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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

[Check one]

☐ **Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934**

or

☒ **Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2021 **Commission File Number 001-39240**

GFL Environmental Inc.

(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English (if applicable))

Ontario, Canada
(Province or other jurisdiction of incorporation or organization)

4953
(Primary Standard Industrial Classification Code Number (if applicable))

Not Applicable
(I.R.S. Employer Identification Number (if applicable))

100 New Park Place, Suite 500
Vaughan, Ontario, Canada L4K 0H9
(905) 326-0101
(Address and telephone number of Registrant's principal executive offices)

Corporate Creations Network Inc.
3411 Silverside Road, Tatnall Building, Suite 104
Wilmington, DE 19810
(302) 351-3367
(Name, address (including zip code) and telephone number (including area code)
of agent for service in the United States)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Subordinate voting shares	**GFL**	**The New York Stock Exchange; The Toronto Stock Exchange**
Tangible equity units	**GFLU**	**The New York Stock Exchange**

Securities registered or to be registered pursuant to Section 12(g) of the Act:
Not Applicable

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:
Not Applicable

For annual reports, indicate by check mark the information filed with this Form:

☒ Annual information form ☒ Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

At December 31, 2021, 326,229,953 subordinate voting shares, 12,062,964 multiple voting shares, 28,571,428 Series A perpetual convertible preferred shares and 8,196,721 Series B perpetual convertible preferred shares were issued and outstanding.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, 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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Yes ☒ No ☐

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INTRODUCTION

In this annual report on Form 40-F for the year ended December 31, 2021, all references to "GFL", "we", "our", "us", "the Company" or similar terms refer to GFL Environmental Inc. and its consolidated subsidiaries.

DISCLOSURE CONTROLS AND PROCEDURES

The information provided under the heading "Disclosure Controls and Procedures" contained in the Company's Management's Discussion and Analysis for the fiscal year ended December 31, 2021, filed as Exhibit 99.2 to this annual report on Form 40-F ("**2021 MD&A**"), is incorporated by reference herein.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management's annual report on internal control over financial reporting

The information provided under the heading "Management's Annual Report on Internal Control Over Financial Reporting", contained in the 2021 MD&A, is incorporated by reference herein.

Auditor's attestation report on internal control over financial reporting

The effectiveness of our internal control over financial reporting as of December 31, 2021 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report which appears on page F-5 of the Company's audited annual consolidated financial statements for the fiscal year ended December 31, 2021, filed as Exhibit 99.3 to this annual report on Form 40-F and is incorporated by reference herein.

Changes in internal control over financial reporting

The information provided under the heading "Changes in Internal Control Over Financial Reporting", contained in the 2021 MD&A, is incorporated by reference herein.

AUDIT COMMITTEE FINANCIAL EXPERT

The information provided under the heading "Directors and Officers - Committees of our Board of Directors - The Audit Committee" identifying the Company's Audit Committee Financial Experts, and confirming the independence of the Audit Committee Financial Experts, contained in the Company's Annual Information Form (dated February 10, 2022), filed as Exhibit 99.1 to this annual report on Form 40-F (the "**Annual Information Form**"), is incorporated by reference herein.

CODE OF ETHICS

Our board of directors has adopted a written code of ethics (the " **Code of Ethics**") which applies to all of our officers, directors, employees, contractors and agents, acting on behalf of us. We have posted a current copy of our Code of Ethics on our investor relations website at http://investors.gflenv.com under "Governance Documents." We granted no waivers under the Code of Ethics in 2021. We intend to satisfy the disclosure requirement regarding amendments to, or waivers from, a provision of the Code of Ethics by posting such information on our website at http://investors.gflenv.com the address and location specified above. The information contained on our website is not incorporated by reference into this Annual Report on Form 40-F.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

Effective August 20, 2021, we changed our auditor from Deloitte LLP (Toronto, Canada, PCAOB ID No.: 01208) to KPMG LLP (Toronto, ON, Canada, Auditor Firm ID: 85).

The information provided under the heading "Directors and Officers - Committees of our Board of Directors – Auditor Service Fees", contained in the Annual Information Form, is incorporated by reference herein.

OFF-BALANCE SHEET ARRANGEMENTS

Performance Bonds

The information provided under the heading “Other Commitments”, contained in the 2021 MD&A, is incorporated by reference herein.

CONTRACTUAL AND OTHER OBLIGATIONS

Contractual Obligations

The information provided under the heading “Contractual Obligations”, contained in the 2021 MD&A, is incorporated by reference herein.

Other Commitments

The information provided under the heading “Other Commitments”, contained in the 2021 MD&A, is incorporated by reference herein.

IDENTIFICATION OF THE AUDIT COMMITTEE

The information provided under the heading “Directors and Officers” identifying the Company’s Audit Committee and confirming the independence of the Audit Committee, contained in the Annual Information Form, is incorporated by reference herein.

SUMMARY OF SIGNIFICANT CORPORATE GOVERNANCE DIFFERENCES

We are a “foreign private issuer” (as such term is defined in Rule 3b–4 under the Securities Exchange Act of 1934 (the “**Exchange Act**”)), and our subordinate voting shares and tangible equity units are each listed on the New York Stock Exchange (the “**NYSE**”). The NYSE Listing Rules include certain accommodations in the corporate governance requirements that allow foreign private issuers, such as us, to follow “home country” corporate governance practices in lieu of the otherwise applicable corporate governance standards of the NYSE. Accordingly, we may follow certain corporate governance practices of our “home country”, Canada, in lieu of certain of the corporate governance requirements of the NYSE. The application of such exceptions requires that we disclose any significant ways that our corporate governance practices differ from the NYSE Listing Rules that we do not follow, if any.

Although we currently follow the corporate governance requirements of the NYSE and do not avail ourselves of the exemptions afforded to foreign private issuers under the NYSE Listing Rules, to the extent permitted, we may in the future decide to follow Canadian corporate governance practices instead of some or nearly all of the NYSE’s requirements. Following our “home country” governance practices may provide less protection than is accorded to investors under the NYSE Listing Rules applicable to domestic U.S. issuers. If in the future we decide to follow our “home country” governance practices, we intend to make available a comparison of NYSE Corporate Governance Rules required to be followed by domestic U.S. issuers and our corporate governance either in our annual report or on our website, as required by the NYSE Listing Rules.

UNDERTAKING

Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

GFL Environmental Inc.

By: /s/ Patrick Dovigi
Name: Patrick Dovigi
Title: *President and Chief Executive Officer*

Date: February 10, 2022

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99.5	Consent of Deloitte LLP dated February 10, 2022
99.6	Principal Executive Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.7	Principal Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.8	Principal Executive Officer Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
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101.INS	Inline XBRL Instance Document - the Instance Document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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Exhibit 99.1



GFL ENVIRONMENTAL INC.

ANNUAL INFORMATION FORM
FOR THE YEAR
ENDED DECEMBER 31, 2021

February 10, 2022

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INTRODUCTION

In this Annual Information Form for the year ended December 31, 2021 (referred to herein as the " **AIF**"), all references to "GFL", "we", "our", "us", "the Company" or similar terms refer to GFL Environmental Inc. and its consolidated subsidiaries. Certain terms used herein are defined in the text and others are included in the glossary of terms.

This AIF should be read in conjunction with our 2021 audited annual consolidated financial statements and notes thereto and the related annual management's discussion and analysis, but which, for greater certainty, are not incorporated by reference herein. In this AIF, unless otherwise specified, all monetary amounts are in Canadian dollars, all references to "$", "C$", "CDN$", "CAD$", and "dollars" mean Canadian dollars and all references to "US$" and "USD" mean U.S. dollars.

Unless indicated otherwise, all information in this AIF is stated as of December 31, 2021.

Trademarks and Trade Names

This AIF includes certain trademarks, such as "GFL Green For Life", "Green Today, Green For Life", "GFL Environmental" and "GFL" which are protected under applicable intellectual property laws and are our property. Solely for convenience, our trademarks and trade names referred to in this AIF may appear without the ® or ™ symbol, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights to these trademarks and trade names.

Forward-Looking Information

This AIF contains forward-looking statements and forward-looking information (collectively, " **forward-looking information**") within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended (the " **Securities Act**"), Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 and applicable securities laws in Canada. Forward-looking information includes all statements that do not relate solely to historical or current facts, may relate to anticipated events or results and may include statements regarding our objectives, plans, goals, strategies, outlook, results of operations, financial and operating performance, dividend policy, prospects and opportunities. Particularly, statements regarding our expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate are 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 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 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 contained in this AIF is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Certain assumptions in respect of our ability to build our market share; our ability to retain key personnel; our ability to maintain and expand geographic scope; our ability to continue to grow our revenue and improve operating margins; our ability to maintain good relationships with our customers; our ability to execute on our expansion plans; our ability to respond to changing customer and legal requirements with respect to sustainable solutions or other matters; our ability to execute on additional acquisition opportunities and successfully integrate acquired businesses; our ability to continue investing in infrastructure to support our growth; our ability to obtain and maintain existing financing on acceptable terms; our ability to implement price increases or offset increasing costs; currency exchange and interest rates; the impact of competition; our potential liability, if any, in connection with environmental matters; the changes and trends in our industry or the global economy; and the changes in laws, rules, regulations, and global standards are material factors made in preparing forward-looking information and management's expectations.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that we considered appropriate and reasonable as of the date such information is stated and is subject to known and unknown risks, uncertainties, assumptions and other 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 the following risk factors described in greater detail under the heading entitled “Risk Factors” in this AIF:

- substantial governmental regulation, changes thereto and risks associated with failure to comply, including regulations with respect to PFAS (as defined below);
- liabilities in connection with environmental matters;
- public health outbreaks, epidemics or pandemics, such as the COVID-19 pandemic, have and could continue to adversely impact our business;
- loss of municipal and other contracts;
- highly competitive environmental services industry;
- potential inability to acquire, lease, expand or renew landfill, organic waste facility, transfer station, liquid waste processing facility and soil remediation facility permits, approvals and agreements, and the cost of operation and/or future construction of existing landfills, soil remediation facilities and organic waste facilities;
- significant risks of acquisitions and potential adverse effect on our operations;
- potential liabilities from past and future acquisitions;
- dependence on the integration and success of acquired businesses;
- competition, consolidation and economic and market conditions may limit our ability to grow through acquisitions;
- dependence on third-party landfills, MRFs (as defined below), liquid waste processing facilities and transfer stations;
- our access to equity or debt capital markets is not assured;
- cyclical nature of the soil remediation and infrastructure industry;
- increases in labour, disposal, and related transportation costs;
- price increases may not be adequate to offset the impact of increased costs or may cause us to lose customers;
- historical operating results may be of limited use in evaluating and predicting results due to acquisitions;
- exposure to exchange rate fluctuations for U.S. operations and U.S. dollar denominated financial instruments;
- changing prices or market requirements for recyclable materials;
- foreign import and export regulations imposed on recyclables;
- legal and environmental policy changes in the waste management industry;
- increasing efforts by provinces, states and municipalities to reduce landfill disposal;

- reduction of the volume of waste available for collection and disposal due to changing patterns of waste disposal;
- fuel supply and fuel price fluctuations;
- we require sufficient cash flow to reinvest in our business and achieve our financial strategy;
- potential inability to obtain performance or surety bonds, letters of credit, other financial assurances or insurance;
- operational, health, safety and environmental risks;
- dependence on our key personnel;
- natural disasters, weather conditions and seasonality;
- economic downturn may adversely impact our operating results and expose us to credit risk;
- increasing dependence on technology and risk of technology failure;
- cybersecurity incidents or issues;
- damage to our reputation or our brand;
- requirements to register as a commercial vehicle operator in the jurisdictions in which we operate and maintain certain vehicle standards;
- increases in insurance costs;
- climate change regulations that could increase our costs to operate;
- failure to comply with U.S., Canadian or foreign anti bribery or anti corruption laws or regulations;
- we incur significant expenses as a result of being a public company;
- risks associated with our internal control over financial reporting;
- efforts by labour unions could divert management attention;
- landfill site closure and post closure costs and contamination related costs;
- litigation or regulatory or activist action;
- significant influence of the Investors (as defined below) over us and decisions that require shareholder approval, and your interests as a shareholder may conflict with the interests of our Investors;
- issuance of additional subordinate voting shares, multiple voting shares or preferred shares, as well as the conversion of Convertible Preferred Shares (as defined below) or the settlement of the Purchase Contracts (as defined below) for subordinate voting shares, may have a dilutive effect on the interests of our shareholders;
- as a foreign private issuer, we are not subject to or may be exempt from certain U.S. securities law disclosure requirements and governance standards applicable to domestic U.S. issuers;
- loss of foreign private issuer status;

- volatility of the market price of our subordinate voting shares;
- subordinate voting shares are equity interests and are subordinate to our existing and future indebtedness and preferred shares;
- holders of our Convertible Preferred Shares have different rights and privileges than holders of subordinate voting shares;
- increased indebtedness may reduce our financial flexibility;
- ability to maintain our credit rating;
- ability to pay dividends and to meet our debt obligations depends on the performance of our subsidiaries and the ability to utilize the cash flows from our subsidiaries;
- a significant portion of our total outstanding subordinate voting shares may be sold into the public market in the near future, which could cause the market price of our subordinate voting shares to fall;
- ability to enforce civil liabilities against us and our directors and officers;
- governing laws in Ontario, Canada could, in some cases, have a different effect on shareholders than the corporate laws in Delaware, United States;
- derivative actions, actions relating to breach of fiduciary duties and other matters relating to our internal affairs will be required to be litigated in Canada, which could limit shareholders' ability to obtain a favourable judicial forum for disputes with us;
- claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of insurance coverage available to us;
- provisions of Canadian law may delay, prevent or make undesirable an acquisition of all or a significant portion of our shares or assets; and
- the Amortizing Notes (as defined herein) will be subject to the prior claims of any secured creditors, and if a default occurs, we may not have sufficient funds to fulfill our obligations under the Amortizing Notes.

The opinions, estimates or assumptions referred to above and described in greater detail under "Risk Factors" in this AIF should be considered carefully by readers.

These factors should not be construed as exhaustive and should be read with other cautionary statements in this AIF. 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 risk 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. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information contained in this AIF represents our expectations as of the date of this AIF (or as the date it is otherwise stated as of) 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 laws.

INTERPRETATION

In this AIF, the terms set forth below have the following meanings:

"**3.500% 2028 Secured Notes**" means our 3.500% USD senior secured notes due March 1, 2028.

"**3.750% 2025 Secured Notes**" means our 3.750% USD senior secured notes due August 1, 2025.

"**4.000% 2028 Notes**" means our 4.000% USD senior unsecured notes due August 1, 2028.

"**4.250% 2025 Secured Notes**" means our 4.250% USD senior secured notes due June 1, 2025.

"**4.375% 2029 Notes**" means our 4.375% USD senior unsecured notes due August 15, 2029.

"**4.750% 2029 Notes**" means our 4.750% USD senior unsecured notes due June 15, 2029.

"**5.125% 2026 Secured Notes**" means our 5.125% USD senior secured notes due December 15, 2026.

"**Amortizing Note(s)**" means each senior amortizing note issued by us due March 15, 2023, which forms a part of each TEU.

"**Articles**" means our articles of amalgamation.

"**BC Partne**rs" means BC Partners Advisors L.P.

"**CNG**" means compressed natural gas.

"**Coattail Agreement**" means the coattail agreement entered into by the Dovigi Group and a trustee on March 5, 2020.

"**Convertible Preferred Shares**" means the Series A Convertible Preferred Shares and the Series B Convertible Preferred Shares.

"**CPI**" means consumer price index.

"**Credit Agreements**" means the Term Facility Credit Agreement and the Revolving Credit Facility Agreement.

"**DGCL**" means Delaware General Corporation Law.

"**Dovigi Group**" means Patrick Dovigi, Josaud Holdings Inc., Josaud II Holdings Inc., Sejosa Holdings Inc. and Sejosa II Holdings Inc.

"**Fiscal 2020**" means the fiscal year ended December 31, 2020.

"**Fiscal 2021**" means the fiscal year ended December 31, 2021.

"**GIC**" means Magny Cours Investment Pte Ltd.

"**Holdings**" means GFL Environmental Holdings Inc.

"**HPS**" means HPS Investment Partners, LLC.

"**HPS Series B Subscription Agreement**" means the subscription agreement we entered into on September 27, 2021 with HPS.

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board.

"**Investor Rights Agreements**" means the investor rights agreements, as amended, restated or replaced from time to time, to which the Investors and certain other persons are party.

"**Investors**" means BC Partners, Ontario Teachers, GIC and the Dovigi Group.

"**Margin Loan Borrowers**" means, pursuant to the Margin Loans, entities that are affiliates of, or formed for the benefit of, certain of our shareholders including, without limitation, entities that are affiliates of, or formed for the benefit of, the Investors.

"**Margin Loans**" means the separate margin loans provided to the Margin Loan Borrowers by certain Canadian chartered banks in connection with the IPO, as amended, restated or replaced from time to time.

"**MRFs**" means material recovery facilities.

"**Notes**" means the Secured Notes and the Unsecured Notes.

"**NYSE**" means the New York Stock Exchange.

"**NYSE Listing Rules**" means the listing rules of the NYSE.

"**OBCA**" means the Business Corporations Act (Ontario).

"**Ontario Teachers**" means Ontario Teachers' Pension Plan Board, collectively with the funds, partnerships, investment vehicles or other entities affiliated therewith or managed, advised or controlled thereby.

"**PFAS**" means per- and polyfluoroalkyl substances.

"**PFOA**" means perfluorooctanoic acid.

"**Purchase Contract(s)**" means each prepaid stock purchase contract issued by us, which forms a part of each TEU.

"**Registration Rights Agreement**" means the registration rights agreement, as amended, restated or replaced from time to time, to which the Registration Rights Investors and certain other persons are party.

"**Registration Rights Investors**" means BC Partners, Ontario Teachers, GIC, the Dovigi Group and HPS.

"**Revolving Credit Facility**" means the facilities available under the Revolving Credit Facility Agreement.

"**Revolving Credit Facility Agreement**" means the Seventh Amended and Restated Credit Agreement, dated as of September 27, 2021, that we entered into with a syndicate of lenders.

"**SEC**" means the United States Securities and Exchange Commission.

"**Secured Notes**" means the 3.500% 2028 Secured Notes, the 3.750% 2025 Secured Notes, the 4.250% 2025 Secured Notes and the 5.125% 2026 Secured Notes.

"**Series A Convertible Preferred Shares**" means our Series A perpetual convertible preferred shares issued on October 1, 2020.

"**Series B Convertible Preferred Shares**" means our Series B perpetual convertible preferred shares issued on December 17, 2021.

"**Shares**" means our subordinate voting shares and multiple voting shares, and the number of subordinate voting shares issuable upon conversion of the Convertible Preferred Shares.

"**Term Facility Credit Agreement** " means the Term Facility Credit Agreement, dated as of September 30, 2016 (as amended as of May 31, 2018, November 14, 2018 and December 22, 2020) among us, each of our subsidiaries party thereto, Barclays Bank PLC, as administrative agent, the lenders party thereto and each other party thereto.

"**Term Loan Facility** " means the U.S. dollar denominated term facility available under the Term Facility Credit Agreement and includes the incremental term facility.

"**TEUs**" means our 6.00% tangible equity units.

"**TSX**" means the Toronto Stock Exchange.

"**UMO**" means used motor oil.

"**Unsecured Notes**" means the 4.000% 2028 Notes, the 4.375% 2029 Notes and the 4.750% 2029 Notes.

"**Waste Industries**" means Wrangler Holdco Corp. and its subsidiaries (dba Waste Industries USA).

RISK FACTORS

We are subject to the following risk factors:

Risks Related to Our Business and Industry

We are subject to substantial governmental regulation that will change over time. Failure to comply with these requirements, as well as enforcement actions and litigation arising from an actual or perceived breach of such requirements, could subject us to fines, penalties and judgements, and impose limits on our ability to operate and expand.

We are subject to potential liability and numerous restrictions under environmental and other laws, including those relating to transportation, recycling, treatment, storage and disposal of wastes and hazardous wastes, discharges of pollutants to air and water, and the remediation of contaminated soil, the deposit of remediated or excavated soil at third-party sites, greenhouse gas ("**GHG**") emissions and the remediation of contaminated surface water and groundwater. These laws and regulations are subject to ongoing changes, not all of which are predictable, including with respect to legal requirements for more sustainable solutions including waste diversion from landfill disposal through alternative solutions such as compost processing, soil remediation and resource recovery through recycling, as well as harnessing power generated by landfills. The operation of each of our business lines has been and will continue to be subject to regulation, including permitting and related financial assurance requirements, as well as attempts to further regulate our operations. Permits often take years to obtain or renew as a result of numerous hearings and compliance requirements with regard to zoning, environmental and other laws and regulations. These permits are also often subject to resistance from citizen or other groups and other political pressures. Local communities and citizen groups, adjacent landowners or governmental agencies may oppose the issuance or expansion of a permit or approval we may need, allege violations of the permits under which we currently operate or laws or regulations to which we are subject, or seek to impose liability on us for environmental damage. In the past, we have been subject to enforcement actions and certain litigation under applicable environmental laws and regulations that arise in the ordinary course of business. Responding to these challenges has at times increased our costs, required us to make significant capital investments to upgrade our facilities and extended the time associated with establishing disposal, processing, treatment or remediation facilities or expanding their permitted capacity. In addition, failure to receive or maintain regulatory, zoning or other approval, permits or authorizations, may prohibit us from establishing, or cause or contribute to delays for us in, new or expanding capacity at our existing disposal, processing, treatment or soil remediation facilities, including our transfer stations, landfills and organic waste facilities.

Our landfills, transfer stations, organic waste facilities, liquid waste storage and processing facilities, soil remediation and infrastructure operations are subject to a wide range of air emission, noise, nuisance and land use regulations. If we are not able to comply with these requirements or other environmental laws that apply to a particular facility, or if we operate without the necessary approvals or permits, we could be subject to administrative, civil, and possibly criminal, fines and penalties, and we may be required to expend substantial capital to bring an operation into compliance, to temporarily or permanently discontinue activities, and/or to take corrective actions. Furthermore, our operations could be affected by future laws and regulations that may be more onerous than those that are currently in place or that result in significant fees payable for compliance costs, and there is no assurance that we will be able to pass on the increased costs of compliance to our customers. We may also be affected by legal proceedings commenced by neighbours, local residents or governmental authorities that allege negative impacts from our operations and seek remedies such as damages or injunctions to limit or prohibit our operations or require us to purchase or compensate them for diminution in value of their properties or to incur capital expenditures to mitigate the impact of our operations on their properties.

Regulations directed at third parties may also adversely impact our operations. For example, efforts to regulate the emission of GHG at landfills could increase the cost of operating our landfills and result in increased charges for disposal of waste or limit the ability of the affected landfills to accept solid waste. While these regulations could affect our own landfills, they could also increase the cost for us to dispose of solid waste at third-party landfills. Similarly, while our exposure generally to the oil and gas sector is limited, any adverse impact of GHG regulations on the cost of operations of our customers in the oil and gas sector could cause some of our customers to suffer financial difficulties, to reduce their need for our services, and/or ultimately to be unable or unwilling to pay amounts owed to us. These events could have a negative impact on our financial condition, results of operations and cash flows, which could cause the price of our subordinate voting shares to decline.

In addition, compliance with new PFAS regulations may require our landfills to monitor for PFAS, pre-treat leachate, or restrict the disposal of some PFAS-containing wastes. Any such new regulations could increase the cost of our operations, while also presenting potential business opportunities for PFAS management, treatment and disposal.

We may face liabilities in connection with environmental matters.

We may be liable for any remediation costs or natural resources damages attributable to a release or threatened release of pollutants or hazardous substances that has occurred, or may occur in the future, at our current or former facilities or at third-party facilities to which we send waste or our remediated soils, or any other facilities where we conduct business, including damage to neighbouring properties or residents. We may also be liable for environmental contamination caused by pollutants or hazardous substances whose transportation, treatment or disposal we or companies we acquired, arranged or conducted. Under some laws, such as the U.S. Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, and federal and provincial environmental statutes in Canada, we could become jointly and severally liable for such contamination regardless of whether we, or our predecessors, including companies that we acquired, caused the release of pollutants or hazardous substances or are otherwise at fault. There can be no assurance that the cost of such cleanup or that our share of the cost or liability will not exceed our estimates or will not have a material adverse effect on our operations, cash flows and available capital. In addition, environmental insurance coverage for our operations does not cover all of the potential liabilities to which we may be subject and we may not be able to obtain insurance coverage in the future at reasonable expense or at all.

We may also, from time to time, receive notices of violation for failure to comply with environmental laws or become subject to citizen suits as a result of any such noncompliance. There can be no assurance that fines or penalties, or other sanctions associated with such notices or any costs to correct our failure to comply will not be significant to us and impact our results of operations, cash flows and available capital.

It is also possible that government officials responsible for enforcing environmental or applicable federal, provincial, municipal or state laws or regulations or agreements that govern our activities may determine an issue is more serious than we expect, or we may fail to identify or fully appreciate an existing liability before we become legally responsible for addressing it. Some of the legal sanctions to which we could become subject could cause the suspension or revocation of a required permit or authorization; prevent us from, or delay us in, obtaining or renewing permits to operate or expand our facilities; limit (or increase the costs of) our disposal options, including for remediated soils; impose substantial fines or penalties that are comparable to those of criminal sanctions against us or executive officers or employees; or harm our reputation.

The ongoing COVID-19 pandemic has and could continue to adversely impact our business.

The COVID-19 pandemic has and could continue to adversely impact our business, financial condition, liquidity, results of operations, and cash flows.

The spread of COVID-19 has created a global health crisis that has resulted in widespread disruption to economic activity, including in the U.S. and Canada. The U.S. and Canadian governments, as well as numerous state, provincial, local and foreign governments, have at times implemented certain measures to attempt to slow and limit the spread of COVID-19, including increased shelter-in-place and physical distancing orders as well as closure restrictions or requirements. In the first half of 2021, many U.S. state governments lifted or scaled back these measures, resulting in an accelerated economic recovery. In Canada, many provincial governments introduced new increased measures and re-introduced former measures, resulting in a slower recovery. Some of these restrictions began to ease towards the end of the second quarter of 2021; however, a resurgence of cases in certain provinces during the third quarter resulted in the re-introduction of former measures or provinces maintaining their existing measures. While we have been classified as an “Essential Critical Infrastructure Workforce” by the Government of Canada and the U.S. Department of Homeland Security and as an “Essential Service Provider” by Canadian provinces and the U.S. states in which we operate, there is considerable uncertainty regarding such measures, their duration and potential future measures, all of which may continue to reduce customer demand. In addition, federal, state, provincial and municipal governments, as well as private entities, have imposed and may in the future impose vaccine requirement policies with respect to their suppliers and other service providers. These requirements, and any other laws, rules and policies pertaining to COVID-19 vaccines in the jurisdictions in which we operate and/or imposed by the customers we serve, may limit our ability to attract and retain qualified employees, in turn increasing our labour costs, which could have a material adverse effect on our business, results of operations and financial condition.

Factors that may influence the impact of COVID-19 on our financial results include the economic consequences and duration of the outbreak, new information that emerges concerning the trajectory, severity and duration of the COVID-19 pandemic, the emergence of new variants, the development, availability, distribution and effectiveness of vaccines and treatments, changes to the "essential services" classification, employee absences or labour shortages due to widespread illness from COVID-19 and actions taken to contain the outbreak or treat its impact, including the imposition of protective public safety measures, among others. An extended period of economic disruption associated with the COVID-19 pandemic could materially and adversely affect our business, results of operations, access to sources of liquidity and financial condition.

We may lose municipal and other contracts through competitive bidding, non-renewal, early termination or as a result of a change of control.

All of our municipal contracts are for a specified term and may be subject to competitive bidding on the expiration of their current terms. We may not be the successful bidder when a municipal contract which we currently hold expires or we may have to submit a bid at lower margins than we currently enjoy in order to retain the contract. In addition, although we intend to bid on additional municipal contracts, we may not always, or ever, be the successful bidder. Furthermore, some of our municipal contracts have change of control provisions, which may allow municipalities to terminate such municipal contracts in certain circumstances. Similar risks may affect contracts that we currently have or that we may be awarded in the future to operate municipally owned assets, such as MRFs, transfer stations or landfills. In our liquid, infrastructure and soil remediation and solid waste businesses, we also have contracts which are tendered with other government agencies and with our commercial or institutional customers to provide our services on a competitive bid basis. We may not be the successful bidder for these contracts. In addition, some of our customers, including municipalities, may terminate their contracts with us before the end of the terms of those contracts.

If we are not able to replace lost revenue resulting from unsuccessful competitive bidding or non-renewal, renegotiation or early termination of existing municipal and other customer contracts, our results of operations, cash flow and financial condition could be adversely affected.

We operate in the highly competitive environmental services industry and may not be able to compete effectively with others in our business lines.

Some of the markets in which we operate or plan to operate are served by one or more large, international and national companies, as well as by regional and local companies of varying sizes and resources, some of which may have accumulated substantial goodwill in their markets. Some of our competitors may also be better capitalized than we are, have greater name recognition than we do, have access to better equipment than we do, have operations in more jurisdictions than we do, or be able to provide or be willing to bid their services at a lower price than we may be willing to offer. Our inability to compete effectively in securing new or repeat business could hinder our growth or adversely impact our operating results.

Additionally, in our solid waste operations, many cities and municipalities operate their own waste collection and disposal facilities and have competitive advantages not available to private enterprises. We also encounter competition from landfill disposal alternatives, such as recycling and incineration, which benefit from provincial requirements to reduce landfill disposal. In our infrastructure and soil remediation business, we compete with landfills for contaminated soils which may be able to offer lower prices than our soil remediation facilities depending upon their proximity to the source site of the soil. If we are unable to successfully compete against our competitors, our ability to retain existing customers and obtain future business could be adversely affected.

Our financial and operating performance may be affected by the inability in some instances to acquire, lease, expand or renew landfill, organic waste facility, transfer station, liquid waste processing facility and soil remediation facility permits and agreements, or obtain new permits and approvals to build, operate and expand existing facilities. Further, the cost of operation and/or future construction of our existing landfills or organic waste and other facilities may become economically unfeasible, causing us to abandon or cease operations.

Our ability to meet our financial, operating and growth objectives may depend in part on our ability to acquire, lease, expand or renew permits or agreements to operate or use landfills, organic waste facilities, liquid waste processing facilities, soil remediation facilities and clean or remediated soil disposal sites, expand existing landfills and the capacity of our transfer stations, organic waste facilities and soil remediation facilities and develop new landfill, transfer station, organic waste facilities, soil remediation facilities and clean or remediated soil disposal sites. It has become increasingly difficult and expensive to obtain required permits and approvals to build, operate and expand solid waste, soil remediation and liquid waste management facilities, including landfills, transfer stations, soil remediation facilities, clean or remediated soil disposal sites and certain types of organic waste facilities. Obtaining these permits and approvals require numerous hearings and compliance with various zoning, environmental and regulatory laws subject to frequent and unpredictable change in some cases and drawing resistance from citizens, environmental or other groups. Expansions of landfill operations, transfer station permits, soil remediation facilities and processing at our organic waste facilities require us to obtain permits, which may impose burdensome terms and conditions that may require us to incur higher capital expenditures than we anticipated and adversely affect our results of operations. Because of these limitations, we may not be able to grow within our existing markets or expand existing landfill sites or the capacity of our transfer stations, organic waste facilities, soil remediation facilities and clean or remediated soil disposal sites or our usage of third-party facilities, in order to support acquisitions and internal growth in our existing markets. In particular, increased volumes would shorten the lives of landfills and with our other facilities could impose limitations on our ability to service the tonnage requirements of our customers. It is also possible that the operation or expansion of existing landfills, organic waste facilities or soil remediation facilities may become economically unfeasible based on management's assessment of permitting issues, acceptable waste streams, available volumes and operating costs and capital expenditures required to meet permitting requirements, in which case we may abandon expansion plans or abandon or cease operations entirely at a particular facility. Any such decision could result in impairment charges as well as ongoing costs for closure and site remediation, which could cause the price of our subordinate voting shares to decline. Exhausting or limiting permitted capacity at any of our facilities would also restrict our growth and reduce our financial performance in the market served by the facility because we would be forced to dispose of waste at more distant disposal or processing facilities or at such facilities operated by our competitors, thereby increasing our waste disposal expenses.

In addition, certain permits contain provisions that permit the regulator to require us to suspend our operations if we are unable to meet certain performance conditions imposed upon us in the permit. If we were unable to comply with these conditions for a period of time or at all, we could be required to temporarily or permanently suspend our operations at the impacted facility, which would adversely affect our operating results.

We have engaged in recent acquisitions and expect to engage in acquisitions in the future, which may pose significant risks and could have an adverse effect on our operations.

We have engaged in recent acquisitions and expect to engage in future acquisitions in order to achieve our growth strategy. Our ability to execute our growth strategy depends in part on our ability to identify and acquire desirable acquisition candidates at a price and on terms acceptable to us and on our ability to successfully integrate acquired operations into our business. If we identify suitable acquisition candidates, we may be unable to successfully negotiate their acquisition at a price or on terms and conditions acceptable to us, including as a result of the limitations imposed by our debt obligations. While we expect we will be able to fund some of our acquisitions and capital expenditures with our existing resources, we will likely require additional financing, including debt, to pursue certain acquisitions. We may not be able to incur additional debt on terms favourable to us or at all.

Our future financial performance depends in part upon our ability to efficiently and effectively combine the operations of acquired businesses into our existing operations and achieve identified cost savings and other synergies. If we are unable to identify and correct operational or financial weaknesses in acquired businesses or to achieve the projected cost savings, our operating results and cash flows could be negatively impacted. The integration of acquired businesses and other assets, including certain of such businesses' operations and the differences in operational culture of the acquired businesses, may require significant management time and resources, which may distract management's attention from day-to-day business operations. Management will need to maintain existing customers of the acquired businesses and attract new customers, recruit, retain and effectively manage employees, as well as expand operations and integrate financial control systems. Failure to expand operational and financial systems and controls or to retain and integrate appropriate personnel at a pace consistent with our growth could also adversely affect our operating results. Further, if integration-related expenses and capital expenditure requirements are greater than anticipated, or if we are unable to manage our growth profitably, our financial results and cash flow may decline.

We may be subject to potential liabilities from past and future acquisitions that we may not discover in conducting our due diligence.

Acquired businesses may be subject to environmental, operational, tax and other liabilities and risks that were not identified at the time they were acquired. We have previously acquired, and may in the future acquire, businesses that may have handled and stored, or will handle and store, hazardous or other regulated substances, including petroleum products, at their facilities. These businesses may have released substances into the soil, air, surface water or groundwater which may have impacted the soil, air, surface water or groundwater of neighbouring properties. They may also have transported or disposed of substances, or arranged to have transported, disposed of or treated substances to or at other properties where substances were released into soil, air, surface water or groundwater.

In pursuing acquisitions, we conduct due diligence on the business or assets being acquired and seek detailed representations and warranties respecting the business or assets being acquired and typically obtain indemnification from sellers of the acquired companies or from representation and warranty insurance. Despite such efforts, there can be no assurance that the scope of such indemnification or insurance would adequately cover any liabilities as a result of acquisitions, for reasons due to limited scope, amount or duration, the financial capacity of the party who gave or gives the indemnity or warranty to honour it, among others, or that we will not become subject to undisclosed liabilities as a result of acquisitions. This failure to discover potential liabilities may be due to various factors, such as our failure to accurately assess all of the pre-existing liabilities of the operations acquired or sellers failing to comply with laws. If this occurs, we may be responsible for such liabilities or violations, which could have a material adverse effect on our business, financial condition and results of operations and in some instances, could negatively impact the public perception of our brand. Depending on the nature of our acquisition of these businesses and other factors, such liabilities could include the cost of cleaning up any contamination and other environmental damages for which the acquired businesses are liable, even if the contamination predated our ownership or operation of the acquired businesses. Further, we are also subject to the risk of fraud on the part of sellers which could, among other things, result in an overstatement of key metrics of the acquired business or in the failure to disclose instances of non-compliance with applicable laws or contracts related to the acquired business which could expose us to governmental investigation, penalties or fines, the risk of termination or renegotiation of such contracts and have a negative impact on the public perception of our brand.

A portion of our growth and future financial performance depends on our ability to integrate acquired businesses and the success of our acquisitions.

A component of our growth strategy involves achieving economies of scale and operating efficiencies by growing through acquisitions. We may not achieve these goals unless we effectively combine the operations of acquired businesses with our existing operations. In addition, we are not always able to control the timing of our acquisitions. Our inability to complete acquisitions within the time frames that we expect may cause our operating results to be less favourable than expected, which could cause the price of our subordinate voting shares to decline. Even if we are able to make acquisitions on advantageous terms and are able to integrate them successfully into our operations and organization, some acquisitions may not fulfill our anticipated financial or strategic objectives in a given market due to factors that we cannot control, such as market conditions, market position, competition, customer base, third-party legal challenges or governmental actions. In addition, we may change our strategy with respect to a market or acquired businesses and decide to sell such operations at a loss, or keep those operations and recognize an impairment of goodwill and/or intangible assets.

Competition for acquisition candidates, consolidation within the environmental services industry and economic and market conditions may limit our ability to grow through acquisitions.

We seek to grow through strategic acquisitions in addition to organic growth. Although we have and expect to continue to identify numerous acquisition candidates that we believe may be suitable, we may not be able to acquire them at prices or on terms and conditions favourable to us. Other companies have adopted or may in the future adopt our strategy of acquiring and consolidating regional and local businesses. We expect that increased consolidation in the environmental services industry over the longer term will reduce the number of attractive acquisition candidates. Moreover, general economic conditions and the environment for attractive investments may affect the desire of the owners of acquisition candidates to sell their companies. As a result, we may have fewer acquisition opportunities, and those opportunities may be on less attractive terms than in the past, which could cause a reduction in our rate of growth from acquisitions.

We depend on third-party landfills, MRFs, liquid waste processing facilities and transfer stations and we cannot provide assurance that we will maintain these relationships or continue to access services at current or higher levels.

We do not own or operate all of the landfills, MRFs, liquid waste processing facilities or transfer stations in certain markets in which we operate. As a result, we rely on third-party landfills, MRFs, liquid waste processing facilities or transfer stations to dispose of waste in certain markets and to conduct our operations at profitable levels. If we are unable to access these third-party facilities or if the rates for such third-party facilities increase, it could increase our expenses and reduce profitability.

We cannot provide assurance that we will maintain our relationships or have access to any particular landfill, MRF, liquid waste processing facility or transfer station at current levels. We also cannot provide assurance that third-party landfills, MRFs, liquid waste processing facilities or transfer stations will continue to permit our usage and charge gate rates that generate acceptable margins for us. Negative impacts could also occur in disposal-neutral markets if our existing third-party landfill, MRF, liquid waste processing facility or transfer station operators fail to renew their operating contracts, if the volume of waste disposal increases and we are unable to find capacity for such increase or if such facility operators increase their gate rates. In addition, new contracts for disposal services that we enter into may not have terms similar to those contained in our existing disposal arrangements, in which case our revenue and profitability could decline.

Our access to equity or debt capital markets is not assured.

Our ability to access equity or debt capital markets may be restricted at a time when we would like, or need, to do so. While we expect we will be able to fund acquisitions and capital expenditures with our existing resources, additional financing, including additional debt, to pursue acquisitions will likely be required. However, particularly if market conditions deteriorate, we may be unable to secure additional financing or such additional financing may not be available to us on favourable terms, which could have an impact on our flexibility to pursue additional acquisition opportunities. In addition, disruptions in the capital and credit markets could adversely affect our ability to draw on our Revolving Credit Facility or raise other capital. Our access to funds under the Revolving Credit Facility is dependent on the ability of the banks that are parties to the facility to meet their funding commitments. Those banks may not be able to meet their funding commitments if they experience shortages of capital and liquidity or if they experience excessive volumes of borrowing requests within a short period.

The cyclical nature of the infrastructure and soil remediation industry may have a significant impact on the level of competition for available projects.

Fluctuating demand cycles are common in the infrastructure industry and can have a significant impact on the level of competition for available projects. As such, fluctuations in the demand for infrastructure services or the ability of the private and/or public sector to fund projects in then-current economic climate could adversely affect the number of projects available in our markets, pricing and our margins and thus our results, which could cause the price of our subordinate voting shares to decline.

Given the project-based nature of the infrastructure industry, our financial results, similar to others in the industry, may be impacted in any given period by a wide variety of factors beyond our control (as outlined herein) and, as a result, there may be from time to time, significant and unpredictable variations in our quarterly and annual financial results, which could cause the price of our subordinate voting shares to decline.

The changes in demand for soil remediation are typically reactive and correspond directly with demand cycles in the infrastructure industry as infrastructure projects generate a significant majority of the demand for soil remediation services.

Increases in labour costs and disposal and related transportation costs could impact our financial results.

Labour is one of our highest costs and increases in labour costs could materially affect our cost structure. If we fail to attract and retain qualified employees, control our labour costs or recover any increased labour costs through increased prices charged to our customers, or otherwise offset such increases with cost savings in other areas, our operating margins could suffer. In addition, we compete with other businesses in our markets for qualified employees. From time to time, the labour supply is limited in some of our markets. A shortage of qualified employees would require us to enhance our wage and benefits packages to compete more effectively for employees, to hire more expensive temporary employees or to contract for services with more expensive third-party providers.

While most of our employees are paid above minimum wage, further increases in the minimum wage could create upward pressure on our labour costs and could have an adverse impact on our financial condition, results of operations and cash flows.

Disposal and related transportation costs are also a significant cost category for us. If we incur increased disposal and related transportation costs and if we are unable to pass these costs on to our customers, our operating results would suffer.

Price increases may not be adequate to offset the impact of increased costs or may cause us to lose customers.

We seek price increases necessary to offset increased costs, to improve operating margins and to obtain adequate returns on our deployed capital. Contractual, general economic, competitive or market-specific conditions may limit our ability to raise prices. As a result of these factors, we may be unable to offset increases in costs, improve operating margins and obtain adequate investment returns through price increases. We may also lose potential and existing customers to lower-price competitors.

Because of our prior acquisitions and future acquisitions we may engage in, our historical operating results may be of limited use in evaluating and predicting our future results.

We have acquired over 180 businesses since our inception in 2007. We expect that we will engage in acquisitions of other businesses from time to time in the future as part of our growth strategy. The operating results of the businesses acquired in Fiscal 2021 and Fiscal 2020 are included in our audited financial statements from the respective dates of each such acquisition. Historically, all of our acquisitions have been accounted for using the acquisition method of accounting in accordance with IFRS. Use of this method has resulted in a new valuation of the assets and liabilities of the acquired companies, which has generally led to an increase in asset values. We expect an increase in our depreciation and amortization expense and a reduction in our operating and net income commensurate with such increase. As a result of these acquisitions and any future acquisitions, our historical operating results may be of limited use in evaluating and predicting our future results.

Our operations in the United States and our financial instruments that are denominated in U.S. dollars could expose us to exchange rate fluctuations that could adversely affect our financial performance and our reported results of operations.

Our operations in the United States are conducted in U.S. dollars and the Notes, the Amortizing Notes and the outstanding borrowings under our Term Loan Facility are denominated in U.S. dollars. Our consolidated financial statements are denominated in Canadian dollars, and to prepare those financial statements we must translate the amounts of the assets, liabilities, net sales, other revenues and expenses of our operations in the United States from U.S. dollars into Canadian dollars using exchange rates for the current period. Fluctuations in the exchange rates that are unfavourable to us would have an adverse effect on our financial performance and reported results of operations.

Further, while we hedge a portion of the Term Loan Facility, we do not hedge the entire amount outstanding under our Term Loan Facility. The currency risks associated with the unhedged portion of the Term Loan Facility are managed with the U.S. dollar denominated cash flows generated from our U.S. operations. If we generate insufficient U.S. dollar denominated cash flows from our U.S. operations, we may be exposed to exchange rate risk with respect to the unhedged portion of the Term Loan Facility.

Our results of operations could be affected by changing prices or market requirements for recyclable materials.

Our results of operations have been and may continue to be affected by changing purchase or resale prices or market requirements for recyclable materials. Our recycling business involves the purchase and sale of recyclable materials, some of which are priced on a commodity basis. The market for recyclable materials, particularly newspaper, corrugated containers, plastics and ferrous and aluminum metals may be adversely affected by price decreases which could negatively impact our operating results. The sale prices of and the demand for recyclable commodities, particularly paper products, are frequently volatile and when they decline, our revenues, operating results and cash flows will be affected, which could cause the price of our subordinate voting shares to decline.

Foreign import and export regulations imposed on recyclables could impact our ability to export recyclable materials.

The waste management industry is subject to foreign import and export regulations and tariffs imposed on recyclables that may limit the export of recyclables into foreign countries. For example, the Chinese government strictly enforces regulations that establish limits on non-conforming materials that may be contained in imported recyclables, restrict the import of certain recyclables and restrict the issuance of import licenses. Many other markets, both domestic and foreign, have limited or restricted the import of certain recyclables, and tightened quality expectations. MRFs receive a wide range of commingled materials, including non-recyclables, resulting in higher processing and residual disposal costs to achieve quality standards.

Despite these measures, the demand for exported recyclables has grown in recent years and export continues to be economically viable. Although restrictions, tariffs and quality requirements with respect to recyclables do not currently have a significant impact on our operations, particularly as we continue to focus on local circular end markets, they may in the future limit our ability to export recyclable materials globally on terms acceptable to us or at all.

The waste management industry is undergoing fundamental change as traditional waste streams are increasingly viewed as renewable resources and changes in laws and environmental policies may limit the items that enter the waste stream, any of which may adversely impact volumes at our transfer stations and landfills.

The waste management industry has increasingly recognized the value of the waste stream as a renewable resource and new alternatives to landfilling are being developed that seek to maximize the renewable energy and other resource benefits of waste. In addition, environmental initiatives, such as product stewardship and extended producer responsibility("**EPR**"), which hold manufacturers or other actors in the product life cycle responsible for the disposal of manufactured goods, may reduce the volume of products that enter the waste stream. Further, there may be changes in the laws that classify currently unregulated residual materials as waste, reclassify items in the waste stream as hazardous or that otherwise prohibit the disposal of certain wastes in our landfills. These alternatives and changes in laws may impact the demand for landfill space, which may affect our ability to operate our landfills and transfer stations at full capacity, as well as the tipping fees and prices that we can charge. As a result, our revenues and operating margins could be adversely affected.

Cities, municipalities, townships and counties in which we own and/or operate landfills may be required to formulate and implement comprehensive plans to reduce or direct the volume of solid waste deposited in landfills through waste planning, composting, recycling or other programs, such as flow control. Some state, provincial and local governments prohibit the disposal of certain types of wastes, such as yard waste, at landfills. Such actions have reduced and may in the future further reduce the volume of waste going to landfills in certain areas. In addition, we are subject to legal requirements and customer demands with respect to more sustainable solutions including waste diversion from landfill disposal through alternative solutions such as compost processing, soil remediation and resource recovery through recycling, as well as harnessing power generated by landfills. Any of the foregoing may affect our ability to operate our landfills at full capacity and could adversely affect our operating results, which could cause the price of our subordinate voting shares to decline.

Increasing efforts by provinces, states and municipalities to reduce landfill disposal could lead to our landfills operating at a reduced capacity or force us to charge lower rates.

Provinces, states and local governments increasingly have supported the following alternatives to or restrictions on current landfill disposal: (i) reducing waste at the source, including by encouraging or mandating recycling and composting; (ii) prohibiting disposal of certain types of waste at landfills; and (iii) limiting landfill capacity.

Many provinces and states have enacted or are currently considering, laws regarding waste disposal, including: (i) requiring counties, regions, cities and municipalities under their jurisdiction to use waste planning, composting, recycling or other programs to reduce the amount of waste deposited in landfills; and (ii) prohibiting the disposal of food and organic waste, yard waste, tires and other items in landfills. Even where not prohibited by applicable law, some grocery stores and other businesses have chosen or may in the future choose to divert their waste from landfills, while other companies have set zero waste goals and communicated an intention to cease the disposal of any waste at landfills. Although such mandates and initiatives help to protect our environment, these developments may reduce the volume of waste disposed of in landfills in certain areas, which could lead to our landfills operating at less than capacity or force us to charge lower prices for our landfill disposal services.

Changes to patterns regarding disposal of waste could adversely affect our results of operations by reducing the volume of waste available for collection and disposal, thus reducing our earnings.

The waste management industry is undergoing fundamental change as traditional waste streams are increasingly viewed as renewable resources and changes in laws and environmental policies may limit the items that enter the waste stream. Waste reduction programs may reduce the volume of solid waste available for collection and disposal and adversely impact volumes at our transfer stations and landfills in some areas where we operate. Local, state and provincial authorities increasingly mandate recycling and waste reduction at the source and prohibit the disposal of certain types of waste, such as yard and other organic wastes, at landfills where we send waste. Any significant change in regulation or patterns regarding disposal of solid waste would have a material adverse effect on our earnings by reducing the volume of products that enter the waste stream and accordingly reducing the level of demand for our services, resulting in decreased revenue and the earnings we are able to generate. Additionally, regulations establishing EPR are being considered or implemented in the United States and Canada. EPR regulations are designed to place either partial or total responsibility on producers to fund the post-use life cycle of the products they create. Along with the funding responsibility, producers may be required to take over management of local recycling programs by taking back their products from end users or managing the collection operations and recycling processing infrastructure. There is no federal law establishing EPR in the United States or Canada; however, provincial, state and local governments could, and in some cases have, taken steps to implement EPR regulations. If wide-ranging EPR regulations were adopted, they could have an impact on the waste streams we manage and how we operate our business, including contract terms and pricing.

While we have expanded and continue to expand our service offerings to include recyclables and organic waste facilities, there can be no assurance that the volume or pricing of such services would offset any loss in revenue from our landfill operations. If we are not successful in expanding our service offerings, growing lines of businesses to service waste streams that do not go to landfills and providing services for customers that wish to reduce waste entirely, then our revenues may decline.

Fuel supply and prices may fluctuate significantly, and we may not be able to pass on cost increases to our customers.

We rely on diesel fuel to run the majority of our collection vehicles in our solid and liquid waste operations and our equipment used in our transfer stations, landfills, organic waste facilities and infrastructure and soil remediation operations. The price and supply of diesel fuel can fluctuate significantly based on international, political and economic circumstances, as well as other factors outside of our control, such as actions by the Organization of the Petroleum Exporting Countries and other oil and gas producers, regional production patterns, weather conditions, political instability in oil and gas producing regions and environmental concerns. Supply shortages could also substantially increase our operating expenses. Additionally, as fuel prices increase, our direct operating expenses increase and many of our suppliers raise their prices as a means to offset their own rising costs. Our contracts or competitive pressures may limit our ability to pass on, or the timing of our ability to pass on, the increases in fuel costs or the full amount of increases in our fuel costs to our customers. We also use natural gas for the operation of part of our solid waste fleet. Natural gas prices are also subject to fluctuation. We do not currently use derivative instruments to hedge against these fluctuations. To the extent that lower fuel prices result in negative CPI on a year-over-year basis, revenue from municipal contracts that provide for both increases and decreases in amounts payable to us as the contractor may reduce our revenue.

Our operations also require the use of products (such as liners at our landfills), the costs of which may vary with the price of petrochemicals. An increase in the price of petrochemicals could increase the cost of those products, which would increase our operating and capital costs. We are also susceptible to increases in indirect fuel fees from our suppliers.

Selling prices in our UMO business are sensitive to changes in the market price of oil. Reductions in oil prices may affect our UMO collections and our pricing. As the price of oil per barrel drops, refineries may reduce their production in response, resulting in a reduction in the amount of UMO that we sell to these refineries that are UMO customers. This may reduce our revenue.

We require sufficient cash flow to reinvest in our business and achieve our financial strategy.

Our financial strategy depends on our ability to generate sufficient cash flow to reinvest in our existing business, fund internal growth, acquire other environmental service businesses and take other actions to enhance our value. We must also use a portion of our cash flows from operating activities for growth and maintenance capital expenditures, including the maintenance of our existing fleet and facilities, which reduces our flexibility to use such cash flows for other purposes, such as reducing our indebtedness. Our capital expenditures could increase if we make acquisitions or bid on new municipal contracts which may require us to provide new vehicles to service the contracts. We may also be required to make unexpected capital expenditures to respond to changes in governmental requirements which govern our operations, such as stricter emissions requirements applicable to our vehicles or our facilities or more stringent odor control requirements. In addition, if we acquire more landfill assets, we will incur higher capital expenditures because of the more capital-intensive nature of the landfill business. The amount that we spend on capital expenditures may exceed current expectations, which may require us to obtain additional funding for our operations and incur additional indebtedness or impair our ability to grow our business.

We may be unable to obtain performance or surety bonds, letters of credit or other financial assurances or to maintain adequate insurance coverage.

If we are unable to obtain performance or surety bonds, letters of credit or insurance, we may not be able to enter into additional contracts or retain or obtain necessary operating permits. Each of our collection contracts, municipal contracts, infrastructure contracts, transfer stations, organic facilities or soil remediation or clean or remediated soil site operations and landfill closure and post-closure obligations may require performance or surety bonds, letters of credit or other financial assurance to secure contractual performance or comply with federal, state, provincial or local environmental laws or regulations. We typically satisfy these requirements by posting bonds or letters of credit. Closure bonds are difficult and costly to obtain and are subject to governmental laws or regulations which may change and become increasingly stringent. If we are unable to obtain performance or surety bonds or additional letters of credit in sufficient amounts or at acceptable rates, we could be precluded from entering into additional contracts or obtaining or retaining operating permits for our various permitted facilities. Any future difficulty in obtaining insurance also could impair our ability to secure future contracts that are conditional upon the contractor having adequate insurance coverage. Accordingly, our failure to obtain performance or surety bonds, letters of credit or other financial assurances or to maintain adequate insurance coverage could limit our operations or violate federal, state, provincial, or local requirements, which could have a materially adverse effect on our business, financial condition and results of operations, which could cause the price of our subordinate voting shares to decline.

Our business is subject to operational, health, safety and environmental risks, including the risk of personal injury to employees and others.

Provision of environmental services involves risks, such as on- or off-site vehicle or equipment accidents, equipment defects, spills, malfunctions and failures and natural disasters, which could potentially result in releases of hazardous materials, injury or death of employees and others or a need to shut down or reduce operation of our facilities while remedial actions are undertaken. These risks expose us to potential liability, damages, fines or charges for pollution, remediation and other environmental damages, personal injury, loss of life, business interruption and property damage or destruction.

If we were to incur substantial liabilities in excess of any applicable insurance, our business, results of operations and financial condition could be adversely affected, which could cause the price of our subordinate voting shares to decline.

We depend on our key personnel.

Our success depends significantly on the continued individual and collective contributions of our senior, regional and local management teams. The loss of the services of members of these management teams or the inability to hire and retain experienced replacement management personnel could have a material adverse effect on our business, results of operations and financial condition. In addition, to implement and manage our business and operating strategies effectively, we must maintain a high level of efficiency and performance, continue to enhance our operational and management systems, and continue to successfully attract, train, motivate and manage our employees. If we are not successful in these efforts, this may have a material adverse effect on our business, results of operations and financial condition. Any departures of key personnel could also be viewed in a negative light by investors and research analysts, which could cause the price of our subordinate voting shares to decline.

Our business is and may be adversely affected by natural disasters, weather conditions and seasonality.

Our operating results fluctuate seasonally. Our solid waste and liquid waste operations can be adversely affected by periods of inclement or severe weather, which could increase the volume of waste collected under our existing contracts, delay the collection and disposal of waste, reduce the volume of waste delivered to our disposal sites, delay the construction or expansion of our landfill sites and other facilities or cause us to incur incremental labour, maintenance and equipment costs and penalties under municipal contracts, some or all of which costs we may not be able to recover from our customers. Our facilities located in the Southeastern and Southern United States are especially susceptible to natural disasters such as hurricanes and tropical storms. A significant natural disaster could severely damage or destroy these facilities, disrupting employees and customers, which could, in turn, significantly adversely affect our business, results of operations and financial condition.

In our infrastructure and soil remediation business line, our operating revenue is lowest in the first quarter primarily due to lower construction project activity in the winter months as a result of winter weather conditions. High precipitation levels, particularly in the spring, can also adversely impact revenue, particularly in the first and second quarters when project start dates are more likely to be delayed or result in the extension of road load restrictions, negatively impacting the volume of soil at our soil remediation facilities. Weather conditions can also cause delays in the timing of purchases of UMO by asphalt plants engaged in road construction.

In addition, natural disasters, such as winter storms, periods of particularly inclement weather or climate extremes resulting from climate change, may also generally force us to temporarily suspend some of our operations and as a result, may significantly affect our operating results, which could cause the price of our subordinate voting shares to decline.

Because of these factors, we expect operating income to generally be lower in the winter months. The impact of adverse weather conditions on our operations may also contribute to variability in our interim and annual period to period results of operations.

An economic downturn may have an adverse impact on our operating results and may expose us to credit risk from our customers.

Our business is subject to a number of general economic factors, many of which are out of our control, which may have a material adverse effect on our business, financial condition and results of operations. These include recessionary economic cycles and downturns in the business cycles of the industries in which our customers conduct business, as well as downturns in the principal regional economies where our operations are located. A weak economy generally results in a decline in solid and certain liquid waste volumes generated as well as in infrastructure and construction and demolition projects which may reduce the volume of contaminated soil at our soil remediation operations and the volume of liquid waste at our sludge pads which would negatively affect our operating results. Consumer uncertainty and the loss of consumer confidence may decrease overall economic activity and thereby reduce demand for the services we provide. Additionally, the decline in liquid or solid waste volumes may result in increased competitive pricing pressure and increased customer turnover, resulting in lower revenue and increased operating costs.

A challenging economic environment may cause some of our customers to suffer financial difficulties and ultimately to be unable or unwilling to pay amounts owed to us. This could have a negative impact on our financial condition, results of operations and cash flows, which could cause the price of our subordinate voting shares to decline.

We are increasingly dependent on technology in our operations and, if our technology fails, our business could be adversely affected.

We may experience problems with the operation of our current information technology systems or the technology systems of third parties on which we rely, as well as the development and deployment of new information technology systems, that could adversely affect, or even temporarily disrupt, all or a portion of our operations until resolved. The inability to implement new systems or delays in implementing new systems can also affect our ability to realize projected or expected cost savings. Additionally, any systems failures could impede our ability to timely collect and report financial results and other operating information in accordance with our banking and other contractual commitments and our environmental and other permits.

A cybersecurity incident could negatively impact our business and our relationships with customers.

We have experienced and expect to continue to experience actual and attempted cyber-attacks of our information technology networks. Although none of these actual or attempted cyber-attacks has had a material adverse impact on our operations or financial condition, we cannot guarantee that any such incidents will not have such an impact in the future.

We use computers in substantially all aspects of our business operations. We also use mobile devices, social networking and other online activities to connect with our employees and our customers. Such uses give rise to cybersecurity risks, including security breach, espionage, system disruption, theft and inadvertent release of information. Our business involves the storage and transmission of numerous classes of sensitive and/or confidential information and intellectual property, including, potentially, customer information, private information about employees and financial and strategic information about us and our customers. We also rely on a payment card industry compliant third party to protect our customers' credit card information. While we pursue our strategy to grow through acquisitions and to pursue new initiatives that improve our operations and cost structure, we are also expanding and improving our information technologies, resulting in a larger technological presence and corresponding exposure to cybersecurity risk. If we fail to assess, identify and address cybersecurity risks associated with acquisitions (including technologies used by acquired businesses), new initiatives and our information technology systems generally, we may become increasingly vulnerable to such risks. There is no assurance that we will be insulated from claims or expenses relating to cyber-attacks or withstand legal challenges in relation to our agreements with third parties. In addition, successful cyber-attacks may result in the loss, destruction or improper release of our or our employees' or customers' information, which may expose us to governmental enforcement actions, fines, litigation and other expenses. Any failure or perceived failure by us, or our third-party partners on our behalf, to comply with local and foreign laws regarding privacy and data security, as well as contractual commitments in this respect, may result in governmental enforcement actions, fines, or litigation, which could have an adverse effect on our reputation and business. If a significant data breach occurred, our reputation could be materially and adversely affected, confidence among our customers and employees may be diminished, or we may be subject to legal claims, any of which may contribute to the loss of customers and have a material adverse effect on us.

We also use computers for our core management information systems, including, among others, our enterprise resource planning system, which connects our accounting and planning functions across our network of facilities and operations, and our fleet maintenance management and route optimization software systems and in-cab telematics. If a significant attack on our core management information systems occurred, we could be subject to operational delays and interruptions in our ability to provide services to our customers.

There are numerous and evolving risks to cybersecurity and privacy, including criminal hackers, hacktivists, state-sponsored intrusions, destructive attacks, industrial espionage, employee malfeasance and human or technological error. High-profile security breaches at other companies and in government agencies have increased in frequency and sophistication in recent years. While we have implemented measures to prevent security breaches and cyber incidents and continue to make significant investments in technologies designed to maintain the security of our systems, there can be no assurance that these measures will be sufficient and that such security breaches and cyber incidents will not occur or, if they do occur, that they will always be adequately addressed in a timely manner. The theft, destruction, loss, misappropriation or release of sensitive and/or confidential information or intellectual property or interference with our information technology systems or the technology systems of third parties on which we rely, could result in business disruption, negative publicity, brand damage, loss of employee confidence, violation of privacy laws, loss of customers, potential liability and competitive disadvantage.

Damage to our reputation or our brand could adversely affect our business.

Developing and maintaining our reputation and our brand are important factors in our relationship with customers, suppliers and others. Our ability to address adverse publicity or other issues, including concerns about service quality, environmental compliance, efficacy or similar matters, real or perceived, could negatively impact sentiments towards us and our services, and our business and financial results could suffer. In addition, any lawsuits, regulatory inquiries or other legal proceedings brought against us, could create negative publicity, which could damage our reputation and competitive position and adversely affect our business and financial condition, which could cause the price of our subordinate voting shares to decline.

Our business requires us to register as a commercial vehicle operator in the jurisdictions in which we operate and maintain certain standards with respect to the operation of our fleet.

Each of the jurisdictions in which we operate has regulations that govern the operation and safety requirements of our vehicles. For example, the Ministry of Transportation for some Canadian provinces monitors each carrier's collisions, convictions and fleet inspections and assigns a carrier safety rating based on a pre-determined formula compared with industry performance data. These ratings are important as they determine our ability to operate vehicles in the particular province and may affect our ability to bid on certain municipal and other commercial contracts which require that a bidder have a certain rating at the time of the bid submission. Our failure to maintain the required ratings could adversely affect our results of operations, which could cause the price of our subordinate voting shares to decline.

Increases in insurance costs could reduce our operating margins and reported earnings.

Our operations are subject to risks inherent in an environmental services industry, including potential liability which could result from, among other circumstances, personal injury, environmental claims or property damage. We maintain insurance policies for automobile, general, employers, environmental, products liability, cyber incident, worker's compensation for our employees in our U.S. operations, directors' and officers' fiduciary liability and property insurance. Worker's compensation insurance for employees of our Canadian operations is covered under various provincial government programs. The availability of, and ability to collect on, insurance coverage is subject to factors beyond our control. In addition, we may become subject to liability hazards in circumstances where we cannot or may elect not to insure (because of high premium costs or other reasons), or for occurrences which exceed maximum coverage under our policies. We also provide group employee health and welfare benefits insurance coverage to our non-unionized employees and unionized employees pursuant to collective bargaining agreements. We have no control over changing conditions and pricing in the insurance marketplace and the cost or availability of various types of insurance may change dramatically in the future. Also, our costs of providing group health coverage may increase based on our claims experience. To the extent these costs cannot be passed on to our customers through rate increases, increases in insurance costs could reduce future profitability. Furthermore, the inability to obtain insurance in the future for certain types of losses may require us to limit the services we provide or the areas in which we operate, thereby reducing our revenue. Lastly, the occurrence of a significant uninsured loss could have a material adverse effect on us. Also, due to the variable condition of the insurance market, we may experience future increases in self-insurance levels as a result of increased retention levels and increased premiums. If we elect to assume more risk for self-insurance through higher retention levels, we may experience more variability in our self-insurance reserves and expense.

Governmental authorities have enacted (and are expected to further enact) climate change requirements that could increase our costs to operate.

Environmental advocacy groups and regulatory agencies in Canada and in the U.S. have been focusing considerable attention on the emissions of GHG and the link it is understood to have to climate change. As a consequence, governments have enacted (and are expected to further enact) laws and regulations to regulate GHG emissions through requirements of specific controls, carbon levies, cap and trade programs or other measures. Comprehensive GHG legislation, including carbon pricing and the imposition of fees, taxes or other costs, could adversely affect our collection, disposal and processing operations as well as the operations of our customers. Changing environmental regulations could require us to take any number of actions, including the purchase of emission allowances or the installation of additional pollution control technology such as methane gas collection systems at landfills, and could make our operations less profitable, which could adversely affect our results of operations, which could cause the price of our subordinate voting shares to decline.

We could be subject to significant fines and penalties, and our reputation could be adversely affected, if our businesses, or third parties with whom we have a relationship, fail to comply with U.S., Canadian or foreign anti-bribery or anti-corruption laws or regulations.

It is our policy to comply with all applicable anti-bribery laws, such as the U.S. Foreign Corrupt Practices Act, Canada's Corruption of Foreign Public Officials Act and other applicable local laws of Canada and the United States, and we monitor our local partners' compliance with such laws as well. In 2016, a former officer of a business that we acquired was a subject of an enforcement action under the applicable anti-bribery laws of the acquired business's jurisdiction. As a result of such enforcement action, this officer was convicted of bribery and sentenced to more than five years in a federal prison. We were not subject to any fines or penalties as result of this enforcement action, nor have we received any fines or penalties regarding any other anti-bribery activities in the past five years. Our reputation may be adversely affected if we were reported to be associated with corrupt practices or if we, our former employees or our local partners fail to comply with such laws. Such damage to our reputation could adversely affect our ability to grow our business. Additionally, violations of such laws could subject us to significant fines and penalties.

We incur increased expenses as a result of being a public company and our current resources may not be sufficient to fulfill our public company obligations.

We are incurring significant legal, accounting, insurance and other expenses as a result of being a public company, which makes operating our business costly and could cause our results of operations and financial condition to suffer. Compliance with applicable securities laws in the United States and Canada and the rules of the NYSE and TSX substantially increases our expenses, including our legal and accounting costs, and makes some activities more time-consuming and costly. Reporting obligations as a public company and our anticipated growth may strain our financial and management systems, processes and controls, as well as our personnel.

These laws, rules and regulations make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors or as officers. As a result of the foregoing, we expect a substantial increase in legal, accounting, insurance and certain other expenses in the future, which will negatively impact our financial performance and could cause our results of operations and financial condition to suffer.

We are subject to risks associated with our internal control over financial reporting.

We are subject to reporting and other obligations under applicable U.S. and Canadian securities laws and the rules of the NYSE and the TSX. We have significant requirements for enhanced financial reporting and internal control. The process of designing and implementing effective internal control is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to maintain a system of internal control that is adequate to satisfy our reporting obligations as a public company. Any failure to implement or maintain internal control could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our consolidated financial statements and harm our results of operations. If we are unable to implement any required changes to our internal control over financial reporting effectively or efficiently or are required to do so earlier than anticipated, it could adversely affect our operations, financial reporting and results of operations. In addition, if we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be adversely impacted.

We are required to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting pursuant to Section 404(a) of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"). This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. Testing and maintaining internal control may divert our management's attention from other matters that are important to our business. In addition, we must include a registered public accounting firm's attestation report on our internal control over financial reporting in our annual report on Form 40-F pursuant to Section 404(b) of the Sarbanes-Oxley Act.

In connection with the implementation of the necessary procedures and practices related to internal control over financial reporting, we may identify deficiencies that we may not be able to remediate in time to meet the deadline imposed by U.S. and/or Canadian securities laws, including pursuant to Section 404 of the Sarbanes-Oxley Act. In addition, we may encounter problems or delays in completing the remediation of any deficiencies identified by our independent registered public accounting firm in connection with the issuance of their attestation report. Our testing, or the subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal control over financial reporting that are deemed to be material weaknesses which could result in a material misstatement of our annual consolidated financial statements, our interim reports, or disclosures that may not be prevented or detected.

We do not expect that our disclosure controls and procedures and internal control over financial reporting will prevent all error and fraud. The inherent limitations include the realities that judgements in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all. We may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with U.S. and/or Canadian securities laws, including, the Sarbanes-Oxley Act, for compliance with the requirements of Section 404 of the Sarbanes-Oxley Act, or our independent registered public accounting firm may not issue an unqualified opinion. If either we are unable to conclude that we have effective internal control over financial reporting or our independent registered public accounting firm is unable to provide us with an unqualified opinion, investors could lose confidence in our reported financial information, which could have a material adverse effect on the trading price of our subordinate voting shares and make us subject to investigations by the stock exchanges on which our securities are listed, the SEC, or other regulatory authorities, which could require additional financial and management resources. Failure to accurately report our financial performance on a timely basis could also jeopardize our listing on the NYSE and/or TSX or any other stock exchange on which our subordinate voting shares may be listed. Delisting of our subordinate voting shares on any exchange would reduce the liquidity of the market for our subordinate voting shares, which would reduce the price of and increase the volatility of the market price of our subordinate voting shares.

Efforts by labour unions could divert management attention and adversely affect operating results.

From time to time, labour unions attempt to organize our employees. Negotiating collective bargaining agreements could divert management's attention, which could adversely affect operating results. Additional groups of employees may seek union representation in the future. As a result of these activities, we may be subject to unfair labour practice charges, complaints and other legal, administrative and arbitral proceedings initiated against us by unions or employees, which could divert management's attention from our operations, resulting in an adverse impact on our operating results. If we are unable to negotiate acceptable collective bargaining agreements, we may be subject to labour disruptions, such as union-initiated work stoppages or strikes. Depending on the type and duration of any labour disruptions, our operating expenses could increase significantly, which could adversely affect our financial condition, results of operations and cash flows. While the majority of our collective agreements contain "no strike" clauses, extended labour disruptions could impact our ability to fulfill our contractual obligations to municipalities and other customers and result in termination of our contracts.

Our accruals for our landfill site closure and post-closure costs and contamination-related costs may be inadequate.

We are required to pay capping, closure and post-closure maintenance costs for all of our owned landfill sites, and in some instances landfill sites that we manage. Our estimates or assumptions concerning future cell development, landfill closure or post-closure costs may turn out to be significantly different from actual results. Our obligations to pay closure or post-closure costs or other contamination-related costs may exceed the amount we have accrued and reserved from funds or reserves established to pay such costs. In addition, subsequent to the completion or closure of a landfill site, we may be liable for unforeseen environmental issues, which could result in our payment of substantial remediation costs. To the extent that such events occur at a landfill, cash expenditures for closure and post-closure could be accelerated, results of operations and cash flow estimates may be adversely affected and the carrying amount of the landfill may be subject to impairment testing, which could adversely affect our financial condition or operating results and could cause the price of our subordinate voting shares to decline.

Our business may be interrupted by litigation or regulatory or activist action.

We may, in the normal course of business, be subject to judicial, administrative or other third-party proceedings that could interrupt or limit our operations, result in adverse judgements, settlements or fines and create negative publicity. Many of these matters raise difficult and complicated factual and legal issues and are subject to uncertainties and complexities. In addition, individuals or environmental activists could lobby governments to limit the scope of our operations, especially in connection with obtaining new or expanded permits and regulating disposal sites for remediated soils and organic waste processing facilities. The timing of the final resolutions to lawsuits, regulatory inquiries and governmental and other legal proceedings is uncertain. Additionally, the possible outcomes or resolutions to these matters could include adverse judgements, orders or settlements or require us to implement corrective measures or facility modifications, any of which could require substantial payments. Any adverse outcome in such proceedings could adversely affect our operations and financial results, which could cause the price of our subordinate voting shares to decline.

Risks Related to Ownership of Our Securities

The Investors continue to have significant influence over us and decisions that require shareholder approval, and your interests as a shareholder may conflict with the interests of our Investors.

Our multiple voting shares have 10 votes per share and our subordinate voting shares have one vote per share. Collectively, the Dovigi Group holds all of our issued and outstanding multiple voting shares, which represents approximately 3.3% of our total issued and outstanding Shares and approximately 25.1% of the voting power attached to all of the Shares. Each of Sejosa Holdings Inc., Sejosa II Holdings Inc., Josaud Holdings Inc. and Josaud II Holdings Inc. is owned directly or indirectly by Patrick Dovigi, his family members and discretionary trusts settled by family members of Patrick Dovigi.

As of December 31, 2021, the Investors held approximately 52.2% of our total issued and outstanding Shares and approximately 63.0% of the voting power attached to all of the Shares.

The Investors have significant influence over us and decisions that require shareholder approval, including the election of directors and significant corporate transactions. As long as the Investors, or affiliates thereof, own or control at least a majority of the voting power attached to all of the shares, they have the ability to exercise substantial control over all corporate actions requiring shareholder approval, irrespective of how our other shareholders may vote, including the election and removal of directors and the size of our board of directors, any amendment of our Articles or by-laws, or the approval of any significant corporate transaction, including a sale of substantially all of our assets. Even if their ownership falls below 50% of the voting power attached to all of the shares, the Investors, or affiliates thereof, will continue to be able to strongly influence or effectively control our decisions. The Investor Rights Agreements that the Investors have entered into provide the Investors with certain director nomination rights and pre-emptive rights to subscribe for additional subordinate voting shares (or multiple voting shares, as applicable).

Each of our directors and officers owes a fiduciary duty to us and must act honestly and in good faith with a view to our best interests. However, any director and/or officer that is a shareholder, even a controlling shareholder, is entitled to vote its shares in its own interests, which may not always be in the interests of our shareholders generally. The concentration of voting power may have the effect of delaying, deferring or preventing a change in control of the Company, impeding a merger, consolidation, takeover or other business combination involving us or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of us, which in turn could have a material adverse effect on the market prices of our subordinate voting shares, the TEUs, the separate Purchase Contracts and the Amortizing Notes. The issuance of stock options and other convertible securities could lead to greater concentration of subordinate voting share ownership among insiders and could lead to dilution of subordinate voting share ownership which could lead to depressed subordinate voting share prices. Furthermore, the conversion of multiple voting shares to subordinate voting shares could lead to dilution of subordinate voting share ownership. We may also take actions that shareholders that are not Investors or party to the Investor Rights Agreements or holders of TEUs do not view as beneficial, which may adversely affect our results of operations and financial condition and cause the value of your investment to decline.

Certain Investors have representation on our board of directors. This could lead to conflicts of interest, real or perceived, at the board or management level where the interests of the Investors may differ from other stakeholders. Further, the Investors are in a position to effectively influence our management, and their interests may differ from those of the holders of our subordinate voting shares and holders of the TEUs. If the Investors exercise such rights, a change of control may occur and we will be required to comply with the change of control offer obligations under the indentures governing our Notes, the TEUs and other agreements.

The issuance of additional subordinate voting shares, multiple voting shares or preferred shares, as well as the conversion of Convertible Preferred Shares or the settlement of the Purchase Contracts for subordinate voting shares, may have a dilutive effect on the interests of our shareholders.

The issuance of additional subordinate voting shares, multiple voting shares or preferred shares may have a dilutive effect on the interests of our shareholders. The number of subordinate voting shares, multiple voting shares and preferred shares that we are authorized to issue is unlimited. We may, in our sole discretion, subject to applicable law and the rules of the NYSE and the TSX, issue additional multiple voting shares, subordinate voting shares or preferred shares from time to time (including pursuant to any equity-based compensation plans that may be introduced in the future), and the interests of shareholders may be diluted thereby. In addition, the Convertible Preferred Shares can be converted into subordinate voting shares by the holder at any time at its election and the Purchase Contracts, which form part of the TEUs, will settle for subordinate voting shares. For more information on the Convertible Preferred Shares, see the risk factor entitled "Holders of our Convertible Preferred Shares have different rights and privileges than holders of subordinate voting shares", below.

As a foreign private issuer, we are not subject to certain U.S. securities law disclosure requirements that apply to a domestic U.S. issuer, which may limit the information publicly available to our shareholders. We are also permitted to rely on exemptions from certain governance standards applicable to domestic U.S. issuers.

We are a "foreign private issuer", as such term is defined in Rule 3b–4 under the Exchange Act. As a foreign private issuer, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act and therefore there may be less publicly available information about us than if we were a domestic U.S. issuer. For example, we are not subject to the proxy rules in the United States and disclosure with respect to our annual meetings is governed by Canadian requirements. In addition, our officers, directors and Investors are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules thereunder. Therefore, our shareholders may not know on a timely basis when our officers, directors and Investors purchase or sell our subordinate voting shares. We are not required under the Exchange Act to file reports and financial statements with the SEC as frequently or as promptly as domestic U.S. issuers whose securities are registered under the Exchange Act, we are permitted to disclose limited compensation information for our executive officers on an individual basis, and we are generally exempt from filing quarterly reports with the SEC under the Exchange Act. Moreover, we are not required to comply with Regulation FD, which restricts the selective disclosure of material non-public information to, among others, broker-dealers and holders of a company's securities under circumstances in which it is reasonably foreseeable that the holder will trade in the company's securities on the basis of the information. These exemptions and leniencies reduce the frequency and scope of information and protections to which you may otherwise have been eligible in relation to a domestic U.S. issuer.

We may also take advantage of certain provisions in the NYSE Listing Rules that allow us to follow Canadian law for certain governance matters. Applicable Canadian securities laws encourage, but do not require, that a majority of our board of directors consist of independent directors, that we establish a compensation committee and a nominating committee that is comprised entirely of independent directors, and that the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. Accordingly, in the future, the practices and the responsibilities, as well as composition and independence of our board of directors and its compensation and nominating committees may vary from the requirements of NYSE Listing Rules applicable to domestic U.S. issuers. Although we currently follow the corporate governance requirements of the NYSE and do not avail ourselves of the exemptions afforded to foreign private issuers under the NYSE Listing Rules, to the extent permitted pursuant to the NYSE foreign private issuer exemptions, we may in the future decide to follow Canadian corporate governance practices instead of some or nearly all of the NYSE's corporate governance requirements applicable to domestic U.S. issuers. Following our "home country" governance practices may provide less protection than is accorded to investors under the NYSE Listing Rules applicable to domestic U.S. issuers.

We may lose foreign private issuer status in the future, which could result in significant additional costs and expenses to us.

We may in the future lose our foreign private issuer status if a majority of our shares are held in the U.S. and we fail to meet the additional requirements necessary to avoid loss of foreign private issuer status, such as if: (1) a majority of our directors or executive officers are U.S. citizens or residents; (2) a majority of our assets are located in the U.S.; or (3) our business is administered principally in the U.S.

Our loss of foreign private issuer status would make U.S. regulatory provisions mandatory. If we lose our foreign private issuer status and decide, or are required, to register as a domestic U.S. issuer, the regulatory and compliance costs to us will be significantly more than the costs incurred as a foreign private issuer. In such event, we would not be eligible to use foreign issuer forms and would be required to file periodic and current reports and registration statements on domestic U.S. issuer forms with the SEC, which are generally more detailed and extensive than the forms available to a foreign private issuer. We would also be required to follow U.S. proxy disclosure requirements, including the requirement to disclose more detailed information about the compensation of our senior executive officers. We may also be required to modify certain of our policies to comply with accepted governance practices associated with domestic U.S. issuers. Such conversion and modifications will involve additional costs. In addition, we would lose our ability to rely upon exemptions from certain corporate governance requirements on U.S. stock exchanges that are available to foreign private issuers.

The market price of our subordinate voting shares may be volatile, which could result in substantial losses for investors.

Securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could subject the market price of our subordinate voting shares to wide price fluctuations regardless of our operating performance. Some of the factors that may cause the market price of our subordinate voting shares to fluctuate include:

- significant volatility in the market price and trading volume of comparable companies;
- actual or anticipated changes or fluctuations in our operating results or in the expectations of market analysts;
- the future sales of subordinate voting shares by our officers, directors, significant shareholders and their affiliates, or the perception that such sales could occur;
- investors' anticipation of the potential resale in the market of a substantial number of additional subordinate voting shares received upon settlement of the Purchase Contracts that are a component of the TEUs;
- possible sales of our subordinate voting shares by investors who view the TEUs as a more attractive means of equity participation in us than owning subordinate voting shares;
- our dual class share structure;
- adverse market reaction to any indebtedness we may incur or securities we may issue in the future;
- hedging or arbitrage trading activity that may develop involving the TEUs;
- short sales, hedging and other derivative transactions in our subordinate voting shares;
- announcements of new contracts, significant acquisitions or significant agreements by us or by our competitors;
- litigation or regulatory action against us;
- investors' general perception of us and the public's reaction to our press releases, our other public announcements and our filings with applicable securities regulators;
- publication of research reports or news stories about us, our competitors or our industry, or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- changes in general political, economic, industry and market conditions and trends;
- sales of our subordinate voting shares by our directors, executive officers, Investors and existing shareholders and their affiliates;

- sales, or anticipated sales, of large blocks of our subordinate voting shares;
- recruitment or departure of key personnel;
- the COVID-19 pandemic and governmental responses thereto; and
- other risk factors described in this section of the AIF.

Stock markets have historically experienced substantial price and volume fluctuations. Broad market and industry factors may harm the market price of our subordinate voting shares. Hence, the market price of our subordinate voting shares could fluctuate based upon factors that have little or nothing to do with us, and these fluctuations could materially reduce the market price of our subordinate voting shares regardless of our operating performance. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has been instituted against that company. If we were involved in any similar litigation, we could incur substantial costs, our management's attention and resources could be diverted and it could harm our business, operating results and financial condition.

In addition, the market price of the TEUs, the separate Purchase Contracts and the Amortizing Notes may be influenced by yield and interest rates in the capital markets, the time remaining to the mandatory settlement date, our creditworthiness and the occurrence of certain events affecting us that do not result in an adjustment to the minimum settlement rate, maximum settlement rate, reference price and threshold appreciation price, or that result in an adjustment that is not adequate compensation for lost value. In general, as market interest rates rise, notes (such as the Amortizing Notes) bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. We cannot predict the future level of market interest rates. Fluctuations in yield rates in particular may give rise to arbitrage opportunities based upon changes in the relative values of the TEUs, the separate Purchase Contracts, the Amortizing Notes and our subordinate voting shares. Any such arbitrage could, in turn, affect the market prices of our subordinate voting shares, the TEUs, the separate Purchase Contracts and the Amortizing Notes. The market price of our subordinate voting shares could also be affected by possible sales of our subordinate voting shares by investors who view the TEUs and/or separate Purchase Contracts as a more attractive means of equity participation in us and by hedging or arbitrage trading activity that we expect to develop involving the TEUs, the separate Purchase Contracts and our subordinate voting shares. This trading activity could, in turn, affect the market price of the TEUs, the separate Purchase Contracts and the subordinate voting shares.

The subordinate voting shares are equity interests and are subordinate to our existing and future indebtedness and preferred shares.

Our subordinate voting shares are equity interests and do not constitute indebtedness. As such, the subordinate voting shares rank junior to all of our indebtedness and to other non-equity claims against us and our assets available to satisfy claims against us, including in a liquidation. Additionally, holders of our subordinate voting shares are subject to the prior liquidation rights of holders of our Convertible Preferred Shares and the prior dividend and liquidation rights of any other preferred shares, to the extent we issue preferred shares in the future and the preferred shares remain outstanding at that time. Under the terms of our Articles, our board of directors is authorized to issue classes or series of preferred shares and to determine the preferences, limitations and relative rights of preferred shares and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our shareholders. Our board of directors is also authorized to issue additional debt. Upon liquidation, lenders and holders of our debt securities and preferred shares would receive distributions of our available assets prior to holders of our subordinate voting shares.

Holders of our Convertible Preferred Shares have different rights and privileges than holders of subordinate voting shares.

The issuance of preferred shares, including Convertible Preferred Shares, dilutes the ownership of holders of subordinate voting shares in the Company and may decrease the amount of cash available for distribution of each subordinate voting share. The Convertible Preferred Shares can be converted by the holder at any time at its election. We may also require the conversion of the Convertible Preferred Shares at an earlier date in certain circumstances. The preferred shares, including the Convertible Preferred Shares have rights, preferences and privileges that are not held by, and are preferential to the right of, holders of the subordinate voting shares.

Our level of indebtedness may increase and reduce our financial flexibility.

We are currently indebted under our Credit Agreements and our Notes and we may incur additional indebtedness under the Credit Agreements or otherwise in the future. We are exposed to changes in interest rates on our cash, bank indebtedness and long-term debt. Debt issued at variable rates exposes us to cash flow interest rate risk. Debt issued at fixed rates exposes us to fair value interest rate risk. Our borrowings, current and future, will require interest payments and need to be repaid or refinanced, could require us to divert funds identified for other purposes to debt service and could create additional cash demands or impair our liquidity position and add financial risk for us. Diverting funds identified for other purposes for debt service may adversely affect our business and growth prospects. If we cannot generate sufficient cash flow from operations to service our debt, we may need to refinance our debt, dispose of assets, reduce or delay expenditures or issue equity to obtain necessary funds. We do not know whether we would be able to take any of these actions on a timely basis, on terms satisfactory to us or at all.

Our level of indebtedness could affect our operations in several ways, including the following:

- a significant portion of our cash flows could be used to service our indebtedness;
- the covenants contained in the agreements governing our outstanding indebtedness may limit our ability to borrow additional funds, dispose of assets, pay dividends and make certain investments;
- our debt covenants may also affect our flexibility in planning for, and reacting to, changes in the economy and in our industry;
- a high level of debt would increase our vulnerability to general adverse economic and industry conditions;
- a high level of debt may place us at a competitive disadvantage compared to our competitors that are less leveraged and therefore may be able to take advantage of opportunities that our indebtedness would prevent us from pursuing; and
- a high level of debt may impair our ability to obtain additional financing in the future for working capital, capital expenditures, debt service requirements, acquisitions or other purposes.

In addition to our debt service obligations, our operations require material expenditures on a continuing basis. Our ability to make scheduled debt payments, to refinance our obligations with respect to our indebtedness and to fund capital and non-capital expenditures necessary to maintain the condition of our operating assets and properties, as well as our capacity to fund the growth of our business, depends on our financial and operating performance. General economic conditions and financial, business and other factors affect our operations and our future performance. Many of these factors are beyond our control. We may not be able to generate sufficient cash flows to pay the interest on our debt, and future working capital, borrowings or equity financing may not be available to pay or refinance such debt.

We may be unable to maintain our credit rating.

We may be unable to maintain our credit rating or execute our financial strategy. Our ability to execute our financial strategy depends in part on our ability to maintain not less than the current ratings on our debt. Moody's and S&P (each as defined below) have both assigned us non-investment grade credit ratings. The credit rating process is contingent upon a number of factors, many of which are beyond our control. Our rating may not remain in effect for any given period of time and our rating may be revised or withdrawn entirely by the rating agency in the future if, in its judgement, circumstances so warrant. If we cannot maintain our current rating, our interest expense could increase and our ability to obtain financing on favourable terms may be adversely affected.

Our ability to pay dividends and to meet our debt obligations depends on the performance of our subsidiaries and the ability to utilize the cash flows from our subsidiaries.

Payment of dividends is dependent on cash flows of the business and is subject to change. The declaration and payment of future dividends will be at the discretion of our board of directors, are subject to compliance with applicable law and any contractual provisions, including under the Credit Agreements and other agreements governing our current and future indebtedness, that restrict or limit our ability to pay dividends, and will depend upon, among other factors, our results of operations, financial condition, earnings, capital requirements and other factors that our board of directors deems relevant. There can be no assurance that we will be in a position to pay dividends at the same rate (or at all) in the future.

Our subsidiaries conduct a portion of our operations and own a portion of our consolidated assets. Consequently, our ability to pay dividends and meet our debt and other obligations depends on cash flows from our subsidiaries and, in the short term, our ability to raise capital from external sources. In the long term, cash flows from our subsidiaries depend on their ability to generate operating cash flows in excess of their own expenditures, common and preferred stock dividends (if any), and debt or other obligations. Our subsidiaries are separate and distinct legal entities that are not obligated to pay dividends or make loans or distributions to us (whether to enable us to pay dividends on our multiple voting shares and subordinate voting shares, to pay principal and interest on our debt, to settle, repurchase or redeem our debt (including the Amortizing Notes) or other securities (including the Purchase Contracts), or to satisfy our other obligations). In addition, certain of our subsidiaries may be limited in their ability to pay dividends or make loans or distributions to us, including, without limitation, as a result of legislation, regulation, court order, contractual restrictions (including pursuant to our credit facilities) and other restrictions or in times of financial distress. As a result, we may not be able to cause our subsidiaries and other entities to distribute funds or provide loans sufficient to enable us to pay dividends and meet our debt and other obligations.

A significant portion of our total outstanding subordinate voting shares may be sold into the public market in the near future, which could cause the market price of our subordinate voting shares to drop significantly.

Each of the Margin Loan Borrowers used the proceeds of its Margin Loan received in connection with the IPO to subscribe for additional shares of Holdings or to make a loan to Holdings, such that Holdings used the proceeds to redeem the 11.000% paid in kind notes of Holdings in full. Each Margin Loan is secured under a security and pledge agreement by a pledge of all of the subordinate voting shares or multiple voting shares held by the relevant Margin Loan Borrower, including those acquired with the proceeds from the Margin Loan (other than those sold by the selling shareholder in the IPO), representing, in aggregate, 181,474,029 subordinate voting shares and 12,062,964 multiple voting shares as of December 31, 2021 (55.6% of the number of subordinate voting shares outstanding as of December 31, 2021 and all of the issued and outstanding multiple voting shares). Each Margin Loan has a scheduled maturity of March 5, 2023, other than the Dovigi Group's Margin Loan, which has a scheduled maturity of December 15, 2022, provided that such scheduled maturity date may be extended in certain circumstances to December 15, 2024.

One or more of the Margin Loan Borrowers may consider it advisable, from time to time, subject to certain requirements under the terms of the Margin Loans, to sell subordinate voting shares in order to finance the repayment of their respective Margin Loans, which number of shares may individually or in the aggregate be significant. In addition, if the price of our subordinate voting shares declines to a level that results in a margin call, absent a repayment of the applicable Margin Loans, the Margin Loan Borrowers would be required to provide additional collateral. In the case of nonpayment at maturity or another event of default (including but not limited to the Margin Loan Borrowers' inability to satisfy a margin call as described above), the lenders may, in addition to other remedies, exercise their rights under the Margin Loans to foreclose on and sell or cause the sale of the subordinate voting shares and multiple voting shares pledged by a Margin Loan Borrower under a Margin Loan. If subordinate voting shares (including subordinate voting shares issuable upon the conversion of the multiple voting shares) are sold by the Margin Loan Borrowers or by or on behalf of the lenders, such sales could cause our share price to decline.

Because we are incorporated in Ontario, all or a substantial portion of our assets are located in Canada and some of our directors and officers are resident in Canada, it may be difficult for investors in the United States to enforce civil liabilities against us based solely upon the federal securities laws of the United States. Similarly, it may be difficult for Canadian investors to enforce civil liabilities against our directors and officers residing outside of Canada.

We are a corporation incorporated under the laws of Ontario with our principal place of business in Vaughan, Canada. Some of our directors and officers and the auditors are residents of Canada and all or a substantial portion of our assets and those of such persons are located outside the United States. Consequently, it may be difficult for U.S. investors to effect service of process within the United States upon us or our directors or officers or such auditors who are not residents of the United States, or to realize in the United States upon judgements of courts of the United States predicated upon civil liabilities under the Securities Act. Investors should not assume that Canadian courts: (1) would enforce judgements of U.S. courts obtained in actions against us or such persons predicated upon the civil liability provisions of the U.S. federal securities laws or the securities or blue sky laws of any state within the United States or (2) would enforce, in original actions, liabilities against us or such persons predicated upon the U.S. federal securities laws or any such state securities or blue sky laws.

Similarly, some of our directors and officers are residents of countries other than Canada and all or a substantial portion of the assets of such persons are located outside Canada. As a result, it may be difficult for Canadian investors to initiate a lawsuit within Canada against these non-Canadian residents. In addition, it may not be possible for Canadian investors to collect from these non-Canadian residents judgements obtained in courts in Canada predicated on the civil liability provisions of securities legislation of certain of the provinces and territories of Canada. It may also be difficult for Canadian investors to succeed in a lawsuit in the United States, based solely on violations of Canadian securities laws.

We are governed by the corporate laws in Ontario, Canada, which in some cases have a different effect on shareholders than the corporate laws in Delaware, United States.

The material differences between the OBCA and our Articles as compared to the DGCL which may be of most interest to shareholders include the following: (1) for material corporate transactions (such as mergers and amalgamations, other extraordinary corporate transactions and amendments to our Articles), the OBCA generally requires at least a two-thirds majority vote by shareholders, whereas the DGCL generally only requires a majority vote of shareholders for similar material corporate transactions; (2) under the OBCA, shareholders holding 5% or more of our subordinate voting shares in the aggregate can requisition a special meeting at which any matters that can be voted on at our annual meeting can be considered, whereas the DGCL does not give this right; (3) the OBCA requires at least a 50% +1 majority vote by shareholders to pass a resolution for one or more directors to be removed unless otherwise specified in the company's articles, whereas the DGCL only requires the affirmative vote of a majority of the shareholders; however, many public company charters limit removal of directors to a removal for cause; and (4) under the OBCA and our Articles, our authorized share structure can be amended by a special resolution of the shareholders (and a special separate resolution may be required by shareholders of a share class or series whose rights will be prejudiced), whereas under the DGCL, a majority vote by shareholders is generally required to amend a corporation's certificate of incorporation and a separate class vote may be required to authorize alterations to a corporation's authorized share structure.

Our Articles and by-laws provide that any derivative actions, actions relating to breach of fiduciary duties and other matters relating to our internal affairs will be required to be litigated in Canada, which could limit your ability to obtain a favourable judicial forum for disputes with us.

We have adopted a forum selection provision that provides that, unless we consent in writing to the selection of an alternative forum, the Superior Court of Justice of the Province of Ontario, Canada and appellate courts therefrom (or, failing such court, any other "court" as defined in the OBCA, having jurisdiction, and the appellate courts therefrom), will be the sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action or proceeding asserting a breach of fiduciary duty owed by any of our directors, officers or other employees to us, or (3) any action or proceeding asserting a claim arising pursuant to any provision of the OBCA or our Articles. Our forum selection provision also provides that our shareholders are deemed to have consented to personal jurisdiction in the Province of Ontario and to service of process on their counsel in any foreign action initiated in violation of our provision. Therefore, it may not be possible for shareholders to litigate any action relating to the foregoing matters outside of the Province of Ontario. To the fullest extent permitted by law, our forum selection provision applies to claims arising under U.S. federal securities laws. In addition, investors cannot waive compliance with U.S. federal securities laws and the rules and regulations thereunder.

Our forum selection provision seeks to reduce litigation costs and increase outcome predictability by requiring derivative actions and other matters relating to our affairs to be litigated in a single forum. While forum selection clauses in corporate charters and by-laws/articles are becoming more commonplace for public companies in the United States and have been upheld by courts in certain states, a recent decision of the Supreme Court of Canada has cast some uncertainty as to whether forum selection clauses would be upheld in Canada. Accordingly, it is possible that the validity of our forum selection provision could be challenged and that a court could rule that such provision is inapplicable or unenforceable. If a court were to find our forum selection provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions and we may not obtain the benefits of limiting jurisdiction to the courts selected.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of insurance coverage available to us.

Our by-laws provide for the indemnification of our directors and officers. In addition, we have entered into agreements to indemnify our directors, executive officers and other employees as determined by our board of directors. Under the terms of the indemnification agreements with our director nominees and each of our directors and officers, we are required to indemnify each of our directors and officers, to the fullest extent permitted by the laws of Ontario, Canada, if the basis of the indemnitee's involvement was by reason of the fact that the indemnitee is or was a director or officer of the Company or any of its subsidiaries. We must indemnify our officers and directors against all reasonable fees, expenses, charges and other costs of any type or nature whatsoever, including any and all expenses and obligations paid or incurred in connection with investigating, defending, being a witness in, participating in (including on appeal), or preparing to defend, be a witness or participate in any completed, actual, pending or threatened action, suit, claim or proceeding, whether civil, criminal, administrative or investigative, or establishing or enforcing a right to indemnification under the indemnification agreement. The indemnification agreements also require us, if so requested, to advance within 30 days of such request all reasonable fees, expenses, charges and other costs that such director or officer incurred, provided that such person will return any such advance if it is ultimately determined that such person is not entitled to indemnification by us. Any claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of insurance coverage available to us.

Provisions of Canadian law may delay, prevent or make undesirable an acquisition of all or a significant portion of our shares or assets.

The Investment Canada Act subjects direct acquisition of control (as defined therein) of us by a "non-Canadian" (as defined therein) to government review. A reviewable acquisition may not proceed unless the relevant Minister is satisfied that the investment is likely to be of net benefit to Canada. This could prevent or delay a change of control and may eliminate or limit strategic opportunities for shareholders to sell their subordinate voting shares.

Furthermore, acquisitions of our subordinate voting shares may be subject to filing and clearance requirements under the Competition Act (Canada) where certain thresholds are exceeded. This legislation permits the Commissioner of Competition, or Commissioner, to review any acquisition or establishment, directly or indirectly, including through the acquisition of shares, of control over or of a significant interest in us. Otherwise, there are no limitations either under the laws of Canada or Ontario, or in our Articles on the rights of non-Canadians to hold or vote our subordinate voting shares. Any of these provisions may discourage a potential acquirer from proposing or completing a transaction that may have otherwise presented a premium to our shareholders.

The Amortizing Notes are subject to the prior claims of any secured creditors, and if a default occurs, we may not have sufficient funds to fulfill our obligations under the Amortizing Notes.

The Amortizing Notes are unsecured obligations, ranking equally with our other senior unsecured indebtedness and effectively junior to any existing and future secured indebtedness we may incur. The indenture that governs the Amortizing Notes does not restrict our or our subsidiaries' ability to incur additional debt (including secured debt) and, if we do incur additional secured debt, our assets securing any such indebtedness will be subject to prior claims by our secured creditors. In the event of the bankruptcy, insolvency, liquidation, reorganization, dissolution or other winding up of the Company, our assets that secure debt will be available to pay obligations on the Amortizing Notes only after all debt secured by those assets has been repaid in full. Holders of the Amortizing Notes will participate in any remaining assets ratably with all of our other unsecured and unsubordinated creditors, including trade creditors. If there are not sufficient assets remaining to pay all creditors, then all or a portion of the Amortizing Notes then outstanding would remain unpaid. Additionally, if any portion of the amount payable on the Amortizing Notes upon acceleration is considered by a court to be unearned interest, the court could disallow recovery of any such portion.

CORPORATE STRUCTURE

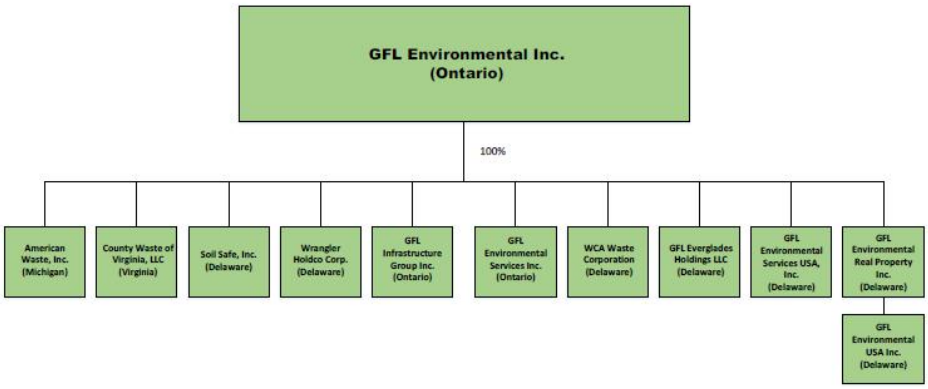
Name, Address and Incorporation

We were incorporated in Ontario, Canada as GFL Environmental Inc. on December 19, 2007 under the OBCA, by Patrick Dovigi, our Founder, Chairman, President and Chief Executive Officer. We changed our name to GFL Environmental Corporation on February 1, 2011 and became GFL Environmental Inc. on November 3, 2013. On May 31, 2018, GFL Environmental Holdings Inc. ("**Holdings**"), a predecessor to GFL Environmental Inc., amalgamated with Hulk Acquisition Corp. in connection with the investment in Holdings by certain funds and other entities managed, advised or controlled by or affiliated with BC Partners, an entity affiliated with Ontario Teachers, and affiliates of Patrick Dovigi (collectively, the "**Recapitalization**").

Our head and registered office is located at 100 New Park Place, Suite 500, Vaughan, ON, L4K 0H9. Our telephone number at our head and registered office is (905) 326-0101. Our website address is http://gflenv.com. Information contained on, or accessible through, our website is not part of this AIF and the inclusion of our website address in this AIF is an inactive textual reference. Additional information about us is also available in the reports, proxy and information statements, and other information filed with the Canadian securities regulatory authorities on SEDAR at http://sedar.com and with the SEC on EDGAR at http://sec.gov.

Intercorporate Relationships

The following chart reflects our organization structure (including the jurisdiction of formation or incorporation of our material subsidiaries). GFL Environmental Inc. holds, directly or indirectly, 100% ownership in each of the subsidiaries.



GENERAL DEVELOPMENT OF THE BUSINESS

On March 5, 2020, we completed our initial public offering of 75,000,000 subordinate voting shares and a concurrent public offering of 15,500,000 TEUs for total gross proceeds to us of $2,888.8 million (US$2,168.8 million) (collectively, the "**IPO**"). In connection with the IPO, GFL Environmental Inc. amalgamated with Holdings and continued as GFL Environmental Inc. In connection with such amalgamation, we amended our Articles to, among other things, create an unlimited number of subordinate voting shares, an unlimited number of multiple voting shares, and an unlimited number of preferred shares. All of the issued and outstanding shares of Holdings were then exchanged for subordinate voting shares and multiple voting shares of the Company.

Our Articles were further amended on each of September 30, 2020 and December 15, 2021 to create the Series A Convertible Preferred Shares and the Series B Convertible Preferred Shares, respectively. We amalgamated with certain of our wholly owned subsidiaries on January 1, 2022.

DESCRIPTION OF THE BUSINESS

The Company

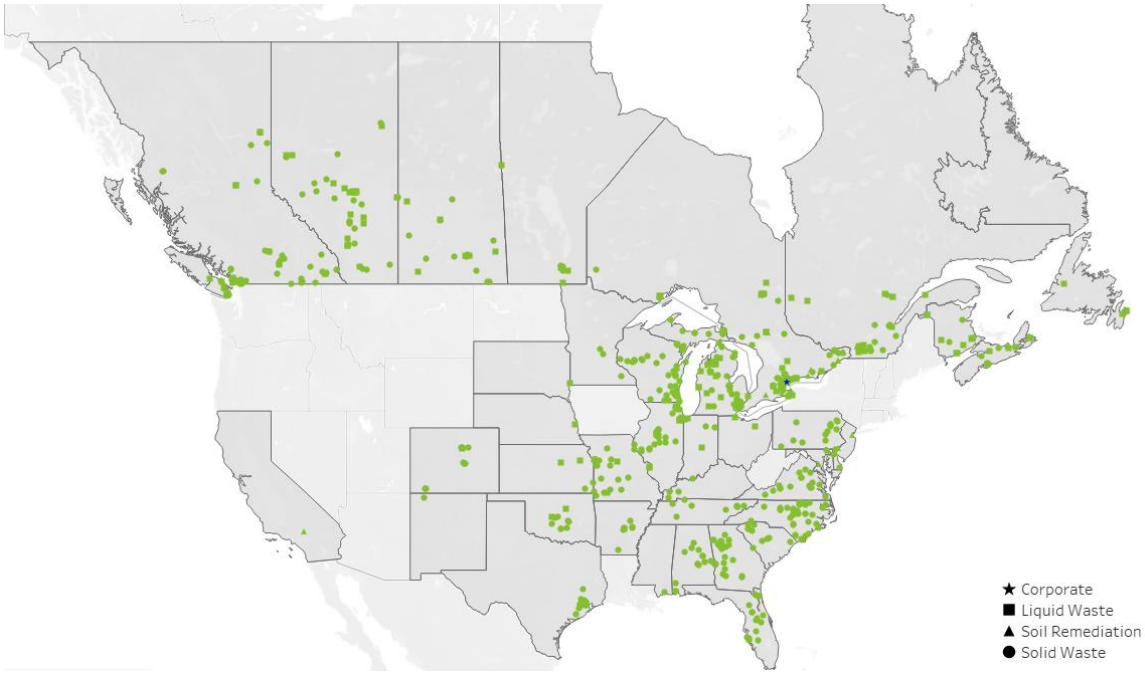
We are the fourth largest diversified environmental services company in North America, as measured by revenue and North American operating footprint. We have secured our significant footprint and leadership position in the environmental services market through continual innovation, strategic and targeted growth, an inherent commitment to sustainability and investing in our employees and communities.

We operate in the large and stable North American environmental services industry. Key characteristics of our industry include relative recession resistance, high visibility of waste volumes, a stringent regulatory framework, high capital intensity to achieve scale and significant fragmentation which, in turn, has led to strong consolidation activity.

Recognized by our signature fleet of bright green trucks, we offer a robust, integrated and sophisticated approach to meeting all of our customers' environmental service needs, including the increasing demand for sustainable solutions. Our diversified offerings consist of solid and liquid waste management and infrastructure and soil remediation services, including collection, transportation, transfer, recycling and disposal services for municipal, residential, and commercial and industrial customers. Across our operations, we are supported by more than 18,000 employees.

Our subordinate voting shares trade on the NYSE and the TSX under the symbol "GFL" and our TEUs trade on the NYSE under the symbol "GFLU".

Through a combination of organic growth and acquisitions, we have built a leading platform with broad geographic reach and scalable capabilities, operating throughout Canada and in more than half of the U.S. states. The map below shows our strategically-located facility network.



In each of our markets, our strong competitive position is supported by the significant capital investment that would be required to replicate our valuable network infrastructure and asset base, our productivity from route density that we have developed to date, as well as by the stringent permitting and regulatory compliance requirements to operate a platform of our size.

Our business is well diversified across business lines, geography and service type, allowing us to maintain strong revenue growth across macroeconomic cycles. We generate approximately 57% of our revenue from our U.S. operations and 43% of our revenue from our Canadian operations. The following chart reflects a breakdown of revenue by business line for each of Fiscal 2021 and Fiscal 2020:

	Year ended December 31, 2021		Year ended December 31, 2020		Revenue Change	
($ millions)	**Revenue**	**%**	**Revenue[1]**	**%**	**$**	**%**
Residential	**$ 1,243.9**	**22.5 %**	$ 1,067.8	25.4 %	$ 176.1	16.5 %
Commercial/industrial	**1,869.7**	**33.8**	1,350.1	32.2	519.6	38.5
Collection	**3,113.6**	**56.3**	2,417.9	57.6	695.7	28.8
Landfill	**677.4**	**12.3**	348.4	8.3	329.0	94.4
Transfer	**590.2**	**10.7**	426.7	10.2	163.5	38.3
Material recovery	**358.8**	**6.5**	263.3	6.3	95.5	36.3
Other	**258.1**	**4.7**	222.0	5.3	36.1	16.3
Solid waste	**4,998.1**	**90.5**	3,678.3	87.7	1,319.8	35.9
Infrastructure and soil remediation	**529.5**	**9.6**	538.2	12.8	(8.7)	(1.6)
Liquid waste	**679.7**	**12.3**	457.3	10.9	222.4	48.6
Intercompany revenue	**(681.8)**	**(12.4)**	(477.6)	(11.4)	(204.2)	42.8
Revenue	**$ 5,525.5**	**100.0 %**	$ 4,196.2	100.0 %	$ 1,329.3	31.7 %

(1) Includes reclassification to decrease Other revenue by $4.6 million and increase Infrastructure and soil remediation revenue by $3.1 million and Liquid waste revenue by $1.5 million. There was no change in total revenue. Refer to the section entitled “Basis of Presentation” in our annual management’s discussion and analysis for the year ended December 31, 2021 for additional details on the reclassification.

We intend to continue to leverage our platform to pursue new business opportunities and generate network efficiencies by extending our geographic footprint and increasing regional density across our business lines.

We are led by a team of highly experienced and entrepreneurial executives. Patrick Dovigi, our Founder, Chairman, President and Chief Executive Officer, has led our operations since inception in 2007. Mr. Dovigi and our senior leadership team have instilled a results-oriented, solutions-focused entrepreneurial culture that emphasizes operational excellence, the importance of safety for our employees and creating sustainable solutions that allow our customers and the communities we serve to be “Green For Life”.

We have adopted a decentralized operating structure, giving operational oversight to our regional business leaders. We believe this model is advantageous given the regional and fragmented nature of the markets in which we operate and the relationship-based approach to our acquisition strategy. Furthermore, we believe that our operating structure provides our employees with a greater sense of ownership, which drives the efficiency and profitability of our business and provides us insight into the sustainable solutions and services that matter most to our customers, enhances our return on capital and results in revenue growth. Since inception, our management team has built a platform that we believe positions us well for continued growth, margin expansion and strong free cash flow generation.

We are focused on creating long term value for our stakeholders by executing on our growth strategy.

Growth Strategy

We expect to achieve our future growth through a three-pronged strategy of (i) generating strong, stable organic revenue growth, (ii) executing strategic, accretive acquisitions, and (iii) driving operating cost efficiencies across our platform.

Strong, Stable Organic Revenue Growth

We are focused on generating strong, stable organic growth and generating free cash flow by serving our existing customers' demand for the environmental solutions that we offer and by attracting new customers. Our business is well-diversified across business lines, geographies and customers. We believe that our continued success depends on our ability to further enhance and leverage this diversification, a key component of which is our ability to offer our customers a comprehensive service offering across our three business lines. We intend to continue to expand our service offerings into new geographic markets and extend our geographic footprint to increase regional density across our business lines.

The revenue generated from both our solid and liquid waste management operations is predictable and recurring in nature as a result of the stability of waste generation and the contractual nature of these business lines. We have also historically demonstrated a strong track record of winning renewals or extensions of existing contracts with our municipal customers and winning repeat business with our major infrastructure and soil remediation and liquid waste customers. We also seek price increases necessary to offset increased costs, to improve operating margins and to obtain superior returns on our deployed capital. We believe that we have the ability to continue to grow our revenue and improve operating margins through the implementation of consistent pricing optimization strategies across our platform.

We have a long-standing commitment to investing and developing the increasingly innovative and advanced environmentally- responsible solutions our customers are looking for. As a result, we believe that we are well-positioned to respond to changing customer needs and regulatory demands in order to maintain our success. This includes being able to respond to legal requirements and customer demands for more sustainable solutions including waste diversion from landfill disposal through alternative solutions such as compost processing, soil remediation and resource recovery through recycling, as well as harnessing power generated by landfills.

Our diversified business model also complements our acquisition strategy. Multiple business lines across different geographies allow us to source acquisitions from a broader pool of potential targets. Maintaining a diversified model is therefore critical to capitalizing on accretive acquisition opportunities and helping to reduce execution and business risk inherent in single-market and single-service offering strategies.

Executing Strategic, Accretive Acquisitions

Our disciplined ability to identify, execute and integrate value-enhancing acquisitions has been a key driver of our growth to date. Since commencing operations in 2007, we have completed over 180 acquisitions. We focus on selectively acquiring premier independent regional operators to create platforms in new markets. We then seek to build scale by making and effectively integrating tuck-in acquisitions that generate meaningful cost synergies by increasing route density and drive margin expansion by leveraging our scalable infrastructure and centralized administrative capabilities. We have a deep and multi-disciplinary team that executes our acquisitions. Such team includes, among others, our Vice President of Corporate Development, our Vice President of Integration, our legal group, corporate development associates, IT professionals, environmental professionals and other support resources.

We have extensive experience in both executing large-scale platform acquisitions and integrating acquired regional businesses into our existing network, expanding their top line revenue and profitability under the GFL banner while maintaining their same high service standards.

While our senior management team is responsible for executing and integrating acquisitions, our decentralized management structure allows us to maintain a robust acquisition pipeline by identifying attractive opportunities at the local market level. We focus on developing relationships with potential vendors over time. Our typical approach to transactions involves engaging internal and/or external specialists and advisors, conducting due diligence, entering into a definitive agreement, closing the transaction and then integrating the acquired business, assets, systems and personnel into our broader operations. We are committed to delivering on the indicative transaction terms we propose to vendors in our letters of intent, including providing a definitive timeline to close. We believe that these core acquisition principles resonate with potential vendors and have enabled us to develop a reputation as an acquirer-of-choice. Additionally, we believe that our entrepreneurial and returns-driven culture is highly attractive to vendors who wish to remain involved in the business after an acquisition has been completed.

Our approach to acquisitions creates meaningful cost synergies by increasing route density and collection volumes, and drives margin expansion by leveraging our scalable infrastructure and centralized administrative capabilities. In addition, successful execution of acquisitions opens new markets to us and provides us with new opportunities to realize cross-selling opportunities.

Driving Operating Cost Efficiencies

In each of our geographic markets, our strong competitive position is supported by and depends on the significant capital investment required to replicate our network infrastructure and asset base, as well as by stringent permitting and regulatory compliance requirements. As we execute on our growth strategies, we intend to continue to leverage our scalable network to attract and retain customers across multiple service lines, realize operational efficiencies that drive operating margin expansion, and realize procurement and cost synergies.

It is also key that we continue to leverage our scalable capabilities to drive operating margin expansion and realize cost synergies. This includes using the capacity of our existing facilities, technology processes and people to support future growth and provide economies of scale, as well as increasing route density and servicing new contract wins with our existing network of assets and fleet to enhance the profitability of each of our business lines.

Our success also depends on our ability to continue to make strategic investments in our business, including substantial capital investments in our facilities, technology processes and administrative capabilities to support our future growth. Our ability to improve our operating margins and our selling, general and administrative expense margins by maintaining strong discipline in our cost structure and regularly reviewing our practices to manage expenses and increase efficiency will also impact our operating results.

Our Operations

Solid Waste

As of December 31, 2021, we had over 230 collection operations, 160 owned or managed solid waste transfer stations, 90 owned or managed landfills, 30 MRFs and 20 organic facilities. Our broad network of solid waste facilities underpins our ability to compete in markets with different disposal dynamics and profitably manage the solid waste volumes that we control. In some markets, we create and maintain vertically integrated operations through which we manage our customers' waste streams from collection to transfer to disposal. By internalizing waste in those markets where we have vertically integrated operations, we are able to deliver high quality customer service and benefit from a stable and predictable revenue stream while maximizing profitability and cash flow from our operations. In disposal neutral markets, or markets with excess landfill capacity, we leverage our control of the substantial solid waste volumes from our collection and transfer stations to negotiate competitive disposal and pricing terms with third party disposal facilities.

In 2021, we formed a new subsidiary, GFL Renewables LLC (" **GFL Renewables**"). GFL Renewables is a new platform focused on developing renewable natural gas ("**RNG**") projects at our municipal solid waste (" **MSW**") landfills. These projects will increase our capture and reuse of landfill gas and produce RNG for commercial and industrial direct-use applications, including as fuel in our own fleet of CNG powered vehicles. Harnessing landfill gas for conversion to RNG replaces fossil fuels, such as natural gas, and avoids the environmental impacts associated with its extraction. In 2021, we entered into joint venture arrangements with partners to develop RNG projects at four of our MSW landfills.

Collection Services

Our collection services are provided to customers under (i) municipal collection contracts, (ii) residential subscription agreements, and (iii) commercial customer service agreements.

Municipal contracts generally provide for curbside collection services for all or a portion of the households within a municipality and/or collection services for all municipal facilities within the municipality or designated portion thereof. Municipal contracts are typically awarded on a competitive bid basis for a term ranging from three to 10 years often with additional one-or two-year renewal terms at the option of the municipality, with subsequent terms being negotiated or rebid. In Canada, municipal contracts typically direct collected waste and recyclables to a municipal disposal facility or a municipally designated facility. In our U.S. operations, municipal contracts typically provide us with final disposal optionality, giving us control of solid waste collected through these contracts. Under residential subscription agreements, we collect various waste streams from residents in one or more areas of a municipality under contract with each resident or with the municipality which gives us the exclusive right to provide collection services to those residents.

The fees we charge under our municipal and residential collection contracts are based on a volume, per household, per service or per lift basis. Certain of our municipal collection contracts include annual price adjustment clauses often tied to changes in an underlying base index such as a CPI and adjustments for fuel costs. Some of these adjustments may only result in price increases while others permit both increases and decreases, in each case, based on the relevant index. We also expect to continue to expand the use of waste-related indices for purposes of the annual price adjustment clauses in these contracts.

Our solid waste commercial service contracts that provide for recurring services typically have three to five year terms with automatic renewals, volume-based pricing and CPI or adjustments based on other waste-related indices, fuel and other adjustments. The fees we charge under our commercial services contracts are determined by a variety of factors, including collection frequency, type of service, type and volume or weight of waste, and type of equipment and containers furnished.

The revenue generated through our collection services is predictable and recurring given the longer term nature of our contracts.

Transfer Services

We have a strategically-located network of owned and managed solid waste transfer stations which allows us to consolidate waste received at these facilities from our own collection operations as well as from third-party solid waste collectors for transport to landfills or other disposal sites. We typically control the ultimate disposal location of the waste volumes received at our transfer stations.

In many jurisdictions in which we operate, in order to develop, own or operate a transfer station, we are required to go through a stringent governmental review processes to obtain one or more permits. Obtaining these permits is difficult, time consuming and expensive.

Our large network of transfer stations enables us to compete in markets with different disposal dynamics and profitably manage the waste volumes that we control. We are able to internalize significant costs by using our own transfer stations for our collection operations and retaining disposal fees that we would otherwise pay to third parties. Our transfer stations also allow us to consolidate our collected volumes in order to reduce our transportation costs to landfills or other disposal sites.

Our transfer stations generate revenue through tipping fees paid to us by third party haulers and waste generators, including many of our collection operation's competitors, who use our transfer station facilities due to their proximity to the locations from which waste is collected. The tipping fees we charge are generally based on the weight or volume of the waste received at our transfer stations. We also operate transfer stations for municipal owners under a variety of compensation arrangements, including fixed fee arrangements or on a tonnage or other basis.

Landfill, Material Recovery and Organic Processing Services

Our owned landfills generate tipping fees paid to us by municipalities and third-party haulers and waste generators. Our managed landfills in Canada and the United States are under fixed term operating or life-of-site agreements. Under these agreements, the municipality that owns the landfill usually also owns the permit and we provide operations at the landfill, ranging from all daily landfill operations to supervising municipal workers in the conduct of day-to-day operations at the landfill, for a contracted term. In addition, by the terms of these agreements, the municipal property owner, rather than GFL, is generally responsible for final capping, closure and post-closure obligations.

MRFs are specialized facilities that receive, separate and prepare recyclable materials. We offer residential, commercial, industrial and municipal customers recovery services for a variety of recyclable materials, including fiber/old corrugated cardboard, mixed papers, glass bottles as well as certain plastics and ferrous/non-ferrous metal. Revenue from our MRF operations is largely generated from the processing fees charged to third parties based on the volume of materials received at our facilities. We also generate revenue from the sale of recyclable materials to third parties.

Residential single-stream programs have greatly increased recycling volumes in North America. Single-stream recycling is possible through the use of various artificial intelligence and optical sorting technologies installed at MRFs. We have invested in state-of-the-art technology at our MRFs, including elliptical fiber separation, optical sorting, fully automated high-speed sorting robots and other mechanical separation processes that allow us to achieve improved recovery of recyclable materials and produce high-quality processed recyclables. This technology is featured at our MRFs located in Ontario, Manitoba, Colorado, Pennsylvania, Michigan, Illinois and Missouri. Our Toronto recycling facility, located on a 27 acre site housing two MRFs, includes 22 optical sorters, eight balers and three fully automated sorting robots. This facility provides municipal residential recycling services to a population of over 4 million individuals, as well as industrial, commercial and institutional recycling services, and processes approximately 365,000 tonnes of recyclables per year. We are continually reviewing our existing recycling technology and assessing and implementing new technology in order to improve our sorting capabilities. Our Winnipeg MRF was awarded the National Waste & Recycling Association 2020 Recycling Facility of the Year.

Over the last two years, we have also invested in dedicated facilities for the recycling of wood-based waste materials such as pallets, crates and lumber cut-offs into a range of products including wood flour-filler, garden mulch, animal bedding and others. Our wood recycling business creates value from wood waste, drives landfill diversion and eliminates the negative environmental impact of processing lumber.

Organics facilities recycle organic waste to produce a high quality compost product, fertilizers and other soil supplements. Our organic facilities help communities reduce their overall GHG footprint by keeping organic waste out of landfills and by generating a compost product from recycled rather than virgin materials.

In 2021, we created Resource Recovery Alliance Inc. (“ **RRA**”), a producer responsibility organization (“ **PRO**”) registered in Ontario. RRA was formed in response to the Ontario government’s adoption of full EPR regulations for Blue Box materials and is expected to operate as a PRO in other North American jurisdictions that have adopted, or in the future adopt, similar regulations. In conjunction with our core solid waste business, RRA provides producers with innovative and environmentally-responsible solutions to help them achieve their recovery targets.

Infrastructure and Soil Remediation

Our infrastructure and soil remediation operations are currently concentrated in Southern Ontario and the Northeastern United States, in addition to a facility in California. In this business line, we excavate and transport clean and contaminated soils and remediate and dispose of contaminated and remediated soils. In Canada, we also offer complementary demolition, excavation, shoring and civil services. Soil remediation facilities remediate contaminated soils otherwise destined for landfill disposal for reuse in construction and development projects.

Revenue from our soil remediation operations primarily consists of fees for the excavation and remediation of contaminated soils. Fees are based on the volume of soil being remediated and are typically generated pursuant to short-term, project-specific contracts. We also generate revenue in our infrastructure operations from excavation work which is charged on a per tonne basis, as well as revenue from demolition, infrastructure installation and shoring work that is charged on a project basis. Amounts relating to contract assets are balances due from customers under construction contracts that arise when we receive payments from customers in line with a series of performance related milestones. In our infrastructure business, our work is largely project-based, often involving large multi-year infrastructure projects, such as subway or other large-scale transit expansion projects.

Liquid Waste

In our liquid waste operations, we collect, consolidate, manage, transport and process hazardous and non-hazardous industrial and commercial waste, including contaminated waste water, for treatment, recycling, recovery, disposal or beneficial use. We provide on-site industrial cleaning and waste processing services by deploying or co-locating specialized staff and equipment to a customer's operating facility. We also resell liquid waste products including UMO and downstream by-products. Wherever possible, collected liquid waste (including UMO) is recycled and recovered for reuse through provincial stewardship programs in Canada. Within our liquid waste business, we also provide HAZMAT emergency response services, available 24 hours a day, 365 days a year. Our emergency response services allow us to provide timely technical responses to incidents involving road, rail or air transport, including the containment and proper transportation of hazardous waste to one of our approved facilities.

We provide liquid waste services to municipal, residential, and commercial and industrial customers. Revenue in our liquid waste operations is predominantly generated from fees charged to customers on a per service, volume and/or hourly basis as well as the sale of UMO and downstream by-products.

As of December 31, 2021, we had over 130 facilities in our liquid waste operations, including processing, collection and storage facilities. Our locations also include tank farms where we collect, temporarily store and/or consolidate waste streams for more cost-effective and efficient transportation to end users or to final recycling, treatment or disposal locations, as well as a specialized re-refinery in North Vancouver with complex processing capabilities to produce oil and finished lubricants. The scale of our operations and breadth of our liquid waste services also allow us to cross-sell solid waste services to our liquid waste customers and liquid waste services to our infrastructure and soil remediation customers in those markets where we operate these lines of business.

Customers

We have a large and diverse customer base across our operations. Our municipal customer base includes, among others, investment grade-rated municipalities such as the City of Toronto, the City of Hamilton and the City of Vancouver in Canada, and in the United States, the City of Raleigh and the City of Denver, school boards, hospitals and other governmental agencies. Our commercial and industrial customers include large commercial property owners or managers, construction companies, entertainment and recreational facilities and small businesses, such as restaurants. In jurisdictions that have adopted EPR regulations, our customers may also include producers and other PROs. We believe that the breadth of our customer relationships, long-term contracts and high renewal rates provide us with a high degree of revenue and margin stability and visibility.

Our customer service representatives seek customer feedback and monitor customer call data in order to continually improve our performance and customer retention.

Information Management and Technology Systems

We have implemented robust infrastructure and information technology systems and have made significant investments in new technology as well as the innovation of existing management and operating processes.

We have core management information systems in place and believe they are scalable to support our future growth plans. This includes our enterprise resource planning system, which connects our accounting and planning functions across our network of facilities and operations. In addition, we have invested in fleet maintenance management and route optimization software systems, as well as in-cab telematics, in order to continually assess and improve our fleet and route management processes, as well as drive performance across our markets and business lines. A focus on fleet optimization and driving performance not only leads to cost savings but also to reductions in our GHG emissions and improved safety performance.

As part of our enterprise risk management, we provide our employees with information security training programs and employees are required to acknowledge our information technology policies on an annual basis.

Employees

As of December 31, 2021, we had more than 18,000 employees across our operations, 49.2% in Canada and 50.8% in the United States. Approximately 12% of our employees are unionized or subject to a collective bargaining arrangement. In addition, as of December 31, 2021, 99.9% of our employees were employed under a permanent contract. The predictable and recurring nature of our business requires full time employees, although we occasionally use part time or seasonal employees as our needs dictate. We have never been required to implement any large-scale job cuts or redundancies (whether as a result of the COVID-19 pandemic or otherwise). We believe that we have positive and constructive relationships with our unionized and non-unionized employees.

We are bound by certain collective agreements that cover all employees in the applicable province that provide a certain type of service (the "**Provincial Agreements**"). Renewals of the Provincial Agreements are negotiated by provincial agencies, including The Utilities Contractors Association of Ontario Incorporated, the Operating Engineers Employer Bargaining Agency, the Associated Earthmovers of Ontario, the Association of Demolition Contractors Inc., the Construction Labour Relations Association of Ontario, and the Heavy Construction Association of Ontario without our direct involvement. Our unionized workforce in the U.S. is governed by location-specific collective agreements. Our unionized locations are covered by collective bargaining agreements with expiry dates ranging from 2022 to 2026.

We are invested in having a diverse workforce including a diverse leadership team. Forty percent (40%) of our executive leadership team are women and we are implementing programs, through our Women in Waste initiative that we launched in 2019, to encourage greater participation of women in both our hourly and salaried ranks and to support their training and development within GFL. We continue to prioritize investing in the diversity of our workforce, including through formal mentorship programs.

We are committed to fundamental human rights principles and maintain a comprehensive Human Rights Policy which sets out our commitment to treating all workers with respect and dignity, ensuring safe working conditions and conducting environmentally responsible and ethical operations. The Human Rights Policy formalizes the key principles we adhere to with respect to human rights, including diversity and inclusion, equal opportunity, freedom of association and collective bargaining, forced labour, human trafficking and child labour, working hours, wages and benefits and environmental responsibility. Our Human Rights Policy is made available to all our employees and can be accessed on our website at http://gflenv.com.

Environmental Management System

Built on the foundation of the commitments contained in our Sustainability Policy, we have also developed and implemented a centrally coordinated Environmental Management System ("**EMS**") based upon the principles of the U.S. Environmental Protection Agencies Compliance Focused EMS. We use our EMS to consistently monitor and ensure environmental compliance and issue management across our operations. Our EMS is executed at the business line, facility and regional levels through well-defined roles, responsibilities and accountabilities and is supported by subject matter experts that provide visible leadership and responsibility for tracking and influencing environmental policies and best management practices, as well as assisting operations with identifying and interpreting regulatory requirements.

Health and Safety Management System

Our health and safety management system is implemented through our Safe for Life program. The Safe for Life program recognizes that our employees are our greatest asset and our strongest resource in assessing, correcting and executing safe practices. Our commitment to safety extends from our strict regulatory compliance to our wide range of training, coaching and supervision that is based on our internal responsibility system that is designed to ensure that all employees make safe execution of their jobs their first priority by (i) conducting regular inspections and audits designed to conform adherence to corporate policies and applicable regulations, (ii) documenting standard operating procedures and safe work practices that are used to prevent injuries and illnesses, (iii) engaging communication technologies that centralize corporate data and simplify processes to promote compliance, and (iv) developing a safety culture through regular, timely, job- and task-specific training. We employ technology, including electronic in-cab devices and software compliance tools as part of our Safe for Life system as a tool to enhance daily interactions and supervision. We have been recognized by several health and safety organizations, such as the Infrastructure Health & Safety Association, as well as receiving Certificates of Recognition from the provinces of Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick and Newfoundland issued to companies that provide evidence of their ongoing commitment to safety in the workplace. In 2021, our Safe for Life program received Excellence Awards at Canada's Safest Employers Awards in the categories of Best Health, Safety and Environment Management Program (awarded to our liquid waste business), Canada's Safest Employer for Young Workers (awarded to our infrastructure business) and Most Innovative use of Safety Technology (awarded to our infrastructure business). Also in 2021, our Safe for Life program received the ADSC Safety Award in respect of our infrastructure business.

Our Entrepreneurial and Innovative Culture

We recognize that our employees often have great ideas for sustainable solutions for our customers and our operations and we encourage the adoption of their ideas into our business. In 2020, we launched our Environmental Innovation Program, which includes our Greenlight Innovation Workshop. The Greenlight Innovation Workshop empowers employees to find near-term sustainable solutions in our operations, with the goal of rolling out these solutions across our lines of business and markets. In our 2021 workshop, the winning group's project focused on an innovative approach to managing PFAS in leachate.

In 2020, our Environmental Innovation Program was recognized for its environmental and sustainability achievements by receiving the 2020 SEAL Environmental Initiative Award.

Community Investment and Involvement

Giving back to the communities we serve is an important part of our corporate citizenship and is supported through initiatives like our Employee Sustainability Committees and Full Circle Project. These initiatives are essential components of our overall sustainability action plan.

We launched Employee Sustainability Committees in 2020 to promote employee participation in implementing sustainable initiatives and projects at our offices, facilities and in local communities. Each committee works to identify, develop and implement initiatives that minimize our environmental impacts at the workplace and encourage engagement with our communities to support local environmental causes and increase our community involvement.

The Full Circle Project is a community-driven charitable giving program that lets our customers have a say in the categories of charities that we support. Our goal is to give financially to local, high-impact charities and, more importantly, to build relationships with them. The Full Circle Project enables our employees to be leaders and show support for their communities which we believe drives employee engagement and reinforces the entrepreneurial culture that is key to our overall success.

Government Regulation

Our operations are subject to a broad range of federal, provincial, state and local laws and regulations in the provinces, states or municipalities in Canada and the U.S. in which we operate. We currently operate solely in Canada and the United States, and we do not operate in any "sensitive countries" or select jurisdictions for operation or incorporation based on tax regimes. The laws and regulations to which we are subject include requirements to obtain permits, licenses or other governmental authorizations before engaging in various aspects of our operations or as our operations change. Some of these requirements govern our operations at our facilities, the services we perform at our customers' facilities, as well as the transport of wastes from our own or our customers' facilities to our own or third party facilities, including, limitations of the types or volume of waste materials that we are authorized to transport, receive, store, treat, recycle or dispose and obligations to investigate, clean-up or take other corrective actions related to any unauthorized release of regulated materials into the environment. Compliance with this broad range of regulatory requirements requires us to incur both capital and operating expenditures, can be costly and in some instances, difficult to achieve. If we violate any of these laws or regulations, we may be subject to civil or potentially criminal prosecution which may result in the imposition of fines and penalties, some of which may be significant, additional restrictions or limitations on our facilities or operations as well as to the denial or revocation of permits, licenses or authorizations that we require to operate our business. While we believe that our internal management systems are configured to keep our operations in material compliance with applicable federal, state, provincial and local laws, permits, orders and regulations, and that our current operating and capital budgets are adequate to address future compliance costs, there can be no assurance in this regard. We also anticipate that, given the nature of our business, there will continue to be increased regulation, legislation and regulatory enforcement actions related to our operations. We attempt to anticipate future regulatory requirements and to plan accordingly to remain in compliance with all applicable regulatory frameworks.

Beginning in 2020, as a result of the COVID-19 pandemic, governmental authorities in some of the jurisdictions in which we operate imposed new regulations and orders governing the health and safety of our employees. These regulations in some jurisdictions in which we operate also impacted our customers by requiring the temporary shut down or reduction in the permitted scope of many non-essential businesses, including restaurants, bars, gyms, movie theatres and other entertainment or recreational venues. In 2021, some of these regulations and orders were lifted or scaled back in many U.S. states. In Canada, many provincial governments introduced new increased measures and re-introduced former measures in 2021.

Canadian Environmental Regulations

Our Canadian operations are primarily regulated by provincial environmental and health and safety legislation, which varies from province-to-province across Canada. Generally, across our business lines, any activity that poses a risk of discharge or release of any material designated as a "contaminant" into the environment requires appropriate provincial permits as well as compliance with applicable, and frequently changing, federal and provincial environmental legislation and regulations. These include provincial legislation that governs discharges into the air or water and include requirements to avoid, reduce and/or clean up substances or wastes discharged into the environment. Our operations are also regulated by municipal by-laws regarding zoning, land use, air emissions, noise, nuisance, wastewater discharge and fill importation.

In several provinces in which we operate, there has been an increasing focus on regulation which encourages or mandates recycling and waste reduction by consumers as well as by certain industrial, commercial, and institutional waste generators. These regulations include laws which prohibit or financially penalize the disposal in landfill of certain types of wastes, such as food and yard waste, tires, batteries, electrical and electronic equipment and certain construction and demolition materials.

In 2021, Ontario released final regulations for the establishment of an EPR regime in the province, starting in 2023. EPR regulations are designed to place either partial or total responsibility on producers to fund the post-use life cycle of the products they create. Along with the funding responsibility, producers may be required to take over management of local recycling programs by taking back their products from end users or managing the collection operations and recycling processing infrastructure. An EPR regime has been in place in British Columbia since 2014. In May of 2020, we commenced a 5-year contract with Recycle BC, the association of producers responsible for residential packaging and paper recycling in the province, to process recyclables across British Columbia. We expect that other provinces in Canada in which we operate may also adopt EPR legislation in the future.

Federal statutes in Canada also govern certain aspects of our operations, including GHG emissions from our facilities and the cross border transport of certain kinds of waste between Canada and the U.S. and between provinces in Canada. For example, some of our operations are subject to federal legislation including the Canadian Environmental Protection Act and regulations, particularly the

Export and Import of Hazardous Waste and Hazardous Recyclable Material Regulations, the Greenhouse Gas Pollution Pricing Act and the Transportation of Dangerous Goods Act and regulations.

The expansion or establishment of certain waste management projects in Canada, including landfills, may also be subject to provincial and/or federal environmental assessment requirements.

All of our business lines are subject to periodic environmental reporting and permitting requirements. Our infrastructure and soil remediation operations are subject to various regulations and standards, including those regulating the permitted levels of contaminants in soil and the disposal of contaminated soil. Our solid and liquid waste operations are subject to extensive governmental regulation of the collection, transportation, processing, storage and disposal of waste, including matters such as the reporting of spills and discharges of contaminants, standards for the operation of waste management systems, transfer stations, landfills, organic waste facilities and storage and processing facilities and prescribed systems for monitoring specified wastes, as well as requirements to post financial assurances to secure closure and post-closure obligations of our facilities.

Remediation of contamination in connection with our business is primarily regulated by provincial environmental laws. While each province has its own regulatory regime, remediation orders can generally be issued on a joint and several liability basis to persons who caused or permitted the discharge of a contaminant, persons who owned the discharged substance, as well as current and past owners of lands or the source of the contamination and persons who have or have had charge, management or control over lands or the source of the contamination, regardless of fault.

In our solid waste and soil remediation operations, we are required to possess appropriate permits in order to collect waste and to conduct operations at our transfer stations, landfills, organic waste facilities and soil remediation facilities. In some jurisdictions, MRFs also require permits to operate. The final disposal of clean and remediated soil is also typically subject to control under municipal fill and site alteration by-laws. In the liquid waste industry, the collection, transport, processing and disposal of liquid waste requires appropriate permitting. The generation and movement of liquid and hazardous wastes are also subject to provincial generator registration and manifesting requirements. The development of new waste transportation, storage, processing, remediation and disposal facilities also typically require specific waste management approvals. The development of new clean or remediated soil disposal sites often also require specific municipal permits. Any difficulty in obtaining or maintaining such permits, licenses and approvals or any imposition of more stringent requirements of local government bodies with respect to zoning, land use and licensing could result in a delay in our ability to develop or commence operation at any new facility or to maintain operations at our existing facilities as well as increased costs of compliance.

The Canadian federal government and several Canadian provinces in which we have operations have enacted laws to regulate GHG emissions. The Canadian federal government's Greenhouse Gas Pollution Pricing Act took effect in 2019 and establishes a national carbon-pricing regime for certain provinces and territories in Canada. Provinces and territories in Canada may choose to implement their own carbon pollution price or cap and trade system that is no less stringent in respect of fuel distribution, industrial emissions or both. If they do not do so, then the federal system applies. The federal carbon-pricing regime consists of a carbon levy applied to fossil fuels that emit GHG paid by fuel producers, distributors and certain prescribed users of fossil fuels and an output-based pricing system applied to certain large-emitter industrial facilities with reported emissions of 50,000 tonnes of carbon dioxide equivalent ("**CO2e**") or more per year. Currently, the federal system applies fully or partially in the provinces of Alberta, Manitoba, Ontario and Saskatchewan in which we have operations. The other Canadian provinces in which we have operations, including Quebec and British Columbia, have adopted legislation that limits GHG emissions through requirements of specific controls, carbon levies, cap and trade programs or other measures. The impact of increased carbon taxes, however, is passed on to consumers in the price of fuel, as well as other products used in our operations.

Under the Greenhouse Gas Reporting Program, enacted by the federal government under the Canadian Environmental Protection Act, all facilities that emit 10,000 tonnes or more per year of GHG in CO_2 equivalent units are required to report their GHG emissions annually.

In July 2021, the federal government in Canada enacted the Canadian Net-Zero Emissions Accountability Act. The Act requires the federal Minister of the Environment and Climate Change to set national targets for the reduction of GHG emissions on a rolling five-year basis, with targets being established on the "milestone years" of 2030, 2035, 2040 and 2045 in order to achieve a net-zero emissions target by 2050. In 2021, the Canadian government also confirmed its intention to increase the federal carbon tax from $50 per tonne of CO2e in 2022 by $15 per tonne per year starting in 2023 to reach $170 per tonne in 2030. The adoption of such climate accountability legislation, including laws relating to carbon taxes, may require us to implement measures to reduce GHG emissions from our operations or to accelerate the timing of adoption of measures to reduce our GHG emissions. Climate accountability legislation may also have the effect of increasing the demand of our customers for more sustainable solutions including alternative solutions to landfill disposal such as compost processing, soil remediation and materials recycling, as well market demand for renewable energy generated from landfill gas.

We continue to monitor the status of the various legislative initiatives going forward and the impact any such developments may have on our Canadian operations. Information on our sustainability strategy, programs and initiatives, as well as 2020 sustainability results, can be found in our 2020 Sustainability Update Report available on our website.

U.S. Environmental Regulations

In our U.S. operations, regulations applicable to our business are administered by the United States Environmental Protection Agency (the "**EPA**") and various other federal, state and local environmental, zoning, health and safety agencies. Further, under certain circumstances, a number of U.S. environmental laws and regulations to which our operations are subject authorize the institution of lawsuits by private citizens and entities other than environmental regulatory authorities to enforce those laws and regulations.

In order to transport waste in the United States, we must have one or more permits from state or local agencies. These permits also must be periodically renewed and are subject to modification and revocation by the issuing agency. Similarly, we are often required to have a local government franchise, which franchise may expire and be subject to modification or revocation.

In order to develop, own, operate, expand or modify a landfill, a transfer station or other solid waste facilities, we are required to go through several governmental review processes and obtain one or more permits and often zoning or other land use and local government approvals. Obtaining these permits and zoning, land use and local government approvals is difficult, time consuming and expensive. In addition, this process is often opposed by various local elected officials and citizens' groups. Once obtained, operating permits generally must be periodically renewed and are subject to periodic modification and, under some circumstances, revocation by the issuing agency.

Our U.S. facilities are subject to a variety of operational, monitoring, site maintenance, closure, post-closure and financial assurance obligations that change from time to time and which could give rise to increased capital expenditures and operating costs. U.S. governmental authorities have broad power to enforce compliance with these laws and regulations and to obtain injunctions or impose civil or criminal penalties in the case of violations.

In connection with our landfills, it is often necessary to expend considerable time, effort and money in complying with the governmental review and permitting process necessary to maintain or increase the capacity of these landfills. The principal federal, state and local statutes and regulations applicable to our various U.S. operations are as follows:

The Resource Conservation and Recovery Act

The Resource Conservation and Recovery Act (" **RCRA**"), as amended, regulates handling, transporting and disposing of hazardous and nonhazardous waste and delegates authority to states to develop programs for the safe disposal of solid waste. In 1991, the EPA issued its final regulations under Subtitle D of RCRA, which set forth minimum federal performance and design criteria for solid waste landfills. These federal regulations, which have from time to time been amended, are typically implemented by the states, although states can impose requirements that are more stringent than the Subtitle D standards. RCRA also imposes extensive operational, recordkeeping and reporting obligations. We incur costs in complying with these standards in the ordinary course of our operations.

The Comprehensive Environmental Response, Compensation and Liability Act of 1980

The Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (" **CERCLA**"), also known as Superfund, provides for authorized federal authorities to respond directly to releases or threatened releases of hazardous substances (which CERCLA defines substantially more broadly than hazardous wastes under RCRA or similar laws) into the environment. CERCLA also imposes strict liability for cleanup of certain contaminated sites upon current and former site owners and operators, generators of the hazardous substances at the site and transporters who selected the site and transported hazardous substances to it. Liability under CERCLA is strict, joint and several and not dependent on the intentional or negligent release of hazardous substances; it can be based upon the release or threatened release of hazardous substances, even as a result of lawful, unintentional and non-negligent action. The EPA may issue orders requiring responsible parties to clean up affected sites, or may seek recovery of funds spent or to be spent in the future performing the site cleanup. CERCLA also allows for responsible parties to be liable to other entities (including other responsible parties) that have incurred cleanup costs at a site, as provided under the statute. Further, liability for damage to publicly-owned natural resources may also be imposed under CERCLA. We may become subject to liability under CERCLA as a result of our operations, or as a result of conditions on properties we own or operate or formerly owned or operated.

The Federal Water Pollution Control Act of 1972

The Federal Water Pollution Control Act of 1972, known as the Clean Water Act, establishes rules regulating the discharge of pollutants from a variety of sources, including solid waste disposal sites and transfer stations, into waters of the United States. Various states in the United States in which we operate now or might in the future have delegated authority to implement the Clean Water Act permitting requirements, and some of these states have adopted requirements that are more stringent than the federal requirements. On October 18, 2021, the EPA issued its PFAS Strategic Roadmap, which lays out the agency's approach for addressing environmental impacts from PFAS. This roadmap outlines the EPA's plan to set effluent guidelines for PFAS under the Clean Water Act for certain industrial discharges. Because landfills are identified in the roadmap as a source of PFAS, it is expected that the EPA will eventually set PFAS discharge limits for landfill leachate disposed through a National Pollutant Discharge Elimination System, or NPDES, permit or to a publicly-owned treatment works.

The Clean Air Act of 1970

The Clean Air Act, as amended, provides for regulation, through state implementation of federal requirements, of the emission of air pollutants from certain landfills based upon the date of the landfill construction and volume per year of emissions of regulated pollutants. Certain of our operations are subject to the requirements of the Clean Air Act, including our large MSW landfills.

In 1996, the EPA issued New Source Performance Standards (" **NSPS**") and emissions guidelines (" **EG**") controlling landfill gases from new and existing large MSW landfills. In January 2003, the EPA issued Maximum Achievable Control Technology ("**MACT**") standards for MSW landfills subject to the NSPS. These regulations impose limits on air emissions from large MSW landfills, subject to certain operating permit requirements under Title V of the Clean Air Act, and, in many instances, require installation of landfill gas collection and control systems to control emissions or to treat and utilize landfill gas on- or off-site. The EPA entered into a settlement agreement with the Environmental Defense Fund to evaluate the 1996 NSPS for new landfills as required by the Clean Air Act every eight years and then revise them if deemed necessary.

In July 2016, as part of the Obama Administration's Climate Action Plan—Strategy to Reduce Methane Emissions, the EPA issued final NSPS to reduce emissions of methane, which is understood to be a GHG, from new, modified, and reconstructed MSW landfills. The EPA also updated the EG for existing landfills (constructed, modified, or reconstructed on or before July 17, 2014). Both actions will require affected landfills to install and operate a gas collection control system within 30 months after landfill gas emissions reach a new, lower threshold of 34 metric tons of non-methane organic compounds or more per year (whereas the previous threshold was 50 metric tons). Closed landfills under the rule will remain subject to the current threshold of 50 metric tons per year. In May 2017, the EPA announced the agency is reconsidering certain aspects of the 2016 final rules for MSW NSPS and EG, as requested by industry. In October 2018, with respect to the 2016 EG for MSW landfills, the EPA issued a proposal to extend the plan submission deadline, aligning state plan timing requirements with those proposed in the Affordable Clean Energy ("**ACE**") rule (in July 2019, the EPA issued the finalized ACE rule). In doing so, the new timing requirements would extend (i) state plan deadlines to August 29, 2019 and (ii) the timing to 2 years for the EPA to promulgate a federal plan for states that fail to submit an approvable state plan. This extension has been subject to litigation. In August 2019, the EPA finalized the revisions to the timing requirements for the submission, review and approval of state plans implementing the EG, and promulgation of a federal plan. The EPA issued a finding on February 29, 2020 that 42 states failed to timely submit state plans to the EPA for review and approval by the August 29, 2019 deadline.

On April 5, 2021, the D.C. Circuit granted the EPA's request to vacate and remand the August 2019 rule, which had extended the timing for state plan requirements for existing landfills. In May 2021, the EPA finalized federal plan requirements to implement the standards for existing landfills. In this final federal plan, the EPA is implementing EG requirements for existing MSW landfills located in states and Indigenous country where state plans or tribal plans are not currently in effect. Upon approval of a state plan, the federal plan will no longer apply to MSW landfills in that state.

In March 2020, the EPA finalized a residual risk and technology review of the existing 2003 MACT rules. The EPA determined that risks from the MSW source category are acceptable and identified no developments in practices, processes or control technologies that would further reduce emissions of hazardous air pollutants. As part of this review, the EPA amended and reorganized the MACT rules to attempt to align the requirements with the 1996 and 2016 NSPS and EG. In doing so, however, the EPA created a conflict between the MACT rules and the existing NSPS rules with regard to certain aspects of operating landfill gas collection systems, including wellhead temperature and corrective action. Compliance with the amended MACT rules is required by September 2021. The landfill industry worked with the EPA to resolve this inconsistency in the EPA's May 2021 final federal plan. We do not believe the regulatory changes will have a material adverse impact on our business as a whole.

We continue to monitor periodic final and proposed rules to increase the stringency of certain National Ambient Air Quality Standards, and related PSD increment/significance thresholds that could affect the cost, timeliness and availability of air permits for new and modified large MSW landfills and landfill gas-to-energy facilities. In general, controlling emissions involves installing collection wells in a landfill and routing the gas to a suitable energy recovery system or combustion device.

GHG Regulatory Developments and Climate Change

The U.S. has introduced a variety of legislative and regulatory measures focused on restricting the emission of carbon dioxide, methane and other GHGs, though the scope and nature of the measures in large part depend upon the governing political party. In February 2021, the Biden administration rejoined the Paris Agreement, after the Trump administration had withdrawn from it in June 2017. Also, in 2021, the Biden administration announced that the U.S. would seek to reduce net GHG emissions by 50% to 52% below 2005 levels by 2030. In the field of solid waste, the chief impact is the control of methane emissions from landfills under the NSPS, as discussed above. There has also been support in various regions of the U.S. for legislation that requires reductions in GHG emissions, and some states have already adopted legislation addressing GHG emissions from various sources. We continue to monitor the status of various rules and regulations going forward and the impact any such developments may have on our U.S. operations. The adoption of climate change legislation or regulations restricting emissions of GHG or ameliorating the effect of climate change may require our landfills to deploy more stringent emission controls and could increase the cost of our U.S. operations.

PFAS

PFAS are a group of man-made chemicals that contain nearly 5,000 different compounds. PFAS are ubiquitous and can be found in a variety of everyday products, including stain- and water-resistant fabrics and carpeting, cleaning products, cookware, paints, and fire-fighting foams. On October 18, 2021, the EPA issued its PFAS Strategic Roadmap, which lays out the agency's approach for addressing environmental impacts from PFAS. This roadmap sets out the EPA's strategy for regulating PFAS across a variety of environmental programs including a national testing strategy for health and environmental impacts under the authority of the Toxic Substances Control Act, the promulgation of drinking water standards under the Safe Drinking Act, limiting the discharge of PFAS into waterways through the issuance of effluent guidelines under the Clean Water Act, the listing of some PFAS as hazardous substances under CERCLA, the listing of some PFAS as a hazardous waste under RCRA and the listing of some PFAS as hazardous air pollutants under the Clean Air Act. In May 2016, the EPA issued drinking-water health advisories for the sum of PFOA and PFOS at 70 ppt. This remains the nonbinding standard for PFOA and PFOS at the federal level. In the absence of federal standards, an increasing number of states have developed their own PFAS drinking water standards, which has led to a patchwork of PFAS standards across the country.

In December 2020, the EPA released its Interim Guidance on the destruction and disposal of PFAS and materials that contain PFAS. The Interim Guidance discusses three technologies that may be effective to destroy or control migration of PFAS in the environment and are commercially available, including thermal treatment (incineration, kilns), landfilling and underground injection. The regulation of PFAS at the federal and state levels is evolving. Compliance with new PFAS regulations may require our landfills to monitor for PFAS, pre-treat leachate, or restrict the disposal of some PFAS-containing wastes. Any such new regulations could increase the cost of our U.S. operations, while also presenting potential business opportunities for PFAS management, treatment and disposal.

Fuel Efficiency Standards

Emission and fuel economy standards have also been imposed on manufacturers of transportation vehicles (including heavy-duty waste collection vehicles). The EPA and the Department of Transportation's National Highway Traffic Safety Administration finalized Greenhouse Gas Emissions and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines and Vehicles—Phase 2 on August 16, 2016, as amended in December 2020. The rule will increase fuel economy standards and reduce vehicle emissions standards for our U.S. collection fleet between model years 2021 and 2027. In December 2021, the EPA finalized revised national GHG emissions standards for passenger cars and light trucks between model years 2023 and 2026. These rules could have a material adverse effect on our financial condition, results of operations and cash flows due, in part, to the dependence of our operations on such vehicles.

State and Local Regulations

Each state in the United States in which we operate or might operate in the future has laws and regulations, as well as common law doctrines, governing waste and air pollution and the generation, storage, treatment, handling, transportation and disposal of solid waste, and, in most cases, the siting, design, operation, maintenance, closure and post-closure maintenance of landfills and transfer stations. We must comply with these laws and regulations. In addition, many states have adopted statutes comparable to, and in some cases more stringent than, CERCLA. These statutes impose requirements for investigation and cleanup of contaminated sites and liability for costs and damages associated with such sites, and some provide for the imposition of liens on property owned by responsible parties. Furthermore, many local governments have adopted ordinances, local laws and regulations affecting our U.S. operations. These include zoning and health measures that limit solid waste management activities to specified sites or activities, flow control provisions that direct the delivery of solid wastes to specific facilities or limit the ability of a landfill or transfer station to accept wastes originating from outside certain geographic areas, laws that grant the right to establish franchises for collection services and then put out for bid the right to provide collection services, and bans or other restrictions on the movement of solid wastes into a municipality.

Permits and approvals may limit the types and volume of waste that may be accepted at certain of our facilities, including our landfills, transfer stations and organic waste facilities. In addition, permits and approvals, as well as some state and local regulations in the United States, might limit a landfill or transfer stations to accepting waste that originates from specified geographic areas or seek to restrict the importation of out-of-state waste or otherwise discriminate against out-of-state waste. Generally, restrictions on the importation of out-of-state waste have not withstood judicial challenge. However, from time to time federal legislation is proposed which would allow individual states to prohibit the disposal of out-of-state waste or to limit the amount of out-of-state waste that could be imported for disposal and would require states to reduce the amounts of waste exported to other states. Although Congress has not yet passed such legislation, if this or similar legislation were enacted, U.S. states in which we operate landfills could act to limit or prohibit the importation of out-of-state waste. Such U.S. state actions could materially adversely affect landfills within those states that receive a significant portion of waste originating from out-of-state.

In addition, some U.S. states and localities may for economic or other reasons restrict the export of waste from their jurisdiction or require that a specified amount of waste be disposed of at facilities within their jurisdiction. In 1994, the U.S. Supreme Court held unconstitutional, and therefore invalid, a local ordinance that sought to impose flow controls on taking waste out of the locality. However, in 2007, the U.S. Supreme Court upheld the right of a local government to direct the flow of solid waste to a publicly owned and publicly operated waste facility. A number of county and other local jurisdictions have enacted ordinances or other regulations restricting the free movement of solid waste across jurisdictional boundaries. Other governments may enact similar regulations in the future.

These restrictions could result in the volume of waste going to landfills that we own or operate being reduced in some areas, which could adversely affect our ability to operate our landfills at their full capacity and/or affect the prices that can be charged for landfill disposal services. These restrictions might also result in higher disposal costs for our collection operations. If we were unable to pass such higher costs through to our customers, our business, financial condition and results of operations could be materially adversely affected.

As in Canada, there has been an increasing trend at the state and local level to mandate and encourage waste reduction at the source and waste recycling, and to prohibit or restrict the disposal of some types of solid wastes, such as yard wastes, leaves and tires, in landfills. The enactment of regulations reducing the volume and types of wastes available for transport to and disposal in landfills could affect our ability to operate our facilities at their full capacity.

Regulations establishing EPR are also being considered in the United States. There is currently no federal law establishing EPR in the United States; however, state and local governments could, and in some cases have, taken steps to implement some aspects of EPR regulations mostly governing the collection and processing of electronic waste although some jurisdictions like California, Maine and Vermont in which we currently have no solid waste operations, have broader state wide product stewardship programs. In addition, some manufacturers have implemented voluntary programs to collect and recycle their products. A significant reduction in the waste, recycling and other streams we manage as a result of the broad adoption at the federal level or by state or local governments of EPR regulations could have a material adverse effect on our financial condition, results of operations and cash flows.

Occupational Health and Safety Legislation

Each province in Canada establishes and administers an occupational health and safety regime. These regimes generally identify the rights and responsibilities of employers, supervisors and workers. Employers are required to implement all prescribed safety requirements and to exercise reasonable care to protect employees from workplace hazards, among other things. In the United States, the Occupational Safety and Health Act of 1970, also known as “OSHA”, establishes employer responsibilities and authorizes the promulgation by the U.S. Occupational Safety and Health Administration of occupational health and safety standards, including the obligation to maintain a workplace free of recognized hazards likely to cause death or serious injury, to comply with worker protection standards established by OSHA, to maintain records, to provide workers with required disclosures and to implement health and safety training programs. OSHA is also administered by many state agencies whose programs have been approved by the U.S. Occupational Safety and Health Administration.

In 2020, as a result of the COVID-19 pandemic, governmental authorities in some of the jurisdictions in which we operate imposed new regulations and orders requiring us to adopt measures to protect the health and safety of our employees. In 2021, some of these regulations and orders were lifted or scaled back in many U.S. states. In Canada, many provincial governments introduced new increased measures and re-introduced former measures in 2021.

Employment Regulations

In Canada, we are subject to provincial labour and employment laws that govern our relationship with our employees, such as minimum wage, overtime and working condition requirements and employment standards legislation. In the United States, we are subject to federal, state and local laws and regulations regarding our employees, including those regarding classification of employees as overtime exempt or non-exempt, minimum wage, allowance of rest and meal breaks and payment of overtime wages requirements and various anti-discrimination laws.

Transportation Legislation

Our fleet operations are subject to applicable general transportation and dangerous goods transportation legislation in the provinces and states in which we transport waste. If collected waste is transported on roads regulated under Canadian government regulations, the Transportation of Dangerous Goods Act also applies. These standards apply to our vehicles as well as to our drivers. In the United States, we are subject to federal, state and local laws and regulations regarding our transport activities, such as safety, security, hours of service, required registration and licensing to engage in our operations, handling of hazardous materials, insurance requirements and financial responsibility. The regulators responsible for such laws and regulations regularly conduct reviews and audits to determine compliance with the regulatory requirements.

Competition

The North American environmental services industry is highly fragmented. Competition in each of the business lines in which we operate comes from both large public or private companies with a national presence and privately-owned regional or local players. Competition exists within the industry not only for collection, transportation and disposal volume, but also for acquisition candidates.

Competition for customers across our business is based primarily on price and quality of service. Our municipal and commercial and industrial contracts in our solid and liquid waste operations and the majority of our work in our infrastructure and soil remediation operations are subject to periodic competitive bidding. In certain markets in our solid waste operations, we also compete with municipal operators of collection and disposal facilities which may have financial and other advantages over us because of their ability to flow control waste streams to their own disposal facilities, as well as their access to tax revenues and tax-exempt financing, as well as user fees and similar charges. The impact of actions taken by our competitors may, from time to time, cause us to reduce our prices, or if we elect not to match prices offered by competitors, to lose business.

Intellectual Property Rights

We have registered the “GFL Green for Life” and “Green Today Green for Life” trademark names and designs with the Canadian Intellectual Property Office and the U.S. Patent and Trademark Office. In addition, we hold a number of registered and unregistered trademarks including “GFL Environmental”, “GFL” and others accumulated as a result of our historical acquisitions. We believe that our trademarks and other intellectual property rights are important to our success and our competitive position, and that we have taken the appropriate steps to protect such rights. In particular, our registered trademarks and service marks are valuable assets that distinguish our brand and reinforce our consumers’ positive perception of our operations.

Seasonality

Our operating revenues tend to be higher in the second and third quarters, due to the higher volumes of waste generated during the summer months in many of our solid waste markets, and lower in the first quarter, primarily due to winter weather conditions, which can also impact the level of activity in our liquid waste and infrastructure and soil remediation businesses. Our operations can be adversely affected by periods of inclement or severe weather, which can increase the volume of waste collected under our existing contracts, delay the collection and disposal of waste, reduce the volume of waste delivered by third parties to our disposal sites, delay the construction or expansion of our landfill sites and other facilities, or cause us to incur incremental labour, maintenance and equipment costs and penalties under municipal contracts, some or all of which we may not be able to pass on to our customers.

Liability and Insurance Bonding

We post performance bonds in favour of applicable governmental authorities as a condition of issuing some of our environmental compliance approvals for our permitted facilities. In addition, some municipal solid waste contracts and infrastructure and soil remediation projects may require us to post performance or surety bonds to secure our contractual performance.

Facilities and Technology

Our facilities and other principal properties consist of land and buildings, including landfills, transfer stations, MRFs, soil remediation facilities, organic waste facilities, liquid waste storage and processing facilities, as well as vehicles and equipment to service our operations.

Our principal offices are located in Vaughan, Ontario, Canada, where we occupy approximately 66,000 square feet under a lease that expires in 2028. We also maintain corporate offices in Montreal, Edmonton and Raleigh and regional administrative offices in other markets.

We own a variety of equipment, including waste collection and transportation vehicles, related support vehicles, containers and heavy equipment used in landfill, collection, transfer station, MRFs and organic waste facilities and in our infrastructure and soil remediation operations. In our solid waste operations, we have invested in CNG fueling stations and highly efficient CNG fueled collection vehicles, which as of December 31, 2021, comprised approximately 15.3% of our solid waste collection fleet. We are also implementing CNG vehicles on a pilot basis in certain of our liquid waste collection operations. These investments result in lower fuel and near term maintenance expenditures, leading to higher operating margins. As we replace and add new vehicles to our fleet, we intend to increase our CNG vehicle count where we have CNG facilities and service select new solid waste municipal contract wins with new CNG vehicles.

We have also invested in new technologies such as the addition of side arm loaders to our fleet which we believe will maximize the utilization of our fleet and further support a safer working environment. Fleet standardization initiatives have improved purchasing efficiency, reduced capital expenditure variability and maintenance turnaround time, and minimized parts inventory while also enhancing the overall customer experience and the safety of our employees. We are also evaluating the potential benefits associated with other technologies, including, for example, the use of electric vehicles.

We believe that our existing facilities and equipment are adequate for our current operations. However, we expect to make additional investments in property and equipment for expansion and replacement of assets in connection with future acquisitions.

DIVIDENDS

In Fiscal 2020, we paid a quarterly cash dividend of US$0.01 for each outstanding subordinate voting share and multiple voting share of the Company, and in Fiscal 2021, we paid a quarterly cash dividend of US$0.011 for each outstanding subordinate voting share and multiple voting share of the Company. Subject to results of operations, financial condition, earnings, capital requirements and other factors that our board of directors deems relevant, it is the intention of the board of directors to continue declaring quarterly cash dividends. It is expected that future cash dividend payments will be made to shareholders of record as of the close of business on the last business day of each fiscal quarter or such other dates as the board of directors may determine. Unless otherwise indicated, all dividends are expected to be designated as eligible dividends in accordance with subsection 89(14) of the Income Tax Act (Canada) and any applicable corresponding provincial or territorial provisions.

We intend to pay such planned quarterly dividends with cash generated from our operations. The amount and timing of the payment of any dividends are not guaranteed and are subject to the discretion of the board of directors, compliance with applicable law and any contractual provisions, including under the Credit Agreements and other agreements governing our current and future indebtedness that restrict or limit our ability to pay dividends. While our ability to pay dividends is limited by the Credit Agreements and such other agreements governing our indebtedness, these agreements provide certain exceptions, subject to meeting certain conditions, that will allow us to pay dividends on our subordinate voting shares and multiple voting shares.

Because a significant portion of our operations is through our subsidiaries, our ability to pay dividends depends, in part, on our receipt of cash dividends from our operating subsidiaries, which may restrict our ability to pay dividends as a result of the laws of their jurisdiction of organization, agreements of our subsidiaries or covenants under any existing and future outstanding indebtedness we or our subsidiaries incur.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of subordinate voting shares, an unlimited number of multiple voting shares, an unlimited number of preferred shares, issuable in series, 28,571,428 Series A Convertible Preferred Shares and 8,196,721 Series B Convertible Preferred Shares. The following description of the material terms of our Articles, by-laws and authorized share capital is a summary and does not purport to be complete. It should be read in conjunction with our Articles, our by-laws, and certain sections of the OBCA.

As of December 31, 2021, we had two classes of securities registered under Section 12 of the Exchange Act: our subordinate voting shares and our TEUs.

Since we are governed by the laws of Ontario, Canada, some of the laws affecting our shareholders differ from those of the United States. See “Risk Factors - We are governed by the corporate laws in Ontario, Canada, which in some cases have a different effect on shareholders than the corporate laws in Delaware, United States.”

As of December 31, 2021, we had 326,229,953 subordinate voting shares, 12,062,964 multiple voting shares, 28,571,428 Series A Convertible Preferred Shares and 8,196,721 Series B Convertible Preferred Shares issued and outstanding. All of the issued and outstanding multiple voting shares are held or controlled, directly or indirectly, by entities controlled by Patrick Dovigi.

Voting Rights

Holders of our subordinate voting shares are entitled to one vote per subordinate voting share and holders of our multiple voting shares are entitled to 10 votes per multiple voting share on all matters upon which shareholders are entitled to vote.

Holders of preferred shares, except as otherwise provided in the terms specific to a series of preferred shares or as required by law, will not be entitled to vote at meetings of holders of our shares, and will not be entitled to vote separately as a class upon a proposal to amend our Articles in the case of an amendment of the kind referred to in paragraph (a), (b) or (e) of subsection 170(1) of the OBCA.

Each holder of the Convertible Preferred Shares is entitled to vote, to the greatest extent possible, with holders of subordinate voting shares and multiple voting shares as a single class. Each Convertible Preferred Share is entitled to one vote per share and, for the purpose of voting at any meeting at which such holder is entitled to vote, each holder of Convertible Preferred Shares will be deemed to hold such number of Convertible Preferred Shares that is equal to the number of subordinate voting shares into which the holder’s Convertible Preferred Shares are convertible pursuant to the terms of the Convertible Preferred Shares as of the applicable record date.

The holders of the Convertible Preferred Shares shall not be entitled to vote separately as a class or series or to dissent upon a proposal to amend our Articles to: (a) increase or decrease any maximum number of authorized Convertible Preferred Shares, or increase any maximum number of authorized shares of a class having rights or privileges equal or superior to the Convertible Preferred Shares; or (b) effect an exchange, reclassification or cancellation of the Convertible Preferred Shares; or (e) create a new class of shares equal or superior to the Convertible Preferred Shares.

Preferred Shares

We are authorized to issue an unlimited number of preferred shares issuable in series. Each series of preferred shares shall consist of such number of preferred shares and having such rights, privileges, restrictions and conditions as may be determined by our board of directors prior to the issuance thereof. With respect to the payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the preferred shares are entitled to preference over the subordinate voting shares, multiple voting shares and any other shares ranking junior to the preferred shares from time to time with respect to the payment of paid-up capital remaining after the payment of all outstanding debts on a *pro rata* basis, and, the payment of any or all declared but unpaid cumulative dividends or any or all declared but unpaid dividends on the preferred shares and may also be given such other preferences over the subordinate voting shares, multiple voting shares and any other shares ranking junior to the preferred shares as may be determined at the time of creation of such series.

The issuance of preferred shares and the terms selected by our board of directors could decrease the amount of earnings and assets available for distribution to holders of our subordinate voting shares and multiple voting shares or adversely affect the rights and powers, including the voting rights, of the holders of our subordinate voting shares and multiple voting shares without any further vote or action by the holders of our subordinate voting shares and multiple voting shares. The issuance of preferred shares, or the issuance of rights to purchase preferred shares, could make it more difficult for a third-party to acquire a majority of our outstanding shares and thereby have the effect of delaying, deferring or preventing a change of control of us or an unsolicited acquisition proposal or of making the removal of management more difficult. Additionally, the issuance of preferred shares may have the effect of decreasing the market price of our subordinate voting shares.

We have filed an undertaking with the Ontario Securities Commission (the "**OSC**") pursuant to which we have agreed to provide reasonable prior notice to the OSC in the event we intend to issue a series of preferred shares that: (a) carry a greater number of votes on a per share basis, irrespective of the number or percentage of preferred shares owned, than the subordinate voting shares; or (b) would cause any of the factors set out in section 4.1 of OSC Rule 56-501 – *Restricted Shares* to be present in relation to the subordinate voting shares, regardless of any existing restrictions on the subordinate voting shares due to the existence of the multiple voting shares.

Convertible Preferred Shares

On September 30, 2020, we amended our Articles to create the Series A Convertible Preferred Shares, and on December 15, 2021, we amended our Articles to create the Series B Convertible Preferred Shares. The closing date of the subscription for the Series A Convertible Preferred Shares was October 1, 2020, and the closing date of the subscription for the Series B Convertible Preferred Shares was December 17, 2021. All of the issued and outstanding Convertible Preferred Shares are held, directly or indirectly, by HPS. In addition to the rights, privileges, restrictions and conditions attaching to the preferred shares as a class, as described under "Preferred Shares" above, the following provides a summary of the material terms of the Convertible Preferred Shares.

Dividends

The holders of Convertible Preferred Shares are entitled to receive only such dividends on the Convertible Preferred Shares, if any, as are expressly declared thereon by our board of directors and are not entitled to any other dividends. The holders of Convertible Preferred Shares do not have the right to receive any dividends that are declared only with respect to the subordinate voting shares and multiple voting shares.

Purchase for Cancellation

Subject to such provisions of the OBCA as may be applicable, we may at any time or times purchase (if obtainable) for cancellation all or any part of the Convertible Preferred Shares outstanding from time to time in one or more negotiated transactions at such price or prices as are determined by our board of directors and as may be agreed to with the relevant holders of the Convertible Preferred Shares. From and after such date of purchase, any shares so purchased will be cancelled.

Conversion

Conversion of the Series A Convertible Preferred Shares into subordinate voting shares is based on an initial conversion price of US$25.20 per share, which conversion price is subject to customary anti-dilution adjustments in accordance with the terms of the Series A Convertible Preferred Shares. Other than as described below, the liquidation preference of the Series A Convertible Preferred Shares is initially US$21.00 per share and will accrete at a rate of 7% per annum for seven years, at a rate of 8% per annum in the eighth year and 9% per annum in the ninth year and thereafter (each such rate, an "**accretion rate**"), in each case, compounded quarterly, increasing the number of subordinate voting shares that each Series A Convertible Preferred Share is convertible therefor.

Subject to certain conditions, we may require the conversion of the Series A Convertible Preferred Shares into subordinate voting shares: (a) on or after October 1, 2023 until October 1, 2024 if the closing price of the subordinate voting shares is at least 160% of the then-applicable conversion price for 20 trading days in any period of 30 consecutive trading days, (b) on or after October 1, 2024 until October 1, 2025 if the closing price of the subordinate voting shares is at least 150% of the then-applicable conversion price for 20 trading days in any period of 30 consecutive trading days, and (c) on or after October 1, 2025 if the closing price of the subordinate voting shares is at least 140% of the then-applicable conversion price for 20 trading days in any period of 30 consecutive trading days.

Conversion of the Series B Convertible Preferred Shares into subordinate voting shares is based on an initial conversion price of US$43.92 per share, which conversion price is subject to customary anti-dilution adjustments in accordance with the terms of the Series B Convertible Preferred Shares. Other than as described below, the liquidation preference of the Series B Convertible Preferred Shares is initially US$36.60 per share and will accrete at a rate of 6% per annum for seven years, at a rate of 7% per annum in the eighth year and 8% per annum in the ninth year and thereafter, in each case, compounded quarterly, increasing the number of subordinate voting shares that each Series B Convertible Preferred Share is convertible therefor.

Subject to certain conditions, we may require the conversion of the Series B Convertible Preferred Shares into subordinate voting shares: (a) on or after December 17, 2024 until December 17, 2025 if the closing price of the subordinate voting shares is at least 150% of the then-applicable conversion price for 20 trading days in any period of 30 consecutive trading days, (b) on or after December 17, 2025 until December 17, 2026 if the closing price of the subordinate voting shares is at least 140% of the then-applicable conversion price for 20 trading days in any period of 30 consecutive trading days, and (c) on or after December 17, 2026 if the closing price of the subordinate voting shares is at least 130% of the then-applicable conversion price for 20 trading days in any period of 30 consecutive trading days.

A holder of Convertible Preferred Shares may convert its Convertible Preferred Shares at any time at its election.

Meetings of Shareholders

Holders of Convertible Preferred Shares are entitled to receive notice of any meeting of our shareholders and may attend and vote at such meetings, except those meetings where only the holders of shares of another class or of a particular series are entitled to vote. A quorum for the transaction of business at a meeting of shareholders is present if at least two shareholders who, together, hold not less than 25% of the votes attaching to our outstanding shares entitled to vote at the meeting are present in person or represented by proxy.

Quarterly Redemption

After December 31, 2024, we may elect to redeem on a quarterly basis such number of Series A Convertible Preferred Shares having a liquidation preference equal to the product of (A) ¼ of the applicable accretion rate and (B) the aggregate liquidation preference of all of the then outstanding Series A Convertible Preferred Shares, at a price ("**quarterly redemption price**") per Series A Convertible Preferred Share equal to the then-applicable liquidation preference. We may, at our election, redeem such Series A Convertible Preferred Shares in cash or by issuance of subordinate voting shares, such number of subordinate voting shares determined by dividing the applicable quarterly redemption price by 97% of the then market price of the subordinate voting shares. In the event we elect to pay the quarterly redemption price for a particular quarter in cash, the applicable accretion rate for such quarter shall be 6% per annum.

After December 31, 2025, we may elect to redeem on a quarterly basis such number of Series B Convertible Preferred Shares having a liquidation preference equal to the product of (A) ¼ of the applicable accretion rate and (B) the aggregate liquidation preference of all of the then outstanding Series B Convertible Preferred Shares, at a quarterly redemption price per Series B Convertible Preferred Share equal to the then-applicable liquidation preference. We may, at our election, redeem such Series B Convertible Preferred Shares in cash or by issuance of subordinate voting shares, such number of subordinate voting shares determined by dividing the applicable quarterly redemption price by 97% of the then market price of the subordinate voting shares. In the event we elect to pay the quarterly redemption price for a particular quarter in cash, the applicable accretion rate for such quarter shall be 5% per annum.

Redemption

After October 1, 2025, we may elect to redeem all of the then outstanding Series A Convertible Preferred Shares at a price per subordinate voting shares equal to: (a) 105% of the liquidation preference if such redemption occurs prior to October 1, 2026; (b) 103% of the liquidation preference if such redemption occurs after October 1, 2026 and prior to October 1, 2027; or (c) 100% of the liquidation preference if such redemption occurs after October 1, 2027.

After December 17, 2026, we may elect to redeem all of the then outstanding Series B Convertible Preferred Shares at a price per subordinate voting shares equal to: (a) 105% of the liquidation preference if such redemption occurs prior to December 17, 2027; (b) 103% of the liquidation preference if such redemption occurs after December 17, 2027 and prior to December 17, 2028; or (c) 100% of the liquidation preference if such redemption occurs after December 17, 2028.

Adjustments to Conversion Price

In accordance with the terms of the Convertible Preferred Shares, certain adjustments shall be made to the conversion price to account for, among other things, (i) certain dividends and distributions; (ii) certain rights, options and warrants; (iii) spin-offs; (iv) tender or exchange offers; (v) capital reorganizations; and (vi) stock splits and combinations.

Redemption in Connection with a Change of Control

On a change of control, we have the right to redeem the then outstanding Series A Convertible Preferred Shares at a price per Series A Convertible Preferred Share the equal to the greater of (i) (a) amount equal to 105% of the liquidation preference if such change of control occurs before October 1, 2025, or (b) amount equal to 100% of the liquidation preference if such change of control occurs after October 1, 2025; and (ii) the value of the consideration the holder would have received had the holder converted its Series A Convertible Preferred Shares immediately prior to such change of control.

On a change of control, we have the right to redeem the then outstanding Series B Convertible Preferred Shares at a price per Series B Convertible Preferred Share the equal to the greater of (i) (a) amount equal to 105% of the liquidation preference if such change of control occurs before December 17, 2026, or (b) amount equal to 100% of the liquidation preference if such change of control occurs after December 17, 2026; and (ii) the value of the consideration the holder would have received had the holder converted its Series B Convertible Preferred Shares immediately prior to such change of control.

In the event we do not elect to redeem the Convertible Preferred Shares in cash on a change of control, the accretion rate will increase to 13%.

Restrictions on Transfers

The Convertible Preferred Shares are subject to restrictions on transfer, subject to HPS' right to transfer any Convertible Preferred Shares held by it to affiliates in accordance with the terms of the applicable subscription agreement entered into between us and HPS.

Advance Notice Provisions

We have included certain advance notice provisions with respect to the election of our directors in our by-laws (the "**Advance Notice Provisions**"). Our Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general meetings or, where the need arises, special meetings; (ii) ensure that all shareholders receive adequate notice of board of directors nominations and sufficient information with respect to all nominees; and (iii) allow shareholders to register an informed vote. Only persons who are nominated by shareholders in accordance with the Advance Notice Provisions are eligible for election as directors at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors.

Under the Advance Notice Provisions, a shareholder wishing to nominate a director is required to provide us notice, in the prescribed form, within the prescribed time periods. The Advance Notice Provisions provide requirements for proper written form of notice, which notice shall include information relating to: (i) the person whom a shareholder proposes to nominate for election as a director (the "**proposed nominee**"), which such information includes, among others, number of securities beneficially owned, or controlled or directed, directly or indirectly, by the proposed nominee and relationship between the nominating shareholder and the person nominated as a director; and (ii) the shareholder who is providing the notice, and each beneficial owner, if any, on whose behalf the nomination is made (the "**nominating shareholder**"), which such information includes, among others, number of securities beneficially owned, or controlled or directed, directly or indirectly, by the nominating shareholder and its joint actors, if any, any interests in, or rights or obligations associated with any agreement which alters the person's economic interest in a security of the Company or economic exposure to the Company, representation as to whether such person intends to deliver a proxy circular and/or form of proxy, and in each case, any other information that may be required by applicable laws. The prescribed time periods under the Advance Notice Provisions include, (i) in the case of an annual meeting of shareholders (including annual and special meetings), not less than 30 days prior to the date of the annual meeting of shareholders; provided, that if the first public announcement of the date of the annual meeting of shareholders (each such date being the "**Notice Date**") is less than 50 days before the meeting date, not later than the close of business on the 10th day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes electing directors, not later than the close of business on the 15th day following the Notice Date, provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 —*Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy related materials in respect of a meeting described above, and the Notice Date in respect of the meeting is not less than 50 days prior to the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the applicable meeting.

Forum Selection

We have included a forum selection provision in our by-laws that provides that, unless we consent in writing to the selection of an alternative forum, the Superior Court of Justice of the Province of Ontario, Canada and appellate courts therefrom, will be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf; (ii) any action or proceeding asserting a breach of fiduciary duty owed by any of our directors, officers or other employees to us; (iii) any action or proceeding asserting a claim arising pursuant to any provision of the OBCA or our Articles or by-laws; or (iv) any action or proceeding asserting a claim otherwise related to our "affairs" (as defined in the OBCA). Our forum selection by-law also provides that our securityholders are deemed to have consented to personal jurisdiction in the Province of Ontario and to service of process on their counsel in any foreign action initiated in violation of our by-laws. To the fullest extent permitted by law, our forum selection provision applies to claims arising under U.S. federal securities laws. In addition, investors cannot waive compliance with U.S. federal securities laws and the rules and regulations thereunder.

Objects and Purposes

We can engage in any legal activity permitted under the OBCA. As set forth in Item 6 of our Articles, there are no restrictions on the business we may carry on or on the powers we may exercise.

Powers of Directors

Our by-laws provide that the directors may determine from time to time the remuneration, if any, to be paid to a director for his or her services as a director. A director may be employed by or provide services to us otherwise than as a director. The directors may also award additional remuneration to any director undertaking special services on our behalf beyond the services ordinarily required of a director by us. A director who is employed by or to provide services to us otherwise than as a director may receive remuneration for such employment or services in addition to any remuneration paid to the director for his or her services as a director.

Pursuant to our by-laws, our banking and borrowing business or any part of it may be transacted with such banks, trust companies or other firms or corporations as the directors determine from time to time. All such banking and borrowing business or any part of it may be transacted on our behalf under the agreements, instructions and delegations, and by the one or more officers and other persons, that the directors authorize from time to time.

Restrictions on Holding Securities

Pursuant to our Articles and by-laws, subject to any restrictions set out in this AIF, there are no limitations on the rights of non-resident shareholders to hold or exercise voting rights of our securities.

Calling Annual and Special Meetings

Pursuant to our by-laws, the board of directors (by way of a resolution passed at a meeting where there is a quorum of directors or by way of written resolution signed by all directors) has the power to call annual meetings of shareholders and special meetings of shareholders. Two or more of the directors, the chair of the board or the president may also call meetings of shareholders provided that the business to be transacted at such meeting has been approved by the board. Annual meetings of shareholders and special meetings of shareholders will be held on the date and at the time and place in or outside Canada as the person(s) calling the meeting determine.

Credit Ratings

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of securities. Credit ratings are not recommendations to buy, sell or hold any of our Notes and they may be revised or withdrawn at any time. Standard & Poor's Rating Services ("**S&P**") credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of the securities rated. The Secured Notes are rated BB- and Unsecured Notes are rated B- from S&P. For both ratings, it means the debt security is speculative and non-investment grade. The capacity for payment of financial obligations is uncertain and companies that are BB or B rated are vulnerable to future events. Moody's Investor Service ("**Moody's**") credit ratings are on a scale from Aaa to C, which represents the range from highest to lowest quality of the securities rated. The Secured Notes are rated Ba3 and Unsecured Notes are rated B3 from Moody's. The Ba3 and B3 ratings are characterized by Moody's as having speculative elements and subject to substantial credit risk and non-investment grade credit quality. We pay customary fees for rating services to S&P and Moody's.

MARKET FOR SECURITIES

Our subordinate voting shares trade on the NYSE and the TSX under the symbol "GFL" and our TEUs trade on the NYSE under the symbol "GFLU".

The following table sets forth the reported high and low market prices and the aggregate volume of trading of our subordinate voting shares on the TSX in Canadian dollars for each month of 2021.

	Price Per Subordinate Voting Share		
Month	High (C$)	Low (C$)	Aggregate Monthly Trading Volume
January 2021	41.06	35.49	4,073,290
February 2021	40.51	35.28	3,708,874
March 2021	44.51	38.11	4,128,155
April 2021	45.91	40.10	5,172,292
May 2021	40.98	36.15	6,847,436
June 2021	40.73	38.02	5,267,955
July 2021	43.58	38.61	3,335,281
August 2021	45.22	41.74	2,798,701
September 2021	48.34	43.55	4,849,243
October 2021	51.71	45.82	4,780,454
November 2021	54.01	47.69	6,656,750
December 2021	49.39	44.68	6,753,957

PRIOR SALES

In Fiscal 2021, we issued US$750 million of 4.750% 2029 Notes, US$550 million of 4.375% 2029 Notes and US$250 million of 4.000% 2028 Notes. On December 17, 2021, we issued 8,196,721 Series B Convertible Preferred Shares at a subscription price equal to US$36.60 per share pursuant to the HPS Series B Subscription Agreement. In 2021, we issued the following securities pursuant to our omnibus long-term incentive plan and our deferred share unit plan: on March 17, 2021, September 7, 2021 and September 28, 2021, we issued an aggregate of 760,181 restricted share units; on January 4, 2021, April 1, 2021, July 2, 2021 and October 1, 2021, we issued an aggregate of 20,206 deferred share units; and on June 29, 2021 we granted an aggregate of 9,676,000 stock options.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

The following table sets out information on the escrowed securities of the Company and the securities of the Company that are subject to a contractual restriction on transfer.

Description of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Subordinate voting shares	2,039,152(1)	0.6%(2)

(1) Represents subordinate voting shares held in trust or escrow by Computershare Investor Services Inc. or its affiliates on behalf of holders of subordinate voting shares issued in connection with a now-terminated pre-IPO stock option plan of a predecessor to the Company; one-third of such shares were released from escrow on March 5, 2021, one-third will be released on March 5, 2022 and the remainder will be released on March 5, 2023.

(2) This percentage is calculated based on the number of outstanding subordinate voting shares as at December 31, 2021.

DIRECTORS AND OFFICERS

The following table lists our executive officers and directors as of the date of the filing of this AIF, their respective ages, principal occupations and positions with the Company and is followed by a brief account of the business experience of each of them. The business address for our executive officers and directors is c/o 100 New Park Place, Suite 500, Vaughan, ON, L4K 0H9.

Name and Province or State and Country of Residence	Age	Current Position/Office with the Company
Patrick Dovigi[1] *Ontario, Canada*	42	President, Chief Executive Officer and Chairman of our board of directors
Luke Pelosi[1] *Ontario, Canada*	41	Executive Vice President and Chief Financial Officer
Greg Yorston[1] *South Carolina, United States*	58	Executive Vice President and Chief Operating Officer, Solid Waste
Mindy Gilbert[1] *Ontario, Canada*	49	Executive Vice President and General Counsel
Elizabeth Joy Grahek[1] *Ontario, Canada*	63	Executive Vice President, Strategic Initiatives
Christian Dover[1] *Ontario, Canada*	39	Area Vice President, Infrastructure & Soil Remediation
Edward Glavina[1] *Ontario, Canada*	56	Area Vice President, Liquid Waste
Dino Chiesa[1][2][3][4][5] *Ontario, Canada*	73	Director
Violet Konkle[1][2][4] *Ontario, Canada*	68	Director
Jessica McDonald[1][4][6] *British Columbia, Canada*	53	Director
Arun Nayar[1][2][3][4] *Florida, United States*	71	Director
Paolo Notarnicola[1][3][4] *New York, United States*	47	Director
Ven Poole[1] *North Carolina, United States*	59	Director
Raymond Svider[1][4] *New York, United States*	59	Director
Blake Sumler[1][4] *Ontario, Canada*	51	Director

(1) See biography below, which includes principal occupation during the previous five years.
(2) Member of our Audit Committee.
(3) Member of our Nomination, Governance and Compensation Committee ("**NGC Committee**").
(4) Independent director for the purposes of National Instrument 58-101—*Disclosure of Corporate Governance Practices* of the Canadian Securities Administrator and NYSE Listing Rules.
(5) Lead independent director.
(6) Ms. McDonald was appointed as a director on February 10, 2022.

Patrick Dovigi

Mr. Dovigi is the Founder, President and Chief Executive Officer and Chairman of the Board of Directors of GFL. In 2007, Mr. Dovigi had a vision to create a company that is a "one-stop shop" provider of environmental solutions. Since then, drawing on the discipline he learned in his earlier hockey career, Mr. Dovigi has driven GFL to become the 4th largest environmental services company in North America. Mr. Dovigi has instilled an entrepreneurial culture in GFL's leadership team with a focus on operational excellence, sustainability and safety as core values. In 2017, he was recognized by Waste360 with a Top 40 under 40 award, and in the EY Entrepreneur of the Year™ Ontario Awards, as Entrepreneur of the Year in the Power & Utilities Sector. Mr. Dovigi currently serves on the board of directors of the Environmental Research & Education Foundation (EREF) and of the Toronto General & Western Hospital Foundation.

Luke Pelosi

Mr. Pelosi has been our Executive Vice President and Chief Financial Officer since October 2018. Mr. Pelosi joined GFL as Director, Mergers & Acquisitions in January 2015 and became Executive Vice President, Corporate Development in October 2016. Mr. Pelosi was also appointed interim Chief Financial Officer in January 2017. Mr. Pelosi held the role of Executive Vice President and Chief Operating Officer until October 10, 2018, during which time Mr. Pelosi worked with Mr. Dovigi on the development and execution of our acquisition strategy. Mr. Pelosi has 17 years of financial management experience with a focus on financial analysis, mergers and acquisitions and general corporate finance. Prior to joining GFL, Mr. Pelosi was a Director in the M&A Advisory group of KPMG LLP where he provided due diligence services to Canadian private equity market investors. Prior to that, Mr. Pelosi worked in KPMG's Complex Accounting group. Mr. Pelosi is a Chartered Professional Accountant and holds a Bachelor's Degree in Commerce from Concordia University.

Greg Yorston

Mr. Yorston joined GFL on November 14, 2018 as Executive Vice-President and Chief Operating Officer, Solid Waste. From 2013 to 2018, Mr. Yorston was Senior Vice President of Operations of Waste Industries and assumed the roles of Chief Operating Officer on January 1, 2014 and President in early 2015. Mr. Yorston has over 30 years of experience working directly within the waste industry. Mr. Yorston worked for 26 years with Waste Management, where he was the Corporate Vice President for Operations and Business Solutions prior to joining Waste Industries. During his tenure at Waste Management, he held various management positions, including 12 years as an Area Vice President with responsibility for collection, recycling and landfill disposal services in the Southeastern United States.

Mindy Gilbert

Ms. Gilbert joined GFL as Executive Vice President and General Counsel in October 2018. Prior to joining GFL, Ms. Gilbert was a partner at a major Canadian law firm for over 16 years. During her time in private practice, Ms. Gilbert specialized in the areas of mergers and acquisitions, securities and corporate law, providing advice to clients in various industries. Ms. Gilbert has served as a member of the Securities Advisory Committee of the Ontario Securities Commission and the Listing Advisory Committee of the Toronto Stock Exchange. She currently serves on the Alumni Board of Osgoode Hall Law School. She holds an LL.B from Osgoode Hall Law School and was called to the Ontario bar in January 1999.

Elizabeth Joy Grahek

Ms. Grahek has been our Executive Vice President, Strategic Initiatives since October 2018. She joined GFL as Vice President, Legal in March of 2011, became General Counsel in May 2014 and Executive Vice President in April 2017. She has an LL.B from the University of Toronto and has practiced law since her call to the bar in 1983, initially in private practice with a small boutique firm in Hamilton, Ontario and since 1997 primarily as in-house counsel for publicly traded and private companies in the waste management sector including as General Counsel of Capital Environmental Resource Inc. from 1998 to 1999 and as Associate General Counsel at Waste Services Inc. (WSI), the successor to Capital Environmental from 2003 until 2010.

Christian Dover

Mr. Dover has been our Area Vice President of Infrastructure and Soil Remediation since 2017. He joined GFL as Vice President, Infrastructure in May 2016 to launch a new civil division at GFL focusing on the infrastructure construction industry in Canada. Mr. Dover has 14 years of infrastructure construction experience with a focus on water, rail, municipal and civil engineering related projects. Prior to joining GFL, Mr. Dover held numerous senior management, project management and site supervisory roles within the construction industry. Mr. Dover is Professional Engineer registered in the Province of Ontario, a Project Management Professional and holds a Bachelor's Degree in Engineering from Queen's University and an MBA from the Kellogg-Schulich School of Business.

Edward Glavina

Mr. Glavina has been our Area Vice-President Liquid Waste since April 2020. He joined GFL in April 2016 as the Executive Vice President, Strategic Planning. In August 2018, he became Area Vice President, Liquid Waste Canada. He has worked in the hazardous waste industry for over 10 years, including at Safety-Kleen (Clean Harbors) and Metaflo Technologies, where he had national oversight of a number of functions, including hazardous waste, operations, sales, environmental health & safety, human resources and finance. Prior to the waste industry, Mr. Glavina worked for Cintas, which further enhanced his experience in route-based service businesses. He holds an MBA from the Ivey School of Business at the University of Western Ontario.

Dino Chiesa

Mr. Chiesa has served as a member of our board of directors since 2007. Mr. Chiesa is the Principal of Chiesa Group, a commercial real estate developer and investor founded by Mr. Chiesa in 1990, and a past chair of Canada Mortgage and Housing Corporation, one of Canada's largest financial institutions. Mr. Chiesa is the Chair of the board of directors of Sienna Senior Living Inc., a TSX-listed company and a current member of the Board of Trustees of Morguard North American Residential REIT. From 2004 to 2010, he served as Trustee and Vice-Chair of Canadian Apartment Properties Real Estate Investment Trust (CAP REIT), a TSX-listed Canadian residential real estate investment trust. From 1999 to 2004, he served as Chief Executive Officer of Residential Equities Real Estate Investment Trust, prior to its merger with CAP REIT. Mr. Chiesa is also a former Director of Dynacare Laboratories Inc., former Member of the Board of Trustees of Sunrise Senior Living Real Estate Investment Trust, and formerly served on the board of two public hospitals. From 1989 to 1999, Mr. Chiesa held several positions within the Government of Ontario, including Assistant Deputy Minister, Municipal Affairs and Housing and Chief Executive Officer of each of Ontario Housing Corporation and Ontario Mortgage Corporation. Mr. Chiesa is the Immediate Past Chair of the Board of Directors of Create TO, an organization established by the City of Toronto to manage the City's real estate portfolio, one of the most expansive, diverse and valuable real estate portfolios in North America. Mr. Chiesa was previously a member of the Expert Advisory Committee on Real Estate Development at Ryerson University. Additionally, he is active in the charitable sector, including in his role as Chair at Villa Charities. Mr. Chiesa holds a Bachelor of Arts in Economics from McMaster University.

Violet Konkle

Ms. Konkle has served as a member of our board of directors since February 23, 2021. Ms. Konkle is the past President and Chief Executive Officer of The Brick Ltd. Prior to joining The Brick Ltd. in 2010 as President, Business Support, she held a number of positions with Walmart Canada, including Chief Operating Officer and Chief Customer Officer. Ms. Konkle also held a number of senior executive positions with Loblaw Companies Ltd., including Executive Vice President, Atlantic Wholesale Division. Ms. Konkle is a Director of The North West Company Inc. (a TSX listed public company), Boyd Group Services Inc. (a TSX listed public company) and serves on the board of directors of three privately held companies, Bailey Metal Products (Concord, ON), Elswood Investment Corporation (Vancouver, BC), and ABARTA (Pittsburgh, PA). She is a past director of Dare Foods, The Brick Ltd., Trans Global Insurance, the Canadian Chamber of Commerce and the National Board of Habitat for Humanity, as well as the Advisory Board of Longo's Fruit Markets. Ms. Konkle holds a Bachelor of Arts and a Master of Arts, both in Geography, from Wilfrid Laurier University, and is a graduate of the Institute of Corporate Directors.

Arun Nayar

Mr. Nayar has served as a member of our board of directors since 2018. Mr. Nayar retired in December 2015 as Executive Vice President and Chief Financial Officer of Tyco International, an over US$10 billion fire protection and security company, where he was

responsible for managing the company's financial risks and overseeing its global finance functions, including tax, treasury, mergers and acquisitions, audit and investor relations teams. Mr. Nayar joined Tyco International as Senior Vice President and Treasurer in 2008 and was also Chief Financial Officer of Tyco International's ADT Worldwide. From 2010 until 2012, Mr. Nayar was Senior Vice President, Financial Planning & Analysis, Investor Relations and Treasurer. Prior to joining Tyco International, Mr. Nayar spent six years at PepsiCo, Inc., most recently as Chief Financial Officer of Global Operations and, before that, as Vice President and Assistant Treasurer—Corporate Finance. Mr. Nayar currently serves on the board of directors of Amcor PLC (NYSE: AMCR), a manufacturer of packaging products and also serves on the board of directors of Rite Aid (NYSE: RAD), a leading retail drugstore in the United States. Mr. Nayar previously served on the board of directors and was Chairman of the Audit Committee of TFI International Inc. (NYSE: TFII), a leader in the transportation and logistics industry. Mr. Nayar is also Senior Advisor to McKinsey and Company. Mr. Nayar brings over 40 years of financial experience to the board of directors of GFL. His experience as a chief financial officer provides useful insights into operational and financial metrics relevant to GFL's business. Mr. Nayar holds a Bachelor of Arts in Economics from Delhi University and is a fellow of the Institute of Chartered Accountants in England & Wales.

Jessica McDonald

Ms. McDonald is the past Interim President and Chief Executive Officer of Canada Post Corporation. Prior to joining Canada Post Corporation in 2019, she served as President and Chief Executive Officer of British Columbia Hydro and Power Authority, a clean energy utility with over $5.5 billion in annual revenues and more than 5,000 employees, from 2014 to 2017. She currently sits on the board of directors of Hydro One Limited (a TSX listed public company), Coeur Mining Inc. (a NYSE listed public company) and Sustainable Development Technology Canada, and is a past board member of Canada Post Corporation, Trevali Mining Corporation (a TSX listed public company), Powertech Labs, one of the largest testing and research laboratories in North America, Powerex, and the Insurance Corporation of British Columbia. Ms. McDonald has also held a number of senior positions in the British Columbia provincial government, including Deputy Minister to the Premier, Cabinet Secretary and Head, BC Public Service. Ms. McDonald holds a Bachelor of Arts degree in Political Science from University of British Columbia.

Paolo Notarnicola

Mr. Notarnicola has served as a member of our board of directors since 2018. Mr. Notarnicola is a Partner at BC Partners and led the investment team on GFL. Mr. Notarnicola is a Canadian citizen resident in the United States, overseeing the firm's investment activities in Canada as well as the Business Services sector in North America. Mr. Notarnicola joined BC Partners in New York in November 2014. At BC Partners, Mr. Notarnicola is also a Director of GardaWorld and was previously a Director of Accudyne Industries. Previously, Mr. Notarnicola spent more than eight years at KKR, where he was first a member of its operations team, KKR Capstone, and was subsequently responsible for developing its investment activities in Canada. He is also intimately familiar with the environmental services sector having acted as the lead operating partner in two waste management deals, AVR and Van Gansewinkel, during his prior career at KKR Capstone. Prior to that, Mr. Notarnicola was an investment banker at Lazard Canada and also spent five years as a management consultant with McKinsey & Co. in Canada, the United States and Italy. Mr. Notarnicola holds an M.Sc. degree, summa cum laude from L. Bocconi University and an MBA with high distinction (Baker Scholar) from Harvard Business School. He is a Certified Turnaround Professional (CTP).

Ven Poole

Mr. Poole has served as a member of our board of directors since 2018. Mr. Poole joined Waste Industries in 1990 and served as its Chairman and Chief Executive Officer immediately prior to our acquisition of Waste Industries. From 2002 through 2008, Mr. Poole served as Vice President, Corporate Development of Waste Industries. From 1995 through 2002, Mr. Poole served as Director of Support Services and from 1990 through 1995, he served as Risk Management Director. He holds a B.S. in Aerospace Engineering from North Carolina State University. Mr. Poole has more than 30 years of experience in the solid waste industry and was recently inducted into the National Waste & Recycling Hall of Fame. He currently serves on the boards of directors of the Environmental Research and Education Foundation (Vice Chairman), Detachable Container Association, the NC State University Entrepreneurship Initiative and St. David's School (Treasurer) and is a member of the board of trustees of North Carolina State University.

Raymond Svider

Mr. Svider has served as a member of our board of directors since 2018. Mr. Svider is the Chairman and a Partner of BC Partners. He joined BC Partners in 1992 and is currently based in New York. Over the years, Mr. Svider has participated and led

investments in a number of sectors, including TMT, healthcare, industrials, business services, consumer and retail. He is currently Executive Chairman of PetSmart, Chairman of the Board of Chewy, Inc. (NYSE: CHWY) and Chairman of the Board of Valtech SE, and also serves on the boards of directors of Intelsat (NYSE: I), Altice USA (NYSE: ATUS), Appgate, Inc. (OTCMKTS: APGT), Navex Global, GardaWorld, Presidio, Inc, Cyxtera Technologies and EAB. Mr. Svider previously served as a Director of Accudyne Industries, Teneo Global, Office Depot, Multiplan, Unity Media, Neuf Cegetel, Polyconcept, Neopost, Nutreco, UTL and Chantemur. Mr. Svider is the Chairman of the Advisory Board of the Aenova Group, and is also on the Boards of the Mount Sinai Children's Center Foundation in New York and the Polsky Center Private Equity Council at the University of Chicago. Mr. Svider received an MBA from the University of Chicago and a Masters in Science in Engineering from both École Polytechnique and École Nationale Supérieure des Telecommunications in France.

Blake Sumler

Mr. Sumler has served as a member of our board of directors since 2018. Mr. Sumler is the Managing Director, Diversified Industrial and Business Services in the Private Capital group at Ontario Teachers' Pension Plan Board. He joined Ontario Teachers in 2013 and has worked in private equity for more than 15 years. At Ontario Teachers, Mr. Sumler leads the Diversified Industrials and Business Services team and sits on boards of directors of portfolio companies including PODS (APLPD Holdco, Inc.) and AZEK (AOT Building Products GP Corp). Previously, Mr. Sumler was a Senior Vice President at Callisto Capital, a mid-market Toronto based private equity firm focused on buyouts and growth capital investments in Canada. Prior to that Mr. Sumler's varied work experience included investment management at a hedge fund, equity research and debt syndication. Mr. Sumler is a CPA and a CFA charterholder. He holds a BA (Chartered Accounting) and a Master of Accounting from the University of Waterloo. Additionally, he is a graduate of the Institute of Corporate Directors.

Ownership of Securities

	Number of Multiple Voting Shares	Percentage of Outstanding Multiple Voting Shares	Number of Subordinate Voting Shares	Percentage of Outstanding Subordinate Voting Shares	Number of Convertible Preferred Shares	Percentage of Outstanding Convertible Preferred Shares	Percentage of Total Voting Rights
All directors and named executive officers as a group (13 persons)	12,062,964	100%	11,771,694	3.6%	—	—	27.6%

Composition of our Board of Directors

Our Articles provide that the board of directors shall consist of a minimum of three and a maximum of 15 directors, with the actual number to be determined from time to time by the directors. Our board of directors consists of nine directors. Under the OBCA, a director may be removed with or without cause by a resolution passed by an ordinary majority of the votes cast by shareholders present in person or by proxy at a meeting and who are entitled to vote. The directors are elected by our shareholders at each annual meeting of shareholders, and all directors hold office for a term expiring at the close of the next annual meeting or until their respective successors are elected or appointed. Between annual general meetings of our shareholders, the directors may appoint one or more additional directors, but the number of additional directors may not at any time exceed one-third of the number of current directors who were elected or appointed other than as additional directors.

The board of directors is composed of a majority of independent directors for the purposes of National Instrument 58 101—*Disclosure of Corporate Governance Practices* of the Canadian Securities Administrator and NYSE Listing Rules. The independent directors, representing 78% of the board of directors, meet *in-camera* at the end of each meeting of the board of directors.

Directors' Service Contracts

There are no arrangements or understandings between us and any of our subsidiaries, on the one hand, and any of our non-employee directors, on the other hand, providing for benefits upon termination of their employment or service as directors of the Company or any of our subsidiaries. Employee directors may be eligible for benefits upon termination of their employment pursuant to their employment agreements.

Director Term Limits and Other Mechanisms of Board Renewal

Our board of directors has not adopted director term limits, mandatory age-related retirement policies or other automatic mechanisms of board renewal. Rather than adopting formal term limits, mandatory age-related retirement policies and other mechanisms of board renewal, the NGC Committee seeks to maintain the composition of our board of directors in a way that provides, in the judgement of our board of directors, the best mix of skills and experience to provide for our overall stewardship. Information regarding the consideration of diversity, among other factors, by the NGC Committee in determining the composition of the board of directors, as well as the assessment process for our board of directors, is included under "Directors and Officers - Nomination, Governance and Compensation Committee" in this AIF.

Committees of our Board of Directors

The Audit Committee

The Audit Committee generally overseas the effectiveness of our financial reporting and internal control policies, and reviews the financial results prior to disclosure. Our board of directors has adopted a written charter that sets forth the purpose, composition, authority and responsibility of our Audit Committee, consistent with National Instrument 52-110 — *Audit Committees* ("**NI 52-110**"). The text of the Audit Committee's Charter is attached as Appendix "A" to this AIF and is published on our website at http://gflenv.com.

Our Audit Committee consists of three directors, each of whom is a person determined by our board of directors to meet the independence requirements for audit committees under the rules of the NYSE and NI 52-110. Our Audit Committee is composed of Arun Nayar, who acts as Chair of the committee, Dino Chiesa, and Violet Konkle. Each of our Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. The board of directors has also determined that Arun Nayar, Dino Chiesa and Violet Konkle are "financially literate" within the meaning of the rules and regulations of the NYSE and NI 52-110 and that they each qualify as an "audit committee financial expert" as defined under applicable SEC rules and regulations.

The Audit Committee assists our board of directors in fulfilling its oversight of:

- our financial statements and financial reporting processes;
- our systems of internal accounting and financial controls;
- enterprise risk management;
- the annual independent audit of our financial statements;
- legal and regulatory compliance;
- reviewing and monitoring compliance with debt covenants and reviewing the process and reports with which we measure financial results or performance;
- reviewing and approving material transactions with related parties of the Company, to ensure the transactions are on arm's length and commercially reasonable terms, supported by third party appraisals or valuations, where applicable; and
- public disclosure items such as quarterly press releases, investor relations materials and other public reporting requirements.

To assist the Audit Committee with its oversight of enterprise risk management, we provide informational sessions throughout the year on topics determined by the board of directors to represent the greatest risks to the Company, including health and safety, information technology and cyber security. As part of its oversight of enterprise risk management, the Audit Committee also receives regular updates on the Company's information technology systems and related cyber security matters.

It is the responsibility of the Audit Committee to maintain free and open means of communication between the Audit Committee, the external auditors and the management of the Company. The Audit Committee is given full access to our management and records and external auditors as necessary to carry out these responsibilities. The Audit Committee has the authority to carry out such special investigations as it sees fit in respect of any matters within its various roles and responsibilities. We provide appropriate funding, as determined by the Audit Committee, for the payment of compensation to the independent auditor for the purpose of rendering or issuing audit reports and to any advisors retained by the Audit Committee.

Risk Management Steering Committee

The Risk Management Steering Committee and related working group are responsible for overseeing the implementation of our enterprise risk management under the direction of the Audit Committee. The Risk Management Steering Committee is composed of our named executive officers, Area Vice Presidents and other corporate vice presidents, including the Vice President, Internal Audit and Compliance and the Vice President, Environmental Responsibility and Sustainability.

Auditor Service Fees

The following table summarizes the fees charged by our external auditors for certain services rendered to us, including some of our subsidiaries, during Fiscal 2021 and Fiscal 2020.

	Fiscal 2021[1]	**Fiscal 2020**
Audit fees	$ 1,954,875	$ 2,295,039
Audit related fees[2]	96,450	—
Tax fees[3][4]	1,234,830	405,896
All other fees	—	—
Total fees charged	**$ 3,286,155**	**$ 2,700,935**

(1) Effective August 20, 2021, we changed our auditor from Deloitte LLP to KPMG LLP. Fees charged by Deloitte LLP and KPMG LLP presented in this table relate to the portions of Fiscal 2021 during which the respective firm was our external auditor.
(2) Fees for assurance and related services not included in audit service above.
(3) Fees for tax compliance, tax advice and tax planning.
(4) Certain fees are provided in U.S. dollars. U.S. dollar fees for Fiscal 2020 have been converted to Canadian dollars using the Bank of Canada's average exchange rate for Fiscal 2020 of US$1.00=$1.3415 and U.S. dollar fees for Fiscal 2021 have been converted to Canadian dollars using the Bank of Canada's average exchange rate for Fiscal 2021 of US$1.00=$1.2535.

Non-Audit Services Policy

The approval of the Audit Committee or members thereof to whom approval authority has been delegated is required for all audit and non-audit services to be provided to us by our independent external auditor (other than "prohibited non-audit services" as defined in the SEC rules, which may not be provided). In 2021, we updated our Non-Audit Services Policy, which sets out the categories of non-audit services that have been pre-approved by the Audit Committee to be provided by our independent external auditor from time to time. Any non-audit services falling outside such categories must be specifically pre-approved by the Audit Committee, or pre-approved by the Chair of the Audit Committee, subject to ratification by the Audit Committee. The categories of pre-approved non-audit services are reviewed by the Audit Committee on an annual basis. Prior to approving any non-audit services, the Audit Committee assesses whether the services would be considered "prohibited non-audit services" or could impair the independence of our independent external auditor.

Under the policy, the aggregate value of all non-audit services provided by our independent external auditor during any fiscal year should not exceed the total value of audit and audit related services performed during such year. On an annual basis, the Audit Committee reports to the board of directors on the fees for non-audit services.

Nomination, Governance and Compensation Committee

Our board of directors has established the NGC Committee, which is composed of three directors, all of whom are persons determined by our board of directors to be independent directors, and is charged with reviewing, overseeing and evaluating our compensation, corporate governance and nominating policies. Our NGC Committee is composed of Paolo Notarnicola, who acts as Chair of the committee, Dino Chiesa and Arun Nayar. No member of our NGC Committee is an officer of the Company, and as such, our board of directors believes that our NGC Committee is able to conduct its activities in an objective manner.

Our board of directors has adopted a written charter setting forth the purpose, composition, authority and responsibility of our NGC Committee consistent with our Corporate Governance Guidelines. Our NGC Committee's purpose is to assist our board of directors in:

- the appointment, evaluation and compensation of our senior executives;
- the recruitment, development and retention of our senior executives;
- maintaining talent management and succession planning systems and processes relating to our senior management;
- developing the compensation structure for our senior executives including salaries, annual and long-term incentive plans including plans involving share issuances and other share-based awards;
- establishing policies and procedures designed to identify and mitigate risks associated with our compensation policies and practices;
- assessing the compensation of our directors;
- developing benefit retirement and savings plans;
- developing our corporate governance guidelines and principles and providing us with governance leadership;
- identifying individuals qualified to be nominated as members of our board of directors;
- monitoring compliance with our Code of Ethics;
- reviewing the structure, composition and mandate of our board committees;
- guiding management in identifying sustainability and corporate responsibility strategies, goals and objectives that have significant potential financial or reputational impacts and reviewing the Company's performance toward such strategies, goals and objectives; and
- evaluating the performance and effectiveness of our board of directors and of our board committees.

Our NGC Committee is responsible for evaluating and assessing, on an annual basis, the performance and effectiveness of our board of directors and the committees thereof and the contributions of the individual board members. The assessment addresses, among other things, individual director independence, individual director and overall board skills and attributes, including diversity, and individual director financial literacy. Our board of directors receives and considers the recommendations from our NGC Committee regarding the results of its evaluation. Our NGC Committee is also responsible for orientation and continuing education programs for our directors.

Our NGC Committee monitors the level of diversity of our board of directors and senior management, recognizing the importance and benefit of having highly talented and experienced individuals who reflect the diversity of our stakeholders, including our customers and employees as well as the changing demographics of the communities in which we operate. In support of this goal and in accordance with our diversity policy, the NGC Committee considers, among other factors, criteria that promote diversity, including with regard to gender, age, ethnicity, religion, sexual orientation, disability and other characteristics. In March 2020, we made a commitment to appoint a female director to our board of directors. In February 2021, within our first year of being a public company, Violet Konkle was appointed to the board of directors as an independent director, and in February 2022, Jessica McDonald joined our board of directors as an independent director, increasing the proportion of women to 22% of the current board and 29% of the independent directors.

Sustainability Initiatives Committee

We have formed a Sustainability Initiatives Committee (the "**Sustainability Committee**") composed of our named executive officers and Area Vice Presidents. The Sustainability Committee plays a key role in acting as the bridge between our operations and our board of directors, through the NGC Committee. The purpose of the Sustainability Committee is to define our sustainability goals, objectives and commitments, and to develop strategies to ensure that sustainability continues to be integrated into our internal operations.

The Sustainability Committee considers and recommends for the approval of the NGC Committee those sustainability goals, objectives and commitments that will be disclosed to the public and the format and timing of such disclosures. The Sustainability Committee also oversees the implementation of key initiatives to help us achieve our identified sustainability goals, objectives and commitments in accordance with expectations set by the board of directors and reports semi-annually to the NGC Committee on the progress made toward implementing our identified sustainability goals, objectives and commitments.

Information on our sustainability strategy, programs and initiatives, as well as 2020 sustainability results, can be found in our 2020 Sustainability Update Report available on our website.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

To our knowledge, no director or executive officer of the Company, nor any shareholder holding a sufficient number of securities to affect materially the control of the Company is, as at the date of this AIF, or has been within the 10 years before the date of this AIF: (a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To our knowledge, no director or executive officer of the Company, and no shareholder holding a sufficient number of our securities to affect materially the control of the Company, (i) is at the date hereof or has been within in the 10 years before the date hereof, a director or executive officer of a company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the 10 years before the date of the AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder, other than in the case of the foregoing clause (i) in that Raymond Svider, a director of the Company, is a member of the board of directors of Intelsat S.A. On May 13, 2020, Intelsat S.A. and certain of its subsidiaries commenced voluntary cases under title 11 of the United States Code in the United States Bankruptcy Court for the Eastern District of Virginia.

For the purposes of this section, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

CONFLICTS OF INTEREST

To our knowledge, there are no existing or potentially material conflicts of interest between the Company or a subsidiary of the Company and any director or officer of the Company or of a subsidiary of the Company.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

We are currently party to various claims and legal actions that arise in the ordinary course of business. In addition, we may become subject to future claims and legal actions from time to time in the ordinary course of business. We believe such claims and legal actions, individually and in the aggregate, will not have a material adverse effect on our business, financial condition, results of operations or cash flows.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Related Party Leases

From time to time, we have entered into real estate lease agreements with entities controlled by affiliates of Patrick Dovigi, our Founder, Chairman, President and Chief Executive Officer and a director of GFL, as well as real estate lease agreements with entities controlled by another director of GFL (the "**Related Parties**"). At this time, we lease four properties from the Related Parties. Each of these lease agreements is on arm's length and commercially reasonable terms, and has been supported by rental rate comparisons prepared by independent brokerage third parties. None of the leased premises are material to our operations. For the three months and year ended December 31, 2021, we paid, in the aggregate, $1.0 million and $3.9 million ($0.4 million and $2.7 million for the three months and year ended December 31, 2020 and $0.5 million and $1.6 million for the three months and year ended December 31, 2019) in aggregate lease payments to the Related Parties.

Related Party Loans

In connection with the Recapitalization, a non-interest bearing unsecured promissory note was issued to Josaud Holdings Inc., an entity controlled by Patrick Dovigi, in an aggregate principal amount of $35.0 million, which is scheduled to mature on January 1, 2023. The note is being repaid in equal semi-annual instalments of $3.5 million. As of December 31, 2021, $10.5 million principal amount was outstanding on the note.

In connection with the IPO, an interest bearing unsecured promissory note was issued on March 5, 2020 payable to Sejosa Holdings Inc., an entity controlled by Patrick Dovigi, in an aggregate principal amount of $29.0 million and bearing market interest. The note is payable in equal semi-annual instalments of $2.9 million. The loan is scheduled to mature on March 5, 2025. As of December 31, 2021, $20.3 million principal amount was outstanding on the note.

MATERIAL CONTRACTS

The following is a summary of each material contract, other than contracts entered into in the ordinary course of business, to which we are a party, for the two years immediately preceding the date of this AIF.

Coattail Agreement

On March 5, 2020, in connection with the IPO, we entered into the Coattail Agreement with a trustee. The Coattail Agreement contains provisions customary for dual class, TSX listed corporations designed to prevent transactions that otherwise would deprive the holders of subordinate voting shares of rights under applicable securities laws in Canada to which they would have been entitled if the multiple voting shares had been subordinate voting shares.

Investor Rights Agreements

The Investors, among others, were parties to a shareholders' agreement, which terminated upon the closing of the IPO in accordance with its terms. Effective at the closing of the IPO, we entered into the Investor Rights Agreements with each of the Investors with respect to certain director nomination rights, governance matters and pre-emptive rights.

The following is a summary of the material attributes and characteristics of the Investor Rights Agreements. This summary is qualified in its entirety by reference to the provisions of the Investor Rights Agreements, which contain a complete statement of those attributes and characteristics. The Investor Rights Agreements are filed with the Canadian securities regulatory authorities and available on SEDAR at http://sedar.com and with the SEC on EDGAR at http://sec.gov.

The Investor Rights Agreements provide that BC Partners is entitled to nominate:

- 40% of our directors (rounding up to the nearest whole number) for so long as it beneficially owns or controls, directly or indirectly, at least 30% of the issued and outstanding shares;
- 30% of our directors (rounding up to the nearest whole number) for so long as it beneficially owns or controls, directly or indirectly, between 20% and 29.9% of the issued and outstanding shares;
- 20% of our directors (rounding up to the nearest whole number) for so long as it beneficially owns or controls, directly or indirectly, between 10% and 19.9% of the issued and outstanding shares; and
- 10% of our directors (rounding up to the nearest whole number) for so long as it beneficially owns or controls, directly or indirectly, between 5% and 9.9% of the issued and outstanding shares.

The Investor Rights Agreements also provide that Ontario Teachers and GIC are each entitled to nominate 10% of our directors (rounding up to the nearest whole number) for so long as it beneficially owns or controls, directly or indirectly, at least 5% of the issued and outstanding shares.

The Investor Rights Agreements provide that the Dovigi Group is entitled to nominate 10% of our directors (rounding up to the nearest whole number) until such time as the multiple voting shares held by the Dovigi Group automatically convert to subordinate voting shares pursuant to our Articles. Additionally, for so long as Patrick Dovigi is our Chief Executive Officer, he will be nominated as a director and upon election he is entitled to be the Chair of our board of directors. Notwithstanding the foregoing, Patrick Dovigi is entitled to resign as the Chair at any time. Upon Patrick Dovigi ceasing to be a director, or in the event Patrick Dovigi does not wish to be the Chair, then the Chair shall be appointed by our board of directors.

Each of the Investors will not vote against or withhold their vote in respect of the other Investors' nominees. Additionally, the Investor Rights Agreements provide that, for so long as BC Partners beneficially owns or controls, directly or indirectly, at least 15% of the issued and outstanding shares, the Dovigi Group is only permitted to vote the multiple voting shares that it holds in a manner consistent with the recommendation of the director nominees of BC Partners on our board of directors; provided that the Dovigi Group is not required to vote the multiple voting shares that it holds in a manner consistent with the recommendation of the director nominees of BC Partners on any matter that will disproportionally adversely affect the Dovigi Group's economic or voting interest or is reasonably expected to disproportionally adversely affect the Dovigi Group's economic or voting interest relative to BC Partners.

Pre-Emptive Rights

The Investor Rights Agreements provide that each of (i) BC Partners, Ontario Teachers and GIC, for so long as they each beneficially own or control, directly or indirectly, at least 7.5% of the issued and outstanding shares, have pre-emptive rights to allow BC Partners, Ontario Teachers and GIC to respectively beneficially own or control, directly or indirectly, the same aggregate percentage of issued and outstanding shares as each of BC Partners, Ontario Teachers and GIC, respectively, beneficially owned or controlled, directly or indirectly, immediately prior to any applicable distribution or issuance of shares, and (ii) the Dovigi Group, for so long as it beneficially owns or controls, directly or indirectly, multiple voting shares, has pre-emptive rights to acquire such number of multiple voting shares to allow the Dovigi Group to beneficially own or control, directly or indirectly, the same aggregate voting interest as the Dovigi Group beneficially owned or controlled, directly or indirectly, immediately prior to any applicable distribution or issuance of shares, in each case subject to certain customary exceptions.

Registration Rights Agreement

The Registration Rights Investors are currently parties, among others, to the Registration Rights Agreement. The following is a summary of the material attributes and characteristics of the Registration Rights Agreement. This summary is qualified in its entirety by reference to the provisions of that agreement, which contains a complete statement of those attributes and characteristics. The Registration Rights Agreement is filed with the Canadian securities regulatory authorities and available on SEDAR at http://sedar.com and with the SEC and available on EDGAR at http://sec.gov.

Pursuant to the Registration Rights Agreement, the Registration Rights Investors are entitled to certain demand registration rights which enable them to require us to file a registration statement and/or a Canadian prospectus and otherwise assist with public offerings of subordinate voting shares (including subordinate voting shares issuable upon conversion of multiple voting shares) under the Securities Act and applicable Canadian securities laws, in accordance with the terms and conditions of the Registration Rights Agreement. The Registration Rights Agreement entitles BC Partners to five demand registration rights, Ontario Teachers to three demand registration rights, and GIC and the Dovigi Group to two demand registration rights each. HPS will be entitled to two demand registration rights on or after April 1, 2022. The Registration Rights Investors and certain of our other existing shareholders have been granted piggyback registration rights permitting such shareholders to participate in future public offerings in accordance with the terms and conditions of the Registration Rights Agreement. In connection with the Margin Loans, each of the Registration Rights Investors assigned the Registration Rights Agreement to the lenders under the Margin Loans.

All costs and expenses associated with any demand registration will be borne by us, other than underwriting discounts, commissions and transfer taxes, if any, attributable to the sale of the subordinate voting shares (including following the conversion of multiple voting shares) by the applicable selling Registration Rights Investor. We are also required to provide indemnification and contribution for the benefit of the Registration Rights Investors and their respective affiliates and representatives in connection with any demand registration.

Subject to approval by our board of directors, the Registration Rights Agreement may be amended with the approval of the Registration Rights Investors holding a majority of the shares held by such persons.

Notes Indentures

As of the date of this AIF, we are party to indentures in respect of the 4.000% 2028 Notes, the 4.375% 2029 Notes, the 4.750% 2029 Notes, the 3.500% 2028 Secured Notes, the 3.750% 2025 Secured Notes, the 4.250% 2025 Secured Notes and the 5.125% 2026 Secured Notes.

Term Facility Credit Agreement

We are party to the Term Facility Credit Agreement. In connection with the acquisition of Waste Industries, on November 14, 2018, we entered into the incremental term facility amendment to provide for US$1,710.0 million of incremental term facilities (the "**Incremental Term Facility Amendment**"). Prior to entering into the Incremental Term Facility Amendment, the Term Facility Credit Agreement provided for a U.S. dollar denominated term facility tranche of US$805.0 million, a U.S. dollar denominated delayed draw term facility tranche of US$100.0 million (which was available to us until October 31, 2018 to fund acquisitions meeting certain criteria) and an accordion option. On December 22, 2020, we entered into a third amendment to the Term Facility Credit Agreement pursuant to which, among other things, we reduced the LIBOR floor from 1.00% to 0.50%.

Revolving Credit Facility Agreement

On September 27, 2021, we entered into the Revolving Credit Facility Agreement which provides for the Revolving Credit Facility and pursuant to which, among other things, we (a) modified the applicable pricing grid, resulting in a reduction of our applicable margin by 50 basis points, on a pro forma basis, (b) extended the term by two years to September 2026, (c) increased the Revolving Credit Facility by an additional $200.0 million, and (d) added a delayed draw term loan of up to $500.0 million to finance acquisitions over the 12 months following the date of the Revolving Credit Facility Agreement. Under our Revolving Credit Facility Agreement, we have access to (a) a $905.0 million revolving credit facility (available in Canadian and U.S. dollars) and (b) an aggregate US$75.0 million in revolving credit facilities (available in U.S. dollars).

Purchase Contract Agreement

On March 5, 2020, in connection with the IPO, we entered into a purchase contract agreement with U.S. Bank N.A. as purchase contract agent and attorney-in-fact for the holders of the Purchase Contracts, U.S. Bank, as U.S. trustee and Computershare Trust Company of Canada as Canadian trustee, pursuant to which the Purchase Contracts and TEUs were issued.

Amortizing Notes Indenture and Supplemental Indenture

On March 5, 2020, in connection with the IPO, we entered into an indenture and supplemental indenture with U.S. Bank N.A. pursuant to which the Amortizing Notes were issued.

Indemnification Agreements

We have entered into indemnification agreements with our directors and executive officers pursuant to which we have agreed to indemnify them against a number of liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or executive officer of the Company.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar of our subordinate voting shares in the United States is Computershare Trust Company, N.A. at its principal office in Louisville, Kentucky, and in Canada is Computershare Investor Services Inc. at its principal office in Toronto, Ontario.

INTERESTS OF EXPERTS

KPMG LLP whose office is located at 333 Bay Street, Suite 4600, Toronto, Ontario, M5H 2S5, is our auditor and is independent with respect to the Company within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Ontario and within the meaning of the Securities Act and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States).

The consolidated financial statements of the Company as of December 31, 2020 and for the year ended December 31, 2020 have been audited by Deloitte LLP. As of February 25, 2021, and throughout the period covered by the financial statements on which they reported, Deloitte LLP was independent of the Company within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Ontario and within the meaning of the Securities Act and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States).

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com and EDGAR on www.sec.gov.

Additional information, including information as to directors' and officers' remuneration and indebtedness, principal holders of our securities and securities authorised for issuance under equity compensation plans, where applicable, is contained in our Information Circular for our most recent annual meeting of the security holders that involved the election of directors.

Additional financial information is provided in our audited annual consolidated financial statements for the year ended December 31, 2021 and notes thereto and the related annual management's discussion and analysis.

APPENDIX "A"

GFL AUDIT COMMITTEE CHARTER

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of GFL Environmental Inc. (the "**Company**").

Section 1 Statement of Purpose

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- financial statements and financial reporting processes;
- the systems of internal accounting and financial controls;
- enterprise risk management;
- the annual independent audit of the financial statements;
- legal and regulatory compliance;
- reviewing and monitoring compliance with debt covenants and reviewing the process and reports with which the Company measures financial results or performance;
- reviewing and approving material transactions with related parties of the Company, to ensure the transactions are on arm's length and commercially reasonable terms, supported by third party appraisals or valuations, where applicable; and
- public disclosure items such as quarterly press releases, financial-oriented investor relations materials and other public reporting requirements.

Section 2 Committee Membership

The Committee shall consist of as many directors of the Board as the Board may determine (the "**Members**"), but in any event, not less than 3 (three) Members. All of the Members shall meet the criteria for independence and financial literacy established by applicable laws and the rules of any stock exchanges upon which the Company's securities are listed, including National Instrument 52-110 — *Audit Committees* ("**NI 52-110**") and Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended, subject to any exceptions permitted under such laws. NI 52-110 also requires that to be independent, a Member be free of any relationship which could, in the view of the Board, reasonably interfere with the exercise of a Member's independent judgment.

Members shall be appointed by the Board, taking into account any recommendation that may be made by the Nomination, Governance and Compensation Committee of the Board (the "**NGC Committee**"). Any Member may be removed and replaced at any time by the Board, and will automatically cease to be a Member if he or she ceases to meet the qualifications required of Members. The Board will fill vacancies on the Committee by appointment from among qualified directors of the Board, taking into account any recommendation that may be made by the NGC Committee. If a vacancy exists on the Committee, the remaining Members may exercise all of their powers so long as there is a quorum.

Chair

The Board will designate one of the independent directors of the Board to be the chair of the Committee (the "**Chair**"), taking into account any recommendation that may be made by the NGC Committee.

Qualifications

All Members shall be independent and financially literate, subject to any exceptions described above. Members must have suitable experience and must be familiar with auditing and financial matters.

Attendance of Ex Officio Members, Management and other Persons

The Committee may invite, at its discretion, senior executives of the Company or such persons as it sees fit to attend meetings of the Committee and to take part in the discussion and consideration of the affairs of the Committee. Senior executives and other employees of the Company shall attend a Committee meeting if invited by the Committee. The Committee may also require senior executives or other employees of the Company to produce such information and reports as the Committee may deem appropriate in the proper exercise of its duties. The Committee may meet without senior executives in attendance for a portion of any meeting of the Committee.

Delegation

Subject to applicable law, the Committee may delegate any or all of its functions to any of its independent Members or any independent sub-set thereof, from time to time as it sees fit.

Section 3 Committee Operations

Meetings

The Chair, in consultation with the other Members, shall determine the schedule and frequency of meetings of the Committee. Meetings of the Committee shall be held at such times and places as the Chair may determine. To the extent possible, advance notice of each meeting will be given to each Member unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings of the Committee either in person or by telephone, video or other electronic means. Powers of the Committee may also be exercised by written resolutions signed by all Members.

At the request of the external auditors of the Company, the Chief Executive Officer or the Chief Financial Officer of the Company or any Member, the Chair shall convene a meeting of the Committee. Any such request shall set out in reasonable detail the business proposed to be conducted at the meeting so requested. The Committee shall meet at least quarterly.

The Committee will meet in camera with only the external auditors, the Vice President of Internal Audit and Compliance and, if desired, senior executives of the Company, or the Members, where and to the extent that, such parties are present, at any meeting of the Committee.

Agenda and Reporting

To the extent possible, in advance of every regular meeting of the Committee, the Chair shall prepare and distribute, or cause to be prepared and distributed, to the Members and others as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require senior executives and other employees of the Company to produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.

The Chair shall report to the Board on the Committee's activities since the last Board meeting. However, the Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board. Minutes of each meeting of the Committee shall be circulated to the directors following approval of the minutes by the Members.

Secretary and Minutes

The secretary of the Company may act as secretary of the Committee unless an alternative secretary is appointed by the Committee. The secretary of the Committee shall keep regular minutes of Committee proceedings.

Quorum and Procedure

A quorum for any meeting of the Committee will be a simple majority. The procedure at meetings will be determined by the Committee. The powers of the Committee may be exercised at a meeting where a quorum is present or by resolution in writing signed by all Members. In the absence of the Chair, the Committee may appoint one of its other Members to act as chair of any meeting.

Exercise of Power between Meetings

Between meetings, the Chair, or any Member designated for such purpose by the Committee, may, if required in the circumstance, exercise any power delegated by the Committee on an interim basis. The Chair or other designated Member will promptly report to the other Members in any case in which this interim power is exercised.

Section 4 Duties and Responsibilities

The Committee is responsible for performing the duties set out below and any other duties that may be assigned to it by the Board as well as any other functions that may be necessary or appropriate for the performance of its duties.

Financial Reporting and Disclosure

Review and recommend to the Board for approval, the audited annual financial statements, including the auditors' report thereon, the quarterly financial statements, management discussion and analysis, financial reports, earnings press releases and other applicable financial disclosure, prior to the public disclosure of such information.

Discuss with the independent auditors the matters required to be discussed by the applicable auditing standards adopted by the Public Company Accounting Oversight Board (the "**PCAOB**") and approved by the U.S. Securities and Exchange Commission ("**SEC**") from time to time, including any critical audit matters.

Review and recommend to the Board for approval, where appropriate, financial information contained in any prospectuses, annual information forms, annual reports to shareholders, management proxy circulars, material change disclosures of a financial nature and similar disclosure documents prior to the public disclosure of such documents or information.

Review with senior executives of the Company, and with external auditors, all critical accounting policies and practices to be used by the Company and alternative treatments under International Financial Reporting Standards ("**IFRS**"), with a view to gaining reasonable assurance that financial statements are accurate, complete and present fairly the Company's financial position and the results of its operations in accordance with IFRS, as applicable.

Review periodically the effect of regulatory and accounting initiatives, as well as off-balance sheet structures (if any), on the financial statements of the Company.

Discuss with the external auditor its evaluation of the Company's identification of, accounting for and disclosure of its relationships with related parties as set forth under the standards of the PCAOB.

Seek to ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, the Company's disclosure controls and procedures and periodically assess the adequacy of those procedures and recommend any proposed changes to the Board for consideration.

Internal Controls and Internal Audit

Review the adequacy and effectiveness of the Company's internal control and information systems through discussions with senior executives of the Company and the external auditor relating to the maintenance of: (i) necessary books, records and accounts in sufficient detail to accurately and fairly reflect the Company's transactions; (ii) effective internal control over financial reporting; and (iii) adequate processes for assessing the risk of material misstatements in the financial statements and for detecting control weaknesses or fraud. From time to time the Committee shall assess any requirements or changes with respect to the establishment or operations of the internal audit function having regard to the size and stage of development of the Company at such time.

Satisfy itself, through discussions with the Vice President of Internal Audit and Compliance, and any other senior executives of the Company as desired, that the adequacy of internal controls, systems and procedures has been periodically assessed in accordance with regulatory requirements and recommendations.

Review and discuss the Company's major financial risk exposures and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities.

Review and make recommendations to the Board regarding the adequacy of the Company's risk management policies and procedures with regard to identification of the Company's principal risks and implementation of appropriate systems and controls to manage such risks including information technology systems and an assessment of the adequacy of insurance coverage maintained by the Company.

Periodically review the Company's policies and procedures for reviewing and approving or ratifying related-party transactions.

Review all material related party transactions other than those delegated to a special committee or independent committee of the Board against applicable legal and regulatory requirements, discuss with management the business rationale for the transactions, review applicable disclosures and report to the Board on all such transactions, if any, each quarter.

Review and approve the appointment of the Vice President Internal Audit function and the responsibilities of the department, including budget and staffing requirements. Annually review and approve the internal audit plan. Review on a quarterly basis the report of the Vice President Internal Audit.

External Audit

To the fullest extent permitted under applicable law, be solely and directly responsible for the compensation, retention, oversight and, when necessary, termination of any auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (including the resolution of disagreements between management and such firm regarding financial reporting). Recommend to the Board and shareholders the appointment of the external auditor.

Ensure the external auditors report directly to the Committee on a regular basis.

Review, at least annually, the qualifications, performance and the independence of the external auditors.

Review the audit plan of the external auditors prior to the commencement of any audit. Establish and maintain a direct line of communication with the Company's external auditors.

Approve all auditing services and non-audit services (other than "prohibited non-audit services" as defined in SEC rules) to be provided to the Company by its independent external auditor. The Committee may delegate authority to one or more independent members to grant pre-approvals of audit and permitted non-audit services; provided that any such pre-approvals will be presented to the full Committee at its next scheduled meeting.

Review the results of the external audit and the external auditor's report thereon, including discussions with the external auditors as to the quality of accounting principles used and any alternative treatments of financial information that have been discussed with senior executives of the Company and any other matters.

Review any material written communications between senior executives of the Company and the external auditors and any significant disagreements between the senior executives and the external auditors.

Discuss with the external auditors their perception of the Company's financial and accounting personnel, records and systems, key audit matters, the cooperation which the external auditors received during their course of their review and availability of records, data and other requested information and any recommendations with respect thereto.

Discuss with the external auditors their perception of the Company's identification and management of risks, including the adequacy or effectiveness of policies and procedures implemented to mitigate such risks.

Review the reasons for any proposed change in the external auditors which is not initiated by the Committee or Board and any other significant issues related to the change, including the response of the incumbent auditors, and enquire as to the qualifications of the proposed auditors before making its recommendations to the Board.

Review annually a report from the external auditors in respect of their internal quality-control procedures, any material issues raised by the most recent internal quality-control review, or peer review of the external auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditors, and any steps taken to address any such issues.

Associated Responsibilities

Establish, monitor and periodically review the Whistleblower Policy of the Company and associated procedures for:

- the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- the confidential, anonymous submission by directors, officers and employees of the Company of concerns regarding questionable accounting or auditing matters; and
- if applicable, any violations of applicable law, rules or regulations that relate to corporate reporting and disclosure, or violations of the Company's Code of Ethics.

Review and approve the Company's hiring policies regarding employees and partners, and former employees and partners, of the present and former external auditors of the Company.

Other Duties

Direct and supervise the investigation into any matter brought to its attention within the scope of the Committee's duties. Perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable law.

Section 5 The Committee Chair

In addition to the responsibilities of the Chair described above, the Chair has the primary responsibility for overseeing and reporting on the evaluations to be conducted by the Committee, as well as monitoring developments with respect to accounting and auditing matters in general and reporting to the Committee on any related significant developments.

Section 6 Committee Evaluation

Annually evaluate the composition and effectiveness of the Committee. The self-assessment of the Committee shall be reported to the Board as part of its regular evaluation of the Board committees.

Section 7 Access to Information and Authority to Retain Independent Advisors

The Committee shall be granted unrestricted access to all information regarding the Company that is necessary or desirable to fulfill its duties and all directors of the Company, officers and employees will be directed to cooperate as requested by Members. The Committee has the authority to retain, at the Company's expense, independent legal, financial, and other advisors, consultants and experts to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve their fees. The Committee shall select such advisors, consultants and experts after taking into consideration factors relevant to their independence from management and other relevant considerations.

The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and any advisors that the Committee chooses to engage, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall discharge its responsibilities, and shall assess the information provided by the Company's management and the external advisers, in accordance with its business judgment. Members are entitled to rely, absent knowledge to the contrary, on the integrity of the persons and organizations from whom they receive information, and on the accuracy and completeness of the information provided. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable law.

The Committee also has the authority to communicate directly with internal and external auditors. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or comply with IFRS and other applicable requirements. These are the responsibilities of the senior executives of the Company responsible for such matters and the external auditors. The Committee, the Chair and any Members identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Company, and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a Member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a Member who is identified as having accounting or related financial expertise, like the role of all Members, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure. This Charter is not intended to change or interpret the constating documents of the Company or applicable laws or stock exchange rules to which the Company is subject, and this Charter should be interpreted in a manner consistent with all such applicable laws and rules.

The Board may, from time to time, permit departures from the terms of this Charter, either prospectively or retrospectively to the extent permitted under applicable law and listing standards. This Charter is not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

Section 8 Review of Charter

The Committee shall periodically review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

Updated:	February 9, 2022
Approved by:	Audit Committee
	Board of Directors

Exhibit 99.2

GFL ENVIRONMENTAL INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three months and year ended December 31, 2021

The following Management's Discussion and Analysis ("**Annual MD&A**") for GFL Environmental Inc. ("**us**," "**we**," "**our**," "**GFL**" or the "**Company**") is dated February 10, 2022 and provides information concerning our results of operations and financial condition for the three months and year ended December 31, 2021. You should read this Annual MD&A together with our audited consolidated financial statements and the related notes for the year ended December 31, 2021 ("**Annual Financial Statements**"). For a discussion of GFL's results of operations and cash flows for the year ended December 31, 2020 compared to the year ended December 31, 2019, see the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 20-F for the year ended December 31, 2020, filed with the U.S. Securities and Exchange Commission, ("**SEC**") and the Canadian securities regulators on February 26, 2021.

1. Company Overview

GFL is the fourth largest diversified environmental services company in North America, with operations throughout Canada and in more than half of the U.S. states. GFL had more than 18,000 employees as of December 31, 2021.

GFL was formed on March 5, 2020 under the laws of the Province of Ontario. Our subordinate voting shares trade on the New York Stock Exchange (the "**NYSE**") and the Toronto Stock Exchange (the " **TSX**") under the symbol "GFL". Our tangible equity units (the "**TEUs**") trade on the NYSE under the symbol " **GFLU**". Each TEU is comprised of a prepaid stock purchase contract (a "**Purchase Contract**") and a senior amortizing note (an " **Amortizing Note**"). On March 5, 2020, GFL completed its initial public offering (the "**IPO**").

Forward-Looking Information

This Annual MD&A, including, in particular, the sections below entitled "Summary of Factors Affecting Performance" and "Liquidity and Capital Resources", contains 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, may relate to anticipated events or results and may include statements regarding our objectives, plans, goals, strategies, outlook, results of operations, financial and operating performance, prospects and opportunities. 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 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 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 contained in this Annual MD&A is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct.

Factors that could cause actual results to differ from those projected include, but are not limited to, those listed below and in the section entitled "Risk Factors" included in the Company's annual information form for the year ended December 31, 2021 (the "**AIF**"). There may be additional risks of which we are not currently aware or that we currently believe are immaterial which could have an adverse impact on our business. We make no commitment to revise or update any forward-looking information in order to reflect events or circumstances that may change, except where we are expressly required to do so by law.

Forward-looking information is subject to a number of known and unknown risks, uncertainties, assumptions, and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Factors that could cause actual results to differ from those projected include, but are not limited to, the following, and the risk factors described in greater detail under the section entitled "Risk

Factors" in the AIF: our ability to build our market share; our ability to continue to grow our revenue and improve operating margins; our ability to retain key personnel; our ability to maintain and expand geographic scope; our ability to maintain good relationships with our customers; our ability to execute on our expansion plans; our ability to execute on additional acquisition opportunities and successfully integrate acquired businesses; adverse effects of acquisitions on our operations; potential liabilities from past and future acquisitions; dependence on the integration and success of acquired businesses; our ability to continue investing in infrastructure to support our growth; our ability to obtain and maintain existing financing on acceptable terms; our ability to implement price increases or offset increasing costs; currency exchange and interest rates; the impact of competition; the changes and trends in our industry or the global economy; the changes in laws, rules, regulations, and global standards; our ability to respond to changing customer and legal requirements with respect to sustainable solutions or other matters; our potential liability, if any, in connection with environmental matters; governmental regulation, changes thereto and risks associated with failure to comply; loss of municipal and other contracts; potential inability to renew or obtain new permits, approvals and agreements, and the cost of operation and/or future construction of existing facilities; our dependence on third party landfills, material recovery facilities, liquid waste processing facilities and transfer stations; our access to equity or debt capital markets is not assured; increases in labour, disposal, and related transportation costs; fuel supply and fuel price fluctuations; we require sufficient cash flow to reinvest in our business; our potential inability to obtain performance or surety bonds, letters of credit, other financial assurances or insurance; operational, health, safety and environmental risks; natural disasters, weather conditions and seasonality; economic downturn may adversely impact our operating results and cause exposure to credit risk; increasing dependence on technology and risk of technology failure; cybersecurity incidents or issues; damage to our reputation or our brand; increases in insurance costs; climate change regulations that could increase our costs to operate; risks associated with failing to comply with U.S., Canadian or foreign anti-bribery or anti-corruption laws or regulations; landfill site closure and post-closure costs and contamination-related costs; increasing efforts by provinces, states and municipalities to reduce landfill disposal; litigation or regulatory or activist action; and public health outbreaks, epidemics or pandemics, such as the COVID-19 pandemic.

Basis of Presentation

Our Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. Unless the context indicates otherwise, references in this Annual MD&A to "GFL", the "Company", "we", "us" and "our" mean GFL and its consolidated subsidiaries.

This Annual MD&A is presented in millions of Canadian dollars unless otherwise indicated.

Reclassification of prior year presentation

Certain revenue disaggregation and segment reporting balances reported in prior periods have been reclassified for consistency with the current period presentation. These immaterial reclassifications had no effect on the reported consolidated results of operations.

During the year ended December 31, 2021, we reclassified one of our business units from our Solid waste segment to our Infrastructure and soil remediation segment and one of our business units from our Solid waste segment to our Liquid waste segment to make the segment presentation consistent with an internal management reorganization. These changes resulted in a decrease in Solid waste revenue and an increase in both Infrastructure and soil remediation and Liquid waste revenue.

All previously reported revenue by service type and segment information has been retrospectively adjusted to conform to the updated 2021 presentation.

Summary of Factors Affecting Performance

We believe that our performance and future success depend on a number of factors that present significant opportunities for us. These factors are also subject to a number of inherent risks and challenges discussed elsewhere in this Annual MD&A and in the AIF.

Our results for the three months and year ended December 31, 2021 were impacted by acquisitions and associated financing activities, as well as organic growth during the periods as a result, in part, from the pricing strategies that we implemented and changes in volume. Our ability to leverage our scalable network to drive operational cost efficiencies also impacted our performance for the periods. During the three months and year ended December 31, 2021, our performance was affected by the reduction in commercial activity as a result of the various measures primarily taken by the U.S. and Canadian governments in response to COVID-19. Finally, our results are influenced by seasonality and tend to be lower in the first quarter of the year, primarily due to winter weather conditions, which are pronounced in Canada, and higher in the second and third quarters of the year, due to the higher volume of waste generated during the summer months in many of our solid waste markets.

We intend to continue to grow our business and generate improvements in our financial performance by expanding our service offerings into new geographic markets and extending our geographic footprint to increase regional density across our business lines, thereby increasing margins. Our success in achieving these goals is dependent on our ability to execute on our three-pronged strategy of: (i) continuing to generate strong, stable organic revenue growth, (ii) successfully executing strategic, accretive acquisitions, and (iii) continuing to drive operating cost efficiencies across our platform.

Strong, Stable Organic Revenue Growth

Our ability to generate strong, stable organic revenue growth across macroeconomic cycles depends on our ability to increase the breadth and depth of services that we provide to our existing customers, realize on cross-selling opportunities between our complementary service capabilities, obtain price and surcharge increases, win new contracts, realize renewals or extensions of existing contracts and expand into new or adjacent markets. We believe that executing on this strategy will continue to drive our organic revenue growth and free cash flow generation.

Our business is well-diversified across business lines, geographies and customers. We believe that our continued success depends on our ability to further enhance and leverage this diversification, a key component of which is our ability to offer our customers a comprehensive service offering across our three business lines backed by an extensive geography across Canada and the United States. The majority of the revenue we generate in our solid waste business is derived from secondary markets, with revenue derived from major metropolitan centres representing the majority of our residential solid waste revenue.

We also believe we are well positioned to respond to changing customer needs and regulatory demands in order to maintain our success. This includes being able to respond to legal requirements and customer demands to divert waste away from landfill disposal by continuing to expand our ability to collect and process multiple streams of material.

Our diversified business model also complements our acquisition strategy. Multiple business lines allow us to source acquisitions from a broader pool of potential targets. Maintaining a diversified model is therefore critical to capitalizing on accretive acquisition opportunities and helping to reduce execution and business risk inherent in single-market and single-service offering strategies.

Executing Strategic, Accretive Acquisitions

Our ability to identify, execute and integrate accretive acquisitions is a key driver of our growth. Given the significant fragmentation that exists in the North American environmental services industry, our growth and success depend on our ability to realize on consolidation opportunities in all three of our business lines.

Since 2007, we have completed over 180 acquisitions across our lines of business. We focus on selectively acquiring premier independent regional operators to create platforms in new markets, followed by tuck-in acquisitions to help increase density and scale. Integration of these acquisitions with our existing platform is a key factor to our success, along with continuing to identify and act upon these attractive consolidation opportunities.

In addition, successful execution of acquisitions opens new markets to us, provides us with new opportunities to realize cross-selling opportunities, and drives procurement and cost synergies across our operations.

Driving Operating Cost Efficiencies

We provide our services through a strategically-located network of facilities in Canada and in the United States. In each of our geographic markets, our strong competitive position is supported by and depends on the significant capital investment required to replicate our network infrastructure and asset base, as well as by stringent permitting and regulatory compliance requirements. Our continued success also depends on our ability to leverage our scalable network to attract and retain customers across multiple service lines, realize operational efficiencies, and extract procurement and cost synergies.

It is also key that we continue to leverage our scalable capabilities to drive operating margin expansion and realize cost synergies. This includes using the capacity of our existing facilities, technology processes and people to support future growth and provide economies of scale, as well as increasing route density and servicing new contract wins with our existing network of assets and fleet to enhance the profitability of each of our business lines.

Our success also depends on our ability to continue to make strategic investments in our business, including substantial capital investments in our facilities, technology processes and administrative capabilities to support our future growth. Our ability to improve our operating margins and our selling, general and administrative expense margins by maintaining strong discipline in our cost structure and regularly reviewing our practices to manage expenses and increase efficiency will also impact our operating results.

Impact of and Response to COVID-19

Since the outbreak of the COVID-19 pandemic in March 2020, the U.S. and Canadian governments, as well as numerous state, provincial and local governments, implemented certain measures to slow the spread of the virus, including shelter-in-place and physical distancing orders as well as closure restrictions or requirements. In the first half of 2021, we saw these measures lifted or scaled back in many U.S. states, resulting in an accelerated economic recovery. In Canada, many provincial governments introduced new increased measures and re-introduced former measures, resulting in a slower recovery in Canada. Some of these restrictions began to ease towards the end of the second quarter of 2021, however, a resurgence of cases in certain provinces during the third quarter resulted in the re-introduction of former measures or provinces maintaining existing measures.

Our overall revenue remains heavily weighted to our solid waste business, which is our most resilient business line and is also diversified across geographies and customers. The majority of the revenue we generate in our solid waste business is from secondary markets. The solid waste revenue we generate in major metropolitan centres or primary markets is primarily derived from municipal residential contracts. For the three months and year ended December 31, 2021, we experienced higher volumes in our solid and liquid waste businesses due to an increase in service levels as COVID-19 related restrictions eased in many of the markets that we serve. While construction projects in certain jurisdictions have been deemed essential services, due to the protracted duration of the COVID-19 pandemic, we continued to see delays with the commencement of new large infrastructure projects for the three months and year ended December 31, 2021.

The impact of the COVID-19 pandemic on our business and future results of operations, financial condition and cash flows will depend largely on future developments, which are uncertain and continue to evolve, including the duration, trajectory, severity and spread of the virus in Canada, the United States and elsewhere, including variants, the continued roll-out, execution, uptake and effectiveness of vaccination programs and other forms of treatment, other actions taken to limit the spread of COVID-19, including public health and safety measures such as shelter-in-place orders or quarantines, and the pace and extent to which normal economic and operating conditions resume in the markets that we serve.

2. Operating Results

Analysis of results for the three months and year ended December 31, 2021 compared to the three months and year ended December 31, 2020

The following tables summarize certain operating results and other financial data for the periods indicated, which have been derived from our Annual Financial Statements and related notes:

($ millions except per share amounts)	Three months ended December 31, 2021	Three months ended December 31, 2020[1]	Change $	Change %
Revenue	**$ 1,539.5**	$ 1,235.6	$ 303.9	24.6 %
Expense				
Cost of sales	**1,431.6**	1,363.0	68.6	5.0
Selling, general and administrative expenses	**169.9**	144.8	25.1	17.3
Interest and other finance costs	**105.2**	137.9	(32.7)	(23.7)
Impairment and other charges	**—**	21.4	(21.4)	(100.0)
Gain on divestiture	**(86.4)**	—	(86.4)	—
Other expenses	**10.1**	245.2	(235.1)	(95.9)
Loss before income taxes	**(90.9)**	(676.7)	585.8	(86.6)
Income tax recovery[1]	**(13.5)**	(82.5)	69.0	(83.6)
Net loss[1]	**(77.4)**	(594.2)	516.8	(87.0)
Loss per share, basic and diluted ($)[1]	**(0.25)**	(1.69)	1.44	(85.2)
Adjusted EBITDA[2]	**$ 388.3**	$ 311.2	$ 77.1	24.8 %

(1) Subsequent to the original issuance of the December 31, 2020 annual consolidated financial statements, GFL determined the mark-to-market loss on Purchase Contracts should not be treated as a temporary difference for deferred income tax purposes. As a result, to correct this immaterial error, deferred income tax liabilities increased by $107.5 million to $573.5 million and income tax recovery decreased by $107.5 million to $82.5 million for the three months ended December 31, 2020.

(2) Adjusted EBITDA is a non-IFRS measure. Refer to the section entitled “Non-IFRS Financial Measures and Key Performance Indicators”.

($ millions except per share amounts)	Year ended December 31, 2021	Year ended December 31, 2020[1]	Change $	Change %
Revenue	**$ 5,525.5**	$ 4,196.2	$ 1,329.3	31.7 %
Expenses				
Cost of sales	**4,997.9**	4,006.1	991.8	24.8
Selling, general and administrative expenses	**591.9**	508.4	83.5	16.4
Interest and other finance costs	**434.1**	597.6	(163.5)	(27.4)
Impairment and other charges	**—**	21.4	(21.4)	(100.0)
Gain on divestiture	**(153.3)**	—	(153.3)	—
Other expenses	**367.7**	418.5	(50.8)	(12.1)
Loss before income taxes	**(712.8)**	(1,355.8)	643.0	(47.4)
Income tax recovery[1]	**(106.0)**	(253.4)	147.4	(58.2)
Net loss[1]	**(606.8)**	(1,102.4)	495.6	(45.0)
Loss per share, basic and diluted ($)[1]	**(1.83)**	(3.10)	1.27	(41.0)
Adjusted EBITDA[2]	**1,463.7**	1,076.7	387.0	35.9
Total assets	**18,373.7**	15,730.0		
Total cash	**190.4**	27.2		
Total long-term debt	**7,979.0**	6,166.1		
Total liabilities	**12,597.6**	10,158.2		
Total shareholders' equity	**$ 5,776.1**	$ 5,571.8		

(1) Subsequent to the original issuance of the December 31, 2020 annual consolidated financial statements, GFL determined the mark-to-market loss on Purchase-Contracts should not be treated as a temporary difference for deferred income tax purposes. As a result, to correct this immaterial error, deferred income tax liabilities increased by $107.5 million to $573.5 million and income tax recovery decreased by $107.5 million to $253.4 million for the year ended December 31, 2020.

(2) Adjusted EBITDA is a non-IFRS measure. Refer to the section entitled "Non-IFRS Financial Measures and Key Performance Indicators".

Revenue

The following tables summarize revenue by service type for the periods indicated:

($ millions)	Three months ended December 31, 2021 Revenue	Three months ended December 31, 2021 %	Three months ended December 31, 2020 Revenue[1]	Three months ended December 31, 2020 %	Revenue Change $	Revenue Change %
Residential	**$ 330.6**	**21.5 %**	$ 305.1	24.7 %	$ 25.5	8.4 %
Commercial/industrial	**511.2**	**33.2**	418.2	33.8	93.0	22.2
Collection	**841.8**	**54.7**	723.3	58.5	118.5	16.4
Landfill	**191.9**	**12.5**	143.3	11.6	48.6	33.9
Transfer	**147.4**	**9.6**	137.3	11.1	10.1	7.4
Material recovery	**93.7**	**6.1**	77.2	6.2	16.5	21.4
Other	**75.1**	**4.9**	50.8	4.2	24.3	47.8
Solid waste	**1,349.9**	**87.8**	1,131.9	91.6	218.0	19.3
Infrastructure and soil remediation	**138.8**	**9.0**	136.5	11.0	2.3	1.7
Liquid waste	**235.3**	**15.3**	122.9	10.0	112.4	91.5
Intercompany revenue	**(184.5)**	**(12.1)**	(155.7)	(12.6)	(28.8)	18.5
Revenue	**$ 1,539.5**	**100.0 %**	$ 1,235.6	100.0 %	$ 303.9	24.6 %

(1) Includes reclassification to decrease Liquid waste revenue by $1.5 million and increase Other revenue by $0.6 million and Infrastructure and soil remediation revenue by $0.9 million. There was no change in total revenue. Refer to the section entitled "Basis of Presentation" in this Annual MD&A for additional details.

($ millions)	Year ended December 31, 2021 Revenue	%	Year ended December 31, 2020 Revenue[1]	%	Revenue Change $	%
Residential	**$ 1,243.9**	**22.5 %**	$ 1,067.8	25.4 %	$ 176.1	16.5 %
Commercial/industrial	**1,869.7**	**33.8**	1,350.1	32.2	519.6	38.5
Collection	**3,113.6**	**56.3**	2,417.9	57.6	695.7	28.8
Landfill	**677.4**	**12.3**	348.4	8.3	329.0	94.4
Transfer	**590.2**	**10.7**	426.7	10.2	163.5	38.3
Material recovery	**358.8**	**6.5**	263.3	6.3	95.5	36.3
Other	**258.1**	**4.7**	222.0	5.3	36.1	16.3
Solid waste	**4,998.1**	**90.5**	3,678.3	87.7	1,319.8	35.9
Infrastructure and soil remediation	**529.5**	**9.6**	538.2	12.8	(8.7)	(1.6)
Liquid waste	**679.7**	**12.3**	457.3	10.9	222.4	48.6
Intercompany revenue	**(681.8)**	**(12.4)**	(477.6)	(11.4)	(204.2)	42.8
Revenue	**$ 5,525.5**	**100.0 %**	$ 4,196.2	100.0 %	$ 1,329.3	31.7 %

(1) Includes reclassification to decrease Other revenue by $4.6 million and increase Infrastructure and soil remediation revenue by $3.1 million and Liquid waste revenue by $1.5 million. There was no change in total revenue. Refer to the section entitled “Basis of Presentation” in this Annual MD&A for additional details.

On a consolidated basis, revenue for the three months ended December 31, 2021 increased by $303.9 million to $1,539.5 million, compared to the three months ended December 31, 2020. The increase is primarily attributable to the impact of acquisitions completed since October 1, 2020 which accounted for approximately $236.0 million of the increase, the majority of which were in our solid waste business. Strong pricing and volume increases realized in conjunction with the easing of COVID-19 restrictions also contributed to the increase. Changes in foreign exchange rates decreased revenue by $25.6 million. Highlights of the changes in revenue during the three months ended December 31, 2021, excluding the impact of acquisitions, include:

- Solid waste revenue increased by 9.9%, including 6.5% from core pricing, surcharge and commodity price increases and 3.4% from positive volume, which was driven by higher volume across our collection and post collection operations as COVID-19 restrictions eased throughout our markets. Changes in foreign exchange rates decreased revenue by 2.4%.

- Infrastructure and soil remediation revenue decreased by 1.7%, a decline predominantly attributable to continued delays with the commencement of new large infrastructure projects, which was partially offset by high soil volumes processed at our facilities. The substantial majority of our infrastructure and soil remediation revenue are generated in Eastern Canada and the U.S. North East, two regions that continued to be impacted by measures implemented by governments to limit the spread of COVID-19. Changes in foreign exchange rates decreased revenue by 0.3%.

- Liquid waste revenue increased by 4.7%, predominantly due to higher volumes as a result of customers ’ operations resuming as COVID-19 restrictions eased. Changes in foreign exchange rates decreased revenue by 1.1%.

On a consolidated basis, revenue for the year ended December 31, 2021 increased by $1,329.3 million to $5,525.5 million, compared to the year ended December 31, 2020. The increase is primarily attributable to the impact of acquisitions completed since January 1, 2020, which accounted for approximately $1,209.8 million of the increase, the majority of which were in our solid waste business. Changes in foreign exchange rates decreased revenue by $146.8 million. Highlights of the changes in revenue during the year ended December 31, 2021, excluding the impact of acquisitions, include:

- Solid waste revenue increased by 8.7%, including 5.5% from core pricing, surcharge and commodity price increases and 3.2% from positive volume, which was driven by higher volume across our collection and post collection operations as COVID-19 restrictions eased throughout our markets. Changes in foreign exchange rates decreased revenue by 4.1%.

- Infrastructure and soil remediation revenue decreased by 5.0%, a decline predominantly attributable to continued delays with the commencement of new large infrastructure projects, which was partially offset by higher soil volumes processed at our facilities. The substantial majority of our infrastructure and soil remediation revenue are generated in Eastern Canada and the U.S. North East, two regions that continued to be impacted by measures implemented by governments to limit the spread of COVID-19. Changes in foreign exchange rates decreased revenue by 0.6%.

- Liquid waste revenue increased by 3.9% due to higher volumes as a result of customers ’ operations resuming as COVID-19 restrictions eased. Changes in foreign exchange rates decreased revenue by 2.3%.

Cost of Sales

The following tables summarize cost of sales for the periods indicated:

($ millions)	Three months ended December 31, 2021 Cost	% of Revenue	Three months ended December 31, 2020 Cost	% of Revenue	Cost Change $	%
Transfer and disposal costs	**$ 325.0**	**21.1 %**	280.3	22.7	$ 44.7	15.9 %
Labour and benefits	**366.9**	**23.8**	296.5	24.0	70.4	23.7
Maintenance and repairs	**145.2**	**9.4**	114.8	9.3	30.4	26.5
Fuel	**68.6**	**4.5**	41.9	3.4	26.7	63.7
Other cost of sales	**117.6**	**7.6**	88.2	7.1	29.4	33.3
Subtotal	**1,023.3**	**66.4**	821.7	66.5	201.6	24.5
Depreciation expense	**272.4**	**17.7**	432.5	35.0	(160.1)	(37.0)
Amortization of intangible assets	**126.7**	**8.2**	107.5	8.7	19.2	17.9
Acquisition, rebranding and other integration costs	**9.2**	**0.7**	1.3	0.1	7.9	607.7
Cost of sales	**$ 1,431.6**	**93.0 %**	$ 1,363.0	110.3 %	$ 68.6	5.0 %

($ millions)	Year ended December 31, 2021 Cost	% of Revenue	Year ended December 31, 2020 Cost	% of Revenue	Cost Change $	%
Transfer and disposal costs	**1,180.2**	**21.4 %**	954.6	22.7 %	$ 225.6	23.6 %
Labour and benefits	**1,294.2**	**23.4**	1,022.7	24.4	271.5	26.5
Maintenance and repairs	**504.3**	**9.1**	376.5	9.0	127.8	33.9
Fuel	**230.6**	**4.2**	146.0	3.5	84.6	57.9
Other cost of sales	**400.4**	**7.2**	282.8	6.7	117.6	41.6
Subtotal	**3,609.7**	**65.3**	2,782.6	66.3	827.1	29.7
Depreciation expense	**901.9**	**16.3**	785.1	18.7	116.8	14.9
Amortization of intangible assets	**461.2**	**8.4**	427.0	10.2	34.2	8.0
Acquisition, rebranding and other integration costs	**25.1**	**0.5**	11.4	0.3	13.7	120.2
Cost of sales	**$ 4,997.9**	**90.5 %**	$ 4,006.1	95.5 %	$ 991.8	24.8 %

Cost of sales increased by $68.6 million to $1,431.6 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. Cost of sales as a percentage of revenue for the three months ended December 31, 2021 decreased by 1,730 basis points to 93.0%, compared to the three months ended December 31, 2020. Changes in the individual cost categories as a percentage of revenue were the result of the impact of business mix, in conjunction with increased labour cost pressure from tight labour markets which drove up wage rates, training costs and overtime, as well as other inflationary cost pressures. Fuel costs as a percentage of revenue increased by 110 basis points to 4.5%, compared to the three months ended December 31, 2020. Partially offsetting the cost increases were cost savings from our continued focus on cost management and enhancing efficiency. The decrease in depreciation expense as a percentage of revenue was attributable to the impact of purchase accounting for recent acquisitions. Specifically, the three months ended December 31, 2021 included a one-time depreciation expense charge of $40.1 million due to the difference between the asset retirement obligation ("**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 annual valuations, whereas, the three months ended December 31, 2020 included a one-time depreciation expense charge of $231.7 million. Excluding depreciation expenses, amortization of intangible assets, and acquisition rebranding and other integration costs, cost of sales as a percentage of total revenue for the three months ended December 31, 2021 decreased by 10 basis points to 66.4%, compared to the three months ended December 31, 2020.

Cost of sales increased by $991.8 million to $4,997.9 million for the year ended December 31, 2021, compared to the year ended December 31, 2020, predominantly attributable to the impact of acquisitions. Cost of sales as a percentage of total revenue for the year ended December 31, 2021 decreased by 500 basis points to 90.5%, compared to the year ended December 31, 2020. Changes in the individual cost categories as a percentage of revenue were the result of the impact of business mix, in conjunction with increased labour cost pressure from tight labour markets which drove up wage rates, training costs and overtime, as well as other inflationary cost pressures. Fuel costs as a percentage of revenue increased by 70 basis points to 4.2%, compared to the year ended December 31, 2020. Additional cost of risk management related to insurance and COVID-19 also contributed to the increase in cost of sales as compared to the year ended December 31, 2020. Partially offsetting the cost increases were savings from our continued focus on cost management and enhancing efficiency. The decrease in depreciation expense as a percentage of revenue was attributable to the impact of purchase accounting for recent acquisitions. Specifically, the year ended December 31, 2021 included a one-time depreciation expense charge of $54.9 million due 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 annual valuations, whereas the year ended December 31, 2020 included a one-time depreciation expense charge of $231.7 million. Excluding depreciation expenses, amortization of intangible assets, and acquisition rebranding and other integration costs, cost of sales as a percentage of total revenue for the year ended December 31, 2021 decreased by 100 basis points to 65.3%, compared to the year ended December 31, 2020.

Selling, General and Administrative Expenses ("SG&A")

The following tables summarize SG&A for the periods indicated:

	Three months ended December 31, 2021		Three months ended December 31, 2020		Cost Change	
($ millions)	**Cost**	**% of Revenue**	**Cost**	**% of Revenue**	**$**	**%**
Salaries and benefits	**$ 80.4**	**5.2 %**	$ 65.7	5.3 %	$ 14.7	22.4 %
Share-based payments	**14.5**	**0.9**	10.8	0.9	3.7	34.3
Other	**47.5**	**3.1**	37.0	3.0	10.5	28.4
Subtotal	**142.4**	**9.2**	113.5	9.2	28.9	25.5
Depreciation expenses	**6.5**	**0.4**	7.2	0.6	(0.7)	(9.7)
Transaction costs	**21.0**	**1.4**	24.1	1.9	(3.1)	(12.9)
Selling, general and administrative expenses	**$ 169.9**	**11.0 %**	$ 144.8	11.7 %	$ 25.1	17.3 %

	Year ended December 31, 2021		Year ended December 31, 2020		Cost Change	
($ millions)	**Cost**	**% of Revenue**	**Cost**	**% of Revenue**	**$**	**%**
Salaries and benefits	**$ 293.1**	**5.3 %**	$ 217.5	5.2 %	$ 75.6	34.8 %
Share-based payments	**45.7**	**0.8**	37.9	0.9	7.8	20.6
Other	**159.0**	**2.9**	121.2	2.9	37.8	31.2
Subtotal	**497.8**	**9.0**	376.6	9.0	121.2	32.2
Depreciation expense	**29.9**	**0.5**	25.5	0.6	4.4	17.3
Transaction costs	**64.2**	**1.2**	60.1	1.4	4.1	6.8
IPO transaction costs	**—**	**—**	46.2	1.1	(46.2)	(100.0)
Selling, general and administrative expenses	**$ 591.9**	**10.7 %**	$ 508.4	12.1 %	$ 83.5	16.4 %

SG&A increased by $25.1 million to $169.9 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. The increase was predominantly attributable to incremental salaries, benefits, information technology infrastructure investments and other costs related to the number and size of businesses acquired since October 1, 2020. SG&A as a percentage of revenue was 11.0% for the three months ended December 31, 2021, compared to 11.7% for the three months ended December 31, 2020. Excluding depreciation expense and transaction costs, SG&A as a percentage of revenue was 9.2% for the three months ended December 31, 2021, unchanged from the same period in the prior year.

SG&A increased by $83.5 million to $591.9 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. The increase was predominantly attributable to incremental salaries, benefits, information technology infrastructure investments and other costs related to the number and size of businesses acquired since January 1, 2020. There were also increased costs of risk management associated with being a public company for the year ended December 31, 2021. SG&A as a percentage of revenue was 10.7% for the year ended December 31, 2021 compared to 12.1% for the year ended December 31, 2020. Excluding depreciation expense, transaction costs and IPO transaction costs, SG&A as a percentage of revenue was 9.0% for the year ended December 31, 2021, unchanged from the prior year.

Interest and Other Finance Costs

The following tables summarize interest and other finance costs for the periods indicated:

($ millions)	Three months ended December 31, 2021	Three months ended December 31, 2020	Cost Change $	Cost Change %
Interest	**$ 92.2**	$ 85.3	$ 6.9	8.1 %
Prepayment penalties for early note redemption	**—**	35.5	(35.5)	(100.0)
Amortization of deferred financing costs	**3.8**	10.1	(6.3)	(62.4)
Accretion of landfill closure and post-closure obligations	**3.4**	2.1	1.3	61.9
Other finance costs	**5.8**	4.9	0.9	18.4
Interest and other finance costs	**$ 105.2**	$ 137.9	$ (32.7)	(23.7)%

($ millions)	Year ended December 31, 2021	Year ended December 31, 2020	Cost Change $	Cost Change %
Interest	**$ 324.8**	$ 372.4	$ (47.6)	(12.8)%
Prepayment penalties for early note redemption	**49.3**	35.5	$ 13.8	38.9
Other loss on extinguishment of debt	**—**	133.2	$ (133.2)	(100.0)
Amortization of deferred financing costs	**21.7**	36.1	(14.4)	(39.9)
Accretion of landfill closure and post-closure obligations	**14.4**	6.9	7.5	108.7
Other finance costs	**23.9**	13.5	10.4	77.0
Interest and other finance costs	**$ 434.1**	$ 597.6	$ (163.5)	(27.4)%

Interest and other finance costs decreased by $32.7 million to $105.2 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. This was predominantly due to $35.5 million of prepayment penalties for the early redemption of certain of our notes in the prior period, with no such charges incurred in the three months ended December 31, 2021.

Interest and other finance costs decreased by $163.5 million to $434.1 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. In the prior year, a loss of $133.2 million was realized on the extinguishment of long-term debt that was repaid at the time of our IPO, in addition to $35.5 million of prepayment penalties for the early redemption of certain of our notes, compared with $49.3 million of prepayment penalties for the early redemption of certain of our notes for the year ended December 31, 2021. Interest expense of $324.8 million for the year ended December 31, 2021 was $47.6 million lower than the prior year, a decrease driven primarily by a lower average interest rate on the long-term debt balance outstanding. Additionally, amortization of deferred finance costs for the year ended December 31, 2021 was $14.4 million lower than the prior year.

Other Income and Expenses

The following tables summarize other income and expenses for the periods indicated:

($ millions)	Three months ended December 31, 2021	Three months ended December 31, 2020	Cost Change $	Cost Change %
Gain on foreign exchange	**$ (19.1)**	$ (112.9)	$ 93.8	(83.1)%
Mark-to-market loss on Purchase Contracts	**30.0**	355.9	(325.9)	(91.6)
(Gain) loss on sale of property and equipment	**(0.8)**	2.2	(3.0)	(136.4)%
Other expenses	**$ 10.1**	$ 245.2	$ (235.1)	(95.9)%

($ millions)	Year ended December 31, 2021	Year ended December 31, 2020	Cost Change $	Cost Change %
Loss (gain) on foreign exchange	**$ 16.2**	$ (37.3)	$ 53.5	(143.4)%
Mark-to-market loss on Purchase Contracts	**349.6**	449.2	(99.6)	(22.2)
Loss on sale of property and equipment	**1.9**	4.6	(2.7)	(58.7)
Deferred purchase consideration	**—**	2.0	(2.0)	(100.0)
Other expenses	**$ 367.7**	$ 418.5	$ (50.8)	(12.1)%

Other expenses decreased by $235.1 million to $10.1 million for the three months ended December 31, 2021, compared to other expenses of $245.2 million for the three months ended December 31, 2020. This change was predominantly due to a $325.9 million decrease in the non-cash loss on the revaluation of the Purchase Contracts. Partially offsetting this decrease was a $93.8 million change

in the non-cash foreign exchange gain arising from the revaluation of the TEUs and the unhedged portion of our U.S. dollar denominated long-term debt to Canadian dollars based on the foreign exchange rate as at December 31, 2021.

Other expenses decreased by $50.8 million to $367.7 million for the year ended December 31, 2021, compared to other expenses of $418.5 million for the year ended December 31, 2020. This change was predominantly due to a $99.6 million decrease in the non-cash loss on the revaluation of the Purchase Contracts. Partially offsetting this decrease was a $53.5 million change in foreign exchange as a result of a foreign exchange gain of $16.2 million for the year ended December 31, 2021, compared to a foreign exchange loss of $37.3 million for the year ended December 31, 2020, predominantly arising from the revaluation of the unhedged portion of our U.S. denominated long-term debt to Canadian dollars based on foreign exchange rate as at December 31, 2021.

Impairment

In the year ended December 31, 2020, we took a $14.2 million impairment charge, primarily consisting of a $11.4 million write down of inventory and a $2.3 million write down to dispose of inventory. Additionally, we wrote off $7.2 million of other assets in relation to funds expected to be received from the vendor of a business acquired in 2018. As at December 31, 2020, the entire balance was determined not to be recoverable and was expensed in the year. There were no such charges in the year ended December 31, 2021.

Divestitures

During the three months ended December 31, 2021, we completed a divestiture of certain landfill assets for proceeds of $85.1 million (US$66.5 million) and a net gain of $86.4 million.

During the year ended December 31, 2021, we completed divestitures of certain landfill assets and hauling and ancillary operations for aggregate proceeds of $242.7 million (US$192.8 million) and an aggregate net gain of $153.3 million.

Income Tax Recovery

Net income tax recovery decreased by $69.0 million to $13.5 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. The decrease was predominantly due to lower tax losses attributable to lower interest and other finance costs, lower non-cash foreign exchange loss, and gain on divestiture, compared to the three months ended December 31, 2020. Our basis for recording deferred income tax assets for these losses is the availability of deferred income tax liabilities, which will offset these deferred income tax assets in future periods.

Net income tax recovery decreased by $147.4 million to $106.0 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. The decrease was predominantly due to lower tax losses attributable to lower interest and other finance costs, a non-cash foreign exchange gain, and gain on divestiture, compared to the year ended December 31, 2020. Our basis for recording deferred income tax assets for these losses is the availability of deferred income tax liabilities, which will offset these deferred income tax assets in future periods.

3. Operating Segment Results

Our main lines of business are the transporting, managing and recycling of solid and liquid waste and infrastructure and soil remediation services. We are divided into operating segments corresponding to the following lines of business: Solid waste, which includes hauling, landfill, transfers and material recovery facilities (“**MRFs**”); Infrastructure and soil remediation; and Liquid waste.

The operating segments are presented in accordance with the same criteria used for the internal report prepared for the chief operating decision maker (“**CODM**”) who is responsible for allocating the resources and assessing the performance of the operating segments. The CODM assesses the performance of the segments on several factors, including gross revenue, intercompany revenue, revenue and Adjusted EBITDA.

Analysis of results for the three months and year ended December 31, 2021 compared to the three months and year ended December 31, 2020

The following tables present revenue and Adjusted EBITDA by operating segment for the periods indicated. Gross revenue is calculated based on revenue before intercompany revenue eliminations.

	Three months ended December 31, 2021			
($ millions)	**Gross Revenue**	**Intercompany Revenue**	**Revenue**	**Adjusted EBITDA[3]**
Solid waste				
Canada	**$ 433.3**	**$ (51.3)**	**$ 382.0**	**$ 107.0**
USA	**916.6**	**(105.6)**	**811.0**	**250.6**
Solid waste	**1,349.9**	**(156.9)**	**1,193.0**	**357.6**
Infrastructure and soil remediation	**138.8**	**(2.2)**	**136.6**	**22.6**
Liquid waste	**235.3**	**(25.4)**	**209.9**	**45.5**
Corporate	**—**	**—**	**—**	**(37.4)**
	$ 1,724.0	**$ (184.5)**	**$ 1,539.5**	**$ 388.3**

	Three months ended December 31, 2020			
($ millions)	**Gross Revenue**	**Intercompany Revenue**	**Revenue**	**Adjusted EBITDA[3]**
Solid waste				
Canada	$ 369.7	$ (49.4)	$ 320.3	$ 87.6
USA	762.3	(90.5)	671.8	211.8
Solid waste	1,132.0	(139.9)	992.1	299.4
Infrastructure and soil remediation	136.4	(4.0)	132.4	16.4
Liquid waste	122.9	(11.8)	111.1	26.1
Corporate	—	—	—	(30.7)
	$ 1,391.3	$ (155.7)	$ 1,235.6	$ 311.2

	Year ended December 31, 2021			
($ millions)	**Gross Revenue**	**Intercompany Revenue**	**Revenue**	**Adjusted EBITDA[3]**
Solid waste				
Canada	**$ 1,610.5**	**$ (199.6)**	**$ 1,410.9**	**$ 411.5**
USA	**3,387.6**	**(394.9)**	**2,992.7**	**948.6**
Solid waste	**4,998.1**	**(594.5)**	**4,403.6**	**1,360.1**
Infrastructure and soil remediation	**529.5**	**(10.0)**	**519.5**	**92.2**
Liquid waste	**679.7**	**(77.3)**	**602.4**	**147.5**
Corporate	**—**	**—**	**—**	**(136.1)**
	$ 6,207.3	**$ (681.8)**	**$ 5,525.5**	**$ 1,463.7**

	Year ended December 31, 2020			
($ millions)	**Gross Revenue**	**Intercompany Revenue**	**Revenue[1]**	**Adjusted EBITDA[2][3]**
Solid waste				
Canada	$ 1,416.3	$ (187.0)	$ 1,229.3	$ 338.2
USA	2,262.0	(236.2)	2,025.8	639.2
Solid waste	3,678.3	(423.2)	3,255.1	977.4
Infrastructure and soil remediation	538.2	(10.9)	527.3	91.6
Liquid waste	457.3	(43.5)	413.8	97.9
Corporate	—	—	—	(90.2)
	$ 4,673.8	$ (477.6)	$ 4,196.2	$ 1,076.7

Refer to the section entitled “Basis of Presentation” in this Annual MD&A for additional details on the reclassifications outlined below:

(1) Includes reclassification of $1.5 million from Solid waste - Canada into Liquid waste.

(2) Includes reclassification of $0.4 million from Solid waste - Canada into Liquid waste.

(3) Adjusted EBITDA is a non-IFRS measure. Refer to the section entitled “Non-IFRS Financial Measures and Key Performance Indicators”.

Solid Waste — Canada Segment

Revenue increased by $61.7 million to $382.0 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. The increase was due in part to acquisitions completed since October 1, 2020, which contributed approximately $31.8 million of revenue, $12.5 million from price and surcharge increases and $7.1 million from higher selling prices for the saleable commodities generated from our MRF operations. The amount of price and surcharge increases were higher than the same period in the prior year, as a result of the continued execution of our pricing strategies for our commercial and industrial business, as well as strong consumer price index ("**CPI**") adjustments on certain municipal collection contracts. Volume increased revenue by $10.4 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, predominantly from increased volumes in our MRF processing businesses and in the ancillary services offered within our Western Canada organics operations, partially offset by volume decrease in our collection businesses.

Revenue increased by $181.6 million to $1,410.9 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. The increase was predominantly due to acquisitions completed since January 1, 2020, which contributed approximately $63.4 million of revenue, $44.7 million from price and surcharge increases and $22.4 million from higher selling prices for the saleable commodities generated from our MRF operations. The amount of price and surcharge increases were higher than the year ended December 31, 2020, as a result of the continued execution of our pricing strategies, as well as strong CPI adjustments on certain municipal collection contracts. Volume increased revenue by $51.1 million for the year ended December 31, 2021, compared to the year ended December 31, 2020, predominantly from volumes in our MRF processing businesses and in the ancillary services offered within our Western Canada organics operations, partially offset by volume decrease in our collection businesses.

Adjusted EBITDA increased by $19.4 million to $107.0 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, predominantly attributable to the previously described change in revenue. Adjusted EBITDA margin was 28.0% for the three months ended December 31, 2021, an increase of 70 basis points as compared to the three months ended December 31, 2020. The increase is attributable to the continued realization of organic margin expansion resulting from pricing initiatives, cost controls and overall operating leverage. The incremental revenue from acquisitions contributed Adjusted EBITDA margins higher than the existing base business, positively impacting the overall Adjusted EBITDA margin. The net benefit of higher selling prices for saleable commodities, partially offset by the higher volume of lower margin MRF processing activity, also contributed to margin expansion, however, these benefits were more than offset by rising fuel costs. Reduced volumes of relatively higher margin organic and special waste combined with the increased volume in relatively lower margin organic waste ancillary services negatively impacted the overall Adjusted EBITDA margin.

Adjusted EBITDA increased by $73.3 million to $411.5 million for the year ended December 31, 2021, compared to the year ended December 31, 2020, predominantly attributable to the previously described change in revenue. Adjusted EBITDA margin for the year ended December 31, 2021, was 29.2%, an increase of 170 basis points as compared to the year ended December 31, 2020. The increase is predominantly attributable to the continued realization of organic margin expansion resulting from pricing initiatives, cost controls and overall operating leverage. The incremental revenue from acquisitions contributed Adjusted EBITDA margins higher than the existing base business, positively impacting the overall Adjusted EBITDA margin. Additionally, the impact of one less day for the year ended December 31, 2021 on account of 2020 being a leap year and the net benefit of the higher selling prices for saleable commodities, partially offset by the higher volume of lower margin MRF processing activity, also contributed to the margin expansion. However, these benefits were partially offset by rising fuel costs.

Solid Waste — USA Segment

Revenue increased by $139.2 million to $811.0 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. The increase was predominantly due to acquisitions completed since October 1, 2020 which contributed approximately $102.7 million of revenue, $37.8 million from price and surcharge increases and $6.6 million from higher selling prices for the saleable commodities generated from our MRF operations. Volume increased revenue by $22.9 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, predominantly from increased volumes in our collection and post collection businesses, due to an increase in service levels as COVID-19 restrictions eased. Strengthening of the Canadian dollar against the U.S. dollar for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, decreased revenue by $24.0 million.

Revenue increased by $966.9 million to $2,992.7 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. The increase was predominantly due to acquisitions completed since January 1, 2020 which contributed approximately $942.8 million of revenue, $98.5 million from price and surcharge increases and $14.7 million from higher selling prices for the saleable commodities generated from our MRF operations. Volume increased revenue $52.2 million for the year ended December 31, 2021, compared to the year ended December 31, 2020, predominantly from increased volumes in our collection and post collection

businesses, due to an increase in service levels as COVID-19 restrictions eased. Strengthening of the Canadian dollar against the U.S. dollar for the year ended December 31, 2021, compared to the year ended December 31, 2020, decreased revenue by $134.3 million.

Adjusted EBITDA increased by $38.8 million to $250.6 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, predominantly attributable to the previously described change in revenue. Adjusted EBITDA margin was 30.9% for the three months ended December 31, 2021, a decrease of 60 basis points as compared to the three months ended December 31, 2020. The incremental revenue from acquisitions contributed Adjusted EBITDA margins lower than the existing base business, negatively impacting the overall Adjusted EBITDA margin. Partially offsetting this decrease was the impact of organic margin expansion resulting from pricing initiatives, cost controls and overall operating leverage. The net benefit of higher selling prices for saleable commodities also contributed to margin expansion, however, these benefits were more than offset by rising fuel costs.

Adjusted EBITDA increased by $309.4 million to $948.6 million for the year ended December 31, 2021, compared to the year ended December 31, 2020, predominantly attributable to the previously described change in revenue. Adjusted EBITDA margin was 31.7% for the year ended December 31, 2021, an increase of 10 basis points as compared to the year ended December 31, 2020. The increase is predominantly attributable to organic margin expansion resulting from pricing initiatives, cost controls and overall operating leverage. The incremental revenue from acquisitions contributed Adjusted EBITDA margins lower than the existing base business, negatively impacting the overall Adjusted EBITDA margin. Additionally, the impact of one less day for the year ended December 31, 2021 on account of 2020 being a leap year and the benefit of the higher selling prices for saleable commodities also contributed to the margin expansion, however, these benefits were partially offset by rising fuel costs.

Infrastructure and Soil Remediation Segment

Revenue increased by $4.2 million to $136.6 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, predominantly attributable to acquisitions completed since October 1, 2020, which contributed approximately $6.7 million in revenue, and higher soil volumes processed at our facilities. The substantial majority of our infrastructure and soil remediation revenues are generated in Eastern Canada and the U.S. North East, two regions that continued to be impacted by measures implemented by governments to limit the spread of COVID-19. Despite the recent easing of restrictions, we continued to see delays with the commencement of new large infrastructure projects. Strengthening of the Canadian dollar against the U.S. dollar for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, decreased revenue by $0.4 million.

Revenue decreased by $7.8 million to $519.5 million for the year ended December 31, 2021, compared to the year ended December 31, 2020, predominantly attributable to delays with the commencement of new large infrastructure projects. The substantial majority of our infrastructure and soil remediation revenues are generated in Eastern Canada and the U.S. North East, two regions that continued to be impacted by measures implemented by governments to limit the spread of COVID-19. The decrease in revenue was partially offset by acquisitions completed since January 1, 2020, which contributed approximately $21.5 million in revenue, and higher soil volumes processed at our facilities. Strengthening of the Canadian dollar against the U.S. dollar for the year ended December 31, 2021, compared to the year ended December 31, 2020, decreased revenue by $3.1 million.

Adjusted EBITDA increased by $6.2 million to $22.6 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. Adjusted EBITDA margin was 16.5% for the three months ended December 31, 2021, an increase of 410 basis points as compared to the three months ended December 31, 2020. The increase in Adjusted EBITDA and Adjusted EBITDA margin was predominantly attributable to the continued focus on cost containment initiatives, as well as the overall change in revenue mix as compared to the prior period.

Adjusted EBITDA increased by $0.6 million to $92.2 million for the year ended December 31, 2021. Adjusted EBITDA margin was 17.7% for the year ended December 31, 2021, an increase of 30 basis points as compared to the year ended December 31, 2020. The increase in Adjusted EBITDA and Adjusted EBITDA margin was predominantly attributable to the continued focus on cost containment initiatives, as well as the overall change in revenue mix as compared to the prior year.

Liquid Waste Segment

Revenue increased by $98.8 million to $209.9 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, predominantly attributable to acquisitions completed since October 1, 2020, which contributed approximately $94.8 million in revenue. In addition to the contribution from acquisitions, revenue organically grew by $5.2 million, predominantly as a result of increased industrial collection and processing activity as COVID-19 restrictions eased and customers' operations began to resume. Strengthening of the Canadian dollar against the U.S. dollar for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, decreased revenue by $1.2 million.

Revenue increased by $188.6 million to $602.4 million for the year ended December 31, 2021, compared to the year ended December 31, 2020, predominantly attributable to acquisitions completed since January 1, 2020, which contributed approximately $182.0 million in revenue. In addition to the contribution from acquisitions, revenue organically grew by $16.1 million, predominantly as a result of higher volumes as COVID-19 restrictions eased and customers' operations began to resume. Strengthening of the Canadian dollar against the U.S. dollar for the year ended December 31, 2021, compared to the year ended December 31, 2020, decreased revenue by $9.4 million.

Adjusted EBITDA increased by $19.4 million to $45.5 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, predominantly attributable to the previously described change in revenue. Adjusted EBITDA margin was 21.7% for the three months ended December 31, 2021, a decrease of 180 basis points as compared to the three months ended December 31, 2020. Pricing initiatives, cost controls, and the operating leverage associated with the volume recovery positively impacted Adjusted EBITDA margin for the three months ended December 31, 2021. Offsetting these increases was the incremental revenue from acquisitions which contributed Adjusted EBITDA margins lower than the existing base business, as well as rising fuel costs.

Adjusted EBITDA increased by $49.6 million to $147.5 million for the year ended December 31, 2021, compared to the year ended December 31, 2020, predominantly attributable to the previously described change in revenue. Adjusted EBITDA margin was 24.5% for the year ended December 31, 2021, an increase of 80 basis points as compared to the year ended December 31, 2020. Pricing initiatives, cost controls, and the operating leverage associated with the volume recovery positively impacted Adjusted EBITDA margin for the year ended December 31, 2021, compared to the year ended December 31, 2020. Offsetting these increases was the incremental revenue from acquisitions which contributed Adjusted EBITDA margins lower than the existing base business, as well as rising fuel costs.

Corporate

Corporate costs increased by $6.7 million to $37.4 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020, and increased by $45.9 million to $136.1 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. Corporate costs as a percentage of total revenue were 2.4% for the three months ended December 31, 2021, a decrease of 10 basis points as compared to the three months ended December 31, 2020, and were 2.5% for the year ended December 31, 2021, an increase of 30 basis points as compared to the prior year. The decrease for the three months ended December 31, 2021 was predominantly attributable to operating leverage realized, while the increase for the year ended December 31, 2021 was predominantly attributable to additional headcount and overhead costs to support the growth in the business, including additional cost of risk management and professional costs associated with being a public company.

4. Liquidity and Capital Resources

We intend to meet our currently anticipated capital requirements through cash flow from operations and borrowing capacity under our Revolving Credit Facility (defined below). We expect that these sources will be sufficient to meet our current operating capital needs, pay our dividends and fund certain tuck-in acquisitions consistent with our strategy.

Cash Flows

Cash Flows for the three months and year ended December 31, 2021 compared to the three months and year ended December 31, 2020

($ millions)	Three months ended December 31, 2021	Three months ended December 31, 2020	Cash Flow Change $	Cash Flow Change %
Cash flows from operating activities	**$ 283.8**	$ 163.5	$ 120.3	73.6 %
Cash flows used in investing activities	**(1,136.6)**	(2,893.8)	1,757.2	(60.7)
Cash flows (used in) from financing activities	**(100.7)**	974.1	(1,074.8)	(110.3)
Decrease in cash	**(953.5)**	(1,756.2)		
Changes due to foreign exchange revaluation of cash	**(5.6)**	(33.8)		
Cash, beginning of period	**1,149.5**	1,817.2		
Cash, end of period	**$ 190.4**	$ 27.2		

($ millions)	Year ended December 31, 2021	Year ended December 31, 2020	Cash Flow Change	
			Change	%
Cash flows from operating activities	**$ 897.9**	$ 502.2	$ 395.7	78.8 %
Cash flows used in investing activities	**(2,687.2)**	(4,353.5)	1,666.3	(38.3)
Cash flows from financing activities	**1,964.7**	3,338.3	(1,373.6)	(41.1)
Increase (decrease) in cash	**175.4**	(513.0)		
Changes due to foreign exchange revaluation of cash	**(12.2)**	(34.6)		
Cash, beginning of period	**27.2**	574.8		
Cash, end of period	**$ 190.4**	$ 27.2		

Operating Activities

Cash flows from operating activities increased by $120.3 million to $283.8 million for the three months ended December 31, 2021, compared to $163.5 million for the three months ended December 31, 2020. This increase was predominantly attributable to an increase in Adjusted EBITDA and a reduction of $36.5 million of cash interest paid, partially offset by incremental investment in acquisition related and non-acquisition related net working capital items for the three months ended December 31, 2021.

Changes in non-cash working capital items, excluding investment in acquisition related net working capital items, resulted in a source of cash of $36.5 million for the three months ended December 31, 2021, as compared to a source of cash of $72.5 million of cash for the three months ended December 31, 2020. The period over period change of $36.0 million was predominantly a result of organic revenue growth and the timing of collections. This drove a $61.5 million decrease in accounts receivable, a $22.9 million decrease in prepaid expenses and other assets, and a $74.6 million decrease in accounts payable and accrued liabilities.

Cash flows from operating activities increased by $395.7 million to $897.9 million for the year ended December 31, 2021, compared to $502.2 million for the year ended December 31, 2020. The increase was predominantly attributable to an increase in Adjusted EBITDA and a reduction of $115.8 million of cash interest paid, partially offset by an incremental investment in acquisition related and non-acquisition related net working capital items for the year ended December 31, 2021. Included in the prior year was $152.8 million of IPO related transaction costs (comprised of $73.8 million prepayment penalties, $46.2 million IPO transaction costs, $30.2 million prepayment premium and a $2.6 million net realized foreign exchange loss on repayment of debt).

Changes in non-cash working capital items, excluding investment in acquisition related net working capital items, resulted in a use of cash of $46.1 million for the year ended December 31, 2021 compared to a source of cash of $21.1 million for the year ended December 31, 2020. The period over period change of $67.2 million was predominantly a result of organic revenue growth and the timing of collections. This drove a $76.2 million increase in accounts receivable, a $21.9 million increase in prepaid and other assets, and a $30.9 million increase in accounts payable and accrued liabilities.

Investing Activities

Cash flows used in investing activities decreased by $1,757.2 million to $1,136.6 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. The decrease was predominantly related to acquisition expenditures which decreased by $1,780.2 million to $996.5 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. Capital expenditures increased by $106.8 million to $229.4 million for the three months ended December 31, 2021, as compared to capital expenditures of $122.6 million for the three months ended December 31, 2020. This was partially offset by proceeds on disposal of assets which increased by $83.8 million to $89.3 million for the three months ended December 31, 2021, which included proceeds on divestiture, compared to proceeds on disposal of assets of $5.5 million for the three months ended December 31, 2020.

Cash flows used in investing activities decreased by $1,666.3 million to $2,687.2 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. The decrease was predominantly related to acquisition expenditures which decreased by $1,641.5 million to $2,299.7 million for the year ended December 31, 2021, as compared to the year ended December 31, 2020. Capital expenditures increased by $218.9 million to $647.2 million for the year ended December 31, 2021, compared to capital expenditures of $428.3 million for the year ended December 31, 2020. This was partially offset by proceeds on disposal of assets which increased by $243.7 million to $259.7 million for the year ended December 31, 2021, which included proceeds on divestitures, compared to proceeds on disposal of assets of $16.0 million for the year ended December 31, 2020.

Financing Activities

Cash flows from financing activities decreased by $1,074.8 million to cash flows used in financing activities of $100.7 million for the three months ended December 31, 2021, compared to the three months ended December 31, 2020. The decrease was predominantly

a result of less long-term debt issued and repaid, lower payments of financing costs, as well as less share capital issued for the three months ended December 31, 2021, compared to the three months ended December 31, 2020.

Cash flows from financing activities decreased by $1,373.6 million to $1,964.7 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. The decrease was predominantly the result of less long-term debt issued and repaid, lower payments of financing costs, as well as less share capital issued for the year ended December 31, 2021, compared to the year ended December 31, 2020.

Available Sources of Liquidity

The following table summarizes our cash and amounts available under our Revolving Credit Facility (as defined below) for the periods indicated:

($ millions)	As at December 31, 2021	As at December 31, 2020
Cash on hand	**$ 190.4**	$ 27.2
Amounts available under our Revolving Credit Facility	**800.6**	530.1
	$ 991.0	$ 557.3

Revolving Credit Facility

General

On September 27, 2021, we amended our credit facility agreement (the " **Revolving Credit Agreement**") to, among other things, (a) modify the applicable pricing grid, (b) extend the term to September 27, 2026, (c) increase the Revolving Credit Facility (defined below) by an additional $200.0 million, and (d) add a delayed draw term loan of up to $500.0 million to finance acquisitions (the "**Term Loan A Facility**").

Under the Revolving Credit Agreement, we have access to $905.0 million of revolving credit facilities (available in Canadian and US dollars) and an aggregate US$75.0 million of revolving credit facilities (available in US dollars) (collectively, the "**Revolving Credit Facility**").

As at December 31, 2021, we had $nil drawn under the Revolving Credit Facility ($148.8 million as at December 31, 2020) and $500.0 million drawn under the Term Loan A Facility.

Interest Rates, Fees, and Payments

The Revolving Credit Facility and Term Loan A Facility accrue interest at a rate of LIBOR/Bankers Acceptance plus 1.500% to 2.250% or Canadian/US prime plus 0.500% to 1.250%.

In the event that the London interbank offered rate is no longer available or used for determining the interest of loans, then the administrative agent under the Revolving Credit Facility and the Company will negotiate to replace the rate of interest applying to LIBOR rate advances with loans using an alternate benchmark rate, giving due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time.

Advances bearing interest based on Canadian Rate or US Base Rate may be prepaid at any time without penalty with written notice one day in advance. Prepayment of Bankers Acceptances and LIBOR rate advances requires two and three days' written notice, respectively.

Covenants

The Revolving Credit Agreement contains a Total Net Funded Debt to Adjusted EBITDA and an Interest Coverage Ratio (each as defined in the Revolving Credit Agreement) financial maintenance covenant.

The Total Net Funded Debt to Adjusted EBITDA ratio to be maintained is equal to or less than 6.00 to 1.00 for a period of four complete fiscal quarters following completion of a Material Acquisition (as defined in the Revolving Credit Agreement) and at all other times, equal to or less than 5.75 to 1.00. The Interest Coverage Ratio must be equal to or greater than 3.00 to 1.00. As of December 31, 2021, we were in compliance with these covenants. As of December 31, 2020, we were in compliance with the financial maintenance covenant in effect at that time.

The Revolving Credit Agreement also contains customary negative covenants including, but not limited to, restrictions on our ability and each of the Revolving Credit Facility guarantors to make certain distributions, merge, consolidate and amalgamate with other companies, make certain investments, undertake asset sales, provide certain forms of financial assistance, incur indebtedness or have any outstanding financial instruments, other than certain permitted indebtedness, and grant liens and security interests on, hypothecate, charge, pledge or otherwise encumber their assets, other than certain permitted encumbrances.

The Revolving Credit Agreement contains customary affirmative covenants including, but not limited to, delivery of financial and other information to the lenders, notice to the lenders upon the occurrence of certain material events, maintenance of insurance, maintenance of existence, payment of taxes and other claims, maintenance of properties, access to books and records by the lenders, compliance with applicable laws and regulations and further assurances.

Events of Default

The Revolving Credit Agreement provides that, upon occurrence of one or more events of default, our obligations under the agreement and the credit facilities provided pursuant to its terms may be accelerated and the lending commitments under the agreement may be terminated. Such events of default include payment defaults to the lenders, material inaccuracies of representations and warranties, covenant defaults, change of control, bankruptcy proceedings, material money judgments, material adverse effect and other customary events of default.

Security and Guarantees

The Revolving Credit Facility is guaranteed by substantially all of our material wholly-owned Canadian and U.S. restricted subsidiaries (the "**RCF Subsidiary Guarantors**") (subject to certain customary exceptions), including certain subsidiaries that are not guarantors of the 8.500% 2027 Unsecured Notes or the 4.000% 2028 Unsecured Notes. GFL and the RCF Subsidiary Guarantors have provided a first-ranking security interest to the lenders in substantially all present and after-acquired personal property and all other present and future undertaking, tangible and intangible assets and certain real property (subject, in each case, to certain customary exceptions and exclusions). GFL has also pledged the shares of substantially all of its subsidiaries as collateral security and provided first-ranking mortgages or charges by way of a debenture. A pari passu first lien intercreditor agreement was entered into on September 30, 2016 among the administrative agent under the Revolving Credit Agreement, the administrative agent under the Term Loan Credit Agreement (as defined below), GFL and the guarantors from time to time party thereto and joinders were entered into by the applicable trustee and applicable notes collateral agent under the existing Secured Note (as defined below) indentures, GFL and the guarantors party thereto, which together provide for, inter alia, customary provisions providing for the pari passu equal priority ranking of the security interests provided by GFL and the RCF Subsidiary Guarantors for the Revolving Credit Facility, the security interests provided by GFL and the TF Subsidiary Guarantors (as defined below) for the Term Loan Facility, and the security interests provided by GFL and the guarantors of the Secured Notes under the indentures.

Term Loan Facility

General

We have a Term Loan Facility ("**Term Loan B Facility**") totaling US$1,299.8 million which matures on May 31, 2025 and bears interest at a rate of LIBOR plus 3.00% subject to a LIBOR floor of 0.50% or US prime plus 2.00. We are party to a term facility credit agreement, dated as of September 30, 2016 (as amended as of May 31, 2018, November 14, 2018 and December 22, 2020, collectively, the "**Term Facility Credit Agreement**"), among us, each of our subsidiaries party thereto, Barclays Bank PLC, as administrative agent, the lenders party thereto and each other party thereto. On November 14, 2018, we entered into an amendment of the Term Facility Credit Agreement (the "**Incremental Term Facility Amendment**") to provide for US$1,710.0 million of incremental term facilities (the "**Incremental Term Facility**"). Prior to our entrance into the Incremental Term Facility Amendment, the Term Facility Credit Agreement provided for a US dollar denominated term loan facility tranche of US$805.0 million, a US dollar denominated delayed draw term loan facility tranche of US$100.0 million (which was available to us until October 31, 2018 to fund acquisitions meeting certain criteria) (collectively, the "**Term Loan Facility**") and an accordion option, pursuant to which we may incur an incremental tranche of indebtedness in an amount not to exceed (i) the greater of $400.0 million or 100% of consolidated EBITDA for the immediately preceding four consecutive fiscal quarters, plus (ii) additional amounts based on the maintenance of certain leverage ratios, plus (iii) the aggregate principal amount of all voluntary prepayments of any loans, except to the extent financed with the proceeds of long-term indebtedness (other than revolving indebtedness). We refer collectively to the Term Facility Credit Agreement and the Revolving Credit Agreement as the "**Credit Agreements**".

On March 5, 2020, we used a portion of the net proceeds of the IPO to repay US$523.0 million of the Term Loan B Facility.

On December 21, 2020, we used the net proceeds of the 3.500% 2028 Secured Notes issuance to repay US$744.3 million of the Term Loan B Facility and completed the repricing of the balance of the Term Loan B Facility by reducing the LIBOR floor from 1.00% to 0.50%.

As at December 31, 2021, we had $1,647.9 million principal amount outstanding under the Term Loan B Facility. The Term Loan B Facility matures on May 31, 2025.

Interest Rates, Payments and Prepayments

Under the original Term Facility Credit Agreement, the Term Loan B Facility amortizes in equal quarterly instalments in an amount equal to 0.25% per annum of the original principal amount thereof, with the remaining balance due at final maturity.

We may voluntarily prepay loans under our Term Loan B Facility, in whole or in part, subject to minimum amounts, with prior notice, but without premium or penalty. Voluntary repayments are applied to the remaining scheduled installments of principal.

We must prepay our Term Loan B Facility with 100% of the net cash proceeds of certain asset sales (such percentage to be subject to reduction to 50% and 0%, respectively, based on the achievement of a Total Net Leverage Ratio (as defined in the Term Facility Credit Agreement) of less than or equal to 5.50 to 1.00 and 4.75 to 1.00, respectively), the incurrence or issuance of specified indebtedness and 50% of excess cash flow (such percentage to be subject to reduction to 25% and 0%, respectively, based on the achievement of Total Net First Lien Leverage Ratio (as defined in the Term Facility Credit Agreement) of less than or equal to 3.00 to 1.00 and 2.50 to 1.00, respectively), in each case, subject to certain exceptions and, in the case of the net cash proceeds of certain asset sales, reinvestment rights.

Covenants

Our Term Facility Credit Agreement contains customary negative covenants, including, but not limited to, restrictions on our and our restricted subsidiaries' ability to merge and consolidate with other companies, incur indebtedness, make investments, grant liens or security interests on assets, pay dividends or make other restricted payments, sell or otherwise transfer assets or enter into transactions with affiliates. As at December 31, 2021 and December 31, 2020, we were in compliance with all debt covenants under the Term Facility Credit Agreement.

Events of Default

Our Term Facility Credit Agreement provides that, upon the occurrence of certain events of default, our obligations under the agreement and our obligations under the Term Loan B Facility may be accelerated. Such events of default include payment defaults to the lenders, material inaccuracies of representations and warranties, covenant defaults, cross-defaults to other material indebtedness, voluntary and involuntary bankruptcy proceedings, material money judgements, material pension- plan events, certain change of control events and other customary events of default.

Security and Guarantees

Our obligations under our Term Loan B Facility are guaranteed by substantially all of our wholly-owned material Canadian and U.S. restricted subsidiaries (the "**TF Subsidiary Guarantors**") (subject to certain customary exceptions), including certain subsidiaries that are not guarantors of the 4.000% 2028 Unsecured Notes, the 4.750% 2029 Unsecured Notes, the 4.375% 2029 Unsecured Notes, or the Secured Notes. Our Term Loan B Facility is secured by a first priority lien on substantially all of our and each TF Subsidiary Guarantors' tangible and intangible assets and certain real property (subject to certain customary exceptions and exclusions) and a first priority pledge of all the capital stock of each direct, wholly-owned material restricted subsidiary directly held by GFL or any TF Subsidiary Guarantor (limited to 65% of the capital stock held by GFL or any TF Subsidiary Guarantor in any direct subsidiary thereof not organized under the laws of Canada or the United States (or any province or state thereof)) and first ranking mortgages or charges by way of debentures. A pari passu first lien inter-creditor agreement was entered into on September 30, 2016 among the administrative agent under the Revolving Credit Agreement, the administrative agent under the Term Facility Credit Agreement, GFL and the guarantors from time to time party thereto, which provides for, inter alia, customary provisions providing for the pari passu equal priority ranking of the security interests provided by GFL and the RCF Subsidiary Guarantors for the Revolving Credit Facility, on the one hand, and the security interests provided by GFL and the TF Subsidiary Guarantors for the Term Credit Facility, on the other hand. On December 16, 2019, in connection with our issuance of the Secured Notes, Computershare Trust Company N.A., as trustee and notes collateral agent, entered into a joinder to such first lien inter-creditor agreement.

Notes

The following table discloses the principal amount outstanding under our outstanding U.S. dollar secured and unsecured notes (the "**Notes**"), the related swaps outstanding and other material terms of the Notes as at December 31, 2021.

Note Description	Principal Amount of Note Outstanding (US$ millions)	Swap Amount (US$ millions)	Issuance Date	Maturity Date	Interest Payment Dates	Optional Redemption (1)	
						First Call Date	Redemption Price (2)
4.250% 2025 Secured Notes(3)	$ 500.00	$ 500.00	April 29, 2019	June 1, 2025	June 1 and December 1	June 1, 2022	102.125 %
3.750% 2025 Secured Notes(3)	$ 750.00	N/A	August 24, 2020	August 1, 2025	February 1 and August 1	August 1, 2022	101.875 %
5.125% 2026 Secured Notes(3)	$ 500.00	$ 500.00	December 16, 2019	December 15, 2026	June 15 and December 15	December 15, 2022	102.563 %
3.500% 2028 Secured Notes(3)	$ 750.00	N/A	December 21, 2020	September 1, 2028	March 1 and September 1	N/A	N/A
4.000% 2028 Unsecured Notes(4)	$ 750.00	$ 500.00	November 23, 2020	August 1, 2028	February 1 and August 1	August 1, 2023	102.000 %
4.750% 2029 Unsecured Notes(4)	$ 750.00	$ 350.00	August 10, 2021	June 15, 2029	June 15 and December 15	June 15, 2024	102.375 %
4.375% 2029 Unsecured Notes(4)	$ 550.00	N/A	September 25, 2021	August 15, 2029	February 15 and August 15	August 15, 2024	102.188 %

(1) Prior to the First Call Date, each of the Notes (other than the 3.500% 2028 Secured Notes) are redeemable at a price equal to 100% of the principal amount plus a make-whole premium, together with accrued and unpaid interest. The 3.500% 2028 Secured Notes are redeemable on or after March 1, 2028 at a price equal to 100% of the principal amount plus a make-whole premium together with accrued and unpaid interest.

(2) For the 12 month period from and after the First Call Date, each of the Notes (other than the 3.500% 2028 Secured Notes) are redeemable at a price equal to 100% of the principal amount plus 50% of the original coupon of the applicable Notes. For the 12 month period from and after the first anniversary of the First Call Date, the redemption price of the Notes is reduced to 100% of the principal amount plus 25% of the original coupon. Thereafter, the Notes are redeemable at par.

(3) The 4.250% 2025 Secured Notes, the 3.750% 2025 Secured Notes, the 5.125% 2026 Secured Notes and the 3.500% 2028 Secured Notes are collectively referred to as the "**Secured Notes**".

(4) The 4.000% 2028 Unsecured Notes, the 4.750% 2029 Unsecured Notes and the 4.375% 2029 Unsecured Notes are collectively referred to as the "**Unsecured Notes**".

Ranking

The Unsecured Notes are our senior unsecured obligations and rank equally in right of payment to all of our existing and future senior unsecured debt and senior in right of payment to all of our future subordinated debt (if any). The Unsecured Notes are effectively subordinated to any of our and the guarantors' existing and future secured debt to the extent of the value of the assets securing such debt. The Secured Notes are our senior secured obligations and rank equally in right of payment to all of our existing and future senior secured debt and senior in right of payment to all of our future subordinated debt (if any). The Secured Notes are effectively senior to any of our and the guarantors' existing and future unsecured debt to the extent of the value of the assets securing such debt. The guarantees of the Notes rank equally in right of payment with all of our subsidiary guarantors' existing and future senior debt and senior in right of payment to all of our subsidiary guarantors' future subordinated debt (if any). In addition, the Unsecured Notes are structurally subordinated to the liabilities of our non-guarantor subsidiaries, including certain subsidiaries that guarantee the Credit Agreements but do not guarantee the Unsecured Notes.

Covenants

The Unsecured Notes and the Secured Notes have been issued pursuant to separate indentures entered into between GFL and the note trustee (collectively, the "Indentures"). The Indentures entered into in respect of the Notes (other than in respect of the 3.500% 2028 Secured Notes) contain customary covenants, and restrictions on the activities of GFL, and its restricted subsidiaries and events of default for non-investment grade companies on the activities of GFL and its restricted subsidiaries, including, but not limited to, limitations on the incurrence of additional indebtedness; dividends or distributions in respect of capital stock or certain other restricted payments or investments; entering into agreements that restrict distributions from restricted subsidiaries; the sale or disposal of assets, including capital stock of restricted subsidiaries; transactions with affiliates; the incurrence of liens; and mergers, consolidations or the sale of substantially all of GFL's assets. The Indenture entered into in respect of the 3.500% 2028 Secured Notes (the "**2028 Secured Indenture**") contains events of default, covenants, and restrictions on the activities of GFL and its restricted subsidiaries that are substantially similar to the other Indentures as such limitations relate to the incurrence of liens, the sale or disposal of assets and mergers, consolidations or the sale of substantially all of GFL's assets. The 2028 Secured Indenture does not restrict the Company from incurring additional indebtedness or making restricted payments. As at December 31, 2021 and December 31, 2020, we were in compliance with all debt covenants under the Indentures governing the Notes.

Security

Our Secured Notes are secured by a first priority lien on substantially all of our and each guarantors' tangible and intangible assets and certain real property (subject to certain customary exceptions and exclusions) and a first priority pledge of all the capital stock of each direct, wholly-owned material restricted subsidiary directly held by GFL or any guarantor of the Secured Notes (limited to 65% of the capital stock held by GFL or any guarantors of the Secured Notes in any direct subsidiary thereof not organized under the laws of

Canada or the United States (or any province or state thereof)) and will be secured by first ranking mortgages or charges by way of debentures.

The Unsecured Notes are guaranteed by our material subsidiaries that, together with other entities, guarantee the Term Loan B Facility. The Secured Notes are guaranteed by each of our subsidiaries that guarantee the Term Loan B Facility and the Revolving Credit Facility.

Equipment Loans and Promissory Notes

We have various equipment loan agreements which are secured by the specific assets under such loans. The interest rates for these obligations range from 3.02% to 4.37% per annum, while the respective maturity dates of such obligations extend into 2024.

Hedging Arrangements

We have entered into cross-currency swap contracts to fully hedge our exposure of the servicing of the 4.250% 2025 Secured Notes, the 5.125% 2026 Secured Notes, the 8.500% 2027 Unsecured Notes, the 4.000% 2028 Unsecured Notes and the 4.750% 2029 Unsecured Notes and to changes in the value of the U.S. dollar. Our U.S. dollar denominated Term Loan B Facility is hedged in the amount of $399.4 million as of December 31, 2021. Refer to the sections entitled Notes and Commodity Price Exposure herein, and Foreign currency risk in the Annual Financial Statements for additional information.

In May 2020, we entered into a series of swap contracts to partially hedge our exposure of diesel fuel purchases in Canada and certain areas in the U.S.

Contractual Obligations

Our contractual obligations consist of principal repayments and interest on long-term debt, equipment loans, lease obligations and Amortizing Notes. Our contractual obligations and commitments as of December 31, 2021 are shown in the following table.

($ millions)	Total	Less than 1 year	1-3 year	4-5 year	Thereafter
Long-term debt	7,916.5	$ 16.6	$ 33.3	$ 4,316.6	$ 3,550.0
Interest on long-term debt	1,760.5	329.0	658.0	457.9	315.6
Equipment loans and other	4.6	0.7	0.5	0.6	2.8
Lease obligations	364.6	64.2	101.2	137.1	62.1
Amortizing Notes	71.8	56.9	14.9	—	—
	$ 10,118.0	$ 467.4	$ 807.9	$ 4,912.2	$ 3,930.5

Other Commitments

We had letters of credit totaling approximately $199.5 million outstanding as of December 31, 2021 ($133.8 million as of December 31, 2020), which are not recognized in our Annual Financial Statements. These letters of credit primarily relate to performance-based requirements under our municipal contracts and financial assurances issued to government agencies for our operating permits.

As of December 31, 2021, we had issued performance bonds totalling $1,748.1 million ($1,697.4 million as of December 31, 2020).

Tangible Equity Units

On March 5, 2020, we completed our offering of 15,500,000 6.00% TEUs for total gross proceeds of $1,040.7 million (US$775.0 million). Each TEU, which has a stated amount of US$50.00, is comprised of a Purchase Contract and an Amortizing Note due March 15, 2023, both of which are freestanding instruments and separate units of account. Amortizing Notes are classified as a financial liability held at cost. The Purchase Contracts are accounted for as prepaid forward contracts to deliver a variable number of equity instruments equal to a fixed dollar amount, subject to a cap and floor.

The value allocated to the Amortizing Notes is reflected as a financial liability in the Annual Financial Statements with payments expected in the next twelve months reflected in the current portion of TEUs.

The value allocated to the Purchase Contracts is reflected as a derivative financial liability. The Purchase Contracts are subsequently measured at fair value through profit or loss. The fair value of the Purchase Contracts is based on the trading price of the Purchase Contracts to the extent an active market exists, otherwise a valuation model is used.

Each Amortizing Note has an initial principal amount of US$8.5143 and bears interest at 4.00% per year. On each of March 15, June 15, September 15, and December 15, the Company will pay equal quarterly cash instalments of US$0.7500 per Amortizing Note (except for the June 15, 2020 instalment payment, which was US$0.8333 per Amortizing Note), which cash payment in aggregate will be the equivalent of 6.00% per year with respect to each US$50.00 stated amount of the TEUs. Each instalment constitutes a payment of interest and a partial payment of principal.

Unless settled earlier, on March 15, 2023 each Purchase Contract will automatically settle for subordinate voting shares. Upon settlement of a Purchase Contract, the Company will deliver not more than 2.6316 subordinate voting shares and not less than 2.1933 subordinate voting shares, subject to adjustment, based on the Applicable Market Value (as defined herein) of the Company's subordinate voting shares as described below:

- If the Applicable Market Value is greater than the threshold appreciation price, which is US$22.80, holders will receive 2.1933 subordinate voting shares per Purchase Contract;
- If the Applicable Market Value is less than or equal to the threshold appreciation price but greater than or equal to the reference price, which is US$19.00, the holder will receive a number of subordinate voting shares per Purchase Contract equal to US$50.00, divided by the Applicable Market Value; and
- If the Applicable Market Value is less than the reference price, the holder will receive 2.6316 subordinate voting shares per Purchase Contract.

The Applicable Market Value is defined as the arithmetic average of the volume weighted average price per share of the Company's subordinate voting shares over the twenty consecutive trading day period immediately preceding March 15, 2023.

5. Summary of Quarterly Results

The following table summarizes the results of our operations for the eight most recently completed quarters:

($ millions except per share amounts)	31-Dec 2021	30-Sep 2021	30-Jun 2021	31-Mar 2021	31-Dec 2020	31-Sep 2020	30-Jun 2020	31-Mar 2020
Financial Summary								
Revenue	**$ 1,539.5**	$ 1,485.1	$ 1,314.3	$ 1,186.6	$ 1,235.6	$ 1,036.0	$ 993.3	$ 931.3
Adjusted EBITDA[(1)]	**388.3**	415.8	353.0	306.6	311.2	281.2	261.5	222.8
Net (loss) income[(2)]	**(77.4)**	(309.9)	62.5	(282.0)	(594.2)	(114.7)	(115.5)	(278.0)
Net (loss) earnings per share[(2)]	**(0.25)**	(0.89)	0.14	(0.82)	(1.69)	(0.32)	(0.32)	(0.77)

(1) Adjusted EBITDA is a non-IFRS measure. Refer to section entitled "Non-IFRS Financial Measures and Key Performance Indicators".

(2) Subsequent to the original issuance of our interim consolidated financial statements for the first three quarters of 2021, GFL determined the mark-to-market loss on Purchase Contracts should not be treated as a temporary difference for deferred income tax purposes. As a result, to correct these immaterial errors, deferred income tax liabilities, income tax recovery, net (loss) income, and net (loss) earnings per share changed as follows: (a) for the quarter ended March 31, 2021, an increase of $55.8 million to deferred income tax liabilities and a corresponding decrease to income tax recovery, resulting in a $55.8 million increase to net loss and an increase of $0.16 to net loss per share; (b) for the quarter ended June 30, 2021, a decrease of $37.3 million to deferred income tax liabilities and a corresponding increase to income tax recovery, resulting in a $37.3 million increase to net income and an increase of $0.11 to net earnings per share; and (c) for the quarter ended September 30, 2021, an increase of $64.7 million to deferred income tax liabilities and a corresponding decrease to income tax recovery, resulting in a $64.7 million increase to net loss and an increase of $0.18 to net loss per share.

6. Key Risk Factors

We are exposed to a number of risk factors through the pursuit of strategic objectives and the nature of our operations which are outlined in the "Risk Factors" section of the AIF. We are also subject to the following financial risks.

Financial Instruments and Financial Risk

Our financial instruments consist of cash, trade accounts receivable, trade accounts payable, long-term debt, including related hedging instruments, and TEUs. The carrying value of our financial assets are equal to their fair values.

The carrying value of our financial liabilities approximate their fair values with the exception of our Notes and Amortizing Notes. The fair value hierarchy for these instruments are as follows for the periods indicated:

($ millions)	Fair Value as at December 31, 2021			Fair Value as at December 31, 2020		
	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Notes	$ —	**$ 5,808.3**	$ —	$ —	$ 4,454.3	$ —
Amortizing Notes	**70.4**	**—**	—	—	$ 126.8	—

Purchase Contracts and net derivative instruments, which are recorded at fair value, are classified within Level 1 and Level 2, respectively.

For more information on our financial instruments, including hedging arrangements, and related financial risk factors, see the Annual Financial Statements.

Market Rate Risk

In the normal course of business, GFL is exposed to market risks, including changes in interest rates, certain commodity prices and U.S. currency rates.

Interest rate exposure

Our exposure to market risk for changes in interest rates relates primarily to our financing activities. We had $7,921.1 million of long-term debt excluding the impacts of accounting for debt issuance costs, discounts, and premiums as at December 31, 2021, compared to $6,107.6 million as at December 31, 2020. We had $2,147.9 million and $1,820.4 million of debt that was exposed to changes in interest rates as at December 31, 2021 and December 31, 2020, respectively. To reduce our exposures to interest rate risk, the majority of GFL's U.S. dollar denominated debt has a fixed coupon rate. A 100 basis point increase in the interest rate of our outstanding variable-rate debt obligations would increase our 2021 interest expense by $21.5 million and our 2020 interest expense by $18.2 million.

Currency Rate Exposure

We have operations in the United States. Where significant, we have quantified and described the impact of foreign currency translation on components of income (loss), including operating revenue and operating costs. A $0.01 change in the U.S. dollar to Canadian dollar exchange rate would impact our annual revenue and Adjusted EBITDA for the year ended December 31, 2021, by approximately $25.3 million, and $7.5 million, respectively (for the year ended December 31, 2020, $16.4 million and $4.9 million, respectively).

We use hedge agreements to manage a portion of our risks related to foreign exchange rates. While we are exposed to credit risk in the event of non-performance by counterparties to our hedge agreements, in all cases such counterparties are highly rated financial institutions and we do not anticipate non-performance. We do not hold or issue derivative financial instruments for trading purposes. We monitor our hedge positions by regularly evaluating the positions at market and by performing sensitivity analyses over the unhedged fuel and variable rate debt positions.

Under derivatives and hedging guidance, the foreign exchange rate swap agreements are considered cash flow hedges for a portion of our U.S. dollar denominated debt. The notional amounts and all other significant terms of the swap agreements are matched to the provisions and terms of the U.S. dollar denominated debt being hedged.

Commodity Price Exposure

The market price of diesel fuel is unpredictable and can fluctuate significantly. Because of the volume of fuel we purchase each year, a significant increase in the price of fuel could adversely affect our business and reduce our operating margins. To manage a portion of this risk, we periodically enter into fuel hedge agreements related to forecasted diesel fuel purchases, and we also enter into fixed price fuel purchase contracts. At December 31, 2021, we had fuel hedge agreements in place to manage a portion of this risk.

We market a variety of recyclable materials, including cardboard, mixed paper, plastic containers, glass bottles and ferrous and aluminum metals. We own and operate recycling operations and sell other collected recyclable materials to third parties for processing before resale. To reduce our exposure to commodity price risk with respect to recycled materials, we have adopted a pricing strategy of charging collection and processing fees for recycling volume collected from third parties. In the event of a change in recycled commodity prices, a 10% change in average recycled commodity prices from the average prices that were in effect would have had a $14.7 million and $6.7 million impact on revenues for the year ended December 31, 2021 and December 31, 2020, respectively.

7. Disclosure Controls and Procedures and Internal Control Over Financial Reporting

All control systems, no matter how well designed, have inherent limitations. Accordingly, even disclosure controls and procedures and internal controls over financial reporting determined to be effective can only provide reasonable assurance of achieving their control objectives with respect to financial statement preparation and presentation.

Disclosure Controls and Procedures

Management, under the supervision of the Chief Executive Officer (the "**CEO**") and Chief Financial Officer (the "**CFO**"), is responsible for establishing and maintaining disclosure controls and procedures (as defined by the SEC in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), to ensure that material information relating to GFL, including its consolidated subsidiaries, that is required to be made known to the CEO and CFO by others within GFL, and disclosed in reports filed or submitted by it under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms; and (ii) accumulated and communicated to management, including the CEO and CFO, to allow timely decisions regarding required disclosure.

The CEO and CFO have evaluated the effectiveness of GFL's disclosure controls and procedures as of December 31, 2021 and have concluded that such disclosure controls and procedures were effective.

Management's Annual Report on Internal Control Over Financial Reporting

Management, under the supervision of the CEO and CFO, is responsible for establishing and maintaining adequate internal control over GFL's financial reporting. Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

In accordance with guidance issued by the SEC, companies are permitted to exclude acquisitions from their final assessment of internal control over financial reporting for the first fiscal year in which the acquisition occurred. Our management's evaluation of internal control over financial reporting excluded the internal control activities of the businesses we acquired in 2021, which are discussed in Note 3, "Business Combinations" of the Notes to the Annual Financial Statements. We have included the financial results of these acquisitions in the consolidated financial statements from the date of acquisition. Total revenue from these acquisitions represented approximately 6.0% of our consolidated total revenue for the year ended December 31, 2021, and total assets represented approximately 15.8% of our consolidated total assets as at December 31, 2021.

The CEO and CFO have assessed the effectiveness of GFL's internal control over financial reporting in accordance with Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The CEO and CFO have determined that GFL's internal control over financial reporting was effective as at December 31, 2021. Additionally, based on our assessment, the CEO and CFO have determined that there were no material weaknesses in GFL's internal control over financial reporting as at December 31, 2021.

GFL's CEO and CFO have certified our annual report on Form 40-F for the year ended December 31, 2021, as required by Section 302 and Section 906 of the United States Sarbanes-Oxley Act of 2002 ("**SOX**"). GFL is relying on the statutory exemption contained in section 8.1 of National Instrument 52-109, "Certification of Disclosure in Issuers' Annual and Interim Filings", which allows it to file with the Canadian securities regulatory authorities the certificates required under SOX as soon as practicable after such certificates are filed with or furnished to the SEC.

The effectiveness of GFL's internal control over financial reporting as at December 31, 2021 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report which accompanies our Annual Financial Statements.

Changes in Internal Control over Financial Reporting

During the year ended December 31, 2021, there were no significant changes in our internal control over financial reporting, or any other factors that could significantly affect such internal control, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

8. Other

Related Party Transactions

Included in due to related party is a non-interest bearing unsecured promissory note payable to Josaud Holdings Inc., an entity controlled by Patrick Dovigi. The note matures on January 1, 2023 and is payable in equal semi-annual instalments of $3.5 million. The remaining principal outstanding on the note payable was $10.5 million as of December 31, 2021 ($17.5 million as of December 31, 2020).

Also included in due to related party is an interest bearing unsecured promissory note issued on March 5, 2020 payable to Sejosa Holdings Inc., an entity controlled by Patrick Dovigi. The note matures on March 5, 2025, is payable in equal semi-annual instalments of $2.9 million and bears interest at market rate. The remaining principal outstanding on the note payable was $20.3 million as of December 31, 2021 ($26.1 million as of December 31, 2020).

These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

On February 1, 2020, in connection with his resignation as an officer of GFL, the Company issued a director a separation payment of 73,947 subordinate voting shares issued at the IPO price of US$19.00.

From time to time, we have entered into leases with entities controlled by affiliates of Patrick Dovigi, as well as entities controlled by another director of GFL (the "**Related Parties**"). At this time, we lease four properties from the Related Parties. These leases are on arm's length and commercially reasonable terms, and have been supported by rental rate comparisons prepared by third parties. None of the leased premises are material to the operations of GFL. For the year ended December 31, 2021, GFL paid $3.9 million ($2.7 million for the year ended December 31, 2020) in aggregate lease payments to the Related Parties.

Compensation of key management personnel

The remuneration of key management personnel consisted of salaries, short-term benefits and share based payments. During the year ended December 31, 2021 total salaries and short-term benefits and share based payments to key management personnel was $34.2 million ($41.8 million for the year ended December 31, 2020).

Share Information Prior to the Initial Public Offering

Prior to the completion of the IPO, our share capital consisted of an unlimited number of Voting Common shares, Class A Non-Voting Common shares, Class B Non-Voting Common shares, Class C Non-Voting Common shares, Class D Non-Voting Common shares, Class E Non-Voting Common shares, Class F Non-Voting Common shares, Class H Non-Voting Common shares, Class I Non-Voting Common shares, Class J Non-Voting Common shares and Class K Non-Voting Common shares. The Voting Common shares carried one vote per share.

Immediately prior to the completion of the IPO, we had 100 Voting Common shares, 2,645,194,628 Class A Non-Voting Common shares, 1,034,959,042 Class B Non-Voting Common shares, 144,330,329 Class C Non-Voting Common shares, 7,000,000 Class D Non-Voting Common shares, 159,468,329 Class F Non-Voting Common shares, 621,597,135 Class H Non-Voting Common shares, 159,016,639 Class I Non-Voting Common shares, 339,608,745 Class J Non-Voting Common shares and 11,399,544 Class K Non-Voting Common shares issued and outstanding. In addition, there were 159,468,329 options issued and outstanding under the Company's legacy stock option plan.

Current Share Information

Our current authorized share capital consists of (i) an unlimited number of subordinate voting shares, (ii) an unlimited number of multiple voting shares, and (iii) an unlimited number of preferred shares.

As at December 31, 2021, we had 326,229,953 subordinate voting shares, 12,062,964 multiple voting shares, 28,571,428 Series A perpetual convertible preferred shares, and 8,196,721 Series B perpetual convertible preferred shares issued and outstanding. All of the issued and outstanding multiple voting shares are, directly or indirectly, held or controlled by entities controlled by Patrick Dovigi.

Preferred Shares

The preferred shares are issuable at any time and from time to time in series. Each series of preferred shares shall consist of such number of preferred shares and having such rights, privileges, restrictions and conditions as determined by the Board of Directors prior to the issuance thereof.

On October 1, 2020, we issued 28,571,428 of Series A perpetual convertible preferred shares (the " **Series A Preferred Shares**") to funds managed by HPS Investment Partners, LLC (" **HPS**"), at an issuance price of US$21.00 per share for gross proceeds of US$600 million. On December 17, 2021, we issued 8,196,721 Series B perpetual convertible preferred shares (the "**Series B Preferred Shares**") to HPS, at an issuance price of US$36.60 per share for gross proceeds of US$300 million. The Series A Preferred Shares and Series B Preferred Shares are collectively referred to as the "**Preferred Shares**". As at December 31, 2021, (a) the Series A Preferred Shares are convertible into 25,969,285 subordinate voting shares, at a conversion price of US$25.20, representing 7.2% of the issued and outstanding subordinate voting shares and 5.4% of the aggregate outstanding voting rights, and (b) the Series B Preferred Shares are convertible into 6,846,539 subordinate voting shares, at a conversion price of US$43.92, representing 1.9% of the issued and outstanding subordinate voting shares and 1.4% of the aggregate outstanding voting rights. The holders of the Preferred Shares are entitled to vote on an as-converted basis on all matters on which holders of subordinate voting shares and multiple voting shares vote, and to the greatest extent possible, will vote with the holders of subordinate voting shares and multiple voting shares as a single class. Each holder of Preferred Shares shall be deemed to hold, for the sole purpose of voting at any meeting of shareholders of GFL at which such holder is entitled to vote, the number of Preferred Shares equal to the number of subordinate voting shares into which such holder's registered Preferred Shares are convertible as of the record date for the determination of shareholders entitled to vote at such shareholders meeting. The liquidation preference of the Series A Preferred Shares and Series B Preferred Shares accrete at a rate of 7.000% and 6.000% per annum, respectively, compounded quarterly. From and after the fourth anniversary of the issuance of the Preferred Shares, we will have the option each quarter to redeem a number of Preferred Shares in an amount equal to the increase in the liquidation preference for the quarter. This optional redemption amount can be satisfied in either cash or subordinate voting shares at the election of GFL. If GFL elects to pay the optional redemption amount for a particular quarter in cash, the accretion rate for that quarter for the Series A Preferred Shares and Series B Preferred Shares will be 6.000% and 5.000% per annum, respectively. The Preferred Shares are subject to transfer restrictions, but can be converted into subordinate voting shares by the holder at any time. GFL may also require the conversion or redemption of the Preferred Shares at an earlier date in certain circumstances.

9. Accounting Policies, Critical Accounting Estimates and Judgements

We prepare our consolidated financial statements in accordance with IFRS. In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period.

IFRS Measures

Revenue

We generate revenue through fees charged for the collection of solid waste including recyclables, from our municipal, residential and commercial and industrial customers. Revenues from these contracts are influenced by a variety of factors including collection frequency, type of service, type and volume or weight of waste and type of equipment and containers furnished to the customer. In addition to handling our own collected waste volumes, our transfer stations, MRFs, landfills and organic waste processing facilities generate revenue from tipping fees paid to us by municipalities and third-party haulers and waste generators and from the sale of recycled commodities. We also operate MRFs, transfer stations and landfills for municipal owners under a variety of compensation arrangements, including fixed fee arrangements or on a tonnage or other basis.

Our municipal customer relationships are generally supported by contracts ranging from three to ten years. Our municipal collection contracts provide for fees based upon a per household, per tonne or ton, per lift or per service basis and often provide for annual price increases indexed to the CPI and market costs for fuel. We provide regularly scheduled service to a large percentage of our commercial and industrial customers under contracts with three to five year terms with automatic renewals, volume-based pricing and CPI, fuel and other adjustments. Other commercial and industrial customers are serviced on an "on-call" basis.

Certain future variable considerations of long-term customer contracts may be unknown upon entering into the contract, including the amount that will be billed in accordance with annual CPI, market costs for fuel and commodity prices. The amount to be billed is often tied to changes in an underlying base index such as a CPI or a fuel or commodity index, and revenue is recognized once the index is established for the future period. We do not disclose the value of unsatisfied performance obligations for these contracts as its right

to consideration corresponds directly to the value provided to the customer for services completed to date and all future variable consideration is allocated to wholly unsatisfied performance obligations.

We generate revenue through fees charged for the collection, management, transportation, processing and disposal of a wide variety of industrial and commercial liquid wastes. Revenue is primarily derived from fees charged to customers on a per service, volume and/or hour basis. Revenues from these contracts are influenced by a variety of factors including timing of contract, type of service, type and volume of liquid waste and type of equipment used. Revenue in the liquid waste business is also derived from the stewardship return incentives paid by most Canadian provinces in which we have liquid waste operations, as well as from the sale of used motor oil ("**UMO**"), solvents and downstream products to third parties. The fees received from third parties are based primarily on the market, type and volume of material sold. Generally, fees are billed and revenue is recognized at the time control is transferred. Revenue recognized under these agreements is variable in nature based on volumes and commodity prices at the time of sale, which are unknown at contract inception.

In our liquid waste business, we collect, manage, transport, process and dispose of a wide variety of industrial and commercial liquid wastes (including contaminated waste water, UMO and downstream by-products), and resell liquid waste products (including UMO and downstream by-products). The majority of the liquid waste we handle is generated from a varied customer base. Our liquid waste business includes a broad range of both regularly scheduled and on-call liquid industrial and hazardous waste management services that we provide to municipal, commercial and industrial customers, UMO collection and resale and downstream by-product marketing, as well as the collection and transportation of hazardous and non-hazardous liquid wastes to our facilities for processing or bulking for shipment to a final disposal location. Our locations also include tank farms where we collect, temporarily store and/or consolidate waste streams for more cost-effective and efficient transportation to end users or to final recycling, treatment or disposal locations. Wherever possible, collected liquid waste (including UMO) is recycled and recovered for reuse often through provincial stewardship programs. The scale of our operations and breadth of our liquid waste services also allows us to cross-sell solid waste services to our liquid waste customers and liquid waste services to our infrastructure & soil customers in those markets where we operate these lines of business.

We earn revenue through fees collected for the excavation and transport of clean and contaminated soils and the remediation and disposal of contaminated and remediated soils. We also offer complementary civil, demolition, excavation and shoring services in its infrastructure business. In the soil remediation and infrastructure business, revenue is generated on a project basis, normally encompassing all of the above services.

Revenue is recognized for these services based on the percentage of completion of the contract, measured based on the expected remaining costs to complete the project. In cases where soil remediation services are sold outside of an infrastructure project, the fees for remediation and the related excavation operations are generated on a per tonne basis.

Cost of Sales

Cost of sales primarily consists of: direct labour costs and related benefits (which consist of salaries and wages, health and welfare benefit costs, incentive compensation and payroll taxes); transfer and disposal costs representing disposal fees paid to third-party disposal facilities and transfer stations; charges paid under leases for certain facilities; vehicle parking and container storage permits and facility operating costs; maintenance and repair costs relating to our vehicles, equipment and containers, including related labour and benefit costs; fuel, which includes the direct cost of fuel used by our vehicles and any mark-to market adjustments on fuel hedges; depreciation expense for property and equipment used in our operations; amortization of landfill assets; amortization of intangible assets; and material costs paid for UMO and other recyclables purchased, including commodity rebates paid to customers. Other cost of sales include operating facilities costs, truck and equipment rentals, insurance, licensing and claims costs, and other third party services. Acquisition, rebranding and other integration costs included in cost of sales include rebranding and integration of property and equipment acquired through business acquisitions and other integration costs. Our cost of sales is principally affected by the volume of materials we handle.

Selling, General and Administrative Expenses

SG&A primarily consist of salaries, the cost of providing health and welfare benefits, incentive compensation and share-based payment expenses for corporate and general management, contract labour, and payroll taxes. Incentive compensation is generally based on our operating results and management's assessment of individuals' personal performance, with pay-out amounts subject to senior management discretion and board of director approval for senior management.

Other costs in SG&A include selling and advertising, professional and consulting fees, facilities costs, depreciation expense for property and equipment used for selling, general and administrative activities, allowance for doubtful accounts and management information systems. Acquisition, integration and other costs include professional fees and integration costs associated with business

acquisitions and other integration costs, including severance and restructuring costs. The timing of acquisitions and the related integration activities impact the timing of these costs.

Interest and Other Finance Costs

Interest and other finance costs primarily relate to interest on indebtedness and includes the amortization of deferred financing fees incurred in connection with our indebtedness, other finance costs and accretion of landfill closure and post-closure obligations, which represents the change in our obligation to fund closure and post-closure costs, as a result of the passage of time using discount factors that consider the risk free rate which is essentially free of default risk.

Other (Income) Expense

Other (income) expense primarily consists of gains and losses on the sale of assets used in our operations, gains and losses on foreign exchange, insurance settlements and deferred purchase price consideration that is required to be expensed under IFRS.

Income Tax Recovery

We are subject to income taxes in the jurisdictions in which we operate and, consequently, income tax expense or recovery is a function of the allocation of taxable income by jurisdiction and the various activities that impact the timing of taxable events and the availability of our non-capital losses in various jurisdictions and legal entities. The primary regions that determine the effective tax rate are Canada and the United States. Income tax expense or recovery is comprised of current and deferred income taxes. The liability method is used to account for deferred tax assets and liabilities, which arise from temporary differences between the carrying amount of assets and liabilities recognized in the statements of financial position and their corresponding tax basis. The carry forward of unused tax losses and credits is recognized to the extent that it is probable it can be used in the future.

Significant Accounting Estimates, Assumptions and Judgements

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the Annual Financial Statements and the reported amounts of revenue and expenses during the reporting period. The following areas are the critical judgments and estimates that management has made in applying our accounting policies and that have the most significant effect on amounts recognized in the Annual Financial Statements:

- Determining the fair value of acquired assets and liabilities in business combinations
- Determining the key assumptions for impairment testing for long-lived assets
- Forecasting future taxable income and the timing of reversal of temporary differences in connection with deferred income taxes
- Estimating the amount and timing of the landfill closure and post-closure obligations
- Determining the fair value of derivative financial instruments

Key components of the Annual Financial Statements requiring management to make estimates include the potential impairment of goodwill and indefinite life intangible assets, the fair value of the cash flow hedges, the fair value of the fuel hedges, the fair value of the net assets acquired in business combinations and AROs.

Management continually evaluates the estimates and assumptions it uses. These estimates and assumptions are based on management's historical experience, best knowledge of current events including COVID-19 and conditions and activities that we may undertake in the future. Actual results could differ from these estimates. While disruption to operations may occur in the coming months, currently there is no indication of business impact that would warrant us modifying our estimates, assumptions or judgement at this time. We continue to monitor the ongoing situation resulting from COVID-19. Refer to the section entitled "Risk Factors" included in the AIF for further information.

Intangible Assets

Intangible assets include a soil license, customer lists, license agreements, municipal contracts, non-compete agreements, and Certificates of Approval or Environmental Compliance Approvals ("**C of As**"). The C of As provide us with certain waste management rights in the province or state of issue. The valuation assigned on acquisition to each intangible asset is based on the present value of

management's estimate of the future cash flows associated with the intangible asset or the amount of cash paid. We use our internal budgets in estimating future cash flows. These budgets reflect our current best estimate of future cash flows but may change due to uncertain competitive and economic market conditions or changes in business strategies. Changes or differences in these estimates may result in changes to intangible assets on the consolidated statement of financial position and a change to operating income or loss on the consolidated statement of operations. Property and equipment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If the possibility of impairment is indicated, we will estimate the recoverable amount of the asset and record any impairment loss in the consolidated statement of operations. Factors that most significantly influence the impairment assessments and calculations are management's estimates of future cash flows.

Financial Instruments

Financial assets and liabilities are recognized initially at fair value plus or minus transaction costs, except for financial instruments at fair value through profit or loss ("**FVTPL"**), for which transaction costs are expensed.

Debt financial instruments are subsequently measured at FVTPL, fair value through other comprehensive income ("**FVTOCI"**), or amortized cost using the effective interest method. We determine the classification of its financial assets based on our business model for managing the financial assets and whether the instruments' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding.

Our derivatives designated as a hedging instrument in a qualifying hedge relationship are subsequently measured at FVTOCI. Equity instruments that meet the definition of a financial asset, if any, are subsequently measured at FVTPL or elected irrevocably to be classified at FVTOCI at initial recognition.

Financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL in certain circumstances or when the financial liability is designated as such. For financial liabilities that are designated as FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in our own credit risk of that liability is recognized in other comprehensive income or loss unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income or loss would create or enlarge an accounting mismatch in the consolidated statement of operations. The remaining amount of change in the fair value of the liability is recognized in the consolidated statement of operations. Changes in fair value of a financial liability attributable to our own credit risk that are recognized in other comprehensive income or loss are not subsequently reclassified to the consolidated statement of operations; instead, they are transferred to retained earnings (deficit), upon de-recognition of the financial liability.

Derivative financial instruments are utilized by us occasionally in the management of our foreign currency and interest rate exposures. Our policy is not to utilize derivative financial instruments for trading or speculative purposes. Derivatives embedded in non-derivative host contracts are separated when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not measured at fair value through profit or loss. All derivative financial instruments are recognized at fair value with changes in fair value recognized in the consolidated statement of operations or through other comprehensive income when qualified hedging relationship exists.

Landfill Asset

The original costs of landfill assets, together with incurred and projected landfill construction and development costs are amortized on a per unit basis as landfill airspace is consumed. We amortize landfill assets over their total available disposal capacity representing the sum of estimated permitted airspace capacity, plus future permitted airspace capacity which represents an estimate of airspace capacity that management believes is probable of being permitted based on certain criteria. We have been successful in receiving approvals for expansions pursued; however, there can be no assurance that the Company will be successful in obtaining approvals for landfill expansions in the future.

The following table summarizes landfill amortization expense on a per tonne basis for the periods indicated:

	Year ended December 31, 2021	Year ended December 31, 2020
Amortization of landfill airspace ($ millions)	**$ 230.4**	$ 111.8
Tonnes received (millions of tonnes)	**17.9**	8.3
Average landfill amortization per tonne ($ millions)	**$ 12.9**	$ 13.5

Unique per-tonne amortization rates are calculated for each of our landfills and the rates can vary significantly due to regional differences in construction costs and regulatory requirements for landfill development, capping, closure and post closure activities. The

amortization of landfill airspace for the three months and year ended December 31, 2021 did not include the $54.9 million of amortization related to the difference between the ARO obligation calculated using the credit-adjusted, risk-free discount rate required for measurement of the ARO obligation through purchase accounting, compared to the risk-free discount rate required for quarterly valuations. This accounting adjustment does not impact the economics of the average landfill amortization per tonne.

Landfill Development Costs

Landfill development costs include costs of acquisition, construction associated with excavation, liners, site berms, groundwater monitoring wells, gas recovery systems and leachate collection systems. We estimate the total costs associated with developing each landfill site to its final capacity. Total landfill costs include the development costs associated with expansion airspace as described below. Landfill development costs depend on future events and thus actual costs could vary significantly from our estimates. Material differences between estimated and actual development costs may affect our cash flows by increasing our capital expenditures and thus affect our results of operations by increasing our landfill amortization expense.

Landfill Closure and Post-Closure Obligations

We recognize the estimated liability for final capping, closure and post-closure maintenance obligations that results from acquisition, construction, development or normal operations as airspace is consumed. Costs associated with capping, closing and monitoring a landfill or portions thereof after it ceases to accept waste, are initially measured at the discounted future value of the estimated cash flows over the landfill's operating life, representing the period over which the site receives waste. This value is capitalized as part of the cost of the related asset and amortized over the asset's useful life.

Estimates are reviewed at least once annually and consider, amongst other things, regulations that govern each site. We estimate the fair value of landfill closure and post-closure costs using present value techniques that consider and incorporate assumptions and considerations marketplace participants would use in the determination of those estimates, including inflation, markups, inherent uncertainties due to the timing of work performed, information obtained from third parties, quoted and actual prices paid for similar work and engineering estimates. Inflation assumptions are based on evaluation of current and future economic conditions and the expected timing of these expenditures. Fair value estimates are discounted applying the risk-free rate, which is a rate that is essentially free of default risk. In determining the risk-free rate, consideration is given to both current and future economic conditions and the expected timing of expenditures.

Significant reductions in our estimates of remaining lives of our landfills or significant increases in our estimates of landfill final capping, closure and post-closure maintenance costs could have a material adverse effect on our financial condition and results of operations. Additionally, changes in regulatory or legislative requirements could increase our costs related to our landfills, resulting in a material adverse effect on our financial condition and results of operations.

Landfill Capacity and Depletion

Our internal and third-party engineers perform surveys at least annually to estimate the remaining disposal capacity at our landfills. Our landfill depletion rates are based on the total available disposal capacity, considering both permitted and probable future permitted airspace. Future permitted airspace capacity, represents an estimate of airspace capacity that is probable of being permitted based on the following criteria:

- Personnel are actively working to obtain the permit or permit modifications necessary for expansion of an existing landfill, and progress is being made on the project;
- It is probable that the required approvals will be received within the normal application and processing periods for approvals in the jurisdiction in which the landfill is located;
- We have a legal right to use or obtain land associated with the expansion plan;
- There are no significant known political, technical, legal or business restrictions or issues that could impair the success of the expansion effort;
- Management is committed to pursuing the expansion; and
- Additional airspace capacity and related costs have been estimated based on the conceptual design of the proposed expansion.

As of December 31, 2021, we had 319.5 million tonnes (328.5 million tonnes for the year ended December 31, 2020) of remaining permitted capacity at the landfills we own and at the landfill in Quebec where we have designated access to a fixed level of capacity. During the year ended December 31, 2021, permitted capacity net increased due to the acquisition of landfills through business combinations. As of December 31, 2021, sixteen of our landfills satisfied the criteria for inclusion of probable expansion capacity, resulting in additional expansion capacity of 164.9 million tonnes, and together with remaining permitted capacity, our total remaining capacity is 484.4 million tonnes (469.1 million tonnes for the year ended December 31, 2020). Based on total capacity as of December 31, 2021 and projected annual disposal volumes, the weighted average remaining life of the landfills we own and at the landfill in Quebec where we have designated access to a fixed level of capacity is approximately 26.1 years (25.0 years as of the year ended December 31, 2020). We have other expansion opportunities that could extend the weighted average remaining life of our landfills.

We may be unsuccessful in obtaining permits for future airspace capacity at our landfills. In such cases, we will charge the previously capitalized development costs to expense. This will adversely affect our operating results and cash flows and could result in greater landfill amortization expense being recognized on a prospective basis.

We periodically evaluate our landfill sites for potential impairment indicators. Our judgements regarding the existence of impairment indicators are based on regulatory factors, market conditions and operational performance of our landfills. Future events could cause us to conclude that impairment indicators exist and that our landfill carrying costs are impaired. Any resulting impairment loss could have a material adverse effect on our financial condition and results of operations.

Goodwill and Indefinite Life Intangible Assets

The valuation assigned on acquisition to each indefinite life intangible asset is based on the present value of management's estimate of the future cash flows associated with the intangible asset or the amount of cash paid. We perform impairment testing annually for goodwill and indefinite-life intangible assets and when circumstances indicate these assets may be impaired. Management judgement is involved in determining if there are circumstances indicating that testing for impairment is required, and in identifying cash generating units ("**CGUs**") for the purpose of impairment testing. We assess impairment by comparing the recoverable amount of a long-lived asset, CGU, or CGU group to its carrying value. We test for impairment at the operating segment level. The recoverable amount is defined as the higher of (i) value in use; or (ii) fair value less costs of disposal. The determination of the recoverable amount involves significant estimates and assumptions, including those with respect to market multiples, future cash inflows and outflows, discount rates, growth rates and asset lives. These estimates and assumptions could affect our future results if the current estimates of future performance and fair values change. These determinations will affect the amount of amortization expense on definite-life intangible assets recognized in future periods.

Income Taxes

The calculation of current and deferred income taxes requires us to make estimates and assumptions and to exercise judgement regarding the carrying values of assets and liabilities which are subject to accounting estimates inherent in those balances, the interpretation of income tax legislation across various jurisdictions, expectations about future operating results, the timing of reversal of temporary differences and possible audits of income tax filings by the tax authorities.

Changes or differences in underlying estimates or assumptions may result in changes to the current or deferred income tax balances on the consolidated statements of financial position, a charge or credit to income tax expense in the consolidated statements of operations and comprehensive income (loss) and may result in cash payments or receipts.

All income, capital and commodity tax filings are subject to audits and reassessments. Changes in interpretations or judgements may result in a change in our income, capital or commodity tax provisions in the future. The amount of such a change cannot be reasonably estimated.

Business Combination Accounting

We recognize, separately from goodwill, the identifiable assets acquired and liabilities assumed at their estimated acquisition date fair values. We measure and recognize goodwill as of the acquisition date as the excess of: (a) the aggregate of the fair value of consideration transferred, the fair value of any non-controlling interest in the acquiree (if any) and the acquisition date fair value of our previously held equity interest in the acquiree (if any), over (b) the fair value of net assets acquired and liabilities assumed. At the acquisition date, we measure the fair values of all assets acquired and liabilities assumed that arise from contractual contingencies. We measure the fair values of all non-contractual contingencies if, as of the acquisition date, it is more likely than not that the contingency will give rise to an asset or liability.

10. Non-IFRS Financial Measures and Key Performance Indicators

Non-IFRS Measures

This Annual MD&A makes reference to certain non-IFRS measures, including EBITDA, Adjusted EBITDA and Adjusted EBITDA margin. These measures are not recognized measures under 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. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. Rather, 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.

EBITDA

EBITDA represents, for the applicable period, net income (loss) plus (a) interest and other finance costs, plus (b) depreciation and amortization of property and equipment, landfill assets and intangible assets, less (c) the provision for income taxes, in each case to the extent deducted or added to/from net income (loss). 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

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 fuel hedges, (d) mark-to-market (gain) loss on Purchase Contracts, (e) share-based payments, (f) impairment and other charges, (g) gain on divestiture, (h) transaction costs, (i) IPO transaction costs, (j) acquisition, rebranding and other integration costs (included in cost of sales related to acquisition activity), and (k) deferred purchase consideration. We use Adjusted EBITDA to facilitate a comparison of our operating performance on a consistent basis reflecting factors and trends affecting our business. 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

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.

Adjusted EBITDA to Net Loss Reconciliation

The following tables provide a reconciliation of our Net Loss to EBITDA and Adjusted EBITDA for the periods presented:

($ millions)	Three months ended December 31, 2021	Three months ended December 31, 2020
Net loss[1]	**$ (77.4)**	$ (594.2)
Add:		
Interest and other finance costs	**105.2**	137.9
Depreciation of property and equipment	**278.9**	439.7
Amortization of intangible assets	**126.7**	107.5
Income tax recovery[1]	**(13.5)**	(82.5)
EBITDA	**419.9**	8.4
Add:		
Gain on foreign exchange[2]	**(19.1)**	(112.9)
(Gain) loss on sale of property and equipment	**(0.8)**	2.2
Mark-to-market loss on Purchase Contracts[3]	**30.0**	355.9
Share-based payments[4]	**14.5**	10.8
Impairment and other charges	**—**	21.4
Gain on divestiture[5]	**(86.4)**	—
Transaction costs[6]	**21.0**	24.1
Acquisition, rebranding and other integration costs[8]	**9.2**	1.3
Adjusted EBITDA	**$ 388.3**	$ 311.2

($ millions)	Year ended December 31, 2021	Year ended December 31, 2020
Net loss[1]	**$ (606.8)**	$ (1,102.4)
Add:		
Interest and other finance costs	**434.1**	597.6
Depreciation of property and equipment	**931.8**	810.6
Amortization of intangible assets	**461.2**	427.0
Income tax recovery[1]	**(106.0)**	(253.4)
EBITDA	**1,114.3**	479.4
Add:		
Loss (gain) on foreign exchange[2]	**16.2**	(37.3)
Loss on sale of property and equipment	**1.9**	4.6
Mark-to-market loss on fuel hedge	**—**	1.8
Mark-to-market loss on Purchase Contracts[3]	**349.6**	449.2
Share-based payments[4]	**45.7**	37.9
Impairment and other charges	**—**	21.4
Gain on divestiture[5]	**(153.3)**	—
Transaction costs[6]	**64.2**	60.1
IPO transaction costs[7]	**—**	46.2
Acquisition, rebranding and other integration costs[8]	**25.1**	11.4
Deferred purchase consideration	**—**	2.0
Adjusted EBITDA	**$ 1,463.7**	$ 1,076.7

(1) Subsequent to the original issuance of the December 31, 2020 annual consolidated financial statements, GFL determined the mark-to-market loss on Purchase Contracts should not be treated as a temporary difference for deferred income tax purposes. As a result, to correct this immaterial error, deferred income tax liabilities increased by $107.5 million to $573.5 million and income tax recovery decreased by $107.5 million to $82.5 million for the three months ended December 31, 2020. For the year ended December 31, 2020, to correct this immaterial error, deferred income tax liabilities increased by $107.5 million to $573.5 million and income tax recovery decreased by $107.5 million to $253.4 million.

(2) 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) This is a non-cash item that consists of the fair value "mark-to-market" adjustment on the Purchase Contracts.

(4) 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) Consists of gain resulting from the divestiture of certain landfill assets, as well as hauling and ancillary operations.

(6) 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) Consists of costs associated with the IPO, such as legal, audit, regulatory and other fees and expenses incurred in connection with the IPO, as well as underwriting fees related to the TEUs that were expensed as incurred.
(8) 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.

Exhibit 99.3

GFL Environmental Inc.

Consolidated Financial Statements
For the year ended December 31, 2021

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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of GFL Environmental Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statement of financial position of GFL Environmental Inc. (the Company) as of December 31, 2021, the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows, for the year ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and the results of its operations and its cash flows for the year ended December 31, 2021, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We have also audited the adjustment described in Note 14 and Note 15 that was applied to amend the 2020 consolidated financial statements to correct an error. We have also audited the adjustments to retrospectively apply the change in segment composition, as described in Note 2. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2020 consolidated financial statements of the Company other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2020 consolidated financial statements taken as a whole.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 10, 2022 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



GFL Environmental Inc.:
February 10, 2022

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Fair value measurement of acquired intangible assets and acquired landfill assets

As discussed in note 3 to the consolidated financial statements, the Company acquired 46 businesses during 2021 for total purchase consideration of $2,358.4 million, including intangible assets of $716.9 million and property and equipment of $1,001.1 million. As discussed in note 6, property and equipment included landfill assets from acquisitions via business combinations of $382.5 million. As discussed in note 2, the determination of the fair value of the acquired intangible assets and acquired landfill assets requires the Company to make significant estimates and assumptions, which include, among others, future expected cash flows and discount rate.

We identified the evaluation of the fair value measurement of acquired intangible assets and acquired landfill assets as a critical audit matter. Specifically, the assessment of certain future expected cash flows and the determination of the discount rates to be applied to the cash flows involved a high degree of subjective auditor judgment.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's acquisition date valuation process. This included controls related to the determination of the estimated future expected cash flows attributable to the intangible assets and landfill assets, and the discount rates to be applied to the future expected cash flows. To assess the Company's ability to estimate the future expected cash flows, we compared the Company's historical forecasts to actual results for previous acquisitions and evaluated the consistency of future expected cash flows across a selection of acquisitions. For a certain acquisition, we compared the future expected cash flows to historical results for that entity, the Company's historical consolidated cash flows, and publicly available market data. In addition, for that certain acquisition, we involved valuation professionals with specialized skills and knowledge who assisted in:

- evaluating the discount rate to be applied to the future expected cash flows associated with the acquisition by developing an independent range of discount rates using publicly available market data

- reconciling the discount rates to be applied to the future expected cash flows for acquired intangible assets and acquired landfill assets to the weighted average returns on net assets and internal rates of return.

For a selection of other acquisitions, we evaluated the consistency of discount rates applied across acquisitions.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

We have served as the Company's auditor since 2021.

Toronto, Canada

February 10, 2022



GFL Environmental Inc.:
February 10, 2022

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of GFL Environmental Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited GFL Environmental Inc.'s internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, GFL Environmental Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Company as of December 31, 2021, the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended December 31, 2021, and the related notes (collectively, the consolidated financial statements), and our report dated February 10, 2022 expressed an unqualified opinion on those consolidated financial statements.

As indicated under the heading *Management's Annual Report on Internal Control Over Financial Reporting* in Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended December 31, 2021, management's evaluation of internal control over financial reporting excluded the internal control activities of businesses acquired in 2021, which are included in the 2021 consolidated financial statements of the Company and represented approximately 6.0% of consolidated total revenue for the year ended December 31, 2021 and 15.8% of consolidated total assets as of December 31, 2021. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of the businesses acquired in 2021.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included under the heading *Management's Annual Report on Internal Control Over Financial Reporting* in Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended December 31, 2021. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in

accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

February 10, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of
GFL Environmental Inc.

Opinion on the Financial Statements

We have audited, before the effects of the retrospective adjustments to apply the changes in segment composition discussed in Note 2 and correct an error discussed in Notes 14 and 15 to the consolidated financial statements, the consolidated statement of financial position of GFL Environmental Inc. and subsidiaries (the "Company") as of December 31, 2020, the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity and cash flows for the year ended December 31, 2020, and the related notes (collectively referred to as the "financial statements") (the 2020 financial statements before the effects of the retrospective adjustments to apply the changes to segment composition discussed in Note 2 and correct an error discussed in Notes 14 and 15 to the financial statements are not presented herein). In our opinion, the 2020 financial statements, before the effects of the retrospective adjustments to apply the changes to segment composition discussed in Note 2 and correct an error as discussed in Notes 14 and 15 to the financial statements, present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and its financial performance and its cash flows for the year ended December 31, 2020, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We were not engaged to audit, review, or apply any procedures to the retrospective adjustments to apply the changes in segment composition discussed in Note 2 and correct an error discussed in Notes 14 and 15 to the financial statements, and accordingly, we do not express an opinion or any other form of assurance about whether such retrospective adjustments are appropriate and have been properly applied. Those retrospective adjustments were audited by other auditors.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the 2020 audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matter does not alter in any way our opinion on the 2020 financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of Intangible Assets Acquired in Business Combinations – Refer to Notes 2 and 3 to the financial statements

Critical Audit Matter Description

The Company acquired fifteen solid waste management businesses and seven liquid waste management businesses and recognized the assets acquired and liabilities assumed at their acquisition-date fair values, including intangible assets, which required management to make significant estimates and assumptions.

While there are many estimates that management make to determine the fair value of intangible assets at the time of acquisition, the estimates with the highest degree of subjectivity are the forecasts of future cash flows and discount rates. Audit procedures to evaluate these estimates related to four of the business acquisitions required a high degree of auditor judgement and an increased extent of effort, including the need to involve a fair value specialist.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures on the forecasts of future cash flows and discount rates used to estimate the fair values of the intangible assets acquired related to four of the business acquisitions included the following, among others:

- Assessed the reasonableness of management forecasts of future cash flows by comparing the projections to historical results as well as other relevant internal and external information, including industry reports.
- With the assistance of fair value specialists, we evaluated the reasonableness of the discount rates used by:
    - Testing the source information underlying the determination of the discount rates and testing the mathematical accuracy of the calculation
    - Reviewing relevant internal and external information, including analyst and industry reports, to assess the reasonability of the selected discount rates
    - Developing a range of independent rates and comparing those to the discount rates used by management.

/s/ Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
February 25, 2021

We began serving as the Company's auditor in 2009. In 2021 we became the predecessor auditor.

GFL Environmental Inc.
Consolidated Statements of Operations and Comprehensive Loss
(In millions of dollars except per share amounts)

	Notes	Year ended December 31, 2021	2020
Revenue	16	**$ 5,525.5**	$ 4,196.2
Expenses			
Cost of sales		**4,997.9**	4,006.1
Selling, general and administrative expenses		**591.9**	508.4
Interest and other finance costs	11	**434.1**	597.6
Deferred purchase consideration		**—**	2.0
Loss on sale of property and equipment		**1.9**	4.6
Loss (gain) on foreign exchange		**16.2**	(37.3)
Mark-to-market loss on Purchase Contracts	13	**349.6**	449.2
Impairment and other charges	5	**—**	21.4
Gain on divestiture	7	**(153.3)**	—
		6,238.3	5,552.0
Loss before income taxes		**(712.8)**	(1,355.8)
Current income tax expense		**23.9**	1.3
Deferred tax recovery		**(129.9)**	(254.7)
Income tax recovery	14	**(106.0)**	(253.4)
Net loss		**(606.8)**	(1,102.4)
Items that may be subsequently reclassified to net loss			
Currency translation adjustment		**(9.1)**	(227.5)
Reclassification to net loss of fair value movements on cash flow hedges, net of tax		**(4.4)**	(13.1)
Fair value movements on cash flow hedges, net of tax		**1.3**	1.8
Other comprehensive loss		**(12.2)**	(238.8)
Total comprehensive loss		**$ (619.0)**	$ (1,341.2)
Loss per share			
Basic and Diluted	15	**$ (1.83)**	$ (3.10)

The accompanying notes are an integral part of the audited consolidated financial statements.

GFL Environmental Inc.
Consolidated Statements of Financial Position
(In millions of dollars)

	Notes	December 31, 2021	December 31, 2020
Assets			
Cash		**$ 190.4**	$ 27.2
Trade and other receivables, net	4	**1,134.7**	867.3
Prepaid expenses and other assets	5	**170.6**	133.7
Current assets		**1,495.7**	1,028.2
Property and equipment, net	6	**6,010.6**	5,074.8
Intangible assets, net	7	**3,330.0**	3,093.4
Other long-term assets	9	**36.3**	33.2
Goodwill	7	**7,501.1**	6,500.4
Non-current assets		**16,878.0**	14,701.8
Total assets		**18,373.7**	15,730.0
Liabilities			
Accounts payable and accrued liabilities	8	**1,319.7**	1,014.8
Income taxes payable		**25.8**	9.1
Long-term debt	10	**17.2**	4.6
Lease obligations	12	**50.9**	37.5
Due to related party	22	**12.8**	12.8
Tangible equity units	13	**56.9**	59.2
Landfill closure and post-closure obligations	9	**39.1**	55.3
Current liabilities		**1,522.4**	1,193.3
Long-term debt	10	**7,961.8**	6,161.5
Lease obligations	12	**257.4**	153.7
Other long-term liabilities		**41.0**	37.2
Due to related party	22	**18.0**	30.8
Deferred income tax liabilities	14	**723.9**	573.5
Tangible equity units	13	**1,231.6**	1,327.9
Landfill closure and post-closure obligations	9	**841.5**	680.3
Non-current liabilities		**11,075.2**	8,964.9
Total liabilities		**12,597.6**	10,158.2
Shareholders' equity			
Share capital		**8,462.9**	7,644.8
Contributed surplus		**77.4**	54.3
Deficit		**(2,510.5)**	(1,885.8)
Accumulated other comprehensive loss		**(253.7)**	(241.5)
Total shareholders' equity		**5,776.1**	5,571.8
Total liabilities and shareholders' equity		**$ 18,373.7**	$ 15,730.0

The accompanying notes are an integral part of the audited consolidated financial statements.

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GFL Environmental Inc.
Consolidated Statements of Changes in Shareholders' Equity
(In millions of dollars except per share amounts)

	Notes	Share capital - # of shares[1]	Share capital	Contributed surplus	Deficit	Accumulated other comprehensive income (loss)			Total shareholders' equity
						Cash flow hedges, net of tax	Currency translation	Total	
Balance, December 31, 2019		180,794,203	$ 3,524.5	$ 16.4	$ (770.3)	$ 27.6	$ (30.4)	$ (2.7)	2,767.9
Net loss and comprehensive loss		—	—	—	(1,102.4)	(11.3)	(227.5)	(238.8)	(1,341.2)
Return of capital		—	(0.8)	—	—	—	—	—	(0.8)
Dividends issued and paid		—	—	—	(13.1)	—	—	—	(13.1)
Share capital issued upon acquisition of subsidiary		3,092,118	78.4	—	—	—	—	—	78.4
Share capital issued, net of cancelled shares		171,048,492	4,103.4	—	—	—	—	—	4,103.4
Share issuance costs		—	(60.7)	—	—	—	—	—	(60.7)
Share-based payments	18	—	—	37.9	—	—	—	—	37.9
Balance, December 31, 2020		354,934,813	$ 7,644.8	$ 54.3	$(1,885.8)	$ 16.3	$ (257.9)	$ (241.5)	$ 5,571.8
Balance, December 31, 2020		354,934,813	$ 7,644.8	$ 54.3	$(1,885.8)	$ 16.3	$ (257.9)	$ (241.5)	$ 5,571.8
Net loss and comprehensive loss		—	—	—	(606.8)	(3.1)	(9.1)	(12.2)	(619.0)
Dividends issued and paid		—	—	—	(17.9)	—	—	—	(17.9)
Share capital issued upon acquisition of subsidiary	18	876,419	36.3	—	—	—	—	—	36.3
Share capital issued, net of cancelled shares	18	8,170,680	379.9	—	—	—	—	—	379.9
Share issuance costs		—	(5.9)	—	—	—	—	—	(5.9)
Shares capital issued on exercise of share options	18	2,300,000	11.5	(11.5)	—	—	—	—	—
Share capital issued on exercise and settlement of RSUs	18	442,150	11.1	(11.1)	—	—	—	—	—
Share capital issued on TEU conversion	13	8,337,004	385.2	—	—	—	—	—	385.2
Share-based payments	18	—	—	45.7	—	—	—	—	45.7

Balance, December 31, 2021	**375,061,066**	**$ 8,462.9**	**$ 77.4**	**$(2,510.5)**	**$ 13.2**	**$ (267.0)**	**$ (253.7)**	**$ 5,776.1**

(1) Number of shares have been retrospectively adjusted for share split completed in conjunction with the pre-capital closing changes implemented as part of our Initial Public Offering.

The accompanying notes are an integral part of the audited consolidated financial statements.

GFL Environmental Inc.
Consolidated Statements of Cash Flows
(In millions of dollars)

	Notes	Year ended December 31, 2021	2020
Operating activities			
Net loss		**$ (606.8)**	$ (1,102.4)
Adjustments for non-cash items			
Depreciation of property and equipment	6	**931.8**	810.6
Amortization of intangible assets	7	**461.2**	427.0
Gain on divestiture	7	**(153.3)**	—
Impairment and other charges	5	**—**	21.4
Interest and other finance costs	11	**434.1**	597.6
Share-based payments	18	**45.7**	37.9
Loss (gain) on unrealized foreign exchange on long-term debt and TEUs		**14.8**	(37.3)
Loss on sale of property and equipment		**1.9**	4.6
Mark-to-market loss on Purchase Contracts	13	**349.6**	449.2
Mark-to-market loss on fuel hedges		**—**	1.8
Current income tax expense		**23.9**	1.3
Deferred tax recovery		**(129.9)**	(254.7)
Interest paid in cash on Amortizing Notes component of TEUs		**(4.2)**	(4.9)
Interest paid in cash, excluding interest paid on Amortizing Notes		**(286.4)**	(402.2)
Prepayment penalties for early note redemption	11	**(49.3)**	(35.5)
Income taxes (paid) received in cash, net		**(11.0)**	4.3
Investment in acquisition related net working capital items	19	**(41.0)**	(15.9)
Changes in non-cash working capital items, excluding investment in acquisition related net working capital items	19	**(46.1)**	21.1
Landfill closure and post-closure expenditures	9	**(37.1)**	(21.7)
		897.9	502.2
Investing activities			
Proceeds on disposal of assets		**259.7**	16.0
Purchase of property and equipment		**(647.2)**	(428.3)
Business acquisitions, net of cash acquired	3	**(2,299.7)**	(3,941.2)
		(2,687.2)	(4,353.5)
Financing activities			
Repayment of lease obligations		**(74.0)**	(72.7)
Issuance of long-term debt		**3,816.0**	4,667.9
Repayment of long-term debt		**(2,010.8)**	(6,200.3)
Payment of contingent purchase consideration and holdbacks	3	**(23.6)**	(31.1)
Issuance of share capital, net of issuance costs		**372.5**	4,042.7
Issuance of TEUs, net of issuance costs	13	**—**	1,006.9
Repayment of Amortizing Notes		**(54.1)**	(42.8)
Dividends issued and paid		**(17.9)**	(13.1)
Return of capital		**—**	(0.8)
Payment of financing costs		**(30.6)**	(41.0)
Issuance of loan from related party	22	**—**	29.0
Repayment of loan to related party	22	**(12.8)**	(6.4)
		1,964.7	3,338.3
Increase (decrease) in cash		**175.4**	(513.0)
Changes due to foreign exchange revaluation of cash		**(12.2)**	(34.6)
Cash, beginning of year		**27.2**	574.8
Cash, end of year		**$ 190.4**	$ 27.2

The accompanying notes are an integral part of the audited consolidated financial statements.

GFL Environmental Inc. - Notes to the Consolidated Financial Statements
(In millions of dollars except per share amounts or otherwise stated)

1. REPORTING ENTITY

GFL Environmental Inc. ("GFL" or the "Company") was formed on March 5, 2020 under the laws of the Province of Ontario as a result of the amalgamation of GFL Environmental Inc. and its parent company GFL Environmental Holdings Inc. ("Holdings"). The amalgamation was accounted for as a transaction between entities under common control and the net assets are recorded at historical cost retrospectively. Upon amalgamation, GFL became the financial reporting entity. Concurrently with the amalgamation, GFL completed an initial public offering of subordinate voting shares and tangible equity units ("TEUs") (collectively, the "IPO"). GFL's subordinate voting shares trade on the New York Stock Exchange and the Toronto Stock Exchange under the symbol "GFL" and the TEUs trade on the New York Stock Exchange under the symbol "GFLU".

GFL is in the business of providing non-hazardous solid waste management, infrastructure and soil remediation services and liquid waste management services. These services are provided through GFL and its wholly owned subsidiaries and a network of facilities across Canada and the United States. GFL's registered office is Suite 500, 100 New Park Place, Vaughan, ON, L4K 0H9.

These audited consolidated financial statements (the "Annual Financial Statements") include the accounts of GFL and its subsidiaries as at December 31, 2021.

The Board of Directors approved these Annual Financial Statements on February 10, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

Basis of measurement

These Annual Financial Statements were prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of the reporting period (see Note 20) and share-based payments.

Presentation and functional currency

These Annual Financial Statements are presented in Canadian dollars which is GFL's functional currency.

Basis of consolidation

Subsidiaries are entities controlled by GFL. Control exists when GFL has power over an entity, exposure or rights to variable returns from GFL's involvement with the entity, and the ability to use its power over the entity to affect the amount of GFL's returns. The financial accounts and results of subsidiaries are included in these Annual Financial Statements of GFL from the date that control commences until the date that control ceases.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with GFL's accounting policies. All intercompany assets and liabilities, equity, income, expenses and cash flows relating to transactions between GFL and its subsidiaries are eliminated in full on consolidation.

Reclassification of prior period presentation

As disclosed in Note 16 and Note 17, certain revenue disaggregation and segment reporting balances reported in prior periods have been reclassified for consistency with the current period presentation. These immaterial reclassifications had no effect on the reported consolidated results of operations.

GFL Environmental Inc. - Notes to the Consolidated Financial Statements
(In millions of dollars except per share amounts or otherwise stated)

During the year ended December 31, 2021, GFL reclassified one of its business units from its Solid waste segment to Infrastructure and soil remediation segment and one of its business units from its Solid waste segment to Liquid waste segment to make the segment presentation consistent with an internal management reorganization. These changes resulted in a decrease in Solid waste revenue and an increase in both Infrastructure and soil remediation and Liquid waste revenue.

All previously reported revenue by service type and segment information has been retrospectively adjusted to conform to the updated 2021 presentation.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method with the results of operations consolidated with those of GFL from the date of acquisition. The consideration for each acquisition is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and the equity instruments issued by GFL in exchange for control of the acquired company or business. Acquisition-related costs are recognized in the consolidated statement of operations as incurred.

Where the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, it is measured at fair value at the acquisition date. Contingent consideration is remeasured at subsequent reporting dates at its fair value, and the resulting gain or losses recognized in the consolidated statement of operations. GFL records cash in escrow on the statement of financial position when it expects previously transferred consideration to be returned on account of specified conditions of the business combination not being met.

GFL's growth strategy is to focus on generating organic growth from all of its operating segments. In addition to organic growth, GFL deploys an active acquisition strategy involving the integration of acquired businesses into each of its operating segments through integration of property and equipment, back office functions, improving route density and realignment of disposal alternatives to effect synergies and maximize profits. Goodwill arising from acquisitions is largely attributable to the assembled workforce of the acquisitions, the potential synergies with the acquiree, and intangible assets that do not qualify for separate recognition.

The determination of the fair values of acquired intangible assets and acquired landfill assets requires GFL to make significant estimates and assumptions. The significant assumptions used to value acquired intangible assets and acquired landfill assets include, among others, future expected cash flows and discount rate.

Property and equipment

Property and equipment are stated at cost, less accumulated depreciation and impairment. Assets are depreciated to residual values over their estimated useful lives, with depreciation commencing when an asset is ready for use. Significant parts of property and equipment that have different depreciable lives are depreciated separately. Judgment is used in determining the appropriate level of componentization.

Depreciation is computed on a straight-line basis, unless otherwise stated, using the following useful lives:

Type of property and equipment	Depreciation term
Buildings and improvements	10 to 30 years or term of lease
Landfills	Units of production
Vehicles	10 to 20 years
Machinery and equipment	3 to 20 years
Containers	5 to 10 years
Right-of-use assets	Shorter of lease term or life of underlying asset(s)

The costs of repair and maintenance activities are recognized in the consolidated statement of operations as incurred. Distinguishing major inspections and overhaul from repairs and maintenance in determining which costs are capitalized is a matter of management judgement.

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included as a gain or loss in the consolidated statement of operations in the period the asset is de-recognized.

Property and equipment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If the possibility of impairment is indicated, GFL will estimate the recoverable amount of the asset and record any impairment loss in the consolidated statement of operations.

Assets under development are not depreciated until they are available for use.

Landfill assets

Landfill assets represent the cost of landfill airspace, including original acquisition cost and landfill construction and development costs, incurred during the operating life of the site. Landfill assets also include capitalized landfill closure and post-closure costs, net of accumulated amortization, and the cost of either new or landfill expansion permits.

The original cost of landfill assets, together with incurred and projected landfill construction and development costs, is amortized on a per unit basis as landfill airspace is consumed.

Landfill assets are amortized over their total available disposal capacity representing the sum of estimated permitted airspace capacity (having received the final permit from the governing authorities) plus future permitted airspace capacity, representing an estimate of airspace capacity that management believes is probable of being permitted based on the following criteria:

- Personnel are actively working to obtain the permit or permit modifications necessary for expansion of an existing landfill, and progress is being made on the project;
- It is probable that the required approvals will be received within the normal application and processing periods for approvals in the jurisdiction in which the landfill is located;
- GFL has a legal right to use or obtain land associated with the expansion plan;
- There are no significant known political, technical, legal or business restrictions or issues that could impair the success of the expansion effort;
- Management is committed to pursuing the expansion; and
- Additional airspace capacity and related costs have been estimated based on the conceptual design of the proposed expansion.

GFL has been successful in receiving approvals for expansions pursued; however, there can be no assurance that GFL will be successful in obtaining approvals for landfill expansions in the future.

Intangible assets

Intangible assets are stated at cost, less accumulated amortization and impairment, and consist of Certificate of Approval (“C of A”) licenses, customer lists, municipal and other commercial contracts, trade name, licenses and permits and non-compete agreements. C of A licenses provide GFL with certain waste management rights in the province or state of issuance. C of A licenses that do no expire are considered to have an indefinite life and therefore are not subject to amortization. C of A licenses that relate to a leased facility are amortized over the lease term.

GFL Environmental Inc. - Notes to the Consolidated Financial Statements
(In millions of dollars except per share amounts or otherwise stated)

Amortization is based on the estimated useful life using the following methods and rates:

Type of intangible asset		Amortization term
Indefinite life C of A		Indefinite
Customer lists and municipal contracts	Straight-line	5 to 10 years
Trade name, definite life C of A and other assets	Straight-line	1 to 15 years
Non-compete agreements	Straight-line	5 years

Intangible assets with indefinite useful lives are tested at least annually, at the cash-generating unit ("CGU") level for impairment. The assessment of indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. Intangible assets with finite lives are amortized over the useful economic life on a straight-line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization expense is included as part of cost of sales.

Goodwill

Goodwill arising on an acquisition of a business represents the excess of the purchase price over the fair value of the net identifiable assets of the acquired business. Goodwill is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to CGUs based on the lowest level within the entity in which the goodwill is monitored for internal management purposes. The allocation is made to those CGUs that are expected to benefit from the business combination in which the goodwill arose. GFL tests its goodwill for impairment at the operating segment level. Any potential impairment of goodwill is identified by comparing the recoverable amount of a CGU to its carrying value. Goodwill is reduced by the amount of deficiency, if any. If the deficiency exceeds the carrying amount of goodwill, the carrying values of the remaining assets in the CGUs are reduced by the excess on a pro-rata basis. GFL tests goodwill for impairment annually on December 31, or more frequently if there are indications of impairment.

The recoverable amount of a CGU is the higher of the estimated fair value less costs of disposal or value-in-use of the CGU. In assessing value-in-use, the estimated future cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

Landfill closure and post-closure obligations

GFL recognizes the estimated liability for an asset retirement obligation ("ARO") that results from acquisition, construction, development or normal operations in the year in which it is incurred. Costs associated with capping, closing and monitoring a landfill or portions of a landfill, after it ceases to accept waste, are initially measured at the discounted future value of the estimated cash flows over the landfill's operating life. The operating life represents the period over which the landfill receives waste. This value is capitalized as part of the cost of the related asset and amortized over the asset's useful life.

Estimates of future expenditures of landfill capping, closure and post-closure are reviewed at least once annually and consider, amongst other things, regulations that govern each site. The estimated liabilities are valued using present value techniques that consider and incorporate assumptions and considerations marketplace participants would use in the determination of those estimates, including inflation, markups, inherent uncertainties due to the timing of work performed, information obtained from third parties, quoted and actual prices paid for similar work and engineering estimates. Inflation assumptions are based on management's evaluation of current and future economic conditions and the expected timing of these expenditures. Estimates are discounted applying the risk-free rate, which is a rate that is essentially free of default risk. In determining the risk-free rate, consideration is given to both current and future economic conditions and the expected timing of expenditures.

Leasing arrangements

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by GFL.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

As the interest rate implicit in GFL's leases is typically not readily determinable, GFL utilizes its incremental borrowing rate to discount the lease payments.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Lease obligations are subsequently measured at amortized cost using the effective interest method. GFL has elected not to recognize right-of-use assets and lease obligation for leases of low-value assets and short-term leases. Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

Revenue recognition

GFL records revenue when control is transferred to the customer, generally at the time that the service is provided. Revenue is measured based on the consideration specified in a contract with a customer or consideration agreed by a customer. Revenue excludes amounts collected on behalf of third parties. GFL recognizes revenue from the following major sources:

Collection and disposal of solid waste

GFL generates revenue through fees charged for the collection of solid waste including recyclables, from its municipal, residential and commercial and industrial customers. Revenues from these contracts are influenced by a variety of factors including collection frequency, type of service, type and volume or weight of waste and type of equipment and containers furnished to the customer. In addition to handling GFL's own collected waste volumes, its transfer stations, material recovery facilities ("MRFs"), landfills and organic waste processing facilities generate revenue from tipping fees paid to GFL by municipalities and third-party haulers and waste generators and from the sale of recycled commodities. GFL also operates MRFs, transfer stations and landfills for municipal owners under a variety of compensation arrangements, including fixed fee arrangements or on a tonnage or other basis.

Our municipal customer relationships are generally supported by contracts ranging from three to ten years. Our municipal collection contracts provide for fees based upon a per household, per tonne or ton, per lift or per service basis and often provide for annual price increases indexed to the Consumer Price Index ("CPI"), other waste related indices and market costs for fuel. We provide regularly scheduled service to a large percentage of our commercial and industrial customers under contracts with three to five year terms with automatic renewals, volume-based pricing and CPI, fuel and other adjustments. Other commercial and industrial customers are serviced on an "on- call" basis.

Certain future variable considerations of long-term customer contracts may be unknown upon entering into the contract, including the amount that will be billed in accordance with annual CPI, market costs for fuel and commodity prices. The amount to be billed is often tied to changes in an underlying base index such as a CPI or a fuel or commodity index, and revenue is recognized once the index is established for the future period. GFL does not disclose the value of unsatisfied performance obligations for these contracts as its right to consideration corresponds directly to the value provided to the customer for services completed to date and all future variable consideration is allocated to wholly unsatisfied performance obligations.

Collection and disposal of liquid waste

GFL generates revenue through fees charged for the collection, management, transportation, processing and disposal of a wide variety of industrial and commercial liquid wastes. Revenue is primarily derived from fees charged to customers on a per service, volume and/or hour basis. Revenues from these contracts are influenced by a variety of factors including timing of contract, type of service, type and volume of liquid waste and type of equipment used. Revenue in the liquid waste business is also derived from the stewardship return incentives paid by most Canadian provinces in which GFL has liquid waste operations, as well as from the sale of used motor oil, solvents and downstream products to third parties. The fees received from third parties are based primarily on the market, type and volume of material sold. Generally, fees are billed and revenue is recognized at the time control is transferred. Revenue recognized under these agreements is variable in nature based on volumes and commodity prices at the time of sale, which are unknown at contract inception.

Soil remediation and infrastructure contracts

GFL earns revenue through fees collected for the excavation and transport of clean and contaminated soils and the remediation and disposal of contaminated and remediated soils. GFL also offers complementary civil, demolition, excavation and shoring services in its infrastructure business. In the soil remediation and infrastructure business, revenue is generated on a project basis, normally encompassing all of the above services.

Revenue is recognized for these services based on the percentage of completion of the contract, measured based on the expected costs to complete the project. In cases where soil remediation services are sold outside of an infrastructure project, the fees for remediation and the related excavation operations are generated on a per tonne basis.

Unbilled revenue

Unbilled revenue occurs in certain situations, which vary by project. For example, amounts relating to contract assets are balances due from customers under construction contracts that arise when GFL receives payments from customers in relation with a series of performance related milestones. GFL will previously have recognized a contract asset for any work performed. Any amount previously recognized as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

Share-based payments

Stock options issued by GFL as remuneration of its key employees, officers, and directors are settled in subordinate voting shares and are accounted for as equity-settled awards.

The fair value of options granted is measured using either the Black-Scholes option pricing model or the Monte Carlo simulation methods, which rely on estimates of the expected risk-free interest rate, expected dividend payments, expected share price volatility, the value of GFL's shares and the expected average life of the options. GFL believes these models adequately capture the substantive features of the option awards and are appropriate to calculate their fair values.

The fair value of the options determined at the grant date is expensed over the vesting period using an accelerated method of amortization, with a corresponding increase to contributed surplus. Expense related to share-based payments is included as part of selling, general and administrative expense. Upon exercise of options, the amount recognized in contributed surplus for the awards and the cash received upon exercise are recognized as an increase in share capital.

GFL has a long-term incentive plan ("LTIP") to grant long-term equity-based incentives, including options, performance stock units ("PSUs"), restricted stock units ("RSUs"), and deferred share units ("DSUs") to eligible participants. Each award represents the right to receive subordinate voting shares, or in the case of PSUs and RSUs, subordinate voting shares and/or cash, in accordance with the terms of the LTIP.

The fair value of the RSUs and DSUs granted are based on the closing price of the subordinate voting shares on the day prior to the grant. The fair value of the RSUs and DSUs are recognized as compensation expense over the vesting period. As at December 31, 2021, there have been no PSUs issued.

Income taxes

Income tax expense or recovery is comprised of current and deferred income taxes. It is recognized in the consolidated statement of operations, except to the extent that the expense relates to items recognized directly in equity.

A current or non-current tax liability/asset is the estimated tax payable/receivable on taxable earnings for the period, and any adjustments to taxes payable with respect to previous periods.

The liability method is used to account for deferred tax assets and liabilities, which arise from temporary differences between the carrying amount of assets and liabilities recognized in the consolidated statement of financial position and their corresponding tax basis. The carry forward of unused tax losses and credits are recognized to the extent that it is probable they can be used in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent it is no longer probable that the deferred income tax asset will be recovered.

Deferred income tax assets and liabilities are calculated at the tax rates that are expected to apply when the asset or liability is recovered or settled. Current and deferred tax assets and liabilities are calculated using tax rates that have been enacted or substantively enacted at the end of the reporting date.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax income liabilities are offset if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred tax relates to the same taxable entity and the same taxation authority.

Deferred financing costs

Deferred financing costs in respect of GFL's long-term debt are presented as a reduction of long-term debt and are recognized using the effective interest method over the term of the related financing agreement.

Financial instruments

Classification and measurement

All financial assets and liabilities are recognized initially at fair value plus or minus transaction costs, except for financial instruments at fair value through profit or loss ("FVTPL"), for which transaction costs are expensed.

Debt financial instruments are subsequently measured at FVTPL, fair value through other comprehensive income ("FVTOCI"), or amortized cost using the effective interest rate method. GFL determines the classification of its financial assets based on GFL's business model for managing the financial assets and whether the instruments' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding.

GFL's derivatives designated as a hedging instrument in a qualifying hedge relationship are subsequently measured at FVTOCI. Equity instruments that meet the definition of a financial asset, if any, are subsequently measured at FVTPL or elected irrevocably to be classified at FVTOCI at initial recognition. Derivatives not designated in a qualified hedge relationship are measured at FVTPL.

Financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL in certain circumstances or when the financial liability is designated as such. For financial liabilities that are designated as FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in GFL's own credit risk of that liability is recognized in other comprehensive income or loss unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income or loss would create or enlarge an accounting mismatch in the consolidated statement of operations. The remaining amount of change in the fair value of the liability is recognized in the consolidated statement of operations. Changes in the fair value of a financial liability attributable to GFL's own credit risk, if any, are recognized in other comprehensive income or loss and are not subsequently reclassified to the consolidated statement of operations; instead, they are transferred to retained earnings, upon de-recognition of the financial liability.

All of GFL's financial assets are categorized within the amortized cost measurement category. All of GFL's financial liabilities, with the exception of deferred foreign exchange derivatives and the Purchase Contracts (as defined below), are also categorized within the amortized cost measurement category. Deferred foreign exchange derivatives, which qualify for hedge accounting, are categorized within the FVTOCI category and the Purchase Contracts, which is a financial liability with embedded derivative features, is categorized within the FVTPL category.

Impairment

GFL uses a forward-looking Expected Credit Loss ("ECL") model to determine impairment of financial assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that GFL expects to receive.

For trade receivables and holdbacks, GFL applies the simplified approach and has determined the allowance based on lifetime ECLs at each reporting date. GFL establishes a provision that is based on GFL's historical credit loss experience, adjusted for forward-looking factors specific to the customers and the economic environment.

Hedge accounting

GFL is exposed to the risk of currency fluctuations and has entered into currency derivative contracts and is exposed to the risk of fuel price fluctuations and has entered into fuel derivative contracts to hedge a portion of this exposure on the basis of planned transactions. Where hedge accounting is applied, the criteria are documented at the inception of the hedge and updated at each reporting date. GFL documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking the hedging transactions. GFL also documents its assessment, at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

Basis of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

GFL uses valuation techniques that it believes are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for

which fair value is measured or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 — inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 — are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The fair values of certain of GFL's financial instruments are determined using Level 1 and Level 2 fair value measurements. GFL does not have any Level 3 fair value measurements. In addition, there have been no significant transfers between levels.

Critical accounting judgments and estimates

The preparation of the Annual Financial Statements in conformity with IFRS requires management to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, revenue and expense for the period. Such estimates relate to unsettled transactions and events as of the date of the Annual Financial Statements. Accordingly, actual results may differ from estimated amounts as transactions are settled in the future. Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are applied prospectively.

The following areas are the critical judgments and estimates that management has made in applying GFL's accounting policies and that have the most significant effect on amounts recognized in the Annual Financial Statements:

- Determining the fair value of acquired assets and liabilities in business combinations
- Determining the key assumptions for impairment testing for long-lived assets
- Forecasting future taxable income and the timing of reversal of temporary differences in connection with deferred income taxes
- Estimating the amount and timing of the landfill closure and post-closure obligations
- Determining the fair value of derivative financial instruments

Foreign currency translation

Functional currency

Items included in the financial statements of GFL's subsidiaries are measured using the currency of the primary economic environment in which each entity operates (the functional currency). Foreign currency transactions are translated into the functional currency of each entity using the exchange rates prevailing at the date of the transactions or valuation when items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of operations.

Foreign operations

GFL's foreign operations are conducted through its subsidiaries located in the United States of America ("US subsidiaries"), whose functional currency is the United States dollar.

The assets and liabilities of these US subsidiaries are translated into the presentation currency of GFL using the exchange rate at the reporting date. Revenues and expenses are translated at the average exchange rate for the period. The resulting foreign exchange translation differences are recorded as a currency translation adjustment in other comprehensive income or loss.

Changes in Accounting Policies

The IASB published Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) with amendments that address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments were effective for annual reporting periods beginning on or after January 1, 2021. GFL has assessed the impacts of the amendments and concluded they had no material impact on the Annual Financial Statements.

Future changes in accounting policies

IAS 1 Amendment, Presentation of financial statements amendments, classification of liabilities as current or non-current

The IASB issued a narrow-scope amendment to IAS 1 - Presentation of financial statements, which clarifies that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period. Classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability or events after the reporting date. The amendment also clarifies the meaning of 'settlement' of a liability. The amendment is effective for annual periods on or after January 1, 2023, with early adoption permitted. GFL will continue to evaluate the impact of the amendment.

IAS 37 - Amendment, Onerous contracts - cost of fulfilling a contract

The IASB issued amendments to IAS 37 - Provisions, contingent liabilities and contingent assets to specify which costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts. The amendments are effective for annual periods beginning on or after January 1, 2022 and apply to contracts existing at the date when the amendments are first applied. GFL has assessed the impact of these amendments and concluded they have no material impact on these Annual Financial Statements.

IAS 8 Amendment, Definition of accounting estimates

The IASB issued amendments to IAS 8 - Accounting policies, changes in accounting estimates and errors to introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for annual periods beginning on or after January 1, 2023, with earlier adoption permitted. GFL will continue to evaluate the impact of the amendments.

IAS 12 Amendment, Deferred tax related to assets and liabilities arising from a single transaction

The IASB issued amendments to IAS 12 - Income taxes to narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. The amendments are effective for annual periods beginning on or after January 1, 2023, with earlier adoption permitted. GFL is assessing the potential impact of the amendments.

IFRS 3 - Amendment, Reference to conceptual framework

The IASB issued amendments to IFRS 3 - Business combinations without changing the accounting requirements for business combinations. These amendments include: i) updating the IFRS 3 reference from the 1989 to the 2018 Conceptual framework for

financial reporting, ii) requiring the application of IAS 37 - Provisions, contingent liabilities and contingent assets and IFRCI 21-Levies to identify liabilities assumed in business combinations where applicable; iii) prohibiting the recognition of contingent assets from business combinations. The amendments are applicable for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2022. Earlier application is permitted if at the same time or earlier an entity also applies the amendments made by Amendments to references to the conceptual framework in IFRS Standards, issued in March 2018. GFL has assessed the impact of the amendments and concluded they have no material impact on these Annual Financial Statements.

IFRS 9 - Annual improvements to IFRS standards 2018-2020

As part of its Annual improvements to IFRS standards 2018-2020, the IASB issued amendments to IFRS 9 - Financial instruments to clarify that the fees to be included for the purpose of performing the '10 per cent test' for de-recognition of financial liabilities would only be fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendments are effective for annual periods beginning on or after January 1, 2022, with earlier adoption permitted. GFL has assessed the impact of the amendments and concluded they have no material impact on these Annual Financial Statements.

3. BUSINESS COMBINATIONS

For the year ended December 31, 2021, GFL acquired 46 businesses, of which 41 were solid waste management businesses, and each of which GFL considers to be individually immaterial.

The following table presents the purchase price allocation based on the best information available to GFL to date:

	Year ended December 31	
	2021	**2020**
Net working capital, including cash acquired of $22.4 million and $28.0 million, respectively	**$ 23.3**	$ (63.5)
Property and equipment	**1,000.1**	2,404.5
Intangible assets	**716.9**	696.3
Other long-term assets	**0.5**	0.5
Goodwill	**1,011.5**	1,470.6
Lease obligations	**(44.6)**	(23.4)
Other long-term liabilities	**(14.7)**	(28.3)
Assumption of landfill closure and post-closure obligations	**(122.3)**	(262.6)
Deferred income tax liabilities	**(212.3)**	(123.4)
Net assets acquired	**$ 2,358.4**	$ 4,070.7
Share consideration issued	**$ 36.3**	$ 78.4
Cash	**2,322.1**	3,969.2
Accrued contingent consideration	**—**	23.1
Consideration	**$ 2,358.4**	$ 4,070.7

In addition to the cash consideration noted above, during the year ended December 31, 2021, GFL paid $ 23.6 million in additional consideration, including $19.8 million related to acquisitions from prior years.

GFL finalizes purchase price allocations relating to acquisitions within 12 months of the respective acquisition date and, as a result, there may be difference between the provisional estimates reflected above and the final acquisition accounting. During the year ended December 31, 2021, GFL finalized the purchase price allocations for certain acquisitions resulting in an increase in property and equipment of $25.2 million, an increase in other non-current assets of $ 3.1 million, an increase in accrued liabilities of $10.1 million, an increase in closure and post-closure obligations of $ 1.6 million, an increase in deferred income tax liabilities of $75.9 million and an increase in goodwill of $ 59.3 million.

Approximately $208.7 million of the goodwill acquired during the year ended December 31, 2021 ($ 346.3 million during the year ended December 31, 2020) is expected to be deductible for tax purposes.

Since the respective acquisition dates, revenue and net income before tax of approximately $ 333.0 million and $31.7 million, respectively, attributable to the 2021 acquisitions are included in these Annual Financial Statements.

Pro forma results of operations

If the 2021 acquisitions had occurred on January 1, 2021, the unaudited consolidated pro forma revenue and net loss before taxes for the year ended December 31, 2021 would have been $6,068.2 million and $697.8 million, respectively. The pro forma results do not purport to be indicative of the results of operations which would have resulted had the acquisitions occurred at the beginning of the year, nor are they necessarily indicative of future operating results.

4. TRADE AND OTHER RECEIVABLES

The following table presents GFL's trade and other receivables for the periods indicated:

	December 31, 2021	December 31, 2020
Trade	**$ 865.3**	$ 668.8
Holdbacks	**85.9**	80.9
Unbilled revenue	**203.6**	129.7
Expected credit losses	**(20.1)**	(12.1)
	$ 1,134.7	$ 867.3

Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which GFL has not recognized an expected credit loss as there has not been a significant change in credit quality and the amounts are still considered recoverable.

5. PREPAID EXPENSES AND OTHER ASSETS

The following table presents GFL's prepaid expenses and other assets for the periods indicated:

	December 31, 2021	December 31, 2020
Prepaid expenses and other assets	**$ 88.6**	$ 76.3
Vehicle parts, supplies and inventory	**82.0**	$ 57.4
	$ 170.6	**$ 133.7**

For the year ended December 31, 2020, GFL took a $ 14.2 million impairment charge, primarily consisting of a $ 11.4 million write down of inventory and a $2.3 million write down to dispose of inventory. In the year ended December 31, 2020, GFL wrote off an additional $7.2 million of other assets in relation to funds expected to be received from the vendor of a business acquired in 2018. As at December 31, 2020, the entire balance was determined not to be recoverable and was expensed in the year. There were no such charges for the year ended December 31, 2021.

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6. PROPERTY AND EQUIPMENT

The following table presents the changes in cost and accumulated depreciation of GFL's property and equipment for the periods indicated:

	Land, buildings and improvements	Landfills	Vehicles	Machinery and equipment	Assets under development	Containers	Right-of-use assets	Total
Cost								
Balance, December 31, 2019	$ 613.8	$ 765.9	$1,061.2	$ 500.9	$ 121.5	$ 207.0	$ 161.5	$3,431.8
Additions	73.2	92.6	164.8	119.2	21.3	43.5	40.7	555.3
Acquisitions via business combinations	560.0	897.7	455.0	291.3	5.0	172.1	23.4	2,404.5
Disposals	(2.9)	—	(18.2)	(10.7)	—	(3.8)	(20.6)	(56.2)
Transfers	31.0	5.0	(0.3)	28.0	(63.5)	(0.2)	—	—
Changes in foreign exchange	(28.8)	(55.1)	(31.1)	(16.0)	(1.0)	(11.9)	(1.5)	(145.4)
Balance, December 31, 2020	1,246.3	1,706.1	1,631.4	912.7	83.3	406.7	203.5	6,190.0
Balance, December 31, 2020	1,246.3	1,706.1	1,631.4	912.7	83.3	406.7	203.5	6,190.0
Additions	56.1	197.2	286.8	167.2	24.7	79.4	179.3	990.7
Acquisitions via business combinations	226.1	382.5	180.9	85.4	6.2	74.4	44.6	1,000.1
Adjustments for prior year acquisitions	—	14.8	9.9	0.5	—	—	—	25.2
Disposals	(49.8)	(58.9)	(36.9)	(40.9)	(1.0)	(10.8)	(78.3)	(276.6)
Transfers	7.3	19.4	13.0	5.7	(45.5)	0.2	(0.3)	(0.2)
Changes in foreign exchange	(3.3)	(4.1)	(3.1)	(1.6)	1.6	(0.6)	(0.1)	(11.2)
Balance, December 31, 2021	**1,482.7**	**2,257.0**	**2,082.0**	**1,129.0**	**69.3**	**549.3**	**348.7**	**7,918.0**
Accumulated depreciation								
Balance, December 31, 2019	26.8	162.2	206.6	109.6	—	55.2	21.3	581.7
Depreciation	32.6	111.9	224.7	122.6	—	49.3	37.8	578.9
Disposals	(0.2)	—	(10.2)	(2.2)	—	(3.1)	(4.1)	(19.8)
Changes in foreign exchange	(1.2)	(8.4)	(9.3)	(3.1)	—	(2.8)	(0.8)	(25.6)
Balance, December 31, 2020	58.0	265.7	411.8	226.9	—	98.6	54.2	1,115.2
Balance, December 31, 2020	58.0	265.7	411.8	226.9	—	98.6	54.2	1,115.2
Depreciation	51.7	230.4	291.5	178.2	—	69.4	55.7	876.9
Disposals	(2.8)	(22.3)	(25.2)	(16.5)	—	(5.3)	(15.8)	(87.9)
Changes in foreign exchange	0.2	1.1	0.9	0.6	—	0.3	0.1	3.2
Balance, December 31, 2021	**107.1**	**474.9**	**679.0**	**389.2**	—	**163.0**	**94.2**	**1,907.4**
Carrying amounts								
At December 31, 2020	$ 1,188.3	$1,440.4	$1,219.6	$ 685.8	$ 83.3	$ 308.1	$ 149.3	$5,074.8
Balance, December 31, 2021	**$ 1,375.6**	**$1,782.1**	**$1,403.0**	**$ 739.8**	**$ 69.3**	**$ 386.3**	**$ 254.5**	**$6,010.6**

For the year ended December 31, 2021, total depreciation of property and equipment was $ 931.8 million ($810.6 million for the year ended December 31, 2020). Depreciation of property and equipment for the year ended December 31, 2021 was comprised of $876.9 million ($578.9 million for the year ended December 31, 2020) of depreciation shown above and $54.9 million ($231.7 million for the year ended December 31, 2020) of depreciation expense due 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 annual valuations. Of the total depreciation for the year ended December 31, 2021, $901.9 million was included in cost of

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sales ($785.1 million for the year ended December 31, 2020) and $ 29.9 million was included in selling, general and administrative expenses ($25.5 million for the year ended December 31, 2020).

7. GOODWILL AND INTANGIBLE ASSETS

The following table presents the changes in cost and accumulated amortization of GFL's goodwill and intangible assets for the periods indicated:

	Goodwill	Indefinite life C of A	Customer lists and municipal contracts	Trade name, definite life C of A and other licenses	Non-compete agreements	Total
Cost						
Balance, December 31, 2019	$5,173.8	$ 612.1	$ 2,426.1	$ 83.5	$ 187.8	$ 8,483.3
Acquisitions via business combinations	1,470.6	31.0	449.2	—	216.1	2,166.9
Changes in foreign exchange	(144.0)	(1.7)	(30.7)	(1.7)	(6.4)	(184.5)
Balance, December 31, 2020	6,500.4	641.4	2,844.6	81.8	397.5	10,465.7
Balance, December 31, 2020	6,500.4	641.4	2,844.6	81.8	397.5	10,465.7
Acquisitions via business combinations	1,011.5	172.0	389.6	—	155.3	1,728.4
Adjustments for prior year acquisitions	59.3	—	—	—	—	59.3
Divestitures	(56.2)	(1.4)	(10.1)	—	(2.2)	(69.9)
Changes in foreign exchange	(13.9)	(0.1)	(4.4)	(0.3)	(0.6)	(19.3)
Balance, December 31, 2021	**7,501.1**	**811.9**	**3,219.7**	**81.5**	**550.0**	**12,164.2**
Accumulated amortization						
Balance, December 31, 2019	—	—	408.6	4.8	48.1	461.5
Amortization	—	—	341.6	8.9	76.5	427.0
Changes in foreign exchange	—	—	(12.2)	(0.8)	(3.6)	(16.6)
Balance, December 31, 2020	—	—	738.0	12.9	121.0	871.9
Balance, December 31, 2020	—	—	738.0	12.9	121.0	871.9
Amortization	—	—	363.4	8.1	89.7	461.2
Balance, December 31, 2021	**—**	**—**	**1,101.4**	**21.0**	**210.7**	**1,333.1**
Carrying amounts						
At December 31, 2020	$6,500.4	$ 641.4	$ 2,106.6	$ 68.9	$ 276.5	$ 9,593.8
At December 31, 2021	**$7,501.1**	**$ 811.9**	**$ 2,118.3**	**$ 60.5**	**$ 339.3**	**$10,831.1**

All intangible asset amortization expense is included in cost of sales.

During the year ended December 31, 2021, GFL completed divestitures of certain landfill assets and hauling and ancillary operations for aggregate proceeds of $242.7 million (US$192.8 million) and realized an aggregate net gain of $ 153.3 million.

In assessing goodwill and indefinite life intangible assets for impairment at December 31, 2021 and 2020, GFL compared the aggregate recoverable amount of the assets included in CGUs to their respective carrying amounts.

For all CGUs, the recoverable amount was determined based on the value in use by discounting estimated future cash flows from a CGU to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU. Estimated cash flow projections are based on GFL's one-year budget and three year strategic plan. There was no impairment recorded at the CGU level as at December 31, 2021 and 2020.

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The key assumptions used for both periods in determining the recoverable amount for each CGU are as follows:

- Revenue growth rates – Growth rates ranging from 5.0% to 6.4% were used for the periods covered in the financial projections and are based on historical results and expectations for the forecasted periods.
- Pre-tax discount rates –The pre-tax discount rate calculation is based on the specific circumstances of the CGU and range from 6.8% to 7.9% (5.6% to 7.5% for the year ended December 31, 2020).
- Terminal growth value – The cash flows beyond the initial period are extrapolated using a growth rate of 3.0%. Rates are based on market and industry trends researched and identified by management.
- Capital expenditures – The cash flow forecasts for capital expenditures are based on past experience and include the ongoing capital expenditures required to maintain the business.

In all CGUs, reasonably possible changes to key assumptions would not cause the recoverable amount of each CGU to fall below the carrying value.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The following table presents GFL's accounts payable and accrued liabilities for the periods indicated:

	December 31, 2021	December 31, 2020
Accounts payable	**$ 565.7**	$ 413.1
Accrued liabilities	**355.7**	277.0
Accrued interest	**74.3**	34.0
Accrued payroll and benefits	**125.3**	120.3
Deferred revenue	**198.7**	170.4
	$ 1,319.7	$ 1,014.8

9. LANDFILL CLOSURE AND POST-CLOSURE OBLIGATIONS

The following table presents GFL's landfill closure and post-closure obligations for the periods indicated:

	December 31, 2021	December 31, 2020
Balance, beginning of period	**$ 735.6**	$ 236.6
Acquisitions via business combinations	**122.3**	262.6
Adjustment related to prior year acquisitions	**1.6**	—
Adjustment for divestitures	**(102.9)**	—
Provisions	**149.4**	266.0
Accretion	**14.4**	6.9
Expenditures	**(37.1)**	(21.7)
Changes in foreign exchange	**(2.7)**	(14.8)
Balance, end of period	**880.6**	735.6
Less: Current portion of landfill closure and post-closure obligations	**(39.1)**	(55.3)
Non-current portion of landfill closure and post-closure obligations	**$ 841.5**	$ 680.3

The present value of GFL's future landfill closure and post-closure obligations have been estimated by management based on GFL's cost, in today's dollars, to settle closure and post-closure obligations at its landfills, projected timing of these expenditures and the application of discount and inflation rates. GFL used a risk-free discount rate of 1.60% in Canada and 1.90% in the United States as at December 31, 2021 (1.21% in Canada and 1.65% in the United States as at December 31, 2020) and an inflation rate of 1.78% in Canada and 2.09% in the United States (1.60% in Canada and 1.74% in the United States as at December 31, 2020) to calculate the present value of the landfill closure and post-closure obligations. Obligations acquired through business combinations are initially valued at fair value

using a credit-adjusted, risk-free discount rate. Reducing the discount rate to the risk-free rate resulted in a one-time increase to the liability of $54.9 million included in the provisions line item in the table above for the year ended December 31, 2021 ($ 231.7 million for the year ended December 31, 2020).

The landfill closure and post-closure obligations mature as follows:

Less than 1 year	$ 39.1
Between 1-2 years	75.2
Between 2-5 years	117.6
Over 5 years	648.7
	$ 880.6

Funded landfill post-closure assets

GFL is required to deposit funds into trusts to settle post closure obligations for landfills in certain jurisdictions. As at December 31, 2021, included in other long-term assets are funded landfill post closure obligations, representing the fair value of legally restricted assets, totaling $22.9 million ($19.3 million as at December 31, 2020).

10. LONG-TERM DEBT

The following table presents GFL's long-term debt for the periods indicated:

	December 31, 2021	December 31, 2020
Revolving credit facility	**$ —**	$ 148.8
Term loan A facility	**500.0**	—
Term loan B facility	**1,647.9**	1,671.6
Notes		
4.250% USD senior secured notes ("4.250% 2025 Secured Notes") (1)	**633.9**	636.6
3.750% USD senior secured notes ("3.750% 2025 Secured Notes") (2)	**950.9**	954.9
5.125% USD senior secured notes ("5.125% 2026 Secured Notes") (3)	**633.9**	636.6
3.500% USD senior secured notes ("3.500% 2028 Secured Notes") (4)	**950.9**	954.9
8.500% USD senior notes ("8.500% 2027 Notes")	**—**	458.4
4.000% USD senior notes ("4.000% 2028 Notes") (5)	**950.9**	636.6
4.750% USD senior notes ("4.750% 2029 Notes") (6)	**950.9**	—
4.375% USD senior notes ("4.375% 2029 Notes") (7)	**697.2**	—
Equipment loans and others at interest rates ranging from 3.02% to 4.37%	**4.6**	9.2
Subtotal	**7,921.1**	6,107.6
Discount	**(4.6)**	(5.4)
Net derivative instruments	**131.9**	122.3
Deferred finance costs	**(69.4)**	(58.4)
Total long-term debt	**7,979.0**	6,166.1
Less: Current portion of long-term debt	**(17.2)**	(4.6)
Total non-current portion of long-term debt	**$ 7,961.8**	$ 6,161.5

(1) The 4.250% 2025 Secured Notes bear interest semi-annually which commenced on December 1, 2020 with the principal maturing on June 1, 2025.
(2) The 3.750% 2025 Secured Notes bear interest semi-annually which commenced on February 1, 2021 with the principal maturing on August 1, 2025.
(3) The 5.125% 2026 Secured Notes bear interest semi-annually which commenced on December 15, 2019 with principal maturing on December 15, 2026.
(4) The 3.500% 2028 Secured Notes bear interest semi-annually which commenced on September 1, 2021 with principal maturing on September 1, 2028.
(5) The 4.000% 2028 Notes are comprised of US$500.0 million of initial notes and US$250.0 million of additional notes. The initial notes bear interest semi-annually which commenced on February 1, 2021, and the additional notes bear interest semi-annually commencing on February 1, 2022. The total principal is maturing on August 1, 2028.
(6) The 4.750% 2029 Notes bear interest semi-annually commencing on December 15, 2021 with principal maturing on June 15, 2029.
(7) The 4.375% 2029 Notes bear interest semi-annually commencing on February 15, 2022 with principal maturing on August 15, 2029.

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Revolving credit facility and term loan facility

On September 27, 2021, GFL amended its credit facility agreement (the "Revolving Credit Agreement") to, among other things, (a) modify the applicable pricing grid, (b) extend the term to September 27, 2026, (c) increase the Revolving Credit Facility (defined below) by an additional $200.0 million, and (d) add a delayed draw term loan of up to $ 500.0 million to finance acquisitions (the "Term Loan A Facility").

Under the Revolving Credit Agreement, GFL has access to $ 905.0 million of revolving credit facilities (available in Canadian and US dollars) and an aggregate of US$75.0 million of revolving credit facilities (available in US dollars) (collectively, the "Revolving Credit Facility"). The Revolving Credit Facility and Term Loan A Facility accrue interest at a rate of LIBOR/Bankers Acceptance plus 1.500% to 2.250% or Canadian/US prime plus 0.500% to 1.250%.

As at December 31, 2021, GFL had $nil drawn under the Revolving Credit Facility ($ 148.8 million as at December 31, 2020) and $500.0 million drawn under the Term Loan A Facility.

The Revolving Credit Agreement contains a Total Net Funded Debt to Adjusted EBITDA and an Interest Coverage Ratio (each as defined in the Revolving Credit Agreement) financial maintenance covenant.

The Total Net Funded Debt to Adjusted EBITDA ratio to be maintained is equal to or less than 6.00 to 1.00 for a period of four complete fiscal quarters following completion of a Material Acquisition (as defined in the Revolving Credit Agreement) and at all other times, equal to or less than 5.75 to 1.00. The Interest Coverage Ratio must be equal to or greater than 3.00 to 1.00. As at December 31, 2021, GFL was in compliance with these covenants and as at December 31, 2020, GFL was in compliance with the financial maintenance covenant in effect at that time. The Revolving Credit Facility is secured by mortgages on certain properties, a general security agreement over all the assets of GFL and certain material subsidiaries and a pledge of shares of all subsidiaries..

GFL has a term loan B facility totaling US$ 1,299.8 million (the "Term Loan B Facility"), which matures on May 31, 2025 and bears interest at a rate of LIBOR (with a floor rate at 0.500%) plus 3.000% or US prime plus 2.000%. The Term Loan B Facility is secured by mortgages on certain properties, a general security agreement over all the assets of GFL and certain material subsidiaries and a pledge of the shares of such subsidiaries.

Notes

2021

On June 8, 2021, GFL issued the 4.750% 2029 Notes, the net proceeds of which were used to fund the redemption of the 8.500% 2027 Notes, including related fees, premiums and accrued interest, with the remaining net proceeds used to pay down the Revolving Credit Facility. A prepayment penalty on the early redemption of the 8.500% 2027 Notes of $ 49.3 million and write off of deferred finance costs of $3.4 million were recognized in interest and other finance costs.

GFL issued the 4.375% 2029 Notes on August 10, 2021 and the 4.000% 2028 Notes on September 24, 2021. The net proceeds from these offerings were used for general corporate purposes, including acquisitions.

2020

On March 5, 2020, GFL used a portion of the net proceeds of the IPO to fund the redemption of certain notes. A loss on extinguishment of the notes of $73.8 million and write off of deferred financing costs of $ 17.4 million were recognized in interest and other finance costs for the year ended December 31, 2020.

GFL issued the 4.250% 2025 Secured Notes on April 22, 2020, and the 3.750% 2025 Secured Notes on August 24, 2020. The net proceeds from these offerings were used for general corporate purposes, including acquisitions.

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On November 23, 2020, GFL issued the 4.000% 2028 Notes, the net proceeds of which were used to fund the redemption of the 7.000% 2026 Notes, including related fees, premiums and accrued interest. A prepayment penalty on the early redemption of the 7.000% 2026 Notes of $35.5 million and write off of deferred financing costs of $6.6 million were recognized in interest and other finance costs for the year ended December 31, 2020.

On December 21, 2020, GFL issued the 3.500% 2028 Secured Notes, the net proceeds of which were used to fund the redemption of US$744.3 million of the Term Loan B Facility, related fees, premiums and accrued interest.

See Note 20 for additional information on the hedging arrangements related to above mentioned notes.

Paid in Kind ("PIK") Notes

On March 5, 2020, in connection with the pre-closing capital changes implemented as part of the IPO, certain existing shareholders of Holdings subscribed for additional non-voting shares at a fair market value price per share of US$19.00, the proceeds of which, together with a loan in an aggregate principal amount of $29.0 million from Sejosa Holdings Inc., an entity controlled by Patrick Dovigi, Founder, Chairman, President and Chief Executive Officer of GFL, were used to redeem in full the PIK Notes in an aggregate amount of $1,049.9 million plus redemption premiums and penalties. A loss on extinguishment of $59.4 million was recognized in interest and other finance costs the year ended December 31, 2020.

Changes in long-term debt arising from financing activities

The following table presents GFL's opening balances of long-term debt reconciled to closing balances:

	December 31, 2021	December 31, 2020
Balance, beginning of period	**$ 6,166.1**	$ 7,625.1
Cash flows		
Issuance of long-term debt	**3,816.0**	4,667.9
Repayment of long-term debt	**(2,010.8)**	(6,200.3)
Payment of financing costs	**(30.6)**	(41.0)
Non-cash changes		
Accrued interest and other non-cash changes	**19.1**	125.6
Revaluation of foreign exchange	**5.8**	(129.7)
Fair value movements on cash flow hedges	**13.4**	118.5
Balance, end of period	**$ 7,979.0**	$ 6,166.1

Commitments related to long-term debt

The following table presents GFL's principal future payments on long term debt in each of the next five years as follows:

2022	$ 17.2
2023	16.9
2024	16.9
2025	1,589.2
2026	1,134.1
Thereafter	5,146.8
	$ 7,921.1

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11. INTEREST AND OTHER FINANCE COSTS

The following table presents GFL's interest and other finance costs for the periods indicated:

	December 31, 2021	December 31, 2020
Interest	**$ 324.8**	$ 372.4
Prepayment penalties for early note redemption	**49.3**	35.5
Other loss on extinguishment of debt	**—**	133.2
Amortization of deferred financing costs	**21.7**	36.1
Accretion of landfill closure and post-closure obligations	**14.4**	6.9
Other finance costs	**23.9**	13.5
Interest and other finance costs	**$ 434.1**	$ 597.6

12. LEASE OBLIGATIONS

GFL leases several assets including buildings, property and equipment.

The following table presents GFL's future minimum payments under lease obligations for the periods indicated:

	December 31, 2021	December 31, 2020
Lease obligations	**$ 364.6**	$ 241.0
Less: Interest	**56.3**	49.8
	308.3	191.2
Less: Current portion	**50.9**	37.5
	$ 257.4	$ 153.7

Lease obligations include $126.1 million of secured lease obligations as at December 31, 2021 ($ 73.1 million as at December 31, 2020).

Interest expense in connection with lease obligations was $ 9.3 million for the year ended December 31, 2021 ($ 10.9 million for the year ended December 31, 2020).

The following table presents principal and interest payments on future minimum lease payments under the lease obligations in each of the next five years as follows:

2022	$ 64.2
2023	55.3
2024	45.9
2025	36.1
2026	101.0
Thereafter	62.1
	$ 364.6

13. TANGIBLE EQUITY UNITS

On March 5, 2020, GFL completed its offering of 15,500,000 6.00% TEUs for total gross proceeds of $ 1,040.7 million (US$775.0 million). Each TEU, which has a stated amount of US$ 50.00, is comprised of a prepaid stock purchase contract (the "Purchase Contract(s)") and a senior amortizing note (the "Amortizing Note(s)") due March 15, 2023, both of which are freestanding instruments and separate units of account. The Amortizing Notes are classified as a financial liability held at amortized cost. The Purchase Contracts are accounted for as prepaid forward contracts to deliver a variable number of equity instruments equal to a fixed dollar amount, subject to a cap and floor. Accordingly, the Purchase Contracts meet the definition of a financial liability with embedded derivative features, which GFL has elected to measure at fair value through profit or loss. This resulted in an unrealized loss of $349.6

million on the market value of the Purchase Contracts for the year ended December 31, 2021 ($ 449.2 million for the year ended December 31, 2020).

The aggregate values assigned upon issuance of the TEUs, based on the relative fair values of the respective components of each TEU, were as follows:

	Purchase Contracts	Amortizing Notes	Total
Fair value price per TEU on issuance	$ 55.71	$ 11.43	$ 67.14
Gross proceeds	863.5	177.2	1,040.7
Issuance costs	(28.1)	(5.7)	(33.8)
Net proceeds on issuance	$ 835.4	$ 171.5	$ 1,006.9

Each Amortizing Note has an initial principal amount of US$ 8.5143 and bears interest at 4.000% per year. On each of March 15, June 15, September 15, and December 15, GFL will pay equal quarterly cash instalments of US$0.7500 per Amortizing Note (except for the June 15, 2020 installment payment, which was US$0.8333 per Amortizing Note), which cash payment in the aggregate will be the equivalent of 6.000% per year with respect to each US$ 50.00 stated amount of the TEUs. Each instalment constitutes a payment of interest and a partial payment of principal.

Unless settled earlier, on March 15, 2023 each Purchase Contract will automatically settle for subordinate voting shares. Upon settlement of a Purchase Contract, GFL will deliver not more than 2.6316 subordinate voting shares and not less than 2.1933 subordinate voting shares, subject to adjustment, based on the Applicable Market Value of GFL's subordinate voting shares as described below:

- If the Applicable Market Value is greater than the threshold appreciation price, which is US$ 22.80, holders will receive 2.1933 subordinate voting shares per Purchase Contract;
- If the Applicable Market Value is less than or equal to the threshold appreciation price but greater than or equal to the reference price, which is US$19.00, the holder will receive a number of subordinate voting shares per Purchase Contract equal to US$50.00, divided by the Applicable Market Value; and
- If the Applicable Market Value is less than the reference price, the holder will receive 2.6316 subordinate voting shares per Purchase Contract.

The Applicable Market Value is defined as the arithmetic average of the volume weighted average price per share of GFL's subordinate voting shares over the twenty consecutive trading day period immediately preceding March 15, 2023.

The following table presents GFL's TEUs for the periods indicated:

	December 31, 2021	December 31, 2020
Amortizing Notes	**$ 70.4**	$ 123.4
Purchase Contracts	**1,218.1**	1,263.7
	1,288.5	1,387.1
Less: Current portion of Amortizing Notes	**(56.9)**	(59.2)
	$ 1,231.6	$ 1,327.9

The minimum number of shares to be issued are included in the calculation of basic net loss per share. The TEUs have a potentially dilutive effect on the calculation of net income per share. See note 15 for additional information regarding the calculation of net loss per share.

The following table presents GFL's principal future payments on the Amortizing Notes:

2022	$ 56.9
2023	14.9
	$ 71.8

14. INCOME TAXES

The effective income tax rates differ from the amount that would be computed by applying the combined federal and provincial statutory income tax rates to loss before income taxes.

The following table presents GFL's income tax reconciliations for the periods indicated:

	December 31, 2021	December 31, 2020[1]
Loss before income taxes	**$ (712.8)**	$ (1,355.8)
Income tax recovery at the combined basic federal and provincial tax rate (26.5% in 2021; and 26.5% in 2020)	**(188.9)**	(359.3)
Decrease (increase) resulting from:		
Permanent differences	**72.1**	120.0
Variance between combined Canadian tax rate and the tax rate applicable to U.S. earnings	**(0.5)**	(1.3)
De-recognition (recognition) of deferred income tax assets	**4.4**	(11.1)
Other	**6.9**	(1.7)
Income tax recovery	**$ (106.0)**	$ (253.4)

(1) Subsequent to the original issuance of the December 31, 2020 annual consolidated financial statements, GFL determined the mark-to-market loss on Purchase Contracts should not be treated as a temporary difference for deferred income tax purposes. As a result, to correct this immaterial error, deferred income tax liabilities increased by $107.5 million to $573.5 million and income tax recovery decreased by $107.5 million to $253.4 million for the year ended December 31, 2020.

Deferred income taxes

Deferred income taxes represent the net tax effect of non-capital tax losses and temporary differences between the consolidated financial statement carrying amounts and the tax basis of assets and liabilities.

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The following table presents GFL's deferred income tax assets and liabilities and their changes for the periods indicated:

	Balance, December 31, 2020	Acquisitions via business combinations	Foreign exchange	Recognized in equity	Recognized in net loss	Recognized in other comprehensive loss	Balance, December 31, 2021
Deferred income tax assets							
Non-capital loss carry forwards	$ 426.8	$ 0.5	$ 0.2	$ —	$ 19.3	$ —	$ 446.8
Landfill closures and post-closure obligations	179.9	(18.3)	(0.7)	—	17.2	—	178.1
Accrued liabilities	10.1	0.7	(1.1)	—	(8.5)	—	1.2
Other	106.0	18.6	(0.1)	2.1	7.6	—	134.2
	722.8	1.5	(1.7)	2.1	35.6	—	760.3
Deferred income tax liabilities							
Property and equipment	671.2	130.7	(2.2)	—	(24.8)	—	774.9
Intangible assets	615.7	158.9	(1.0)	—	(61.9)	—	711.7
Cash flow hedges	9.8	—	—	—	(0.2)	(3.8)	5.8
Other	(0.4)	0.1	(0.5)	—	(7.4)	—	(8.2)
	1,296.3	289.7	(3.7)	—	(94.3)	(3.8)	1,484.2
Net deferred income tax liabilities	$ 573.5	$ 288.2	$ (2.0)	$ (2.1)	$ (129.9)	$ (3.8)	$ 723.9

Acquisitions via business combinations includes $ 75.9 million of measurement period adjustments to adjust previously reported purchase price allocations completed during prior years.

As at December 31, 2021, GFL had income tax losses of approximately $ 1,763.3 million ($1,754.0 million as at December 31, 2020) available to carry forward to reduce future years' taxable income. If not utilized, these losses will begin to expire in 2025 and fully expire in 2041.

	Balance, December 31, 2019	Acquisitions via business combinations[1]	Foreign exchange	Recognized in equity	Recognized in net loss	Recognized in other comprehensive loss	Balance, December 31, 2020
Deferred tax assets							
Non-capital loss carry forwards	$ 216.3	$ 68.4	$ (1.5)	$ —	$ 143.6	$ —	$ 426.8
Landfill closures and post-closure obligations	55.0	64.2	(0.7)	—	61.4	—	179.9
Accrued liabilities	2.5	6.1	—	—	1.5	—	10.1
Other	50.8	—	(0.4)	22.3	33.3	—	106.0
	324.6	138.7	(2.6)	22.3	239.8	—	722.8
Deferred tax liabilities							
Property and equipment	383.4	212.1	(2.2)	—	77.9	—	671.2
Intangible assets	663.4	41.1	(4.2)	—	(84.6)	—	615.7
Cash flow hedges	14.9	—	—	—	—	(5.1)	9.8
Other	(3.3)	8.9	2.2	—	(8.2)	—	(0.4)
	1,058.4	262.1	(4.2)	—	(14.9)	(5.1)	1,296.3
Net deferred income tax liabilities	$ 733.8	$ 123.4	$ (1.6)	$ (22.3)	$ (254.7)	$ (5.1)	$ 573.5

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15. LOSS PER SHARE

The following table presents GFL's loss per share for the periods indicated:

	December 31, 2021	December 31, 2020[1]
Net loss	**$ (606.8)**	$ (1,102.4)
Less: amounts attributable to preferred shareholders	**53.6**	13.7
Adjusted net loss	**$ (660.4)**	$ (1,116.1)
Weighted and diluted weighted average number of shares outstanding	**361,566,007**	360,383,291
Basic and diluted loss per share	$ (1.83)	$ (3.10)

(1) Subsequent to the original issuance of the December 31, 2020 annual consolidated financial statements, GFL determined the mark-to-market loss on Purchase Contracts should not be treated as a temporary difference for deferred income tax purposes. As a result, to correct this immaterial error, deferred income tax liabilities increased by $107.5 million to $573.5 million and income tax recovery decreased by $107.5 million to $253.4 million for the year ended December 31, 2020.

Basic and diluted loss per share includes the minimum conversion of TEUs into subordinate voting shares, which as at December 31, 2021, represented 25,658,711 subordinate voting shares (33,991,500 subordinate voting shares as at December 31, 2020). Diluted loss per share excludes the effects of time-based share options, RSUs, Preferred Shares (defined below), and any amount of subordinate voting shares arising from the conversion of TEUs in excess of the minimum conversion, as the effect would be anti-dilutive.

16. SALES AND OPERATING REVENUE

The following table presents GFL's revenue disaggregated by service type for the periods indicated.

	December 31, 2021	December 31, 2020[1]
Residential	**$ 1,243.9**	$ 1,067.8
Commercial/industrial	**1,869.7**	1,350.1
Total collection	**3,113.6**	2,417.9
Landfill	**677.4**	348.4
Transfer	**590.2**	426.7
Material Recovery	**358.8**	263.3
Other	**258.1**	222.0
Solid waste	**4,998.1**	3,678.3
Infrastructure and soil remediation	**529.5**	538.2
Liquid waste	**679.7**	457.3
Intercompany revenue	**(681.8)**	(477.6)
Revenue	**$ 5,525.5**	$ 4,196.2

(1) Includes reclassification to decrease Other revenue by $4.6 million and increase Infrastructure and soil remediation revenue by $3.1 million and Liquid waste revenue by $1.5 million. There was no change in total revenue. Refer to Note 2 for additional details.

17. SEGMENT REPORTING

GFL's main lines of business are the transporting, managing, and recycling of solid and liquid waste and infrastructure and soil remediation services. GFL is divided into operating segments corresponding to the following lines of business: Solid waste, which includes hauling, landfill, transfer and MRFs; Infrastructure and soil remediation; and Liquid waste. Inter-segment transfers are made at market prices.

The operating segments are presented in accordance with the same criteria used for the internal report prepared for the chief operating decision-maker ("CODM") who is responsible for allocating the resources and assessing the performance of the operating segments. The CODM assesses the performance of the segments on several factors, including gross revenue, intercompany revenue, revenue and adjusted EBITDA. GFL's CODM is the Chief Executive Officer.

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The Solid waste segment follows a national internal reporting structure, and each country is considered a separate operating segment by the CODM.

The following tables present GFL's revenue and Adjusted EBITDA by operating segment for the periods indicated. Gross revenue is calculated based on revenue before intercompany revenue eliminations.

	Year ended December 31, 2021			
	Gross Revenue	Intercompany Revenue	Revenue	Adjusted EBITDA
Solid waste				
Canada	**$ 1,610.5**	**$ (199.6)**	**$ 1,410.9**	**$ 411.5**
USA	**3,387.6**	**(394.9)**	**2,992.7**	**948.6**
Solid waste	**4,998.1**	**(594.5)**	**4,403.6**	**1,360.1**
Infrastructure and soil remediation	**529.5**	**(10.0)**	**519.5**	**92.2**
Liquid waste	**679.7**	**(77.3)**	**602.4**	**147.5**
Corporate	**—**	**—**	**—**	**(136.1)**
	$ 6,207.3	**$ (681.8)**	**$ 5,525.5**	**$ 1,463.7**

	Year ended December 31, 2020			
	Gross Revenue	Intercompany Revenue	Revenue[1]	Adjusted EBITDA[2]
Solid waste				
Canada	$ 1,416.3	$ (187.0)	$ 1,229.3	$ 338.2
USA	2,262.0	(236.2)	2,025.8	639.2
Solid waste	3,678.3	(423.2)	3,255.1	977.4
Infrastructure and soil remediation	538.2	(10.9)	527.3	91.6
Liquid waste	457.3	(43.5)	413.8	97.9
Corporate	—	—	—	(90.2)
	$ 4,673.8	$ (477.6)	$ 4,196.2	$ 1,076.7

Refer to Note 2 for additional details on the reclassifications outlined below:
(1) Includes reclassification of $1.5 million from Solid waste - Canada into Liquid waste.
(2) Includes reclassification of $0.4 million from Solid waste - Canada into Liquid waste.

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The following table presents GFL's reconciliation of Adjusted EBITDA to net loss for the periods indicated:

	December 31, 2021	December 31, 2020
Adjusted EBITDA	**$ 1,463.7**	$ 1,076.7
Less:		
Depreciation and amortization	**931.8**	810.6
Amortization of intangible assets	**461.2**	427.0
Interest and other finance costs	**434.1**	597.6
Loss (gain) on foreign exchange	**16.2**	(37.3)
Loss on sale of property and equipment	**1.9**	4.6
Mark-to-market loss on fuel hedges	**—**	1.8
Mark-to-market loss on Purchase Contracts	**349.6**	449.2
Share-based payments	**45.7**	37.9
Gain on divestiture	**(153.3)**	—
Impairment and other charges	**—**	21.4
Transaction costs	**64.2**	60.1
IPO transaction costs	**—**	46.2
Acquisition, rebranding and other integration costs	**25.1**	11.4
Deferred purchase consideration	**—**	2.0
Income tax recovery	**(106.0)**	(253.4)
Net loss	**$ (606.8)**	$ (1,102.4)

Geographical information

Revenue from external customers and non-current assets can be analyzed according to the following geographic areas:

	Revenue		Non-current assets	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Canada	**$ 2,350.7**	$ 1,996.1	**$ 6,145.4**	$ 4,917.2
USA	**3,174.8**	2,200.1	**10,732.6**	9,784.6
	$ 5,525.5	$ 4,196.2	**$ 16,878.0**	$ 14,701.8

Goodwill and indefinite life intangible assets by operating segment

The carrying amount of goodwill and indefinite life intangible assets allocated to the operating segments for impairment testing purposes is as follows:

	December 31, 2021	December 31, 2020
Solid waste		
Canada	**$ 1,934.7**	$ 1,734.4
USA	**5,328.8**	4,738.0
Infrastructure and soil remediation	**248.5**	240.0
Liquid waste	**801.0**	429.4
	$ 8,313.0	$ 7,141.8

18. SHAREHOLDER'S CAPITAL

a) Authorized capital

GFL's authorized share capital consists of (i) an unlimited number of subordinate voting shares, (ii) an unlimited number of multiple voting shares, (iii) an unlimited number of preferred shares, issuable in series, (iv) 28,571,428 Series A perpetual convertible preferred shares and (v) 8,196,721 Series B perpetual convertible preferred shares.

GFL Environmental Inc. - Notes to the Consolidated Financial Statements
(In millions of dollars except per share amounts or otherwise stated)

Subordinate and multiple voting shares

The rights of the holders of the subordinate voting shares and the multiple voting shares are substantially identical, except for voting and conversion. The holders of outstanding subordinate voting shares are entitled to one vote per subordinate voting share and the holders of multiple voting shares are entitled to ten votes per multiple voting share. The subordinate voting shares are not convertible into any other classes of shares. Each outstanding multiple voting share may at any time, at the option of the holder, be converted into one subordinate voting share.

In addition, all multiple voting shares will convert automatically into subordinate voting shares at such time that is the earlier of the following: (i) Patrick Dovigi and/or his affiliates no longer beneficially own, directly or indirectly, at least 2.0% of the aggregate of the issued and outstanding subordinate voting shares and multiple voting shares; (ii) Patrick Dovigi is no longer serving as a director or in a senior management position at GFL; or (iii) the twentieth anniversary of the closing of the IPO.

The subordinate voting shares and multiple voting shares rank pari passu with respect to the payment of dividends, return of capital and distribution of assets in the event of liquidation, dissolution or winding up of GFL.

Preferred shares

The preferred shares are issuable at any time and from time to time in series. Each series of preferred shares shall consist of such number of preferred shares and having such rights, privileges, restrictions and conditions as determined by the Board of Directors prior to the issuance thereof.

On October 1, 2020, GFL issued 28,571,428 of Series A perpetual convertible preferred shares (the “Series A Preferred Shares”) to funds managed by HPS Investment Partners, LLC (“HPS”), at an issuance price of US$21.00 per share for gross proceeds of US$600 million. On December 17, 2021, GFL issued 8,196,721 Series B perpetual convertible preferred shares (the “Series B Preferred Shares”) to HPS, at an issuance price of US$36.60 per share for gross proceeds of US$300 million. The Series A Preferred Shares and Series B Preferred Shares are collectively referred to as the “Preferred Shares”. As at December 31, 2021, (a) the Series A Preferred Shares are convertible into 25,969,285 subordinate voting shares, at a conversion price of US$25.20, representing 7.2% of the issued and outstanding subordinate voting shares and 5.4% of the aggregate outstanding voting rights, and (b) the Series B Preferred Shares are convertible into 6,846,539 subordinate voting shares, at a conversion price of US$43.92, representing 1.9% of the issued and outstanding subordinate voting shares and 1.4% of the aggregate outstanding voting rights. The holders of the Preferred Shares are entitled to vote on an as-converted basis on all matters on which holders of subordinate voting shares and multiple voting shares vote, and to the greatest extent possible, will vote with the holders of subordinate voting shares and multiple voting shares as a single class. Each holder of Preferred Shares shall be deemed to hold, for the sole purpose of voting at any meeting of shareholders of GFL at which such holder is entitled to vote, the number of Preferred Shares equal to the number of subordinate voting shares into which such holder’s registered Preferred Shares are convertible as of the record date for the determination of shareholders entitled to vote at such shareholders meeting. The liquidation preference of the Series A Preferred Shares and Series B Preferred Shares accrete at a rate of 7.000% and 6.000% per annum, respectively, compounded quarterly. From and after the fourth anniversary of the issuance of the Preferred Shares, GFL will have the option each quarter to redeem a number of Preferred Shares in an amount equal to the increase in the liquidation preference for the quarter. This optional redemption amount can be satisfied in either cash or subordinate voting shares at the election of GFL. If GFL elects to pay the optional redemption amount for a particular quarter in cash, the accretion rate for that quarter for the Series A Preferred Shares and Series B Preferred Shares will be 6.000% and 5.000% per annum, respectively. The Preferred Shares are subject to transfer restrictions, but can be converted into subordinate voting shares by the holder at any time. GFL may also require the conversion or redemption of the Preferred Shares at an earlier date in certain circumstances.

Amalgamation

Effective March 5, 2020, immediately prior to the completion of the IPO, GFL amalgamated with Holdings. In connection with the amalgamation, all of the issued and outstanding shares of Holdings were exchanged for subordinate voting shares and multiple voting shares of GFL at an exchange ratio of 20.363259-for-one, other than the Class F shares of Holdings which were converted to multiple voting shares on an exchange ratio of 26.343032-for-one.

GFL Environmental Inc. - Notes to the Consolidated Financial Statements
(In millions of dollars except per share amounts or otherwise stated)

Share issuances and cancellations

The following table presents GFL's share capital for the periods indicated:

	Subordinate voting shares	Multiple voting shares	Preferred shares	Total
Balance, December 31, 2020	314,300,421	12,062,964	28,571,428	354,934,813
Issued as partial consideration for acquisitions	876,419	—	—	876,419
Issued and fully paid during the year	—	—	8,196,721	8,196,721
Issued on exercise of share options	2,300,000	—	—	2,300,000
Issued on exercise and settlement of RSUs	442,150	—	—	442,150
Issued on TEU conversion	8,337,004	—	—	8,337,004
Cancelled during the year	(26,041)	—	—	(26,041)
Balance, December 31, 2021	**326,229,953**	**12,062,964**	**36,768,149**	**375,061,066**

b) Share options, RSUs and DSUs

Holdings established a stock option plan dated May 31, 2018, as amended on November 14, 2018 (the "Legacy Stock Option Plan"). In connection with the IPO, 159,468,329 options issued and outstanding under the Legacy Stock Option Plan (before exchange ratio restatement) with an exercise price of $1.00 (both of which are on a pre-converted basis) vested in accordance with the terms of the Legacy Stock Option Plan. After giving effect to the IPO, the options were exercised on a net basis, less applicable withholding taxes, into 3,203,925 subordinate voting shares (the "Legacy Option Shares"). At completion of the IPO, there were no options outstanding under the Legacy Stock Option Plan and such plan was terminated.

Unless otherwise determined by the Board of Directors, the Legacy Option Shares will be held by a trustee in trust or in escrow on behalf of the legacy option holders. One-third of the Legacy Option Shares will vest and be released from escrow on each of the first three anniversaries of the IPO. Unless otherwise determined by the Board of Directors, if prior to the third anniversary of the IPO a legacy option holder's employment with GFL is terminated without cause, such legacy option holder's Legacy Option Shares held in trust at such time will continue to vest. Unless otherwise determined by the Board of Directors, if a legacy option holder's employment is otherwise terminated prior to the third anniversary of the closing of the IPO, the legacy option holder's Legacy Option Shares held in trust at such time will be cancelled for no consideration.

In connection with the IPO, the Board of Directors adopted the LTIP which allows GFL to grant long-term equity-based incentives, including options, PSUs and RSUs, to eligible participants. Each award represents the right to receive subordinate voting shares, or in the case of PSUs and RSUs, subordinate voting shares and/or cash, in accordance with the terms of the LTIP. The director deferred share unit plan (the "DSU Plan") was adopted by the Board of Directors, to provide non-employee directors the opportunity to receive a portion of their compensation in the form of DSUs. Each DSU represents a unit equivalent in value to a subordinate voting share based on the closing price of the subordinate voting shares on the day prior to the grant.

The maximum number of subordinate voting shares reserved for issuance under the LTIP, the DSU Plan, and any other security-based compensation arrangement in any one-year period is 10% of the total issued and outstanding subordinate voting shares and multiple voting shares in the capital which as at December 31, 2021, would equate to 33,829,292 subordinate voting shares in the capital of GFL.

GFL Environmental Inc. - Notes to the Consolidated Financial Statements
(In millions of dollars except per share amounts or otherwise stated)

Share options

Changes in the number of share options held by officers and employees with their average exercise price per option are summarized below:

	Options	Weighted average exercise price (US$)
Share options outstanding, December 31, 2020	19,643,184	$ 28.05
Granted	9,676,000	33.00
Exercised	(2,300,000)	19.93
Cancelled	(2,905,063)	19.93
Share options outstanding, December 31, 2021	**24,114,121**	**$ 31.79**
Vested share options, December 31, 2021	**2,553,994**	**$ 22.22**

For the year ended December 31, 2021, there were no share options expired or forfeited.

On June 29, 2021, 9,676,000 options were granted to named executive officers. The options vest on the later of June 5, 2024 or March 5, 2025 depending on the option holder, and subject to the satisfaction of certain market conditions. The options have two tranches with differing market conditions as follows: (i) 4,838,000 options vest if the trading price of a subordinate voting share achieves a volume weighted average price of US$50.00 for 20 consecutive days, and (ii) 4,838,000 options vest if the trading price of a subordinate voting share achieves a volume weighted average price of US$60.00 for 20 consecutive days. The options will expire on June 29, 2031. The total grant date fair value of the issued options is US$38.7 million. The weighted-average assumptions used in the Monte Carlo simulation to determine the total fair value of the issued options on the grant date are as follows:

Grant date share price (USD per option)	$ 31.98
Exercise price (USD per option)	$ 33.00
Expected volatility (%)	25.00 %
Expected dividend yield (%)	0.14 %
Expected life (years)	6.5
Risk-free interest rate (%)	1.18 %

Expected volatility was calculated based upon the historical average volatility of comparable public companies. The fair value of the options is recognized as compensation expense over the vesting period.

For the year ended December 31, 2021, the total compensation expense related to share options amounted to $ 18.7 million ($30.5 million for the year ended December 31, 2020).

RSUs and DSUs

For the year ended December 31, 2021, 759,393 RSUs were granted to eligible participants under GFL's LTIP.

The fair value of the RSUs granted for the year ended December 31, 2021 was based on the closing price of the subordinate voting shares on the day prior to the grant date. For the year ended December 31, 2021, the total compensation expense related to RSUs amounted to $26.2 million ($6.9 million for the year ended December 31, 2020).

For the year ended December 31, 2021, 20,206 DSUs were granted to non-employee directors for compensation under the director DSU Plan. For the year ended December 31, 2021, the total compensation expense related to DSUs amounted to $0.8 million ($0.5 million for the year ended December 31, 2020).

GFL Environmental Inc. - Notes to the Consolidated Financial Statements
(In millions of dollars except per share amounts or otherwise stated)

The following table presents GFL's summary of the RSUs and DSUs granted under the LTIP and DSU Plan for the periods indicated:

	RSUs	Grant date fair value (US$)	DSUs	Grant date fair value (US$)
Outstanding, December 31, 2020	1,522,659	$ 19.95	18,248	$ 19.92
Granted	759,393	35.80	20,206	33.16
Settled	(441,730)	19.00	(5,918)	22.04
Forfeited	(103,652)	22.42	—	—
Outstanding, December 31, 2021	**1,736,670**	**26.77**	**32,536**	**27.76**
Expected to vest	1,672,642	$ 26.82	32,536	$ 27.76

For the year ended December 31, 2021, there were no RSUs or DSUs cancelled.

19. SUPPLEMENTAL CASH FLOW INFORMATION

The following table presents net change in non-cash working capital of GFL for the periods indicated:

	December 31, 2021	December 31, 2020
Effects of changes in		
Accounts payable and accrued liabilities	**$ 114.3**	$ 83.4
Trade and other receivables, net	**(138.0)**	(61.8)
Prepaid expenses and other assets	**(22.4)**	(0.5)
Changes in non-cash working capital items, excluding investment in acquisition related net working capital items	**(46.1)**	21.1
Investment in acquisition related net working capital items	**(41.0)**	(15.9)
Total changes in non-cash working capital items	**$ (87.1)**	$ 5.2

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

GFL's financial instruments consist of cash, trade accounts receivable, trade accounts payable, long-term debt, including related hedging instruments, and TEUs.

Fair value measurement

The carrying value of GFL's financial assets are equal to their fair values. The carrying value of GFL's financial liabilities approximate their fair values with the exception of GFL's outstanding U.S. dollar secured and unsecured notes (the "Notes") and Amortizing Notes. The fair value hierarchy for these instruments are as follows for the periods indicated:

	December 31, 2021				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Notes	**$ 5,764.0**	**$ 5,808.3**	**$ —**	**$ 5,808.3**	**$ —**
Amortizing Notes	**70.4**	**70.4**	**70.4**	**—**	**—**

	December 31, 2020				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Notes	$ 4,272.6	$ 4,454.3	$ —	$ 4,454.3	$ —
Amortizing Notes	123.4	126.8	—	126.8	—

GFL uses a discounted cash flow model incorporating observable market data, such as foreign currency forward rates, to estimate the fair value of its notes. Certain leases, equipment loans and other, and amounts due to related parties do not bear interest or bear interest at an amount that is not stated at fair value.

Purchase Contracts and net derivative instruments, which are recorded at fair value, are classified within Level 1 and Level 2, respectively.

Financial risk management objectives

As a result of holding and issuing financial instruments, GFL is exposed to liquidity, credit and market risks. The following provides a description of these risks and how GFL manages these exposures.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. GFL's principal financial assets that expose it to credit risk are accounts receivable.

GFL uses historical trends of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends. GFL considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that accounts receivable that meet either of the following criteria are generally not recoverable:

- the customer is insolvent; or
- GFL's relationship with the customer has been severed; and/or
- the customer's receivable has aged beyond a reasonable period.

GFL provides credit to its customers in the normal course of its operations. The amounts disclosed in the statement of financial position represent the maximum credit risk and are net of allowance for doubtful accounts, based on management's estimates taking into account GFL's prior experience and its assessment of the current economic environment.

The following is a breakdown of the trade receivables aging. It does not include holdbacks or unbilled revenue as they are made up of amounts to be received at the end of specific long term contracts.

	December 31, 2021	December 31, 2020
0-60 days	**$ 708.6**	$ 543.8
61-90 days	**59.8**	47.3
91+ days	**96.9**	77.7
	$ 865.3	$ 668.8

In determining the recoverability of trade and other receivables, GFL considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

Liquidity risk

GFL monitors and manages its liquidity to ensure that it has access to sufficient funds to meet its liabilities when due. Management of GFL believes that future cash flows from operations and the availability of credit under existing bank arrangements is adequate to support GFL's financial liquidity needs for its ongoing operations.

Under the Revolving Credit Agreement, GFL has access to $ 905.0 million of revolving credit facilities (available in Canadian and US dollars) and an aggregate of US$75.0 million of revolving credit facilities (available in US dollars).

GFL has financial liabilities with varying contractual maturity dates. With the exception of long-term debt and lease obligations, all of GFL's significant financial liabilities mature in less than one year.

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(In millions of dollars except per share amounts or otherwise stated)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial liability will fluctuate because of changes in market interest rates. GFL enters into both fixed and floating rate debt, including equipment loans and also leases certain assets with fixed rates.

GFL's risk management objective is to minimize the potential for changes in interest rates to cause adverse changes in cash flows to GFL. The ratio of fixed to floating rate obligations outstanding is designed to maintain flexibility in GFL's capital structure to adjust to prevailing market conditions. GFL also manages interest rate risk through hedging instruments, as discussed further below as part of foreign currency risk.

At December 31, 2021, GFL had a ratio of fixed to floating rate obligations of approximately 72.9% fixed and 27.1% floating (as at December 31, 2020 70.2% fixed and 29.8% floating).

A 1% change in the interest rate on floating rate obligations would have resulted in a change in the interest expense for the year ended December 31, 2021 of approximately $21.5 million based on the balances outstanding as at December 31, 2021 (approximately $18.2 million for the year ended December 31, 2020).

Foreign currency risk

GFL is exposed to foreign currency risk relating to its operating and financing activities and partially mitigates such risk using certain cross-currency interest rate swaps. A $0.01 change in the U.S. dollar to Canadian dollar exchange rate would impact our annual revenue and earnings for year ended December 31, 2021, by approximately $25.3 million, and $7.5 million, respectively (for the year ended December 31, 2020, $16.4 million and $4.9 million respectively). GFL's swapped instruments included the following:

Underlying Items	Notional Amount ($US)	Fixed/Variable Interest Rate Paid	Fixed/Variable Interest Rate Received	Fixed Foreign Exchange Rate Paid	Effective Date	Expiration
Term Loan	399.4	3-Month CDOR + 3.174 %	3-Month LIBOR + 2.750 %	1.2976	May 31, 2018	May 30, 2025
4.250% 2025 Secured Notes	500.0	4.805 %	4.250 %	1.4198	April 29, 2020	June 1, 2025
5.125% 2026 Secured Notes	500.0	5.725 %	5.125 %	1.3245	December 16, 2019	December 15, 2026
8.500% 2027 Notes	48.0	8.399 %	8.500 %	1.3355	April 23, 2019	May 1, 2027
8.500% 2027 Notes	300.0	8.419 %	8.500 %	1.3355	April 23, 2019	May 1, 2027
8.500% 2027 Notes	348.0	8.500 %	8.828 %	1.2026	June 8, 2021	May 1, 2027
4.000% 2028 Notes	500.0	4.524 %	4.000 %	1.3112	November 23, 2020	August 1, 2028
4.750% 2029 Notes	350.0	5.317 %	4.750 %	1.2026	June 8, 2021	June 8, 2029

The effective cross-currency swaps eliminate the impact of changes in the value of the U.S. dollar between the date of issuance of the Notes and their respective maturity dates.

The cross-currency interest rate swap associated with the 8.500% 2027 Notes continued to be in place after the redemption of the notes. As a result of the redemption, GFL discontinued the use of hedge accounting. GFL entered into an offset swap to receive and pay interest semi-annually at 8.828% on US$348.0 million in order to hedge this exposure.

In addition, GFL has exposure to foreign currency risk on its Term Loan B Facility. GFL manages a portion of this exposure with cash flow from its US operations as well as through US$450.0 million in cross-currency swaps to hedge the impact of changes in the value of the U.S. dollar between the date of issuance and the Term Loan B Facility maturity date of May 31, 2025, as adjusted for the mandatory repayments required under the Term Loan B Facility. At maturity, GFL will have paid a total of $500.8 million in exchange for US$386.0 million.

These cross-currency swaps have been designated at inception and accounted for as cash flow hedges. A gain, net of tax, in the fair value of derivatives designated as cash flow hedges in the amount of $1.3 million has been recorded in other comprehensive loss for the year ended December 31, 2021 (gain, net of tax in the amount of $1.8 million for the year ended December 31, 2020).

GFL Environmental Inc. - Notes to the Consolidated Financial Statements
(In millions of dollars except per share amounts or otherwise stated)

Commodity risk

GFL entered into a series of swap contracts to partially hedge our exposure of diesel fuel purchases in Canada and certain areas in the U.S.The fair value of the agreements represented an asset of approximately $5.4 million as at December 31, 2021 which is included in our net derivative instruments ($3.7 million as at December 31, 2020). GFL recognized an expense for changes in the fair value of the fuel contracts within its consolidated statements of operations of $nil for the year ended December 31, 2021 ($1.8 million for the year ended December 31, 2020).

GFL markets a variety of recyclable materials, including cardboard, mixed paper, plastic containers, glass bottles and ferrous and aluminum metals. GFL owns and operates recycling operations and sells other collected recyclable materials to third parties for processing before resale. To reduce GFL's exposure to commodity price risk with respect to recycled materials, it has adopted a pricing strategy of charging collection and processing fees for recycling volume collected from third parties. In the event of a change in recycled commodity prices, a 10% change in average recycled commodity prices from the average prices that were in effect would have had a $14.7 million and $6.7 million impact on revenues for the year ended December 31, 2021 and December 31, 2020, respectively.

Capital management

GFL defines capital that it manages as the aggregate of its shareholders' equity and long-term debt net of cash.

GFL makes adjustments to its capital based on the funds available to GFL in order to support the ongoing operations of the business and in order to ensure that the entities in GFL will be able to continue as going concerns, while maximizing the return to stakeholders through the optimization of the debt and equity balances.

GFL manages its capital structure, and makes adjustments to it in light of changes in economic conditions. In order to maintain or modify the capital structure, GFL may arrange new debt with existing or new lenders, or obtain additional financing through other means.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the size of GFL, is reasonable. There were no changes in GFL's approach to capital management during the year ended December 31, 2021, and year ended December 31, 2020.

21. COMMITMENTS

a) Letters of credits

As at December 31, 2021, GFL had letters of credit totaling approximately $ 199.5 million outstanding ($133.8 million as at December 31, 2020), which are not recognized in the Annual Financial Statements. Interest expense in connection with these letters of credit was $3.9 million for the year ended December 31, 2021 ($ 3.8 million for the year ended December 31, 2020).

b) Performance bonds

As at December 31, 2021, GFL had issued performance bonds totaling $ 1,748.1 million ($1,697.4 million as at December 31, 2020).

22. RELATED PARTY TRANSACTIONS

Included in due to related party is a non-interest bearing unsecured promissory note payable to Josaud Holdings Inc., an entity controlled by Patrick Dovigi. The note matures on January 1, 2023 and is payable in equal semi-annual instalments of $3.5 million. The remaining principal outstanding on the note payable was $10.5 million as at December 31, 2021 ($ 17.5 million as at December 31, 2020).

Also included in due to related party is an interest bearing unsecured promissory note issued on March 5, 2020 payable to Sejosa Holdings Inc., an entity controlled by Patrick Dovigi. The note matures on March 5, 2025, is payable in equal semi-annual instalments of $2.9 million and bears interest at market rate. The remaining principal outstanding on the note payable was $20.3 million as at December 31, 2021 ($ 26.1 million as at December 31, 2020).

These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

On February 1, 2020, in connection with his resignation as an officer of GFL, the Company issued a director a separation payment of 73,947 subordinate voting shares issued at the IPO price of US$ 19.00.

From time to time, GFL has entered into leases with entities controlled by affiliates of Patrick Dovigi, as well as entities controlled by another director of GFL (the "Related Parties"). At this time, GFL leases four properties from the Related Parties. These leases are on arm's length and commercially reasonable terms, and have been supported by rental rate comparisons prepared by third parties. None of the leased premises are material to the operations of GFL. For the year ended December 31, 2021, GFL paid $3.9 million ($2.7 million for the year ended December 31, 2020) in aggregate lease payments to the Related Parties.

Compensation of key management personnel

The remuneration of key management personnel consisted of salaries, short-term benefits and share based payments. During the year ended December 31, 2021 total salaries and short-term benefits and share based payments to key management personnel was $34.2 million ($41.8 million for the year ended December 31, 2020).

23. EXPENSES BY NATURE

The following table presents GFL's expenses by nature for the periods indicated:

	December 31, 2021	December 31, 2020[1]
Employee benefits	**$ 1,678.6**	$ 1,308.1
Transfer and disposal costs	**1,235.7**	1,002.0
Interest and other finance costs	**434.1**	597.6
Depreciation of property and equipment	**931.8**	810.6
Amortization of intangible assets	**461.2**	427.0
Other expense	**559.4**	402.2
Transaction costs	**64.2**	60.1
IPO transaction costs	**—**	46.2
Acquisition, rebranding and other integration costs	**25.1**	11.4
Maintenance and repairs	**357.5**	261.2
Fuel costs	**230.6**	147.8
Loss (gain) on foreign exchange	**16.2**	(37.3)
Share-based payments	**45.7**	37.9
Loss on sale of property and equipment	**1.9**	4.6
Gain on divestiture	**(153.3)**	—
Mark-to-market loss on Purchase Contracts	**349.6**	449.2
Impairment and other charges	**—**	21.4
Deferred purchase consideration	**—**	2.0
Total expenses by nature	**$ 6,238.3**	$ 5,552.0

(1) Includes reclassification of $5.9 million from Other expense and $11.2 million from Fuel costs into Maintenance and repairs. There was no change in total expense by nature.

Exhibit 99.4



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Consent of Independent Registered Public Accounting Firm

The Board of Directors
GFL Environmental Inc.

We consent to the use of:

- our report dated February 10, 2022 on the consolidated financial statements of GFL Environmental Inc. (the "Entity"), which comprise the consolidated statement of financial position as of December 31, 2021, the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended December 31, 2021, and the related notes, and
- our report dated February 10, 2022 on the effectiveness of the Entity 's internal control over financial reporting as of December 31, 2021

each of which is included in the Annual Report on Form 40-F of the Entity for the fiscal year ended December 31, 2021.

We also consent to the incorporation by reference of such reports in Registration Statement No. 333-236949 on Form S-8 and Registration Statement No. 333-255184 on Form F-10.



Chartered Professional Accountants
Licensed Public Accountants
February 10, 2022
Toronto, Canada

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

Exhibit 99.5

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in Registration Statement No. 333-236949 on Form S-8 and Registration Statement No. 333-255184 on Form F-10 and to the use of our report dated February 25, 2021 relating to the financial statements of GFL Environmental Inc. appearing in this Annual Report on Form 40-F for the year ended December 31, 2021.

/s/Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
February 10, 2022

Exhibit 99.6

CERTIFICATION

I, Patrick Dovigi, certify that:

1. I have reviewed this annual report on Form 40-F of GFL Environmental Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: February 10, 2022

By: /s/ Patrick Dovigi

Patrick Dovigi

Chief Executive Officer

Exhibit 99.7

CERTIFICATION

I, Luke Pelosi, certify that:

1. I have reviewed this annual report on Form 40-F of GFL Environmental Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: February 10, 2022

By: /s/ Luke Pelosi

Luke Pelosi

Chief Financial Officer

Exhibit 99.8

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this annual report on Form 40-F of GFL Environmental Inc. (the "Company") for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Patrick Dovigi, Chief Executive Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(i) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 10, 2022

By: /s/ Patrick Dovigi

Patrick Dovigi

Chief Executive Officer

Exhibit 99.9

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this annual report on Form 40-F of GFL Environmental Inc. (the "Company") for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Luke Pelosi, Chief Financial Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(i) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 10, 2022

By: /s/ Luke Pelosi
Luke Pelosi
Chief Financial Officer