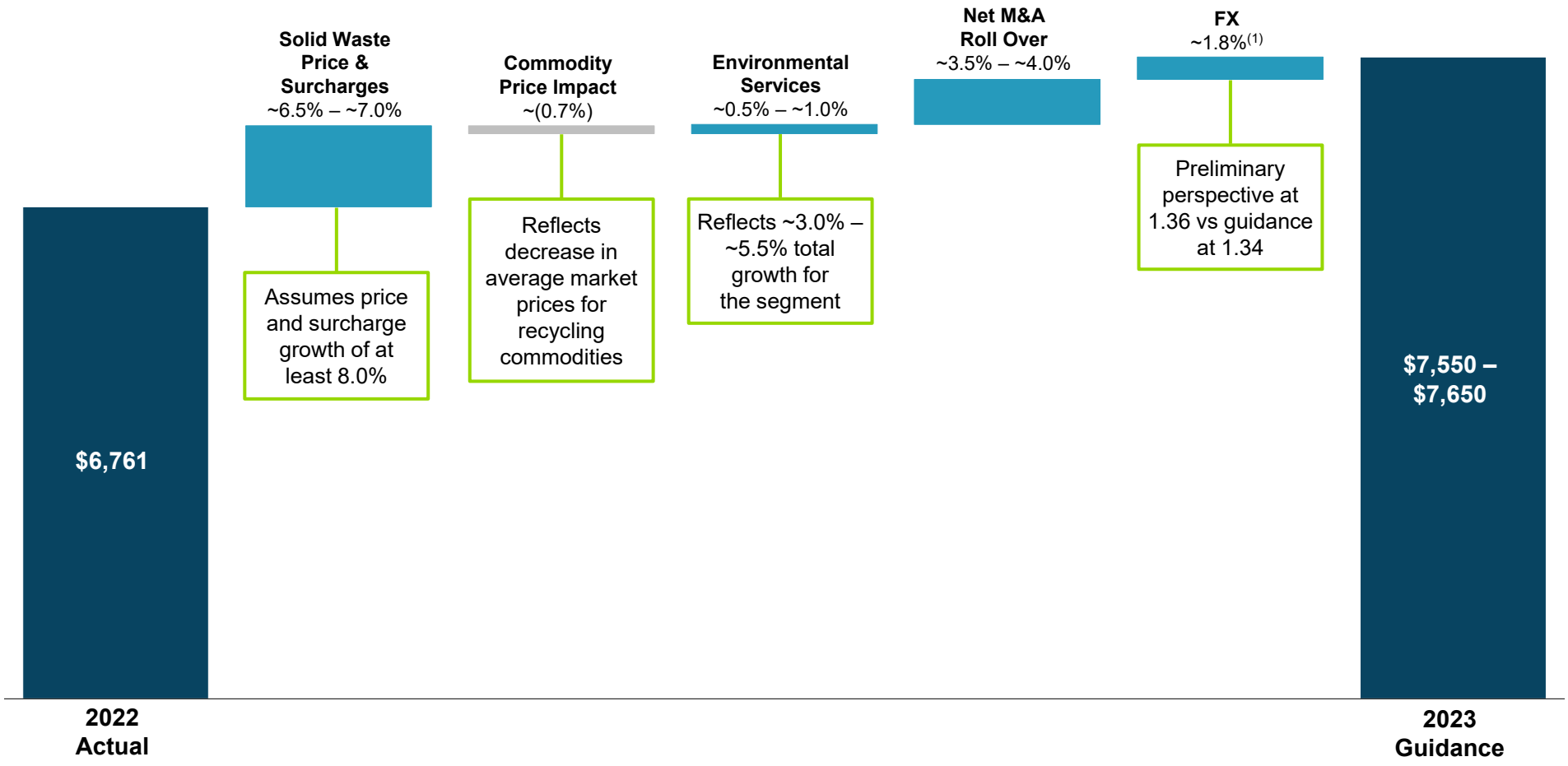
~67% of Current Debt Stack has a Fixed Rate

100 bps Increase in Variable Rates Results in ~$30M of Incremental Interest Obligations

Note: CAD$ millions, unless otherwise noted.
(1) Reflects weighted average interest costs on long-term debt.
(2) GFL upsized its Term Loan A from C$500M to C$775M in January 2023.

2023 Guidance

Fiscal 2023 Guidance – Revenue Bridge



Organic Growth and Roll Over M&A Expected to Yield Over 12% Growth

Note: CAD$ millions, unless otherwise noted.

1) Fiscal 2023 Guidance based on CAD/USD exchange rate of 1.34 versus the average 2022 exchange rate of 1.30.

Fiscal 2023 Full Year Guidance

(C$ millions, unless otherwise noted)	Fiscal 2022 Actuals	Fiscal 2023 Guidance
Revenue ▪ Organic growth between ~6.4% – ~7.3% ▪ Net M&A roll over between ~3.5% – ~4.0% ▪ F/X impact of ~1.8%[1]	**$6,761**	**$7,550 – $7,650**
Adjusted EBITDA[2] ▪ Adjusted EBITDA margin[2] of 26.5% to 26.8% (100 bps + increase)	**$1,721**	**$2,000 – $2,050**
Adjusted Free Cash Flow[2] ▪ Inclusive of ~$50M of planned 2022 capex shifted into 2023 resulting from timing delays ▪ Incremental cash interest of ~$100M from the annualized impact of higher interest rates	**$691**	**~$700**
Net Leverage[2] ▪ Net Leverage forecast to decrease from Adjusted EBITDA[2] growth and Adjusted Free Cash Flow[2] generation	**~5.0x**	**Low 4s[3]** Excludes the impact of any potential U.S. Solid Waste divestitures – refer to page 15

1) *Fiscal 2023 Guidance based on CAD/USD exchange rate of 1.34 versus the average 2022 exchange rate of 1.30.*
2) *For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.*
3) *Forecast Net Leverage as of December 31, 2023, excluding the impact of any 2023 M&A or refinancing activity.*

Fiscal 2023 Priorities

Outsized Adjusted EBITDA Margin[1] Expansion

- Continued focus on price-led growth
- Ongoing cost base optimization
- Moderating inflationary cost environment

Bring Initial RNG Projects Online

- On-track to bring 3 RNG projects online in 2H 2023
- Potential Run-Rate EBITDA[1] contribution of ~$45M in Fiscal 2023

Delevering & Reducing Cash Interest Obligations

- Natural delevering from Adjusted EBITDA[1] growth and free cash flow generation
- Potential for outsized delevering utilizing after-tax proceeds from divestitures of certain non-core Solid Waste operations in the U.S.

Execute Strategic, Accretive Acquisitions

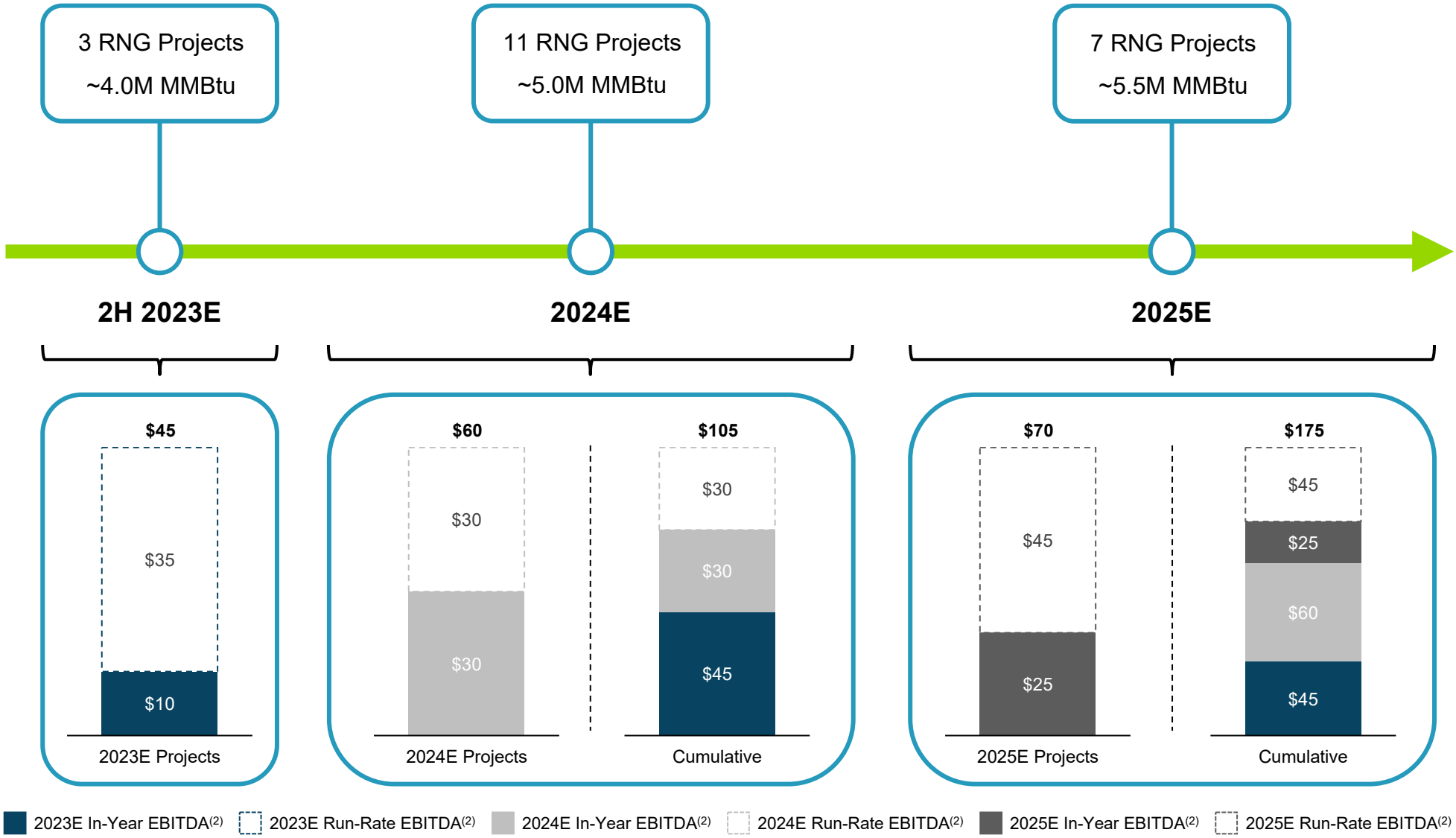
- Potential to deploy $300M – $500M of capital on new M&A; prioritizing tuck-ins to densify network
- Capital allocation discipline remains a priority with the ability to delever in Fiscal 2023 even when considering M&A

Advance ESG Initiatives

- First RNG project at Arbor Hills anticipated to ramp up in 2H 2023; additional projects to ramp up in Fiscal 2024
- Midwest MRF to come online in Fiscal 2023; currently in planning stages for Southern Ontario MRF
- Focusing on incremental sustainability opportunities (i.e., EPR rollout in existing markets, eRINs, etc.)

1) *For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.*

GFL Renewables – Illustrative RNG Contribution[1]



Cumulative Run-Rate EBITDA[2] Contribution of ~$175M[1] from 21 RNG Projects Generating ~14.5M MMBtu by the End of Fiscal 2025

Note: CAD$ millions, unless otherwise noted. Based on CAD/USD exchange rate of 1.34.

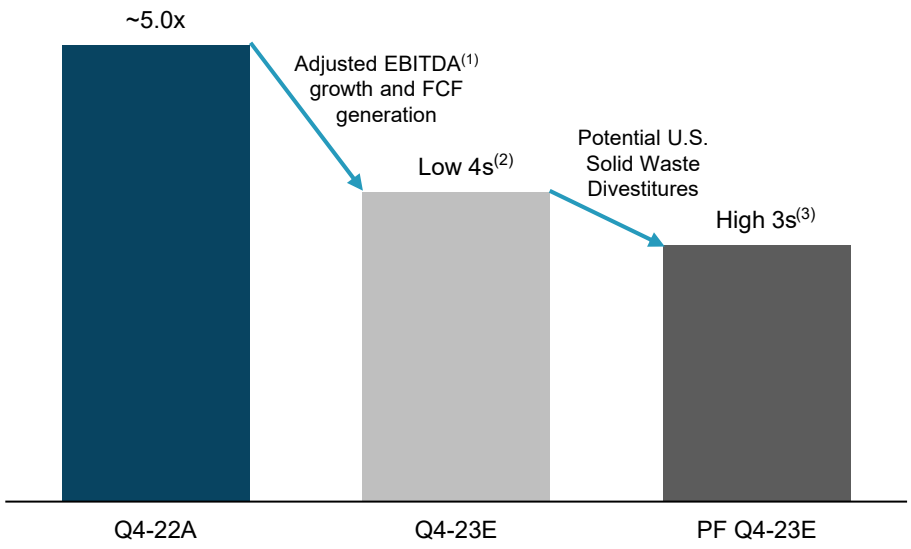
1) Illustrative EBITDA contribution assumes US$26/MMBtu over the periods reflected and is equivalent to underlying price assumptions of US$2.00 RINs and US$2.50 natural gas.

2) For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.

Potential U.S. Solid Waste Divestitures

- Continued assessment of rationalization opportunities of non-core assets across portfolio
- Identified non-core Solid Waste operations acquired as part of several recent larger acquisitions in the United States
  - Potential to divest three distinct U.S. Solid Waste regions
  - ~$400M – $450M of annualized revenue in aggregate
  - Anticipate ~$1.5B+ of gross proceeds from divestitures of non-core Solid Waste operations
  - 3 LOIs signed, Definitive Agreements by Q2 2023 and expected to close by end of Q3 2023

Potential Acceleration of Delevering in Fiscal 2023



Divestiture is Adjusted Free Cash Flow(1) Accretive

(C$ millions)	**Fiscal 2023 – Annualized Impact**
Revenue	**~($400) – ($450)**
Adjusted EBITDA(1)	**~($100) – ($120)**
Add: Cash Interest Savings(4)	~$100
Add: Capex Savings	~$30 – $35
Adjusted Free Cash Flow(1) Accretion	**~$15 – $30**

Potential to Paydown a Portion of Variable Rate Debt for Annualized Cash Interest Savings of ~$100M(4) & Net Leverage(1) of High 3s(3) at Q4-23E

Cash Interest Expense Savings Accelerates Opportunity for Adjusted Free Cash Flow(1) Improvement Over Time

Note: CAD$ millions, unless otherwise noted.

1) For a reconciliation of non-IFRS measures to its nearest IFRS equivalent, please refer to the appendix in this presentation. Please refer to the Definitions in the appendix of this presentation.

2) Forecast Net Leverage as of December 31, 2023, excluding the impact of any 2023 M&A or refinancing activity.

3) Forecast Net Leverage as of December 31, 2023, excluding the impact of any 2023 M&A or refinancing activity but including the impact of the potential U.S. Solid Waste divestitures.

4) Assumes approximately $1.3 billion of after-tax proceeds used to pay down a portion of variable rate debt with a blended cost of debt of approximately 7.50%.

Appendix

Adjusted EBITDA Reconciliation

(C$ millions, unless otherwise noted)

	Three months ended December 31,		Year ended December 31,	
	2022	**2021[1]**	**2022**	**2021[1]**
Net loss from continuing operations	**(219.1)**	**(81.7)**	**(183.2)**	**(627.0)**
Interest and other finance costs	148.6	104.9	489.3	432.5
Depreciation of property and equipment	271.8	274.0	1,003.9	911.9
Amortization of intangible assets	133.5	125.9	515.6	457.6
Income tax recovery	(30.6)	(13.9)	(176.1)	(109.2)
EBITDA	**304.2**	**409.2**	**1,649.5**	**1,065.8**
(Gain) loss on foreign exchange[2]	(31.6)	(19.1)	217.7	16.2
Loss (gain) on sale of property and equipment	14.8	(0.8)	4.7	2.2
Mark-to-market loss (gain) on Purchase Contracts[3]	124.6	30.0	(266.8)	349.6
Share of net income of investments accounted for using the equity method	(6.2)	-	(20.7)	-
Share-based payments[4]	15.1	12.7	53.3	41.1
Gain on divestiture[5]	-	(86.4)	(4.9)	(153.3)
Transaction costs[6]	18.1	21.0	55.0	64.2
Acquisition, rebranding and other integration costs[7]	6.1	9.2	25.8	25.1
Impairment and other[8]	(5.3)	-	7.2	-
Adjusted EBITDA	**$439.8**	**$375.8**	**$1,720.8**	**$1,410.9**
Adjusted EBITDA margin (%)	*24.1%*	*26.1%*	*25.5%*	*27.5%*

1. ***Comparative figures:*** *Comparative figures have been re-presented, refer to Note 25 in our Annual Financial Statements.*

2. ***(Gain) loss on foreign exchange:*** *Consists of (i) non-cash gains and losses on foreign exchange and interest rate swaps entered into in connection with our debt instruments and (ii) gains and losses attributable to foreign exchange rate fluctuations.*

3. ***Mark-to-market loss (gain) on Purchase Contracts:*** *This is a non-cash item that consists of the fair value "mark-to-market" adjustment on the Purchase Contracts.*

4. ***Share-based payments:*** *This is a non-cash item and consists of the amortization of the estimated fair value of share-based options granted to certain members of management under share-based option plans.*

5. ***Gain on divestiture:*** *Consists of gain resulting from the divestiture of certain assets.*

6. ***Transaction costs:*** *Consists of acquisition, integration and other costs such as legal, consulting and other fees and expenses incurred in respect of acquisitions and financing activities completed during the applicable period. We expect to incur similar costs in connection with other acquisitions in the future and, under IFRS, such costs relating to acquisitions are expensed as incurred and not capitalized. This is part of SG&A.*

7. ***Acquisition, rebranding and other integration costs:*** *Consists of costs related to the rebranding of equipment acquired through business acquisitions. We expect to incur similar costs in connection with other acquisitions in the future. This is part of cost of sales.*

8. ***Impairment and other:*** *Consists of impairment charge and insurance recoveries for assets that were destroyed by fire.*

Adjusted Free Cash Flow Reconciliation

(C$ millions, unless otherwise noted)

	Three months ended December 31,		Year ended December 31,	
	2022	**2021**	**2022**	**2021**
Cash flows from operating activities	**403.0**	**283.8**	**1,096.3**	**897.9**
Operating cash flows from discontinued operations[1]	-	6.3	(35.4)	5.7
Cash flows from operating activities (excluding discontinued operations)	**403.0**	**277.5**	**1,131.7**	**892.2**
Prepayment penalties for early note redemption[2]	-	-	-	49.3
Transaction costs[3]	18.1	21.0	55.0	64.2
Acquisition, rebranding and other integration costs[4]	6.1	9.2	25.8	25.1
M&A related net working capital investment[5]	-	5.6	4.8	41.0
Tax refund from CARES Act[6]	-	-	-	(1.5)
Cash interest paid on TEUs[7]	0.3	0.9	2.0	4.2
Adjusted Cash Flows from Operating Activities	**427.5**	**314.2**	**1,219.3**	**1,074.5**
Proceeds from asset divestitures[8]	21.9	84.9	117.6	242.5
Normalization for excess proceeds from asset divestitures[9]	-	-	152.4	(152.4)
Proceeds on disposal of assets	13.6	4.4	22.5	17.2
Purchase of property and equipment and intangible assets[10]	(237.3)	(214.8)	(772.9)	(608.4)
Adjusted Free Cash Flow (excluding investment in joint ventures and associates)	**225.7**	**188.7**	**738.9**	**573.4**
Investment in joint ventures and associates[11]	(4.6)	-	(47.6)	-
Adjusted Free Cash Flow	**$221.1**	**$188.7**	**$691.3**	**$573.4**

1. ***Operating cash flows from discontinued operations:*** *Consists of operating cash flows from discontinued operations. As at December 31, 2022, GFL's Infrastructure services division was presented as discontinued operations. Refer to Note 25 in our Annual Financial Statements.*

2. ***Prepayment penalties for early note redemption:*** *Consists of prepayment penalty costs associated with the early redemption of the 8.500% 2027 Notes.*

3. ***Transaction costs:*** *Consists of acquisition, integration and other costs such as legal, consulting and other fees and expenses incurred in respect of acquisitions and financing activities completed during the applicable period. We expect to incur similar costs in connection with other acquisitions in the future and, under IFRS, such costs relating to acquisitions are expensed as incurred and not capitalized. This is part of SG&A.*

4. ***Acquisition, rebranding and other integration costs:*** *Consists of costs related to the rebranding of equipment acquired through business acquisitions. We expect to incur similar costs in connection with other acquisitions in the future. This is part of cost of sales.*

5. ***M&A related net working capital investment:*** *Consists of net non-cash working capital in the period in relation to acquisitions.*

6. ***Tax refund from CARES Act:*** *Consists of tax refunds received related to loss carry-backs under the CARES Act applied to prior year taxable income.*

7. ***Cash interest paid on TEUs:*** *Consists of interest paid in cash on the Amortizing Notes.*

8. ***Proceeds from asset divestitures:*** *Consists of proceeds from divestitures, excluding proceeds received for the divestiture of GFL Infrastructure.*

9. ***Normalization for excess proceeds from asset divestitures:*** *Consists of excess proceeds from divestiture of certain landfill assets, as well as hauling and ancillary operations. Amount has been included on the basis that the excess proceeds will be redeployed into the business in 2022 and to reflect a normalized level of capital expenditures.*

10. ***Purchase of property and equipment and intangible assets:*** *Excludes purchase of property and equipment for GFL Infrastructure, which was presented as discontinued operations, of $nil for the three months ended December 31, 2022 and $7.2 million for the year ended December 31, 2022. Refer to Note 25 in our Annual Financial Statements.*

11. ***Investment in joint ventures and associates:*** *Consists of initial capital investment for the development, construction and operation of renewable natural gas facilities operated as joint ventures.*

Adjusted Net (Loss) Income from Continuing Operations Reconciliation

(C$ and shares in millions, unless otherwise noted)

	Three months ended December 31,		Year ended December 31,	
	2022	**2021[1]**	**2022**	**2021[1]**
Net loss from continuing operations	**(219.1)**	**(81.7)**	**(183.2)**	**(627.0)**
Amortization of intangible assets[2]	133.5	125.9	515.6	457.6
ARO discount rate depreciation adjustment[3]	-	40.1	7.8	54.9
Incremental depreciation of property and equipment due to recapitalization	4.5	4.5	18.0	18.4
Prepayment penalties for early note redemption[4]	-	-	-	49.3
Amortization of deferred financing costs	3.5	3.2	12.7	19.7
(Gain) loss on foreign exchange[5]	(31.6)	(19.1)	217.7	16.2
Mark-to-market loss (gain) on Purchase Contracts[6]	124.6	30.0	(266.8)	349.6
Share of net income of investments accounted for using the equity method	(6.2)	-	(20.7)	-
Gain on divestiture[7]	-	(86.4)	(4.9)	(153.3)
Transaction costs[8]	18.1	21.0	55.0	64.2
Acquisition, rebranding and other integration costs[9]	6.1	9.2	25.8	25.1
TEU amortization expense	0.2	0.6	1.1	2.0
Impairment and other[10]	(5.3)	-	7.2	-
Tax effect[11]	(36.2)	(26.1)	(207.2)	(143.9)
Adj. Net (Loss) Income from continuing operations	**($7.9)**	**$21.2**	**$178.1**	**$132.8**
Weighted and diluted weighted average number of shares outstanding	369.1	363.1	367.2	361.6
Adjusted (loss) earnings per share from continuing operations, basic and diluted ($)	(0.02)	0.06	0.49	0.37

1. ***Comparative figures:*** *Comparative figures have been re-presented, refer to Note 25 in our Annual Financial Statements.*
2. ***Amortization of intangible assets:*** *This is a non-cash item and consists of the amortization of intangible assets such as customer lists, municipal contracts, non-compete agreements, trade name and other licenses.*
3. ***ARO discount rate depreciation adjustment:*** *This is a non-cash item and consists of depreciation expense related to the difference between the ARO calculated using the credit adjusted risk-free discount rate required for measurement of the ARO through purchase accounting compared to the risk-free discount rate required for quarterly valuations.*
4. ***Prepayment penalties for early note redemption:*** *Consists of prepayment penalty costs associated with the early redemption of the 8.5000% 2027 Notes.*
5. ***(Gain) loss on foreign exchange:*** *Consists of (i) non-cash gains and losses on foreign exchange and interest rate swaps entered into in connection with our debt instruments and (ii) gains and losses attributable to foreign exchange rate fluctuations.*
6. ***Mark-to-market loss (gain) on Purchase Contracts:*** *This is a non-cash item that consists of the fair value "mark-to-market" adjustment on the Purchase Contracts.*
7. ***Gain on divestiture:*** *Consists of gain resulting from the divestiture of certain assets.*
8. ***Transaction costs:*** *Consists of acquisition, integration and other costs such as legal, consulting and other fees and expenses incurred in respect of acquisitions and financing activities completed during the applicable period. We expect to incur similar costs in connection with other acquisitions in the future and, under IFRS, such costs relating to acquisitions are expensed as incurred and not capitalized. This is part of SG&A.*
9. ***Acquisition, rebranding and other integration costs:*** *Consists of costs related to the rebranding of equipment acquired through business acquisitions. We expect to incur similar costs in connection with other acquisitions in the future. This is part of cost of sales.*
10. ***Impairment and other:*** *This is a non-cash item and consists of impairment charge and insurance recoveries related to assets that were destroyed by fire.*
11. ***Tax effect:*** *Consists of the tax effect of the adjustments to net loss.*

Note: Diluted weighted average number of shares includes 25,665,433 subordinate voting shares, representing the minimum conversion of the TEUs as at December 31, 2022 and 25,658,711 subordinate voting shares, representing the minimum conversion of the TEUs as at December 31, 2021.

Definitions

“EBITDA” represents, for the applicable period, net income (loss) from continuing operations plus (a) interest and other finance costs, plus (b) depreciation and amortization of property and equipment, landfill assets and intangible assets, plus (less) (c) the provision (recovery) for income taxes, in each case to the extent deducted or added to/from net income (loss) from continuing operations. We present EBITDA to assist readers in understanding the mathematical development of Adjusted EBITDA. Management does not use EBITDA as a financial performance metric.

“Adjusted EBITDA” is a supplemental measure used by management and other users of our financial statements including our lenders and investors, to assess the financial performance of our business without regard to financing methods or capital structure. Adjusted EBITDA is also a key metric that management uses prior to execution of any strategic investing or financing opportunity. For example, management uses Adjusted EBITDA as a measure in determining the value of acquisitions, expansion opportunities and dispositions. In addition, Adjusted EBITDA is utilized by financial institutions to measure borrowing capacity. Adjusted EBITDA is calculated by adding and deducting, as applicable from EBITDA, certain expenses, costs, charges or benefits incurred in such period which in management's view are either not indicative of underlying business performance or impact the ability to assess the operating performance of our business, including: (a) (gain) loss on foreign exchange, (b) (gain) loss on sale of property and equipment, (c) mark-to-market (gain) loss on Purchase Contracts, (d) share of net income of investments accounted for using the equity method, (e) share-based payments, (f) gain (loss) on divestiture, (g) transaction costs, (h) acquisition, rebranding and other integration costs (included in cost of sales related to acquisition activity), and (i) impairment and other. We use Adjusted EBITDA to facilitate a comparison of our operating performance on a consistent basis reflecting factors and trends affecting our business. For the year ended December 31, 2022, we deducted our share of net income of investments accounted for using the equity method and adjusted for an impairment charge and insurance recoveries related to assets that were destroyed by fire during the year. As we continue to grow our business, we may be faced with new events or circumstances that are not indicative of our underlying business performance or that impact the ability to assess our operating performance.

“Adjusted EBITDA margin” represents Adjusted EBITDA divided by revenue. Management and other users of our financial statements including our lenders and investors use Adjusted EBITDA margin to facilitate a comparison of the operating performance of each of our operating segments on a consistent basis reflecting factors and trends affecting our business.

“Acquisition EBITDA” represents, for the applicable period, management's estimates of the annual Adjusted EBITDA of an acquired business, based on its most recently available historical financial information at the time of acquisition, as adjusted to give effect to (a) the elimination of expenses related to the prior owners and certain other costs and expenses that are not indicative of the underlying business performance, if any, as if such business had been acquired on the first day of such period (“Acquisition EBITDA Adjustments”), and (b) contract and acquisition annualization for contracts entered into and acquisitions completed by such acquired business prior to our acquisition. Further adjustments are made to such annual Adjusted EBITDA to reflect estimated operating cost savings and synergies, if any, anticipated to be realized upon acquisition and integration of the business into our operations. We use Acquisition EBITDA for the acquired businesses to adjust our Adjusted EBITDA to include a proportional amount of the Acquisition EBITDA of the acquired businesses based upon the respective number of months of operation for such period prior to the date of our acquisition of each such business.

“Run-Rate EBITDA” represents Adjusted EBITDA for the applicable period as adjusted to give effect to management's estimates of (a) Acquisition EBITDA Adjustments (as defined above) and (b) the impact of annualization of certain new municipal and disposal contracts and cost savings initiatives, entered into, commenced or implemented, as applicable, in such period, as if such contracts or costs savings initiatives had been entered into, commenced or implemented, as applicable, on the first day of such period. Run-Rate EBITDA has not been adjusted to take into account the impact of the cancellation of contracts and cost increases associated with these contracts. These adjustments reflect monthly allocations of Acquisition EBITDA for the acquired businesses based on straight line proration. As a result, these estimates do not take into account the seasonality of a particular acquired business. While we do not believe the seasonality of any one acquired business is material when aggregated with other acquired businesses, the estimates may result in a higher or lower adjustment to our Run-Rate EBITDA than would have resulted had we adjusted for the actual results of each of the acquired businesses for the period prior to our acquisition. We primarily use Run-Rate EBITDA to show how GFL would have performed if each of the interim acquisitions had been consummated at the start of the period as well as to show the impact of the annualization of certain new municipal and disposal contracts and cost savings initiatives. We also believe that Run-Rate EBITDA is useful to investors and creditors to monitor and evaluate our borrowing capacity and compliance with certain of our debt covenants. Run-Rate EBITDA as presented herein is calculated in accordance with the terms of our revolving credit agreement.

“Net Leverage” is a supplemental measure used by management to evaluate borrowing capacity and capital allocation strategies. Net Leverage is equal to our total long-term debt, as adjusted for fair value, deferred financings and other adjustments and reduced by our cash, divided by Run-Rate EBITDA.

“Adjusted Net Income (Loss) from continuing operations” represents net income (loss) for continuing operations adjusted for (a) amortization of intangible assets, (b) ARO discount rate depreciation adjustment, (c) incremental depreciation of property and equipment due to recapitalization, (d) prepayment penalties for early note redemption, (e) amortization of deferred financing costs, (f) (gain) loss on foreign exchange, (g) mark-to-market (gain) loss on Purchase Contracts, (h) share of net income of investments accounted for using the equity method, (i) gain (loss) on divestiture, (j) transaction costs, (k) acquisition, rebranding and other integration costs, (l) TEU amortization expense, (m) impairment and other, and (n) the tax impact of the forgoing. For the year ended December 31, 2022, we deducted our share of net income of investments accounted for using the equity method and adjusted for an impairment charge and insurance recoveries related to assets that were destroyed by fire during the year. Adjusted earnings (loss) per share from continuing operations is defined as Adjusted Net Income (Loss) from continuing operations divided by the weighted average shares in the period. We believe that Adjusted earnings (loss) per share from continuing operations provides a meaningful comparison of current results to prior periods' results by excluding items that GFL does not believe reflect its fundamental business performance.

“Adjusted Cash Flows from Operating Activities” represents cash flows from operating activities adjusted for (a) operating cash flows from discontinued operations, (b) prepayment penalties for early note redemption, (c) transaction costs, (d) acquisition, rebranding and other integration costs, (e) M&A related net working capital investment, (f) tax refund from CARES Act, and (g) cash interest paid on TEUs. Management uses Adjusted Cash Flows from Operating Activities to evaluate and monitor the ongoing financial performance of GFL. Adjusted Cash Flows from Operating Activities is a supplemental measure used by investors as a valuation and liquidity measure in our industry.

“Adjusted Free Cash Flow” represents Adjusted Cash Flows from Operating Activities adjusted for (a) proceeds from asset divestitures, (b) normalization for excess proceeds from asset divestitures, (c) proceeds on disposal of assets, (d) purchase of property and equipment and intangible assets, and (e) investment in joint ventures and associates. For the year ended December 31, 2022, proceeds from asset divestitures excluded proceeds received for the divestiture of GFL Infrastructure. Adjusted Free Cash Flow is a supplemental measure used by investors as a valuation and liquidity measure in our industry. Management uses Adjusted Free Cash Flow to evaluate and monitor the ongoing financial performance of GFL.