

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
COVANTA HOLDING CORPORATION		95-6021257	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
PAOLA TADDEO	862-345-5000	PTADDEO@COVANTA.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
445 SOUTH STREET		MORRISTOWN, NJ 07960	
8 Date of action		9 Classification and description	
1/7/16; 4/5/16; 7/7/16; 10/7/16		COMMON STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
22282E102	N/A	CVA	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ During 2016 Covanta Holding Corporation ("CVA") made four cash distributions (payable on January 7, April 5, July 7, and October 7) in the per share amounts of \$0.25, \$0.25, \$0.25, and \$0.25 totalling \$1.00 per share.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The above cash distributions are treated as taxable dividends to the extent of the Company's current and accumulated earnings and profits as of the period ending on December 31, 2016. The portion of the 2016 cash distributions that are not taxable dividends shall be applied against the basis of the stock. The portion of the distribution that is a return of capital and not a dividend is \$0.671061. Accordingly, the basis of each share of stock held by each shareholder shall be reduced by \$0.671061.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The portion of the distribution that is not classified as a dividend represents distributions that are in excess of the current and accumulated earnings and profits that have been calculated based on 2016 and prior years.

