

# Growth Platform

## Waste Industries

Vertically integrated non-hazardous solid waste management company that provides collection, transfer, disposal, and recycling services to commercial, industrial and residential customers primarily in the Southeast U.S.

### INVESTMENT SUMMARY

In September 2017, EGI partnered with HPS Investment Partners, the Poole family and WI management in a buyout of WI. EGI made a substantial minority investment and led a capital raise for this transaction. The founding family and management retained a significant minority position. In November 2018, WI merged with GFL Environmental Inc. (GFL) in a transaction that valued WI at \$2.8 billion. The merger provided an exit for EGI and our partners, and created the largest private environmental services company in North America.

### INVESTMENT HIGHLIGHTS

#### RECURRING REVENUE & RESILIENT IN DOWNTURNS

The average contract length for WI's customers was ~5 years with low customer churn of under 7% each year. WI provides an essential service less sensitive to the economic environment. The industry decreased less than 10% during the Global Financial Crisis, and WI outperformed the broader industry.

#### FAVORABLE DEMOGRAPHIC TRENDS

WI's operations are focused on the Southeast U.S., which is experiencing attractive economic and population growth. The region also offers a more attractive regulatory environment for landfills.

#### INDUSTRY-LEADING MARGINS

WI has highly attractive EBITDA margins due to a focus on hauling profitability.

#### YOUNG FLEET

Average age of 5.9 years, which is a full a full year less than public competitors.

#### STRONG OPERATOR AND HISTORY OF EXCELLENT SERVICE

WI has a long history of providing excellent service to its local communities, and management has a track record of operational excellence to not only operate their core business but also source and integrate acquisitions.

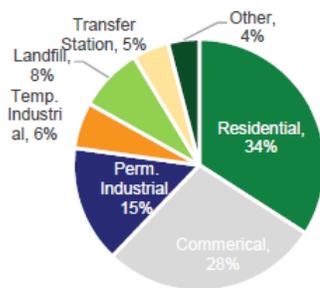
#### M&A PLATFORM

The U.S. waste industry is highly fragmented, and WI was historically focused on pursuing accretive, tuck-in acquisitions in addition to regional companies. Prior to EGI's ownership, WI had completed more than 130 acquisitions since 2008. During EGI's ownership, WI made nine acquisitions — the largest of which was Alpine Waste, a vertically integrated waste services business based in Denver, CO.

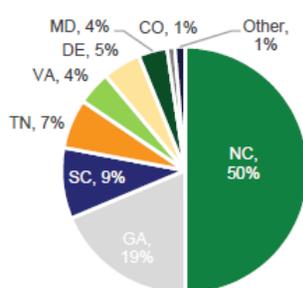
#### ATTRACTIVE CAPITAL STRUCTURE

Flexible capital structure with no financial maintenance covenants and attractive cost of debt mitigate the risk of capital impairment.

**Revenue By Service**



**Revenue By State**



**Service Territory**

