GFL Announces the Formation of the Resource Recovery Alliance and the Definitive Agreement to Acquire Canadian Stewardship Services Alliance

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TORONTO, July 6, 2021 /PRNewswire/ - GFL Environmental Inc. ("GFL") announced today that it has formed the Resource Recovery Alliance ("RRA") in response to the Government of Ontario's extended producer responsibility regulation requiring product and packaging producers ("producers") to operate and fully finance Ontario's Blue Box program. RRA will become a producer responsibility organization ("PRO") under the new legislation and will be vertically integrated within GFL's service offerings.

GFL also announced today that RRA has entered into a definitive agreement to acquire Canadian Stewardship Services Alliance ("CSSA"). With the acquisition, RRA will be a comprehensive resource recovery and compliance solution for producers in North America, augmenting GFL's existing capabilities in collection, sorting, processing, marketing, and reporting of blue box material in Ontario.

"Ontario has ushered in a new wave of extended producer responsibility in Canada, bringing increased responsibilities for producers, along with new opportunities to innovate and drive greater efficiencies and environmental outcomes," said Patrick Dovigi, GFL founder and CEO. "RRA will combine GFL's extensive international footprint and depth of experience in North America's resource recovery sector with CSSA's leadership in compliance and administration of recycling programs across Canada. CSSA's in-depth understanding of producers and the new and much more rigorous regulatory needs makes them an ideal partner for GFL in the creation of this PRO."

Through RRA, producers will have the benefit of a proven, reliable, and experienced environmental services partner that can leverage economies of scale and efficiencies, positioning them to meet their responsibilities under the modern and consolidated Blue Box Program, which will phase in between 2023-25.
"RRA will bring the experience and expertise of GFL, CSSA, and producers together and provide consumer brands with sustainable solutions they can trust," added Dovigi. "RRA will establish a Producer Alliance Council and directly involve producers in designing the new program. RRA will work collaboratively with the Council to identify, define, monitor, and meet the new and ambitious program expansion, standardization and recovery targets designated by the Government of Ontario."

"This new model of resource recovery announced by the Government of Ontario will be a catalyst for change in the province, and in other jurisdictions across the country looking at extended producer responsibility programs," said John Coyne, CSSA Executive Chair. "GFL's coast-to-coast operations and diversified service offerings coupled with CSSA's compliance and administration expertise presented an exemplary partnership opportunity. Together, we will support producers in meeting their new obligations in Ontario while also ensuring seamless transition and harmonization with new EPR regimes anywhere in Canada, and North America, in the future."

GFL is North America's fourth largest diversified environmental company, focused on providing customers with solutions that increase recovery of valuable resources, including composting of organic material, recovery of paper, packaging and construction waste, creation of renewable green energy and securing leading prices in selling commodities. In Ontario, GFL already has capabilities to recover much of Ontario's blue box materials with five material recovery facilities, 15 transfer stations, and over 750 collection trucks. GFL has also designed, built, and currently operates several technologically advanced facilities in partnership with municipalities across the province.

The acquisition of CSSA, which is subject to customary closing conditions, is expected to close in the third quarter of 2021.

About GFL
GFL, headquartered in Vaughan, Ontario, is the fourth largest diversified environmental services company in North America, providing a comprehensive line of non-hazardous solid waste management, infrastructure & soil remediation and liquid waste management services through its platform of facilities throughout Canada and in 27 states in the United States. Across its organization, GFL has a workforce of more than 15,000 employees.

Forward-Looking Information
This release includes certain "forward-looking statements", including statements relating to the potential acquisition of CSSA and RRA becoming a PRO. In some cases, but not necessarily in all cases, forward-looking statements can be identified by the use of forward looking terminology such as "plans", "targets", "expects" or "is expected", "intends", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". Forward-looking statements are not guarantees or assurances of future performance but instead represent management's current beliefs and expectations regarding future events. Forward-looking statements are necessarily based on a number
of opinions, assumptions and estimates that, while considered reasonable by GFL as of the date of this release, are subject to inherent uncertainties, risks and changes in circumstances that may differ materially from those contemplated by the forward-looking statements. There can be no assurance that such estimates and assumptions will prove to be correct. You should not place undue reliance on forward-looking statements, which speak only as of the date of this release. GFL undertakes no obligation to publicly update any forward-looking statement, except as required by applicable securities laws.

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