Management's Discussion & Analysis

2024 Annual and Fourth Quarter Report

SECURE

CONTENTS

ABOUT THIS MD&A

The following management's discussion and analysis ("MD&A") of the financial position and results of operations of SECURE Waste Infrastructure Corp. ("SECURE", the "Corporation", "we", or "our") has been prepared by management as of, and reviewed and approved by the Board of Directors of SECURE (the "Board") on February 20, 2025. The MD&A is a review of the financial results of the Corporation prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

This MD&A's primary focus is a comparison of the financial performance for the three and twelve months ended December 31, 2024 to the three and twelve months ended December 31, 2023, and should be read in conjunction with the Corporation's annual audited consolidated financial statements and notes thereto for the years ended December 31, 2024 and 2023 ("Annual Financial Statements").

All amounts are presented in Canadian dollars, unless otherwise stated, and all tabular amounts are in millions of Canadian dollars, except share and per share amounts or as otherwise noted.

This MD&A contains references to the following financial measures that do not have a standardized meaning as prescribed under IFRS ("non-GAAP and other specified financial measures"): Adjusted EBITDA, Adjusted EBITDA per share basic and diluted, Adjusted EBITDA margin, Total Segment Profit Margin, discretionary free cash flow, discretionary free cash flow per share basic and diluted, working capital, Total Debt, Liquidity and funds flow from operations per basic and diluted share. Refer to the "Non-GAAP and other specified financial measures" section of this MD&A for a full discussion on management's use of non-GAAP and other specified financial measures, including, where applicable, reconciliations to the most directly comparable IFRS measure.

CORPORATE OVERVIEW

SECURE is a leading waste management and energy infrastructure business headquartered in Calgary, Alberta. The Corporation carries out its principal business operations across an extensive infrastructure network located throughout Western Canada and North Dakota. The solutions SECURE provides are designed not only to help reduce costs, but also aim to lower emissions, increase safety, manage water, recycle by-products and protect the environment.

The Corporation's common shares are traded on the Toronto Stock Exchange ("TSX") under the symbol "SES" and is a constituent of the S&P/TSX Composite Index.

SECURE's Waste Management reportable segment includes a network of waste processing facilities, produced water pipelines, industrial landfills, waste transfer stations, metal recycling facilities, and specialty chemicals. Through this infrastructure network, the Corporation carries out business operations including the collection, processing, recovery, recycling and disposal of waste streams generated by our energy and industrial customers. Services include produced and waste water disposal, hazardous and non-hazardous waste collection, processing and transfer, treatment of crude oil emulsions, metal recycling, drilling waste management and specialty chemicals.

SECURE's Energy Infrastructure reportable segment includes a network of crude oil gathering pipelines, terminals and storage facilities. Through this infrastructure network, the Corporation engages in the transportation, optimization, terminalling and storage of crude oil.

For a complete description of services provided by the Corporation, please refer to the "*Description of the Business and Facilities*" section of the Corporation's Annual Information Form for the year ended December 31, 2024 ("AIF") which is available under SECURE's profile on the System for Electronic Document Analysis and Retrieval + ("SEDAR+") at www.sedarplus.ca and our website at www.SECURE.ca. Other than the information set out under the heading "*Risk Factors*" in the AIF, which is incorporated by reference herein, the AIF does not constitute part of this MD&A.

Name Change

On January 1, 2025, SECURE Energy Services Inc. changed its name to SECURE Waste Infrastructure Corp. SECURE's common shares continue to trade on the Toronto Stock Exchange under the ticker symbol SES.

Asset Divestiture

In December 2023, the Corporation entered into a definitive agreement (the "Divestiture Agreement") with a subsidiary of Waste Connections, Inc. to sell 29 facilities (the "Facilities") all formerly owned by Tervita Corporation ("Tervita") for total cash proceeds of $1.15 billion. The Corporation closed the sale on February 1, 2024 (the "Sale Transaction").

OPERATIONAL DEFINITIONS

Certain operational definitions used throughout this MD&A are further explained below.

Capital Expenditures

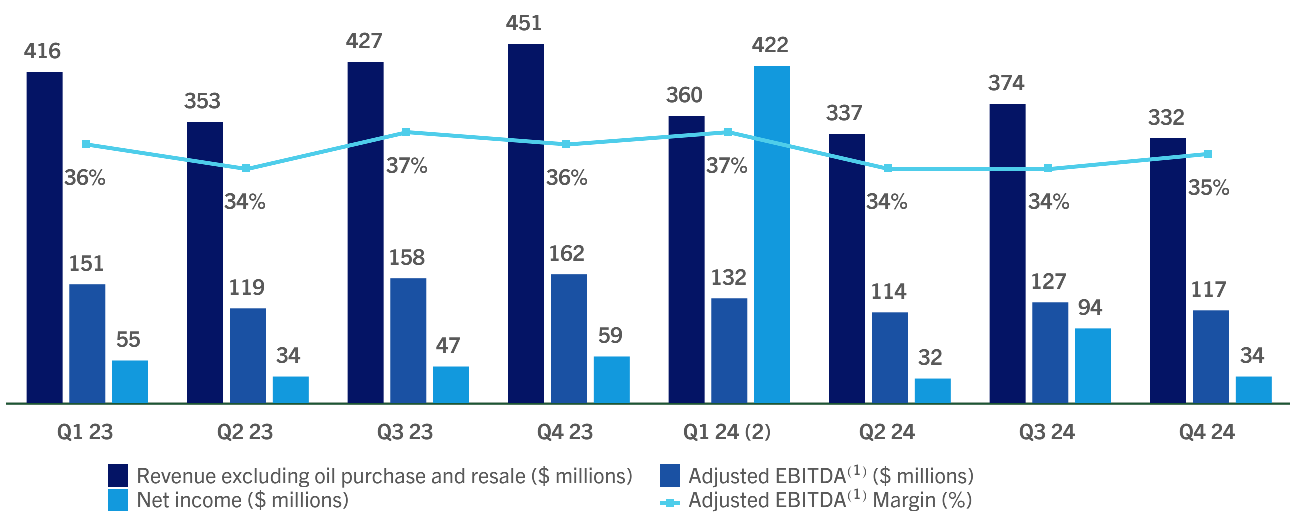
The Corporation classifies capital expenditures as either growth, acquisition or sustaining capital. Growth and acquisition capital are capital expenditures with the intent to expand or restructure operations, enter into new locations or emerging markets, or complete a business or asset acquisition. Sustaining capital refers to capital expenditures in respect of capital asset additions, replacements or improvements required to maintain ongoing business operations. The determination of what constitutes sustaining capital expenditures versus growth capital involves judgment by management.

Oil Prices

Canadian Light Sweet crude oil price is the benchmark price for light crude oil (40 American Petroleum Institute gravity) at Edmonton, Alberta. West Texas Intermediate ("WTI") crude oil is the North American benchmark price for light crude oil at Cushing, Oklahoma.

FINANCIAL AND OPERATING HIGHLIGHTS

Quarterly Revenue, Adjusted EBITDA[1] and Net Income



1. Non-GAAP financial measure. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.

2. On February 1, 2024, SECURE closed the Sale Transaction to divest 29 Facilities.

The Corporation's operating and financial highlights for the three and twelve months ended December 31, 2024 and 2023 can be summarized as follows:

	Three months ended December 31,			Twelve months ended December 31,		
($ millions except share and per share data)	2024	2023	% change	2024	2023	% change
Revenue (excludes oil purchase and resale)	332	451	(26)	1,403	1,647	(15)
Oil purchase and resale	2,230	1,889	18	9,269	6,597	41
Total revenue	2,562	2,340	9	10,672	8,244	29
Adjusted EBITDA [(1)]	117	162	(28)	490	590	(17)
Per share ($), basic [(1)]	0.50	0.56	(11)	1.92	1.99	(4)
Per share ($), diluted [(1)]	0.49	0.55	(11)	1.89	1.97	(4)
Net income	34	59	(42)	582	195	198
Per share ($), basic	0.14	0.20	(30)	2.28	0.66	245
Per share ($), diluted	0.14	0.20	(30)	2.25	0.65	246
Funds flow from operations	106	128	(17)	411	474	(13)
Per share ($), basic [(1)]	0.45	0.44	2	1.61	1.60	1
Per share ($), diluted [(1)]	0.44	0.44	—	1.59	1.58	1
Discretionary free cash flow [(1)]	80	96	(17)	316	363	(13)
Per share ($), basic [(1)]	0.34	0.33	3	1.24	1.23	1
Per share ($), diluted [(1)]	0.33	0.33	—	1.22	1.21	1
Capital expenditures [(2)]	43	33	30	134	203	(34)
Dividends declared per common share	0.10	0.10	—	0.40	0.40	—
Total assets	2,281	2,844	(20)	2,281	2,844	(20)
Long-term liabilities	558	1,186	(53)	558	1,186	(53)
Common shares - end of year	234,081,831	287,627,549	(19)	234,081,831	287,627,549	(19)
Weighted average common shares:						
Basic	235,945,893	288,968,141	(18)	254,721,786	295,909,340	(14)
Diluted	240,293,825	293,212,504	(18)	258,841,297	299,086,393	(13)

[(1)] Non-GAAP financial measure, non-GAAP ratio or supplementary financial measure. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.

[(2)] Refer to the "Operational Definitions" section in this MD&A for further information.

FOURTH QUARTER HIGHLIGHTS

- **Name change** - On January 1, 2025, SECURE Energy Services Inc. changed its name to SECURE Waste Infrastructure Corp. SECURE's common shares continue to trade on the Toronto Stock Exchange under the ticker symbol SES.
- **Repurchased and cancelled 2,817,857 common shares during the fourth quarter of 2024** - the Corporation continued to repurchase common shares under the normal course issuer bid ("NCIB"), repurchasing 2,817,857 common shares at a weighted average price per share of $15.97 for a total cost of $45 million.
- **The number of weighted average basic common shares outstanding decreased by 18%** - compared to the fourth quarter of 2023 due to the significant amount of shares repurchased throughout the year.
- **Renewal of Normal Course Issuer Bid** - On December 16, 2024, the Corporation renewed the previous NCIB. Pursuant to the renewed NCIB, the Corporation is authorized to purchase and cancel up to a maximum of 19,367,434 common shares of the Corporation representing approximately 8% of the Corporation's outstanding shares as at December 10, 2024, or 10% of the Corporation's public float. The renewed NCIB commenced on December 18, 2024, and will end on December 17, 2025, or such earlier date as the renewed NCIB is completed or is terminated at the Corporation's election.

- **Revenue (excluding oil purchase and resale) of $332 million** - representing a 26% decline from the fourth quarter of 2023. This decrease was primarily driven by lower revenues associated with the divestiture of assets in the Sale Transaction in Q1 2024, as well as the divestiture of a non-core oilfield services business unit in Q4 2023.
- **Net income of $34 million and $0.14 per basic share** - representing a $25 million, or 42% decrease compared to the fourth quarter of 2023. Net income per share decreased by $0.06 per basic share (30% decrease) over the same period. The decrease in net income was primarily driven by a reduction in operating profit resulting from the Sale Transaction. This was partially offset by lower general and administrative expenses, interest and financing costs, and income tax expense. The smaller percentage decline in net income per share was due to a reduction in the number of common shares outstanding.
- **Adjusted EBITDA[1] of $117 million and $0.50 per basic share[1]** - Adjusted EBITDA decreased by 28% compared to the fourth quarter of 2023, while Adjusted EBITDA per basic share decreased 11% over the same period. The decline in Adjusted EBITDA was primarily due to the divestiture of the Facilities in the Sale Transaction. This was partially offset by higher operating profits in specialty chemicals within the Waste Management segment, driven by a favorable sales mix of higher-margin products. The smaller decrease in Adjusted EBITDA per basic share was attributed to a reduction in the number of shares outstanding.
- **Funds flow from operations of $106 million** - a 17% decrease in funds flow from operations compared to the fourth quarter of 2023. The decrease in funds flow from operations was primarily driven by lower Adjusted EBITDA, partially offset by reduced interest costs resulting from lower debt levels and the timing of fixed debt payments.
- **Increase in funds flow from operations per basic share[1] of 2% -** increased to $0.45 driven by an 18% reduction in the number of weighted average common shares outstanding.
- **Discretionary free cash flow[1] of $80 million** - decreased by 17% compared to the fourth quarter of 2023, primarily due to a decrease in funds flow from operations in the current quarter.
- **Increases in discretionary free cash flow per basic share[1] of 3% -** increased to $0.34 driven by an 18% reduction in the number of weighted average common shares outstanding.
- **Declared dividends of $28 million** - declared a quarterly dividend of $0.10 per common share which was paid on January 15, 2025, to shareholders of record on January 1, 2025.
- **Growth capital[2] expenditures of $21 million** - primarily directed towards ongoing investments in the Clearwater heavy oil terminalling and gathering infrastructure to enhance capacity, the upgrade and expansion of an existing waste processing facility, the commencement of construction on a new water disposal facility, and equipment purchases for multiple waste processing facility growth projects.
- **Sustaining capital[2] expenditures of $22 million** - related to asset integrity programs, well and facility improvements at waste processing facilities, and landfill cell expansions.
- **Liquidity[3] of $728 million** - as at December 31, 2024, the Corporation had $728 million of Liquidity (being the available capacity under SECURE's credit facilities and cash-on-hand, subject to covenant restrictions), compared to $356 million at December 31, 2023.
- **Acquisition in the metals recycling business of $157 million** - executed a definitive agreement and received Competition Bureau approval for an acquisition in the metals recycling business. Establishing a new hub for our metal recycling network in the Edmonton market strengthens our business with the vertical integration of a mega shredder and greater diversification of scrap supply from increased exposure to residential and industrial waste streams. This creates further synergies through improved logistics and transportation efficiencies, leveraging the Corporation's strategic investment in rail cars over the past two years. The acquisition closed on January 31, 2025.

[1] *Non-GAAP financial measure, non-GAAP ratio or supplementary financial measure. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.*

[2] *Refer to the "Operational Definitions" section in this MD&A for further information.*

[3] *Capital management measure. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.*

ANNUAL HIGHLIGHTS

- **Closed the sale of 29 Tervita facilities for $1.15 billion, in the all-cash Sale Transaction** - The Corporation closed the Sale Transaction on February 1, 2024.
- **Repurchased and cancelled 19% of our common shares for $657 million** - On April 29, 2024, the Corporation entered into an agreement (the "Share Purchase Agreement" or "SPA") with an affiliate of TPG Angelo Gordon to purchase for cancellation an aggregate of 13,181,020 common shares at a price of $11.38 per share, for total consideration of $150 million. The Corporation completed a substantial issuer bid ("SIB") on June 10, 2024, with the Corporation repurchasing 21,929,818 common shares at a price of $11.40 per share, for a total of $250 million. During 2024 the Corporation purchased 22,181,067 common shares through the NCIB, which was the maximum allowable, at a weighted average price per share of $11.54 for a total of $256 million. In aggregate the Corporation repurchased 57,291,905 common shares in 2024.
- **The number of weighted average basic common shares outstanding decreased by 14% in 2024** - due to the significant amount of shares repurchased throughout the year.
- **Revenue (excluding oil purchase and resale) of $1.4 billion** - a decrease of 15% compared to 2023. This decline was primarily driven by lower revenues resulting from the divestiture of assets in the Sale Transaction in Q1 2024, as well as the divestiture of a non-core oilfield services business unit in Q4 2023. These impacts were partially offset by higher specialty chemical sales, which benefited from continued strong demand for our products. Additionally, revenues in the Energy Infrastructure segment increased compared to the prior year, driven by contributions from the Clearwater heavy oil terminal, which commenced operations in Q4 2023.
- **Net income of $582 million an increase of $387 million compared to 2023** - This increase was primarily driven by a $520 million gain recognized on the Sale Transaction, along with lower interest and financing costs due to reduced debt levels, resulting from the redemption of senior secured and unsecured notes, and a lower balance drawn on the revolving credit facility. These increases in net income were partially offset by lower revenues and gross margins, primarily due to the impact of assets divested in the Sale Transaction, as well as deferred tax expenses resulting from the gain.
- **Net income per basic share of $2.28, increased by 245% compared to 2023** - driven by both higher net income and a 14% reduction in the number of shares outstanding.
- **Adjusted EBITDA[1] of $490 million and $1.92 per basic share[1]** - a decrease of 17% to Adjusted EBITDA and 4% per basic share compared to 2023. The decline in Adjusted EBITDA was primarily driven by the divestiture of the Facilities in the Sale Transaction. This was partially offset by higher operating profits in specialty chemicals within the Waste Management segment, supported by increased revenues and a favorable sales mix of higher-margin products. Additionally, higher Adjusted EBITDA contributions in the Energy Infrastructure segment, driven by the Clearwater heavy oil terminal that commenced operations in Q4 2023, further offset the decline. The smaller decrease in Adjusted EBITDA per basic share was attributed to a reduction in the number of shares outstanding.
- **Funds flow from operations of $411 million** - a decrease of 13% to funds flow from operations primarily due to lower Adjusted EBITDA, partially offset by reduced interest costs.
- **Funds flow from operations per basic share[1] of $1.61** - representing a 1% increase compared to 2023, primarily due to fewer common shares outstanding.
- **Discretionary free cash flow[1] of $316 million** - a decline of $47 million compared to the previous year, primarily due to the decrease in funds flow from operations.
- **Discretionary free cash flow per basic share[1] of $1.24** - representing a 1% increase compared to 2023, primarily due to fewer common shares outstanding.

[1] *Non-GAAP financial measure, non-GAAP ratio or supplementary financial measure. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.*

- **Declared dividends of $99 million during 2024** - the Corporation declared quarterly dividends of $0.10 per common share during 2024.
- **Total capital expenditures of $134 million** - consisting of $62 million growth capital and $72 million of sustaining capital. Growth capital expenditures primarily related to ongoing investments in the Clearwater heavy oil terminalling and gathering infrastructure to enhance capacity, as well as two water pipeline projects to integrate incremental volumes from existing customers, purchase of new rail cars for metal recycling operations, and disposal well capacity expansions. Sustaining capital expenditures related to asset integrity programs, asset purchases for our metal recycling and waste service operations, well and facility improvements at waste processing facilities and landfill cell expansions.
- **Redeemed the 2025 senior secured notes -** the Corporation used proceeds from the Sale Transaction to redeem the outstanding US$153 million aggregate principal amount of 11% senior secured notes due December 1, 2025 (the "2025 senior secured notes") at the redemption price of 105.50% of the principal amount, plus accrued and unpaid interest. The total payment was $223 million, comprised of principal of $207 million (US$153 million), unpaid interest of $5 million and a premium of $11 million.
- **Closed offering of $300 million aggregate principal notes and redeemed the 2026 unsecured notes** - on March 22, 2024 the Corporation closed an offering of $300 million aggregate principal amount of 6.75% senior unsecured notes due March 22, 2029 (the "2029 unsecured notes") at an issue price of $100.00 (the "Offering"). The Corporation used the net proceeds of the Offering, along with cash on hand, to fund the redemption of the outstanding $340 million aggregate principal amount of 7.25% senior unsecured notes due December 30, 2026 (the "2026 unsecured notes") at the redemption price of 103.63% of the principal amount, plus accrued and unpaid interest. The total payment was $358 million, comprised of principal of $340 million, unpaid interest of $6 million and a premium of $12 million, resulting in a loss on extinguishment of debt of $16 million.
- **A Total Debt[3] to EBITDA covenant ratio[4] of 1.0x** - decreased from 1.9x at December 31, 2023, driven by the reduction of outstanding debt resulting from the redemption of the 11% 2025 senior secured notes and the 7.25% 2026 unsecured notes, as well as a lower balance on the revolving credit facility.
- **Acquisitions of metal recycling businesses -** completed a tuck-in acquisition of a metal recycling company for a total purchase price of $31 million during the second quarter of 2024. Additionally, executed a definitive agreement and received Competition Bureau approval for an acquisition in the metals recycling business which closed on January 31, 2025. These acquisitions expand our network into new operating regions, increase our scale and processing capabilities, enabling significant synergies with our existing operations.

OUTLOOK

Macroeconomic factors, including the potential imposition of tariffs (or other restrictive trade measures or countermeasures), continue to create economic uncertainty. Despite these challenges, SECURE's business remains highly resilient. Our customers continue to exhibit stable growth, driven by strong market fundamentals, disciplined capital allocation, balance sheet strength, and a focus on cost management and operational efficiencies. As a result, SECURE sees continued opportunities for growth and expects to continue to deliver industry leading margins, and a stable cash flow profile underpinned by recurring volumes driven by industrial waste, metals, and energy markets. SECURE remains committed to being the leader in waste management and energy infrastructure, prioritizing value creation for our customers through reliable, safe, and environmentally responsible infrastructure.

Our low leverage and strong projected cash flows provide SECURE with meaningful capital allocation flexibility. In addition to funding growth initiatives, including the previously announced metals acquisitions and organic growth capital program, we remain committed to delivering enhanced shareholder returns through share buybacks and a quarterly dividend. We are confident that our business strategy is firmly in place, positioning us to navigate market uncertainties while continuing to provide reliable, safe, and cost-effective solutions to our

[3] *Capital management measure. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.*
[4] *Calculated in accordance with the Corporation's credit facility agreements. Refer to the "Liquidity and Capital Resources" section of this MD&A for additional information.*

customers. As economic conditions evolve, we remain well-prepared to adapt and capture opportunities that drive long-term value creation.

2025 Expectations

Based on the current economic environment and underlying economic trends, the Corporation expects the following for 2025:

- Adjusted EBITDA of $510 million to $540 million, reflecting growth of 10% from the mid-point over 2024 proforma.
- Discretionary free cash flow of $270 million to $300 million.
- $85 million organic growth capital program, up from previously announced $75 million, due to a carryover from 2024 for the development of the Clearwater heavy oil terminal expansion. Additionally, key growth projects include increasing the processing and disposal capacity of our water infrastructure network in the Alberta Montney region; reopening a suspended industrial waste processing facility located in Alberta's Industrial Heartland; and purchasing additional rail cars to increase the efficiency of our metals recycling operations.
- $175 million associated with two metals recycling acquisitions, including the Edmonton-based business which was completed on January 31, 2025.
- $85 million sustaining capital and $15 million ARO spend.
- Share repurchases for up to 8% of the Corporation’s outstanding shares under the renewed NCIB.
- Quarterly dividend of $0.10 per share ($0.40 annualized), equal to approximately $93 million based on current shares outstanding.

NON-GAAP AND OTHER SPECIFIED FINANCIAL MEASURES

Certain measures in this MD&A do not have any standardized meaning as prescribed under IFRS and are considered “specified financial measures” (being either “non-GAAP financial measures”, “non-GAAP ratios”, “total of segment measures”, “capital management measures” or “supplementary financial measures”, as applicable) as defined in National Instrument 52-112 - Non-GAAP and Other Financial Measures Disclosure. These measures are identified and presented, where appropriate, together with reconciliations to the most directly comparable IFRS measure. These measures are intended as a complement to results provided in accordance with IFRS. The Corporation believes these measures provide additional useful information to analysts, shareholders and other users to understand the Corporation’s financial results, profitability, cost management, liquidity and ability to generate funds to finance its operations.

This MD&A includes the following non-GAAP and other specified financial measures: Adjusted EBITDA and discretionary free cash flow (non-GAAP financial measures), Adjusted EBITDA margin, Adjusted EBITDA per basic and diluted share and discretionary free cash flow per basic and diluted share (non-GAAP ratios), total segment profit margin (total of segment measure), working capital, Total Debt and Liquidity (capital management measures), and funds flow from operations per basic and diluted share (supplementary financial measure). These non-GAAP and other specified financial measures are further explained below.

Non-GAAP Financial Measures and Non-GAAP Ratios

Adjusted EBITDA, Adjusted EBITDA margin and Adjusted EBITDA per basic and diluted share

Adjusted EBITDA is calculated as noted in the table below and reflects items that the Corporation considers appropriate to adjust including unrealized gains or losses on mark to market transactions, share-based compensation, transaction costs, other income and expenses, and items that do not relate to the primary operations of the business. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue (excluding oil purchase and resale). Adjusted EBITDA per basic and diluted share is defined as Adjusted EBITDA divided by basic and diluted weighted average common shares. For the years ended December 31, 2024 and 2023, in Adjusted EBITDA, transaction and related costs have been adjusted as they are costs outside the normal course of business.

Adjusted EBITDA and Adjusted EBITDA margin are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies.

Management believes that in addition to net income, Adjusted EBITDA is a useful supplemental measure to enhance investors' understanding of the results generated by the Corporation's principal business activities prior to consideration of how those activities are financed, how the results are taxed, how the results are impacted by non-cash charges, and charges that are irregular in nature or not reflective of SECURE's core operations. Management calculates these adjustments consistently from period to period to enhance comparability of this MD&A. Adjusted EBITDA is used by management to determine SECURE's ability to service debt, finance capital expenditures and provide for dividend payments to shareholders. Adjusted EBITDA is also used internally to set targets for determining employee variable compensation, largely because management believes that this measure is indicative of how the fundamental business is performing and being managed. Adjusted EBITDA margin is used as a supplemental measure by investors and management to evaluate cost efficiency.

The following table reconciles the Corporation's net income, being the most directly comparable financial measure disclosed in the Corporation's Annual Financial Statements, to Adjusted EBITDA for the three and twelve months ended December 31, 2024 and 2023. For all prior periods, Adjusted EBITDA is reconciled to its most directly comparable financial measure under IFRS in SECURE's MD&A for the respective period. All such reconciliations are in the non-GAAP and other specified financial measures advisory section of the applicable MD&A, each of which are available on SECURE's SEDAR+ profile at www.sedarplus.ca.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	2024	2023	% Change
Net income	34	59	(42)	582	195	198
Adjustments:						
Depreciation, depletion and amortization [(1)]	42	52	(19)	173	203	(15)
Interest, accretion and finance costs	12	24	(50)	55	96	(43)
Current tax (recovery) expense	1	(4)	(125)	28	2	1,300
Deferred tax expense	11	23	(52)	103	60	72
Share-based compensation [(2)]	9	7	29	34	26	31
Gain on asset divestitures	—	—	—	(520)	—	100
Other expense	5	10	(50)	20	—	100
Unrealized loss on mark to market transactions [(3)]	1	(12)	(108)	11	(6)	(283)
Transaction and related costs	2	3	(33)	4	14	(71)
Adjusted EBITDA	117	162	(28)	490	590	(17)

(1) Included in cost of sales and/or G&A expenses on the Consolidated Statements of Comprehensive Income.
(2) Included in G&A expenses on the Consolidated Statements of Comprehensive Income.
(3) Includes amounts reported in revenue on the Consolidated Statements of Comprehensive Income.

Discretionary Free Cash Flow and Discretionary Free Cash Flow per basic and diluted share

Discretionary free cash flow is defined as funds flow from operations adjusted for sustaining capital expenditures, lease payments and transaction costs. The Corporation may deduct or include additional items in its calculation of discretionary free cash flow that are unusual, non-recurring, or non-operating in nature. Discretionary free cash flow per basic and diluted share is defined as discretionary free cash flow divided by basic and diluted weighted average common shares. For the years ended December 31, 2024 and 2023, in discretionary free cash flow, transaction and related costs have been adjusted as they are costs outside the normal course of business.

Discretionary free cash flow and discretionary free cash flow per basic and diluted share are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies.

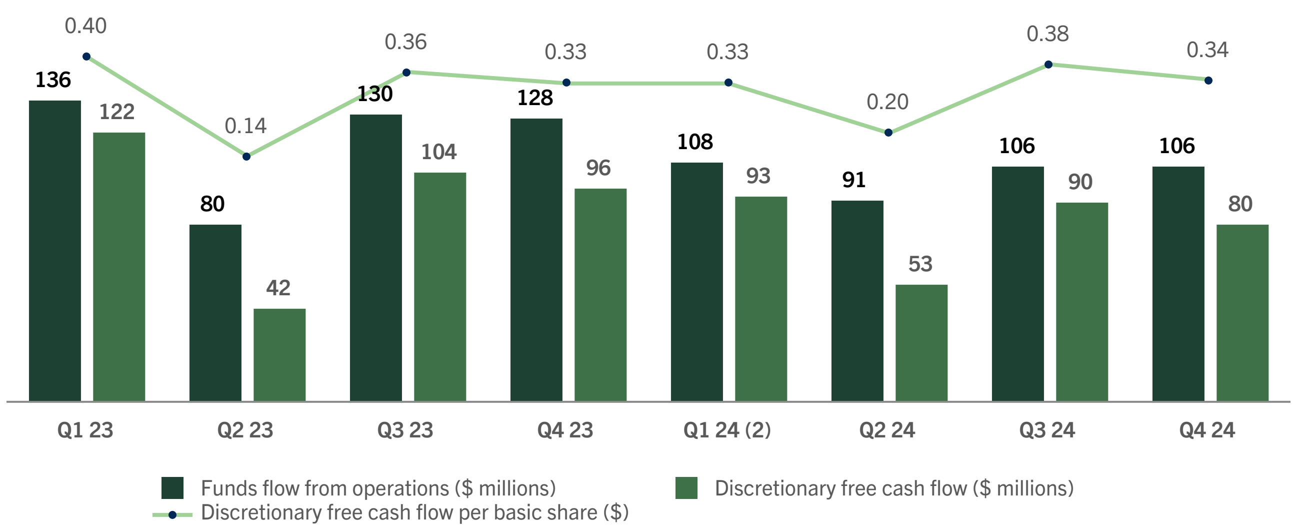
Discretionary free cash flow and discretionary free cash flow per basic and diluted share are used by investors and management to assess the level of cash flow generated from ongoing operations. Management uses the discretionary free cash flow and discretionary free cash flow per basic and diluted share measures to evaluate the adequacy of internally generated cash flow to manage debt levels, invest in the growth of the business, or return capital to our shareholders.

The following table reconciles the Corporation's funds flow from operations, being the most directly comparable financial measure disclosed in the Corporation's Annual Financial Statements, to discretionary free cash flow. For all prior periods, funds flow from operations is reconciled to its most directly comparable financial measure under IFRS in SECURE's MD&A for the respective period. All such reconciliations are in the non-GAAP and other specified financial measures advisory section of the applicable MD&A, each of which are available on SECURE's SEDAR+ profile at www.sedarplus.ca.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	2024	2023	% Change
Funds flow from operations	106	128	(17)	411	474	(13)
Adjustments:						
Sustaining capital [1]	(22)	(19)	16	(72)	(89)	(19)
Lease liability principal payments	(6)	(16)	(63)	(27)	(36)	(25)
Transaction and related costs	2	3	(33)	4	14	(71)
Discretionary free cash flow	80	96	(17)	316	363	(13)

[1] Refer to the "Operational Definitions" section of this MD&A for further information.

Funds Flow from Operations, Discretionary Free Cash Flow[1] and Discretionary Free Cash Flow per basic share[1]



1. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.

2. On February 1, 2024, SECURE closed the Sale Transaction to divest 29 Facilities.

Total Segment Profit Margin

Segment Profit Margin is calculated as the difference between revenue and cost of sales, excluding depreciation, depletion and amortization. Management analyzes Segment Profit Margin as a key indicator of segment profitability. Segment Profit Margin is also used by management to quantify the operating costs inherent in the Corporation's business activities, prior to operational related depreciation, depletion and amortization, and to evaluate segment cost control and efficiency. The following table reconciles the Corporation's gross margin, being the most directly comparable financial measure disclosed in the Corporation's Annual Financial Statements, to total and consolidated Segment Profit Margin.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	2024	2023	% Change
Gross margin	98	156	(37)	422	512	(18)
Add:						
Depreciation, depletion and amortization [(1)]	40	49	(18)	164	194	(15)
Total Segment Profit Margin	138	205	(33)	586	706	(17)

[(1)] *Included in cost of sales on the Consolidated Statements of Comprehensive Income.*

Capital Management Measures

This MD&A includes the following capital management measures: working capital, Liquidity and Total Debt. Working capital is calculated as the difference between current assets less accounts payable and accrued liabilities, customer prepayments, interest payable and current tax payable. Liquidity is calculated as the total of cash and the available borrowing amount under the Corporation's Revolving Credit Facility and SECURE's unsecured letter of credit facility guaranteed by Export Development Canada (the "Letter of Credit Facility"). Total Debt is calculated as the total of amounts drawn on the Corporation's Revolving Credit Facility, the principal amount outstanding on the 2029 unsecured notes, lease liabilities and financial letters of credit. Management analyzes working capital, Total Debt and Liquidity as part of the Corporation's overall capital management strategy to ensure adequate sources of capital are available to maintain operational activities, carry out the Corporation's planned capital program, fund dividend payments and have sufficient cash sources to sustain the business for the long-term. Refer to Notes 11, 12 and 22 of the Annual Financial Statements for additional information.

Supplementary Financial Measures

This MD&A includes funds flow from operations per basic and diluted share as a supplementary financial measure and is calculated as funds flow from operations, as determined in accordance with IFRS, divided by basic and diluted weighted average common shares.

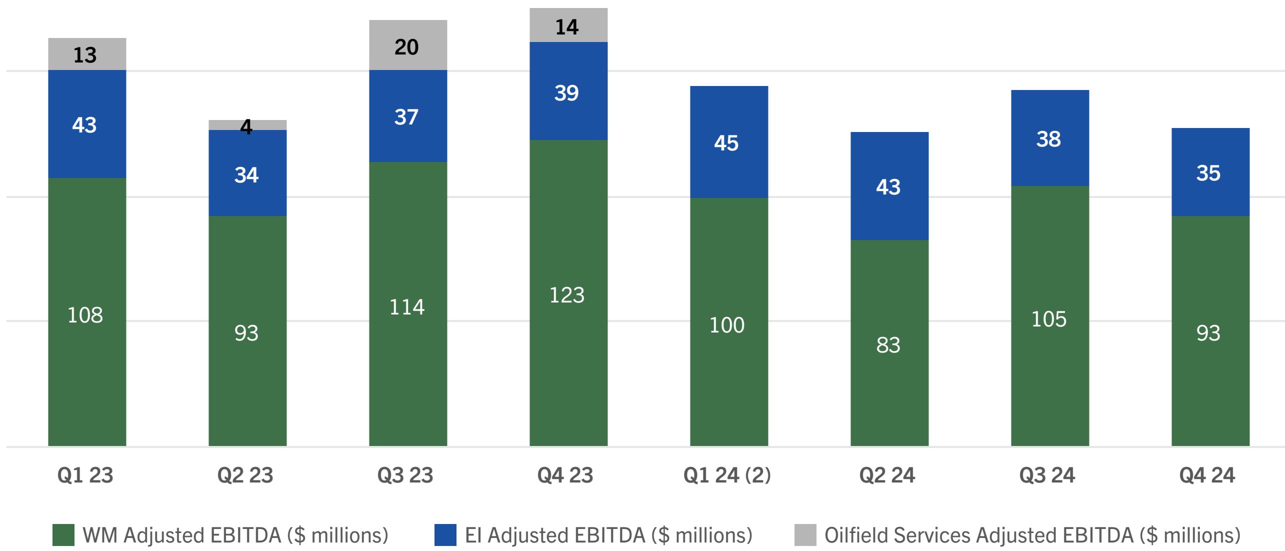
RESULTS OF OPERATIONS FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2024

In order to discuss the factors that have caused period to period variations in operating activities, the Corporation has divided the business into three reportable segments for the three and twelve months ended December 31, 2024, as outlined in the "*Corporate Overview*" above, and presented in Note 25 of the Annual Financial Statements.

The 2023 Annual MD&A for the three and twelve months ended December 31, 2023, included the Oilfield Services segment, which consisted of drilling fluid management and project management services. Due to the divestiture of project management services in December 2023, the specialty chemicals drilling fluid management business does not meet the quantitative thresholds to be reported as a separate segment. As a result, this business unit is included in the Waste Management segment prospectively for the three and twelve months ended December 31, 2024. No changes were made to the comparative information or the consolidated data.

Total Segment Adjusted EBITDA excludes corporate G&A expenses and share-based compensation, as senior management reviews each segment's earnings before these expenses in assessing profitability and performance.

Quarterly Segment Adjusted EBITDA[1]



1. Non-GAAP financial measure. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.
2. Two Oilfield Services businesses were divested in 2023. As a result, the Oilfield Services segment is not reported starting in 2024.

The tables below outline the results by reportable segment for the three and twelve months ended December 31, 2024 and 2023:

Three months ended December 31, 2024	**Waste Management**	**Energy Infrastructure**	**Corporate**	**Total**
Revenue excluding oil purchase and resale	286	46	—	332
Oil purchase and resale	—	2,230	—	2,230
Total revenue	**286**	**2,276**	—	**2,562**
Cost of sales excluding items listed separately below	(184)	(2,240)	—	(2,424)
Segment profit margin	**102**	**36**	—	**138**
G&A expenses excluding items listed separately below	(9)	(2)	(11)	(22)
Depreciation, depletion and amortization [1]	(35)	(6)	(1)	(42)
Share-based compensation	—	—	(9)	(9)
Transaction and related costs	—	—	(2)	(2)
Interest, accretion and finance costs	(3)	(1)	(8)	(12)
Other income (expense)	1	1	(7)	(5)
Income (loss) before tax	**56**	**28**	**(38)**	**46**

Year ended December 31, 2024	Waste Management	Energy Infrastructure	Corporate	Total
Revenue excluding oil purchase and resale	1,185	218	—	1,403
Oil purchase and resale	—	9,269	—	9,269
Total revenue	**1,185**	**9,487**	—	**10,672**
Cost of sales excluding items listed separately below	(761)	(9,325)	—	(10,086)
Segment profit margin	**424**	**162**	—	**586**
G&A expenses excluding items listed separately below	(43)	(12)	(52)	(107)
Depreciation, depletion and amortization [(1)]	(148)	(22)	(3)	(173)
Share-based compensation	—	—	(34)	(34)
Transaction and related costs	—	—	(4)	(4)
Interest, accretion and finance costs	(11)	(5)	(39)	(55)
Gain on asset divestiture	—	—	520	520
Other income (expense)	2	3	(25)	(20)
Income before tax	**224**	**126**	**363**	**713**

Three months ended December 31, 2023	Waste Management	Energy Infrastructure	Oilfield Services	Corporate	Total
Revenue excluding oil purchase and resale	276	65	110	—	451
Oil purchase and resale	—	1,889	—	—	1,889
Total revenue	**276**	**1,954**	**110**	—	**2,340**
Cost of sales excluding items listed separately below	(145)	(1,900)	(90)	—	(2,135)
Segment profit margin	**131**	**54**	**20**	—	**205**
G&A expenses excluding items listed separately below	(8)	(3)	(6)	(14)	(31)
Depreciation, depletion and amortization [(1)]	(40)	(6)	(5)	(1)	(52)
Share-based compensation	—	—	—	(7)	(7)
Transaction and related costs	—	—	—	(3)	(3)
Interest, accretion and finance costs	(4)	(1)	—	(19)	(24)
Other (expense) income	(2)	—	(14)	6	(10)
Income (loss) before tax	**77**	**44**	**(5)**	**(38)**	**78**

Year ended December 31, 2023	Waste Management	Energy Infrastructure	Oilfield Services	Corporate	Total
Revenue excluding oil purchase and resale	1,047	201	399	—	1,647
Oil purchase and resale	—	6,597	—	—	6,597
Total revenue	**1,047**	**6,798**	**399**	—	**8,244**
Cost of sales excluding items listed separately below	(585)	(6,629)	(324)	—	(7,538)
Segment profit margin	**462**	**169**	**75**	—	**706**
G&A expenses excluding items listed separately below	(24)	(10)	(24)	(52)	(110)
Depreciation, depletion and amortization [(1)]	(159)	(22)	(20)	(2)	(203)
Share-based compensation	—	—	—	(26)	(26)
Transaction and related costs	—	—	—	(14)	(14)
Interest, accretion and finance costs	(13)	(2)	(2)	(79)	(96)
Other (expense) income	(2)	4	(7)	5	—
Income (loss) before tax	**264**	**139**	**22**	**(168)**	**257**

[(1)] Depreciation, depletion and amortization have been allocated to cost of sales and general and administrative expenses on the Consolidated Statements of Comprehensive Income based on function of the underlying asset.

WASTE MANAGEMENT SEGMENT

SECURE operates a fully integrated network of waste processing facilities, produced water pipelines, industrial landfills, waste transfer stations and field & industrial solutions capable of handling all major waste streams in Western Canada and North Dakota. Services include produced and waste water disposal, hazardous and non-hazardous waste collection, processing and transfer and treatment of crude oil emulsions.

The Corporation also manages ferrous and non-ferrous metals for industrial, energy, mining, residential, and commercial customers in Western Canada through our network of metals recycling facilities, rail response, and project management services. SECURE collects, processes, and recycles metals to be used in new steel manufacturing.

SECURE also develops technologies that serve as the first line of defense in waste management by creating specialty chemical solutions that optimize operations and increase production.

Through this infrastructure network, the Corporation carries out business operations including the processing, recovery, recycling and disposal of waste streams generated by our energy and industrial customers.

The table below outlines the operational and financial results for the Waste Management segment for the three and twelve months ended December 31, 2024 and 2023.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	**2024**	2023	% Change
Volumes						
Produced water (in 000's m^3)	**1,412**	2,482	(43)	**5,748**	9,025	(36)
Waste processing (in 000's m^3)	**603**	926	(35)	**2,532**	3,679	(31)
Oil recovery (in 000's m^3)	**42**	57	(26)	**189**	226	(16)
Industrial landfill (in 000's m^3)	**506**	773	(35)	**2,190**	2,728	(20)
Waste Management Revenue	**286**	276	4	**1,185**	1,047	13
Cost of Sales						
Cost of sales excluding items noted below	**184**	145	27	**761**	585	30
Depreciation, depletion and amortization	**34**	38	(11)	**142**	153	(7)
Waste Management Cost of Sales	**218**	183	19	**903**	738	22
G&A expense (including depreciation not in cost of sales)	**10**	10	—	**49**	30	63
Segment income before tax	**56**	77	(27)	**224**	264	(15)

Volumes

For the three months and year ended December 31, 2024, produced water, waste processing, oil recovery and industrial landfill volumes decreased in comparison to the respective periods in 2023. This decrease was attributed to the reduction in the number of waste processing facilities and industrial landfills divested in the Sale Transaction. Additionally, activity in the fourth quarter of 2024 was slower than usual due to earlier than normal shutdowns before the holidays, resulting in limited operations during the latter half of December. The volumes for the year ended December 31, 2024 include contributions from the divested Facilities in January, as the Sale Transaction was completed on February 1, 2024. As a result of the Sale Transaction, SECURE divested of 17 treatment, recovery and disposal facilities, six landfills, four water disposal wells and two disposal caverns, all formerly owned by Tervita and all within the Waste Management segment.

Financial Results

Revenue from the Waste Management segment increased 4% for the three months and 13% for the year ended December 31, 2024, respectively, compared to the same periods in 2023 mainly due to the inclusion of all specialty chemicals into the Waste Management segment as of January 1, 2024, as well as an approximate 5%

price increase in the fourth quarter of 2023. Revenue contributions from the inclusion of all specialty chemicals more than offset the loss of revenues associated with the divested assets in the Sale Transaction.

During the three months and year ended December 31, 2024, cost of sales excluding depreciation, depletion and amortization, increased 27% and 30%, respectively, from the 2023 comparative periods due to the inclusion of all specialty chemicals in the Waste Management segment, which more than offset reductions as a result of assets divested in the Sale Transaction.

For the three months and year ended December 31, 2024, operational depreciation and amortization decreased by 11% and 7%, respectively, compared to the same periods in 2023 due to the Facilities divested in the Sale Transaction.

G&A expenses in the fourth quarter of 2024 remained consistent with the same period in 2023. Adjustments to reduce the provision for expected credit losses led to a decrease in G&A expenses, offsetting the increases caused by the inclusion of specialty chemicals in the Waste Management segment. G&A expenses increased by $19 million for the year ended December 31, 2024 compared to 2023 primarily due to the inclusion of all specialty chemicals in the Waste Management segment as of January 1, 2024.

During the three months ended December 31, 2024, the Waste Management segment's pre-tax income decreased by 27% compared to the same period in 2023. This decline was primarily driven by higher cost of sales, partially offset by increased revenues, both resulting from the integration of specialty chemicals into the Waste Management segment as of January 1, 2024. For the year ended December 31, 2024, the Waste Management segment's pre-tax income decreased 15% compared to 2023 reflecting the same factors as the three-month period, along with higher G&A expenses.

ENERGY INFRASTRUCTURE SEGMENT

The Energy Infrastructure segment has two separate business lines: energy infrastructure and oil purchase and resale.

Energy Infrastructure

SECURE’s energy infrastructure includes a network of crude oil gathering pipelines, terminals and storage facilities. Through this infrastructure network, the Corporation engages in the transportation, optimization, terminalling and storage of crude oil.

Oil Purchase and Resale

SECURE’s oil purchase and resale enhances the service offering associated with SECURE’s business of terminalling and marketing. By offering this service, SECURE’s customers gain efficiencies in transporting and handling of their crude oil to the pipeline. At the Corporation’s terminals, SECURE meters the crude oil volumes and purchases the crude oil directly from customers. The Corporation then processes and manages the shipment of crude oil through its own or third-party pipelines. For reporting purposes, both the costs and revenues related to product purchases and resale at the market hub, along with transportation fees, are recorded as oil purchase and resale on a gross basis. The Corporation may also purchase and resell crude oil to take advantage of changing market prices and price differentials to enhance profitability.

The table below outlines average benchmark prices, operational, and financial results for the Energy Infrastructure segment for the three and twelve months ended December 31, 2024 and 2023.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	2024	2023	% Change
WTI (US$/bbl)	$ 70.27	$ 78.32	(10)	$ 75.73	$ 77.63	(2)
WCS average differential (US$/bbl)	$ 12.15	$ 21.84	(44)	$ 14.48	$ 18.68	(22)
Average exchange rate CAD/USD	0.71	0.73	(3)	0.73	0.74	(1)
Canadian Light Sweet ($/bbl)	$ 92.69	$ 97.55	(5)	$ 98.13	$ 99.87	(2)
Crude oil terminalling and pipeline volumes (in 000's m^3)[(1)]	1,899	1,870	2	7,216	6,147	17

(1) Volumes for the three and twelve months ended December 31, 2023 were misstated in a previous report as 1,416,000 m3 and 5,693,000 m3, respectively.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	2024	2023	% Change
Revenue (excluding oil purchase and resale)	46	65	(29)	218	201	8
Oil purchase and resale	2,230	1,889	18	9,269	6,597	41
Energy Infrastructure Revenue	2,276	1,954	16	9,487	6,798	40
Cost of Sales						
Cost of sales excluding items noted below	10	11	(9)	56	32	75
Depreciation and amortization	6	6	—	22	22	—
Oil purchase and resale	2,230	1,889	18	9,269	6,597	41
Energy Infrastructure Cost of Sales	2,246	1,906	18	9,347	6,651	41
G&A expense	2	3	(33)	12	10	20
Segment income before tax	28	44	(36)	126	139	(9)

Volumes

For the three months ended December 31, 2024, crude oil pipeline and terminalling volumes increased by 2% compared to the same period in 2023. This increase was attributed to the contribution from the Clearwater heavy oil terminal, partially offset by the divestment of assets in the Sale Transaction.

For the year ended December 31, 2024 crude oil pipeline and terminalling volumes increased by 17% compared to 2023. This increase was driven by significant volume contributions from the Clearwater heavy oil terminal, which commenced operations in the fourth quarter of 2023, partially offset by the divestment of assets in the Sale Transaction.

Financial Results

In the three months ended December 31, 2024, revenue (excluding oil purchase and resale) decreased by $19 million compared to the fourth quarter of 2023, primarily due to assets divested in the Sale Transaction in January 2024.

For the year ended December 31, 2024, revenue (excluding oil purchase and resale) increased by $17 million compared to 2023. This increase was primarily driven by higher optimization and terminalling revenue resulting from increased volumes largely attributed to the addition of the Clearwater heavy oil terminal, as well as the sale of crude oil and natural gas liquids inventory held at the end of the first quarter. These sales enabled SECURE to capitalize on arbitrage opportunities with physical volumes and leverage price differentials between markets. These factors more than offset the revenue decline associated with the assets divested in the Sale Transaction in January 2024.

Oil purchase and resale revenue increased 18% for the three months ended, and 41% for the year ended December 31, 2024, compared to the respective prior year periods. The increases were driven by additional volumes through third-party pipelines, enabling SECURE to capitalize on arbitrage opportunities and leverage price differentials between markets to enhance profitability, along with the purchase and sale of inventory related to storage positions.

For the three months ended December 31, 2024, cost of sales, excluding depreciation, amortization and oil purchase and resale, were consistent with the 2023 comparative period.

For the year ended December 31, 2024, cost of sales, excluding depreciation, amortization and oil purchase and resale, increased by $24 million compared to 2023. The annual increase was driven by costs incurred at the Clearwater heavy oil terminal, which began operations in the fourth quarter of 2023, higher transportation charges associated with increased throughput volumes, as well as transportation costs on third-party pipelines.

Operating depreciation expense included in cost of sales relates primarily to the Energy Infrastructure segment's oil pipelines, terminals and storage facilities. For the three months and year ended December 31, 2024, operating depreciation was consistent with the corresponding periods in 2023. The decrease in depreciation due to the divested facilities was offset by depreciation of the Clearwater heavy oil terminalling and gathering infrastructure following the commencement of operations in the fourth quarter of 2023.

For the three months ended December 31, 2024, G&A expenses remained relatively consistent with the comparative period in 2023. For the year ended December 31, 2024, G&A was $2 million higher than in 2023. The increase was primarily due to higher salaries and wages implemented in the second quarter of 2023, reflecting adjustments to market comparatives as a result of rising inflation.

During the three months ended December 31, 2024, the Energy Infrastructure segment's income before tax decreased by $16 million from the comparative period in 2023. This decline was primarily due to lower revenues resulting from the divestment of assets in the Sale Transaction, as well as higher cost of sales driven by increased volumes and operations at the Clearwater heavy oil terminal.

During the year ended December 31, 2024, the Energy Infrastructure segment's income before tax decreased by $13 million compared to 2023. While revenues increased due to arbitrage opportunities and the storage and subsequent sale of inventory, these gains were more than offset by higher cost of sales driven by costs incurred at the Clearwater heavy oil terminal, which began operations in the fourth quarter of 2023.

CORPORATE INCOME AND EXPENSES

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	2024	2023	% Change
G&A expenses excluding items noted below	11	14	(21)	52	52	—
Depreciation and amortization	1	1	(100)	3	2	50
Share-based compensation expense	9	7	29	34	26	31
Total Corporate G&A expenses	21	22	(5)	89	80	11
Transaction and related costs	2	3	(33)	4	14	(71)
Interest and finance costs	8	19	(58)	39	79	(51)
Gain on asset divestiture	—	—	—	(520)	—	100
Other expense (income)	7	(6)	(217)	25	(5)	(600)
Income tax expense	12	19	(37)	131	62	111

Included in total Corporate G&A expenses are all public company costs, personnel, office and other administrative costs relating to corporate employees and officers, support services shared across all operational business units, and share-based compensation for all employees.

During the three months ended December 31, 2024, Corporate G&A expenses (excluding depreciation, amortization, and share-based compensation) decreased compared to the same period in the prior year. This reduction was primarily due to adjustments in the short-term incentive plan in both periods to align with the expected amounts earned under the plan.

During the year ended December 31, 2024, Corporate G&A expenses (excluding depreciation, amortization, and share-based compensation), remained consistent with 2023. The decrease noted in the fourth quarter of 2024 offset higher salaries and wages, as well as increased information technology costs primarily related to cybersecurity incurred in earlier quarters of the year.

For the three months and year ended December 31, 2024, share-based compensation expenses increased by $2 million and $8 million, respectively, compared to the prior year periods. This increase was primarily driven by units issued under the Corporation's unit incentive plan at a higher share price, resulting in higher expenses. Additionally, for the full-year period, the expense was higher due to the issuance of additional performance share units based on the performance factor achieved.

For the year ended December 31, 2024, the Corporation realized a gain of $520 million for the Sale Transaction, net of $20 million of advisory and legal fees, severance and restructuring costs.

Interest and finance costs for the three and twelve months ended December 31, 2024 decreased by 58% and 51%, respectively, compared to the same periods in the prior year. This reduction was due to the redemption of the 2025 senior secured notes and the 2026 unsecured notes during Q1 2024 and the issuance, in Q1 2024, of the 2029 unsecured notes at a lower interest rate. Additionally, a lower balance was drawn on the Revolving Credit Facility throughout the year after it was fully paid off in Q1 2024.

During the three months ended December 31, 2024, other expense included foreign currency losses related to U.S. dollar-denominated payables and accrued liabilities and the settlement of foreign currency forward contracts. Additionally, during the year ended December 31, 2024, the Corporation recorded a $16 million loss on debt extinguishment related to the 2026 unsecured notes. During the three and twelve months ended December 31, 2023, other income included unrealized foreign currency gains related to U.S. dollar denominated debt.

For the three months ended December 31, 2024, the Corporation's income tax expense was $7 million lower than in the same period of 2023, primarily due to lower net income in the fourth quarter of 2024 compared to 2023. For the year ended December 31, 2024, the Corporation's income tax expense was $131 million, compared to $62 million in 2023, primarily due to higher taxable income resulting from the gain recognized on the Sale Transaction in the first quarter of 2024.

SUMMARY OF QUARTERLY RESULTS

Seasonality

In Western Canada, the level of activity is influenced by seasonal weather patterns. As warm weather returns in the spring, the winter's frost thaws (commonly referred to as "spring break-up"), rendering many secondary roads incapable of supporting heavy loads. As a result, road bans are implemented, prohibiting the transportation of heavy loads in certain areas. This limits the movement of heavy equipment, and the transportation of heavy waste loads is restricted, leading to smaller loads and a general reduction in the volume of waste delivered to SECURE's facilities. Additionally, during the fourth quarter, operations are impacted by holiday shutdowns, slow new year start-ups, and extreme winter weather conditions, including severe cold and heavy snowfall. These factors contribute to reduced activity levels, logistical challenges, and operational slowdowns in certain regions.

Accordingly, while the Corporation's facilities remain open and accessible year-round, spring break-up and winter-related slowdowns reduce waste volumes received and specialty chemical sales. The second quarter has generally been the slowest due to spring break-up, while the fourth quarter experiences seasonal slowdowns related to extreme weather and holiday periods.

These seasonal trends typically lead to quarterly fluctuations in operating results and working capital requirements, which should be considered in any quarter-over-quarter analysis of performance.

The table below summarizes unaudited consolidated quarterly information for each of the eight most recently completed fiscal quarters.

	2024				2023			
($ millions, except share and per share data)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue (excluding oil purchase and resale)	332	374	337	360	451	427	353	416
Oil purchase and resale	2,230	2,240	2,284	2,515	1,889	1,788	1,429	1,491
Total revenue	2,562	2,614	2,621	2,875	2,340	2,215	1,782	1,907
Net income	34	94	32	422	59	47	34	55
Per share - basic	0.14	0.39	0.12	1.50	0.20	0.16	0.11	0.18
Per share - diluted	0.14	0.39	0.12	1.47	0.20	0.16	0.11	0.18
Weighted average shares - basic	235,945,893	239,290,458	262,468,788	281,557,907	288,968,141	292,043,344	296,343,936	306,517,269
Weighted average shares - diluted	240,293,825	243,055,638	265,906,070	286,486,941	293,212,504	294,929,189	298,407,348	310,026,987
Adjusted EBITDA [1]	117	127	114	132	162	158	119	151

[1] Non-GAAP financial measure. Refer to the "Non-GAAP and other specified financial measures" section of this MD&A for further information.

Quarterly Review Summary

As shown above, quarterly performance is influenced by seasonal variations. However, fluctuations in industry activity, along with SECURE's historical growth, acquisitions, and divestitures, also contribute to variations in quarterly results.

During the second quarter of 2023, the Corporation was impacted by wildfires in Western Canada which occurred in May 2023, resulting in temporary facility closures in the Waste Management segment, reduced activity from evacuations in certain areas and reduced revenues from energy producers that shut in operations in affected areas and took precautionary measures.

During the fourth quarter of 2023, the Corporation experienced a substantial rise in revenues, driven by enhanced activity across all business units within the Waste Management segment and Energy Infrastructure segment. This increase in activity was spurred by higher growth and sustaining capital expenditures invested during the year. Key contributors to the Corporation's improved earnings included produced water growth across our network in Western Canada, the completion of the Clearwater heavy oil terminalling and gathering infrastructure, the expansion of a Montney water disposal facility, and investments in equipment for metal recycling.

The divestiture of 29 facilities in the first quarter of 2024 had a notable impact on the Corporation's operating and financial results. Consequently, both revenues and expenses (excluding oil purchase and resale) experienced a decline due to this divestiture. As a result of the Sale Transaction, the Corporation recorded a gain of $520 million in the first quarter of 2024.

During the third quarter of 2024, the Corporation recorded an income tax recovery of $30 million, primarily due to revisions in the underlying assumptions with respect to the tax treatment of the Sale Transaction, which contributed to an increase in net income.

During the fourth quarter of 2024, revenues and net income were consistent with seasonal fluctuations, along with the impacts of the Sale Transaction during the first quarter of 2024.

SUMMARY OF SELECT ANNUAL RESULTS

The table below summarizes consolidated annual information for three most recently completed years.

	Twelve months ended December 31,		
($ millions except share and per share data)	2024	2023	2022
Revenue (excludes oil purchase and resale)	1,403	1,647	1,534
Oil purchase and resale	9,269	6,597	6,468
Total revenue	10,672	8,244	8,002
Adjusted EBITDA [1]	490	590	557
Per share ($), basic[1]	1.92	1.99	1.80
Per share ($), diluted[1]	1.89	1.97	1.78
Net income (loss)	582	195	184
Per share ($), basic	2.28	0.66	0.59
Per share ($), diluted	2.25	0.65	0.59
Dividends declared per common share	0.40	0.40	0.1225
Total assets	2,281	2,844	2,840
Long-term liabilities	558	1,186	1,115
Common shares - end of year	234,081,831	287,627,549	309,381,452
Weighted average common shares			
Basic	254,721,786	295,909,340	309,637,322
Diluted	258,841,297	299,086,393	313,167,037

[1] Non-GAAP financial measure or non-GAAP ratio. Refer to "*Non-GAAP and other financial measures*" and "*Operational Definitions*" sections in this MD&A for further information.

In addition to the above, refer to the “Summary of Quarterly Results” section above and discussions throughout this MD&A for other factors that impacted each year’s results.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation’s objective in capital management is to ensure adequate sources of capital are available to carry out its planned capital program while maintaining operational activity, paying dividends, conducting share buybacks, and ensuring stable cash flow to sustain the business for the long term.

Management considers capital to be the Corporation’s working capital (current assets less accounts payable and accrued liabilities, customer prepayments, interest payable and current tax payable), total amounts drawn on debt borrowings (Revolving Credit Facility and 2029 unsecured notes) and shareholders’ equity.

The Corporation’s overall capital management strategy remains unchanged from prior periods. Management controls its capital structure through detailed forecasting and budgeting, as well as established policies and processes over monitoring planned capital and operating expenditures. This includes the Board reviewing the Corporation’s results and approving capital spending limits on a quarterly basis.

The key measures that management uses to monitor its capital structure are incurred capital expenditures compared to authorized limits, Adjusted EBITDA on all of its operations, discretionary free cash flow and the covenant ratios as defined in the Corporation’s lending agreements which are discussed further below.

Debt Borrowings

The Corporation’s debt borrowings as at December 31, 2024 consisted of:

- The Revolving Credit Facility, an $800 million three-year revolving credit facility with nine financial institutions. The Revolving Credit Facility was renewed in June 2024 with the term extended to May 31, 2027. The total amount drawn at December 31, 2024 was $46 million. All amounts borrowed under the Revolving Credit Facility are secured by substantially all tangible and intangible assets owned by the Corporation.
- The 2029 unsecured notes, consisting of $300 million aggregate principal amount of 6.75% unsecured notes due March 22, 2029.
- A total of $102 million of letters of credit issued against the Revolving Credit Facility and Letter of Credit Facility.

Amounts borrowed under the Revolving Credit Facility bear interest at the Corporation’s option of either the Canadian prime rate or US Base Rate plus 0.875% to 2.75% or Canadian Overnight Repo Rate Average (“CORRA”) rate or Secured Overnight Financing Rate (“SOFR”) rate plus 1.875% to 3.75%, depending, in each case, on the ratio of Total Debt to EBITDA as defined in the Revolving Credit Facility.

On February 5, 2024, the Corporation fully repaid the outstanding balance on the Revolving Credit Facility with proceeds from the Sale Transaction. Subsequently, during the year ended December 31, 2024, the Corporation has drawn $46 million on the Revolving Credit Facility primarily to fund share repurchases.

On February 22, 2024, the Corporation used proceeds from the Sale Transaction to redeem the outstanding 2025 senior secured notes at the redemption price of 105.50% of the principal amount, plus accrued and unpaid interest. The total payment was $223 million, comprised of principal of $207 million (US$153 million), unpaid interest of $5 million and a premium of $11 million.

On March 22, 2024, the Corporation closed an offering of $300 million aggregate principal amount of the 2029 unsecured notes at an issue price of $100.00. The Corporation used the net proceeds of the Offering, along with cash on hand, to fund the redemption of the 2026 unsecured notes at the redemption price of 103.63% of the principal amount, plus accrued and unpaid interest. The total payment was $358 million, comprised of principal of $340 million, unpaid interest of $6 million and a premium of $12 million, resulting in a loss on extinguishment of debt of $16 million.

Interest payments on the 2029 unsecured notes occur in March and September during the term of the debt. These payments have historically led to lower discretionary free cash flow in the first and third quarters.

Credit Ratings

The Corporation's credit ratings issued by S&P Global Ratings ("S&P") and Fitch Ratings ("Fitch") provide increased transparency and comparability for debt investors and other capital market participants. The Corporation's credit ratings were unchanged in the quarter and as at December 31, 2024 are as follows:

	S&P	Fitch
Corporate Rating	B+	BB-
2029 unsecured notes	BB-	BB-

There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgement, circumstances so warrant. Downgrades in SECURE's credit rating could adversely affect SECURE's business, cash flows, financial condition, operating results and share and debt prices. Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor. Refer to section entitled "*Description of Capital Structure – Ratings*" in the AIF for a more detailed discussion of credit ratings and their impact on the Corporation.

Revolving Credit Facility Covenants

At December 31, 2024, the Corporation was in compliance with all financial covenants contained in the Revolving Credit Facility.

The following table outlines SECURE's covenant ratios, calculated in accordance with the Revolving Credit Facility, at December 31, 2024 and December 31, 2023:

	Covenant	December 31, 2024	December 31, 2023	% Change
Senior Debt to EBITDA	not to exceed 2.75	0.4	1.0	(60)
Total Debt to EBITDA	not to exceed 4.5	1.0	1.9	(47)
Interest coverage	not to be less than 2.5	8.7	6.2	40

Issued capital

Issued capital of $863 million at December 31, 2024 decreased from $1.5 billion at December 31, 2023, with common shares repurchased and cancelled in the year.

On April 29, 2024, the Corporation entered into the SPA with an affiliate of TPG Angelo Gordon to purchase for cancellation an aggregate of 13,181,020 common shares at a price of $11.38 per share (representing a discount of approximately 1.8% to the closing price of the common shares on the TSX on April 26, 2024), for total consideration of $150 million.

On May 1, 2024, the Corporation commenced the SIB pursuant to which it offered to purchase for cancellation up to $250 million of its common shares through a modified Dutch auction. The SIB was completed on June 10, 2024, with the Corporation repurchasing 21,929,818 common shares at a price of $11.40 per share, representing an aggregate purchase of $250 million and 8.33% of SECURE's then issued and outstanding shares before giving effect to the SIB. The Corporation also incurred $1 million in transaction costs in connection with the SIB which were included in the cost of acquiring the common shares.

On December 14, 2023, the Corporation renewed the previous NCIB. Pursuant to the renewed NCIB, the Corporation was authorized to purchase and cancel up to a maximum of 23,196,967 common shares of the Corporation representing approximately 8% of the Corporation's outstanding shares as at December 8, 2023, or 10% of the Corporation's public float. On December 13, 2024, the Corporation had purchased and cancelled the maximum amount of common shares under the NCIB.

On December 16, 2024, the Corporation renewed the previous NCIB. Pursuant to the renewed NCIB, the Corporation is authorized to purchase and cancel up to a maximum of 19,367,434 common shares of the Corporation representing approximately 8% of the Corporation's outstanding shares as at December 10, 2024, or 10% of the Corporation's public float. The NCIB will terminate on December 17, 2025 or such earlier date as the maximum number of common shares are purchased pursuant to the NCIB or the NCIB is completed or terminated at the Corporation's election.

The table below summarizes the purchases under the SPA, SIB and NCIB for the three and twelve months ended December 31, 2024 and 2023:

	Three months ended December 31,					Twelve months ended December 31,				
		2024		2023	% Change		2024		2023	% Change
Shares repurchased and cancelled under SPA		—		—	—		13,181,020		—	100
Price per share	$	—	$	—	—	$	11.38	$	—	100
Total consideration	$	—	$	—	—	$	150	$	—	100
Shares repurchased and cancelled under SIB		—		—	—		21,929,818		—	100
Price per share	$	—	$	—	—	$	11.40	$	—	100
Total consideration [1]	$	—	$	—	—	$	251	$	—	100
Shares repurchased and cancelled under NCIB		2,817,857		1,482,700	90		22,181,067		22,920,749	(3)
Price per share	$	15.97	$	9.05	76	$	11.54	$	7.10	63
Total consideration	$	45	$	14	221	$	256	$	163	57

[1] *Includes transaction costs*

Subsequent to December 31, 2024, the Corporation repurchased 4,088,400 additional shares at a weighted average price per share of $15.16 for a total of $62 million.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet our financial obligations when they are due. The Corporation manages its liquidity risk through cash and debt management. Management's assessment of the Corporation's liquidity reflects estimates, assumptions and judgments relating to current market conditions.

The Corporation's customers are impacted by fluctuations in oil and gas prices, which may lead to volatility affecting drilling and completion activity. However, SECURE's business units are primarily centered on production volumes which are recurring. In addition, a portion of these production volumes are contracted and/or fee-for-service contracts that are expected to provide a degree of cash flow stability.

Throughout 2024, the Corporation declared a quarterly dividend of $0.10 per common share. The decision whether or not to pay dividends and the amount of any such dividends are subject to the sole discretion of the Board, which regularly evaluates the Corporation's proposed dividend payments.

SECURE believes the sharing of excess cash flows with shareholders is a core business principle; as a result, management and the Board will continue to monitor the Corporation's dividend policy with respect to forecasted Adjusted EBITDA, debt, capital expenditures and other investment opportunities including share buybacks, as well as expected interest, lease, tax and transaction costs, and will look for opportunities to return additional capital as business conditions warrant.

To meet financial obligations, the Corporation may adjust the amount of its dividends, draw on the Revolving Credit Facility up to the covenant restrictions, divest assets, issue subordinated debt, or obtain equity financing. The declaration and payment of dividends is at the discretion of the Board and is dependent upon, among other things, financial performance, compliance with debt covenants and the factors referred to under the heading "*Risk Factors*" in the AIF. While the Corporation has had success in obtaining financing in the past, access to capital may be more difficult in the future depending on the economic and operating environment. Refer to the "*Access to Capital and Financing Future Growth Expansion*" discussion in the "*Risk Factors*" sections of the AIF.

As at December 31, 2024, the Corporation had $728 million in Liquidity consisting of $26 million in cash and $702 million in available borrowing capacity on its Revolving Credit Facility and Letter of Credit Facility, subject to covenant restrictions. Refer to Note 21 of the Annual Financial Statements for further disclosure regarding the Corporation's liquidity risk and Note 24 of the Annual Financial Statements for details of the Corporation's contractual obligations and contingencies at December 31, 2024, which notes are incorporated by reference into this MD&A and available on SEDAR+ at www.sedarplus.ca and on the Corporation's website www.SECURE.ca.

The following provides a summary and comparison of the Corporation's operating, investing and financing cash flows for the three and twelve months ended December 31, 2024 and 2023.

Net Cash Flows from Operating Activities

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	2024	2023	% Change
Net cash flows from operating activities	150	32	369	497	430	16

During the three months and year ended December 31, 2024, net cash flows from operating activities increased by $118 million and $67 million, respectively, compared to the prior year periods. Funds flow from operations was lower in 2024 compared to the 2023 comparative periods, primarily due to a lower profit margin resulting from the divestiture of facilities in the Sale Transaction. This was partially offset by lower interest payments resulting from reduced debt levels and the timing of fixed debt payments.

The decrease in funds flow from operations was more than offset by changes in non-cash working capital primarily driven by customer prepayments and fluctuations in accounts payable, accounts receivable, and inventory associated with the Energy Infrastructure oil purchase and resale activities.

Investing Activities

During the year ended December 31, 2024, the Corporation received cash proceeds of $1.15 billion from the Sale Transaction.

The Corporation's total capital expenditures increased by $10 million in the fourth quarter of 2024 compared to the corresponding period in the previous year. On an annual comparable basis, capital expenditures decreased by $69 million, largely due to the timing and scale of expenditures on various capital projects.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	2024	2023	% Change
Capital expenditures (1)						
Growth capital expenditures	21	14	50	62	114	(46)
Sustaining capital expenditures	22	19	16	72	89	(19)
Total capital expenditures	43	33	30	134	203	(34)

(1) *Refer to the "Operational definitions" section of this MD&A for further information.*

Growth capital expenditures for the three-month period amounted to $21 million, primarily focused on continued investments in the Clearwater heavy oil terminalling and gathering infrastructure to increase capacity, the upgrade and expansion of an existing waste processing facility, the commencement of construction of a new water disposal facility, and equipment purchases for multiple waste processing facility growth projects. For the year ended December 31, 2024 growth capital spending of $62 million included continued investments in the Clearwater heavy oil terminalling and gathering infrastructure, two water pipeline projects to integrate incremental volumes from existing customers, purchase of new rail cars for metal recycling operations, and disposal well capacity expansions.

Sustaining capital expenditures of $22 million for the three months ended and $72 million for the year ended December 31, 2024, included capital expenditures for asset integrity programs, asset purchases for our metal recycling and waste service operations, well and facility improvements at waste processing facilities and landfill cell expansions.

Financing Activities

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	**2024**	2023	% Change
(Repayment) draw of credit facilities	**(45)**	22	(305)	**(373)**	70	(633)
Settlement of notes	**—**	—	—	**(571)**	(11)	5,091
Issuance of unsecured notes	**—**	—	—	**300**	—	100
Financing fees	**—**	—	—	**(8)**	(1)	700
Lease liability principal payments	**(6)**	(16)	(63)	**(27)**	(36)	(25)
Dividends paid	**(28)**	(29)	(3)	**(104)**	(117)	(11)
Share repurchases and cancellations	**(45)**	(14)	221	**(657)**	(163)	303
Tax on share repurchases	**—**	—	—	**(13)**	—	100
Settlement of share units	**—**	—	—	**—**	(14)	(100)
Change in non-cash working capital	**11**	—	100	**18**	—	100
Net cash flows used in financing activities	**(113)**	(37)	205	**(1,435)**	(272)	428

During the three months ended December 31, 2024, the Corporation made a repayment of $45 million on the Revolving Credit Facility using excess cash flows generated from operations, after allocating funds for share buybacks under the NCIB. Additionally, in the year ended December 31, 2024, the Corporation fully repaid the outstanding balance on the Revolving Credit Facility and redeemed the 2025 senior secured notes and 2026 unsecured notes using proceeds from the Sale Transaction as well as issuing the 2029 unsecured note, before making subsequent draws to partially fund share buybacks.

The Corporation also declared dividends to holders of common shares for the three months and year ended December 31, 2024 of $23 million and $99 million, respectively (December 31, 2023: $29 million and $117 million, respectively).

CONTRACTUAL OBLIGATIONS

Refer to Note 24 of the Annual Financial Statements for disclosure related to contractual obligations.

BUSINESS RISKS

Trade Relations and Tariffs

On February 1, 2025, the President of the United States signed an executive order (the "Executive Order") imposing a 25% tariff on all goods originating in Canada and imported into the U.S. and a 10% tariff on "energy and energy resources" from Canada, effective on February 4, 2025. On February 3, 2025, Canada and the U.S. agreed to delay the imposition of their respective tariffs on imported goods for 30 days. The President of the United States has also suggested that a new economic deal may be structured with Canada, though the scope and terms of such a deal, if any, are unknown.

Additionally, on February 10, 2025 and notwithstanding the delay on the imposition of broader tariffs referenced above, President Trump signed executive orders imposing 25% tariffs against all steel and aluminum imports into the United States, including from Canada, effective March 12, 2025.

The Corporation is assessing the direct and indirect impacts to its business of such tariffs, retaliatory tariffs or other trade protectionist measures implemented as this situation develops, and such impacts could be material.

A detailed discussion of SECURE's business risks and uncertainties are set out in the "*Risk Factors*" section of the AIF, which is available on SEDAR+ at www.sedarplus.ca and on the Corporation's website www.SECURE.ca, which is incorporated by reference herein.

OUTSTANDING SHARE CAPITAL

As at February 20, 2025, there are 231,378,145 common shares issued and outstanding. In addition, the Corporation had the following share-based awards outstanding and exercisable or redeemable:

Balance as at February 20, 2025	Issued	Exercisable
Restricted Share Units	1,849,810	—
Performance Share Units	3,668,766	—

OFF-BALANCE SHEET ARRANGEMENTS

At December 31, 2024 and December 31, 2023, the Corporation did not have any material off-balance sheet arrangements.

FINANCIAL AND OTHER INSTRUMENTS

As at December 31, 2024, the Corporation's financial instruments included cash and cash equivalents, accounts receivable and accrued receivables, accounts payable and accrued liabilities, customer prepayments, current tax payable, the Revolving Credit Facility, the 2029 unsecured notes, lease liabilities and derivative instruments. The fair values of these financial instruments approximate their carrying amount due to the short-term maturity of the instruments, except for the Revolving Credit Facility, and the 2029 unsecured notes. The Revolving Credit Facility's carrying value approximates its fair value due to the variable interest rates applied, which approximate market interest rates. The fair value of the 2029 unsecured notes is influenced by changes in risk-free interest rates and the market assessment of credit risk.

Derivative instruments are fair valued at each period end in accordance with their classification of fair value through profit or loss. The Corporation utilizes derivative financial instruments to manage its exposure to market risks relating to commodity prices, foreign currency exchange rates and interest rates. Fair values of derivative contracts fluctuate depending on the underlying estimates of future commodity price curves, foreign currency exchange rates and interest rates. The estimated fair value of all derivative financial instruments is based on observable market data.

The use of financial instruments exposes the Corporation to credit, liquidity, foreign currency, interest rate and market risk. A discussion of how these and other risks are managed can be found in the AIF under the heading "*Risk Factors*" and a discussion of the corresponding classification and amounts of income, expenses, gains and losses associated with these financial instruments and their fair value can be found in Note 21 of the Corporation's Annual Financial Statements.

Of the Corporation's financial instruments, cash and cash equivalents, accounts receivable and accrued receivables and derivative instruments contain credit risk. The credit risk associated with cash and cash equivalents is minimized as all is held at major Canadian financial institutions. The Corporation provides credit to customers in the normal course of operations. The Corporation's credit risk policy includes performing credit evaluations of its customers. A significant portion of the Corporation's accounts receivable are due from companies in the oil and natural gas industry and are subject to normal industry credit risks. Where credit risk associated with a counterparty is high, the Corporation requires prepayments from customers. Given the policies and procedures in place, management is appropriately managing its credit risk.

The Corporation's exposure to losses in the event that counterparties to derivative instruments are unable to meet the terms of the contracts is considered very low as commodity derivative trades are all done with a large commodity futures exchange, and interest rate and foreign exchange hedges are done with major Canadian financial institutions.

Funds drawn under the Revolving Credit Facility are managed through a combination of bankers' acceptance loans, CORRA and U.S. dollar SOFR loans which bear interest at a floating interest rate. To the extent that the Corporation borrows under the Revolving Credit Facility, the Corporation is at risk to rising interest rates and foreign exchange rates.

ACCOUNTING POLICIES

SECURE's material accounting policies are set out in Note 2 of the Annual Financial Statements. The accounting policies described in Note 2 have been applied consistently to all periods presented in the Annual Financial Statements. There were no new accounting standards or amendments to IFRS issued that materially impacted the Annual Financial Statements.

FUTURE ACCOUNTING PRONOUNCEMENTS

On June 26, 2023, the International Sustainability Standards Board ("ISSB") issued IFRS S1 "General Requirements for Disclosure of Sustainability-related Financial Information" and IFRS S2 "Climate-related Disclosures". IFRS S1 and IFRS S2 are effective for annual reporting periods beginning on or after January 1, 2024. The sustainability standards as issued by the ISSB provide for transition relief in IFRS S1 that allow a reporting entity to report only on climate-related risks and opportunities, as set out in IFRS S2, in the first year of reporting under the sustainability standards.

The Canadian Securities Administrators ("CSA") are responsible for determining the reporting requirements for public companies in Canada and are responsible for decisions related to the adoption of the sustainability disclosure standards, including the effective annual reporting dates. The CSA issued proposed National Instrument *51-107 – Disclosure of Climate-related Matters* in October 2021. The CSA has indicated it will consider the ISSB sustainability standards and developments in the United States in its decisions related to developing climate-related disclosure requirements for reporting issuers in Canada. The CSA will involve the Canadian Sustainability Standards Board ("CSSB") for their combined review of the ISSB issued sustainability standards for their suitability for adoption in Canada. Until such time as the CSA and CSSB make decisions on sustainability standard adoption here in Canada, there is no requirement for public companies in Canada to adopt the sustainability standards. The Corporation is actively evaluating the potential effects of the ISSB issued sustainability standards; however, at this time, the Corporation is not able to determine the impact on future financial statements and business, nor the potential costs to comply with these sustainability standards.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the preparation of the Corporation's Annual Financial Statements, management has made judgments, estimates and assumptions that affect the recorded amounts of revenues, expenses, assets, liabilities and the disclosure of commitments, contingencies and guarantees. Estimates and judgments used are based on management's experience and the assumptions used are believed to be reasonable given the circumstances that exist at the time the Annual Financial Statements are prepared. Actual results could differ from these estimates. The most significant estimates and judgments used in the preparation of the Corporation's Annual Financial Statements have been set out in Note 3 of the Corporation's Annual Financial Statements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING & DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures ("DC&P") as defined in National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109") means the controls and other procedures of SECURE that are designed to provide reasonable assurance that information required to be disclosed by SECURE in its annual fillings, interim fillings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by SECURE in its annual fillings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to SECURE's management including its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") as appropriate to allow timely decisions regarding required disclosure.

Internal control over financial reporting ("ICFR"), as defined in NI 52-109 means a process designed by, or under the supervision of SECURE's CEO and CFO, and effected by the Board, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Corporation used the Internal Control – Integrated Framework (2013) published by the Committee of Sponsoring Organizations of the Treadway Commission in the design of its ICFR. SECURE's ICFR includes policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of SECURE;
- Are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that receipts and expenditures of SECURE are being made only in accordance with authorizations of management and directors; and
- Are designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of SECURE’s assets that could have a material effect on the financial statements.

There was no change to the Corporation’s ICFR that occurred during the most recent annual period ended December 31, 2024 that has materially affected, or is reasonably likely to materially affect, the Corporation's ICFR.

In accordance with the requirements of NI 52-109, an evaluation of the effectiveness of DC&P and ICFR was carried out under the supervision of the CEO and CFO at December 31, 2024. Based on this evaluation, the CEO and CFO have concluded that the Corporation’s DC&P and ICFR were effective as at December 31, 2024.

Management, including the CEO and CFO, does not expect that the Corporation’s DC&P and ICFR will prevent or detect all misstatements or instances of fraud. The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues, misstatements or instances of fraud, if any, within the Corporation have been detected.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Refer to Note 24 of the Corporation’s Annual Financial Statements for disclosure related to legal proceedings and regulatory actions and its impact on contingencies, if any.

RELATED PARTIES

Refer to Note 23 of the Corporation’s Annual Financial Statements for disclosure of related parties. There have been no other material related party transactions or significant changes to those disclosed in the Annual Financial Statements.

FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this MD&A constitute “forward-looking statements and/or “forward-looking information” within the meaning of applicable securities laws (collectively referred to as “forward-looking statements”). When used in this MD&A, the words “achieve”, “advance”, “anticipate”, “believe”, "can be", "capacity", “commit”, “continue”, “could”, “deliver”, “drive”, “enhance”, "ensure", “estimate”, “execute”, “expect”, “focus”, "forecast", “forward", "future", “goal”, “grow”, “integrate”, “intend”, “may”, “maintain”, "objective", “ongoing”, “opportunity”, "outlook", “plan”, “position”, "potential", “prioritize”, “realize”, “remain”, “result”, "seek", "should", “strategy”, “target”, “will”, “would” and similar expressions, as they relate to SECURE, its management, or the combined company, are intended to identify forward-looking statements. Such statements reflect the current views of SECURE and speak only as of the date of this MD&A.

In particular, this MD&A contains or implies forward-looking statements pertaining but not limited to: SECURE's expectations and priorities for 2025 and beyond and its ability and position to achieve such priorities; the ability of SECURE’s solutions to help reduce costs, lower emissions, increase safety, manage water, recycle by-products and protect the environment; repurchases of shares under the NCIB and the renewal or termination thereof; continued demand for SECURE's products, services and infrastructure; expected capital expenditures and the development of projects associated therewith, including in relation to expansions at the Clearwater heavy oil terminal, the upgrade and expansion of an existing waste processing facility, construction of a new water disposal facility, equipment purchases for waste processing facility growth projects, asset integrity programs, well and facility improvements, water pipeline projects, purchases of rail cars and other assets, and disposal well and landfill expansions, and the timing of the completion of projects related thereto; the anticipated benefits of investments, acquisitions or dispositions, and the ability of the Corporation to realize such benefits; the recently completed acquisition of a metals recycling business increasing our scale and processing capabilities, enabling significant synergies with our existing operations; funding growth initiatives and our organic growth capital program; our Canadian and North Dakota customers remaining focused on disciplined and modest production growth, achievable within anticipated cash flows, prioritizing maintaining balance sheet strength, cost management, and operational efficiencies; our commitment and ability to adapt to evolving market conditions and support our customers' needs with reliable, safe and cost-effective solutions; low leverage and strong projected cash flows providing SECURE with meaningful capital allocation flexibility; SECURE's expectations related to economic drivers, including GDP and population growth, and the corresponding demand for our services; SECURE's expectation to continue to deliver industry leading margins, and a stable cash flow profile underpinned by recurring volumes driven by industrial waste, metals, and energy markets; the delivery of enhanced returns to our shareholders through share buybacks and a quarterly dividend, and the quantum thereof; SECURE's expectations for 2025, including projections regarding Adjusted EBITDA, discretionary free cash flow, expenditures relating to our organic growth program, acquisition expenses, sustaining capital expenditures and ARO spend; Adjusted EBITDA being indicative of how the fundamental business is performing and being managed; the use of discretionary free cash flow and discretionary free cash flow per share to evaluate the adequacy of cash flow to manage debt levels, invest in the growth of the business, or return capital to shareholders; SECURE's capital management strategy and its ability to ensure adequate sources of capital are available to maintain operational activities, carry out its planned capital program, fund dividend payments, conduct share buybacks, and ensure sufficient and stable cash flow to sustain the business for the long-term; the development of new technologies that serve as the first line of defense in waste management by creating specialty chemical solutions and the ability of such solutions to optimize operations and increase production; oil purchase and resale enhancing the service offering associated with SECURE's terminalling and marketing business and SECURE's customers gaining efficiencies in transporting and handling of crude oil to the pipeline as a result of such services; SECURE's intention and ability to purchase and resell crude oil to take advantage of changing market prices and price differentials and expectations regarding enhanced profitability therefrom; SECURE's ability to capitalize on arbitrage opportunities and leverage price differentials between markets to enhance profitability; seasonal weather patterns and resulting variations in energy industry activity and the impacts thereof on SECURE's operating results, working capital requirements and the accessibility of SECURE's facilities; the contributions of SECURE's historical growth, acquisitions, and divestitures to quarterly results; increased in activity levels due to growth and sustaining capital expenditures; interest payments and expenses and the effect thereof on financial results, including discretionary free cash flow; fluctuations in oil and gas prices and the effects thereof on drilling and completion activity; SECURE's business units being centered on recurring production volumes; expectations that contracted and fee-for-service contracts will provide a degree of cash flow stability; SECURE's dividend policy, and the declaration, timing and amount of dividends thereunder; looking for opportunities to return additional capital to shareholders as business conditions warrant; sources of liquidity available to meet SECURE's financial obligations, including adjustments to dividends, drawing on credit facilities, issuing subordinated debt, obtaining equity financing or divestitures; compliance with debt covenants; SECURE's liquidity position and access to capital; continued investments in the Clearwater heavy oil terminalling and gathering infrastructure and enhanced capacity resulting therefrom; the Corporation's use of derivative financial instruments to manage its exposure to market risks relating to commodity prices, foreign currency exchange rates and interest rates; the management of credit risk; the level of credit risk associated with cash and cash equivalents; future borrowing under the Revolving Credit Facility; and the impact of new or existing regulatory requirements on SECURE's business and the introduction of such requirements, including with respect to the adoption of sustainability reporting standards by the CSA; and other statements.

Forward-looking statements are based on certain assumptions that SECURE has made in respect thereof as at the date of this MD&A regarding, among other things: SECURE's 2024 expectations; economic and operating conditions, including commodity prices, crude oil and natural gas storage levels, interest rates, exchange rates, and inflation; ability to enter into signing agreements with customers to backstop the investments and acquisition opportunities present; continued demand for the Corporation's infrastructure services and activity linked to long-term and recurring projects; the changes in market activity and growth will be consistent with industry activity in Canada and the U.S. and growth levels in similar phases of previous economic cycles; infrastructure developments in Western Canada; increased capacity and stronger pricing with access to global markets through new infrastructure; the impact of any new pandemic or epidemic and other international or geopolitical events, including government responses related thereto and their impact on global energy pricing, oil and gas industry exploration and development activity levels and production volumes; anticipated sources of funding being available to SECURE on terms favourable to SECURE; the success of the Corporation's operations and growth projects; the impact of seasonal weather patterns; the Corporation's competitive position, operating, acquisition and sustaining costs remaining substantially unchanged; the Corporation's ability to attract and retain customers; that counterparties comply with contracts in a timely manner; current commodity prices, forecast taxable income, existing tax pools and planned capital expenditures; that counterparties comply with contracts in a timely manner; that there are no unforeseen events preventing the performance of contracts or the completion and operation of the relevant facilities; that there are no unforeseen material costs in relation to the Corporation's facilities and operations; that prevailing regulatory, tax and environmental laws and regulations apply or are introduced as expected, and the timing of such introduction; increases to the Corporation's share price and market capitalization over the long term; disparity between the Corporation's share price and the fundamental value of the business; the Corporation's ability to repay debt and return capital to shareholders; credit ratings; the Corporation's ability to obtain and retain qualified personnel (including those with specialized skills and knowledge), technology and equipment in a timely and cost-efficient manner; the Corporation's ability to access capital and insurance; operating and borrowing costs, including costs associated with the acquisition and maintenance of equipment and property; the ability of the Corporation and our subsidiaries to successfully market our services in Western Canada and the U.S.; an increased focus on ESG, sustainability and environmental considerations in the oil and gas industry; the impacts of climate-change on the Corporation's business; the current business environment remaining substantially unchanged; present and anticipated programs and expansion plans of other organizations operating in the energy service industry resulting in an increased demand for the Corporation's and our subsidiaries' services; future acquisition and maintenance costs; the Corporation's ability to achieve its ESG and sustainability targets and goals and the costs associated therewith; and other risks and uncertainties described in the AIF and from time to time in filings made by SECURE with securities regulatory authorities.

Forward-looking statements involve significant known and unknown risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether such results will be achieved. Readers are cautioned not to place undue reliance on these statements as a number of factors could cause actual results to differ materially from the results discussed in these forward-looking statements, including but not limited to: general global financial conditions, including general economic conditions in Canada and the U.S.; the implementation of any tariffs, surtaxes, export bans, or other restrictive trade measures or countermeasures affecting international trade, including between the U.S. and Canada; the effect of any pandemic or epidemic, inflation and international or geopolitical events and governmental responses thereto on economic conditions, commodity prices and the Corporation's business and operations; changes in the level of capital expenditures made by oil and natural gas producers and the resultant effect on demand for oilfield services during drilling and completion of oil and natural gas wells; volatility in market prices for oil and natural gas and the effect of this volatility on the demand for oilfield services generally; a transition to alternative energy sources; the Corporation's inability to retain customers; risks inherent in the energy industry, including physical climate-related impacts; the Corporation's ability to generate sufficient cash flow from operations to meet our current and future obligations; the seasonal nature of the oil and gas industry; increases in debt service charges including changes in the interest rates charged under the Corporation's current and future debt agreements; inflation and supply chain disruptions; the Corporation's ability to access external sources of debt and equity capital and insurance; disruptions to our operations resulting from events out of our control; the timing and amount of stimulus packages and government grants relating to site rehabilitation programs; the cost of compliance with and changes in legislation and the regulatory and taxation environment, including uncertainties with respect to implementing binding targets for reductions of emissions and the regulation of hydraulic fracturing services and services relating to the transportation of dangerous goods; uncertainties in weather and temperature affecting the duration of the oilfield service periods and the activities that can be completed; ability to maintain and renew the Corporation's permits and licenses which are required for its operations; competition; impairment losses on physical assets; sourcing, pricing and availability of raw materials, consumables, component parts, equipment, suppliers, facilities, and skilled management, technical and field personnel; supply chain disruption; the Corporation's ability to effectively complete acquisition and divestiture transactions on acceptable terms or at all; failure to realize the benefits of acquisitions or dispositions and risks related to the associated business integration; risks related to a new business mix and significant shareholder; liabilities and risks, including environmental liabilities and risks inherent in SECURE's operations; the Corporation's ability to invest in and integrate technological advances and match advances of our competition; the viability, economic or otherwise, of such technology; credit, commodity price and foreign currency risk to which the Corporation is exposed in the conduct of our business; compliance with the restrictive covenants in the Corporation's current and future debt agreements; the Corporation's or our customers' ability to perform their obligations under long-term contracts; misalignment with our partners and the operation of jointly owned assets; the Corporation's ability to source products and services on acceptable terms or at all; the Corporation's ability to retain key or qualified personnel, including those with specialized skills or knowledge; uncertainty relating to trade relations and associated supply disruptions; the effect of changes in government and actions taken by governments in jurisdictions in which the Corporation operates, including in the U.S.; the effect of climate change and related activism on our operations and ability to access capital and insurance; the effects of the introduction of greenwashing regulations under Bill C-59; cyber security and other related risks; the Corporation's ability to bid on new contracts and renew existing contracts; potential closure and post-closure costs associated with landfills operated by the Corporation; the Corporation's ability to protect our proprietary technology and our intellectual property rights; legal proceedings and regulatory actions to which the Corporation may become subject, including in connection with any claims for infringement of a third parties' intellectual property rights; the Corporation's ability to meet its ESG targets or goals and the costs associated therewith; claims by, and consultation with, Indigenous Peoples in connection with project approval; disclosure controls and internal controls over financial reporting; and other risk factors identified in the AIF and from time to time in filings made by the Corporation with securities regulatory authorities.

The guidance in respect of the Corporation's expectations of Adjusted EBITDA, capital expenditures (including organic growth capital, sustaining capital and ARO expenditures), tax expense and discretionary free cash flow in 2025 contained in this MD&A may be considered to be a financial outlook for the purposes of applicable Canadian securities laws. Such information is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available, and which may become available in the future. These projections constitute forward-looking statements and are based on several material factors and assumptions set out above. Actual results may differ significantly from such projections. See above for a discussion of certain risks that could cause actual results to vary. The financial outlook contained in this MD&A has been approved by management as of the date of this MD&A. Readers are cautioned that any such financial outlook contained herein should not be used for purposes other than those for which it is disclosed herein. The Corporation and its management believe that the financial outlook contained in this MD&A has been prepared based on assumptions that are reasonable in the circumstances, reflecting management's best estimates and judgments, and represents, to the best of management's knowledge and opinion, expected and targeted financial results. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results.

Although forward-looking statements contained in this MD&A are based upon what the Corporation believes are reasonable assumptions, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements in this MD&A are made as of the date hereof and are expressly qualified by this cautionary statement. Unless otherwise required by applicable securities laws, SECURE does not intend, or assume any obligation, to update these forward-looking statements.

ADDITIONAL INFORMATION

Additional information, including the AIF and the Annual Financial Statements, is available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.SECURE.ca. Other than the information set out under the heading "*Risk Factors*" section in the AIF, which is incorporated by reference herein, the AIF and any information on the Corporation's website referred to in this MD&A do not constitute part of this MD&A.