

BETTER COMPANY

THOUGHTFUL, FOCUSED AND RESILIENT
AMID A CHANGING INDUSTRY.



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CEO MESSAGE

Jim Fish

President and Chief Executive Officer

The world is changing more rapidly than ever. To sustain and succeed in the face of this change requires agility, adaptability and, above all, a resilient spirit. We see these qualities tested *and* proven countless times daily by our employees who manage the environmental needs of our customers.

And in 2017, we found these qualities tested as our organization managed — and prevailed over — challenges, including a series of natural disasters and a seismic change in the recycling industry. Waste Management’s resilience has enabled us to adapt and propel our business forward.

Uniting in the Face of Natural Disaster

In the summer of 2017, we were humbled by nature’s wrath in Texas and Florida where we have thousands of employees, millions of customers, and extensive operations. Then, fires and floods in the Western U.S. and Canada further tested the relationship between our communities and Mother Nature. As these disasters disrupted lives and businesses, resiliency, community and mutual support were headlines as our company and our neighbors came together.

Waste Management’s resilience has enabled us to adapt and propel our business forward.

Fortunately, no Waste Management employees were injured in hurricanes Harvey and Irma, but many were affected by damage. Our strategy was simple: take care of employees first and then help customers. In Texas, and in particular Houston where our corporate offices are located, the storm impacted every employee

in some way and displaced 135 of them with their families. Yet, within a week, we were back on the streets of Houston providing vital environmental services.

The story was similar in Florida, where hurricane Irma destroyed several of our facilities in Key West, but we were back on the streets in most parts of the state within 48 hours of the storm. Again, we were grateful that all employees were safe, though 260 of them needed assistance from our Employees Care Fund.

I could not have been prouder of our employees’ response to each other and to the needs of their communities and customers. Our agility and adaptability in these difficult situations reflected not only the commitment of our employees, but also years of careful planning. That planning includes resiliency plans for each of our facilities that are customized for each region.

Driving Change in an Evolving Recycling Industry

Also in the summer of 2017, our recycling world began to turn upside down. For many years, China borrowed from the environment to fuel their economic growth. Once again, we were reminded of the connection between environment and economics, and how important it is to not take advantage of one at the expense of the other. China simply could not ignore its environment any longer and began to implement a series of policies that ultimately impacted the global recycling industry.

As the largest residential recycler in the U.S., and the seventh largest exporter of any commodity, Waste Management was impacted significantly by these import limitations. For perspective, in 2017, we exported 27 percent of our recycling tons to China and by the end of 2018, we were not sending any residential recyclables to China. Once again, planning and foresight helped us adapt quickly. Waste Management has in recent years begun to develop new markets for mixed paper and plastics, both domestically and around the globe. This advance planning helped insulate the company from the most severe impacts of China's import restrictions.

We are mindful, however, that we are not alone — we need a vibrant and sustainable global market. We are doing our part to drive needed change in recycling by encouraging all stakeholders to rethink recycling. This starts by remembering that recycling is not simply about landfill diversion. It is about product transformation and reuse, and it's about real environmental and resource conservation benefits. Today, recycling must be part of a sustainable materials management model — one that carries a cost of service and serves as feedstock to the manufacturing sector.

With this perspective, Waste Management, and the entire industry, can shift our focus from recycling everything just for the sake of "recycling," to recycling the right things well to ensure optimal environmental *and* economic outcomes. It's a big change in mindset, but a necessary one to ensure continued resilience and success in a dynamic and evolving marketplace.

Investing in the Future Now

Disruption also can be a powerful positive force. Today, we're seeing how the disruptive power of technology can test our adaptability while enhancing customer centricity, operational efficiency and carbon reduction. Waste Management has long been an industry leader in technology investments, and the past year was no exception. Our investments included:

- Placing our first robot in a recycling facility located in Houston. Robotics at recycling facilities can help with quality control, and also enhances worker safety.
- Purchasing a new generation of natural gas collections trucks with engines that reduce emissions to "near zero." These new engines improve air quality in the communities in which we operate.
- Producing and using more of our own low-carbon fuels in our natural gas trucks. An early leader in the production of renewable natural gas from landfill biogas, we now have four facilities producing renewable transportation fuel at our landfills. This means 6,500 route trucks are running on natural gas, 32 percent of which run on renewable natural gas, which reduces the emissions from these trucks by over 90 percent.

- Testing the use of on-board cameras and computer technology to provide customers with immediate recycling quality feedback through photos, emails and even phone calls — all with the hope of improving the quality of recyclables collected and reducing contamination.
- Deploying CORE® technology to reduce the environmental impacts of urban food waste. Waste Management’s CORE® technology increases the renewable energy output of wastewater treatment facilities by 50 to more than 100 percent.

We provide a service that is as old as the planet, but we rely more and more on technology. These and other technology investments are critical to ensuring that our strategy is always future focused, making us better at what we do and equipping us to adapt in a changing world.

In 2017, our GHG-reducing services saved over **3X** the total GHG emissions Waste Management’s operations generated all year.

Aiming Higher with New Goals

As we have publicly advocated in recent years, it’s time for the recycling industry to focus on GHG emissions reduction as the life cycle goal of waste and materials management programs. Matching words to action, we have set ambitious new goals for our business. Over the next 20 years, we intend for our waste solutions and services to result in an overall reduction of GHG emissions four times greater than generated by our own operations. In 2017, that ratio was three. Our journey to four will be supported by two additional goals: reducing fleet emissions by 40 percent through renewable fuel use in our growing fleet of natural gas vehicles; and collecting two million more tons of recycled materials to offset emissions associated with raw material use by 20 percent.

Just as we have revisited our sustainability goals in 2018, we expect that many of our customers will do the same — and we are prepared to support them however they need, whether by devising processes to generate less waste or implementing more community recycling services.

Although our business is shaped by global economics, we never forget that the services that we provide are local. Our communities have their own definitions of sustainability, and our goal is to provide them the information they need to make smart choices. From recycling education programs and organics handling services, to preserving what can be reused, we will provide services that reflect customer needs — and empower them to steer their choices toward environmental and community stewardship.

Not only managing change, but driving it remains our focus for ourselves and those we serve.

Respectfully,

Jim Fish
President and Chief Executive Officer

Waste Management AT-A-GLANCE

(as of and for the year ended December 31, 2017)

Waste Management, Inc. (NYSE: WM), based in Houston, Texas, is the leading provider of comprehensive waste management environmental services in North America.

\$17.2M

total donated in charitable giving



GIVING

\$1.9M

in-kind services

6,536

alternative fuel vehicles



ENERGY

107

natural gas fueling stations

127

landfill gas-to-electricity facilities

42.3K

employees



OPERATIONS*

305

transfer facilities

20M

entities served

90

wildlife habitat programs

38

pollinator programs

20K

acres of certified habitats



CONSERVATION

RECYCLING



FINANCIALS



\$14.5B Total Revenue

LANDFILLS



*Waste Management, Inc. is a holding company, and all operations are conducted by its subsidiaries. References to "Waste Management," "the Company" or "WM" refer to Waste Management, Inc. and its consolidated subsidiaries, unless context provides otherwise.

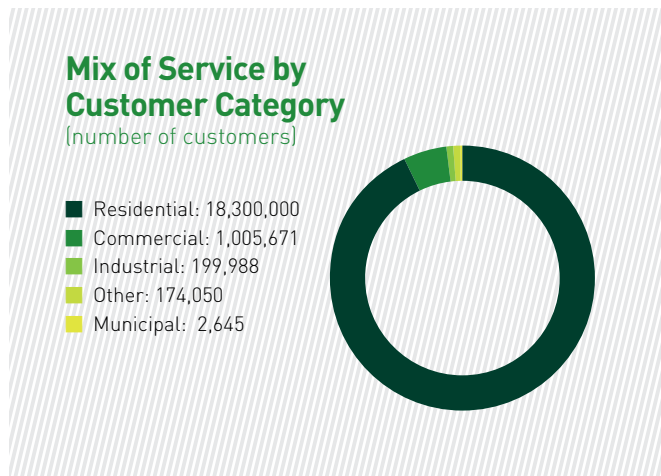
MIX OF SERVICE



Disclosure and reporting can lead to consensus across our industry about how to better inform the public of the kinds of services provided by waste and recycling companies.

Over the past several years, Waste Management has engaged with the Sustainability Accounting Standards Board (SASB) on consensus means to inform the public of the kinds of service provided by the waste and recycling segment of the Infrastructure Sector. Waste Management supports this effort to improve the transparency and utility of sustainability reporting. In this vein, we have replaced our previous “Mix of Business” reporting distinguishing forms of “green” service and instead provide the breakdown of services provided and materials handled per customer type that SASB recommends.

Waste Management serves 20 million customers each year. For obvious reasons, our curbside recycling and disposal services have the largest number of individual customers, 18.3 million. We also serve 1.2 million commercial and industrial customers ranging from small businesses to global enterprises. We serviced 2,645 municipal contracts in 2017.



GOALS & PROGRESS

Since 2007, we have been working toward a set of goals to achieve by 2020, all designed to position Waste Management as the leader in environmental services, reduce our overall impact on the environment and differentiate us from competitors. Since then, we're proud to say significant progress has been made.

On our journey toward those 2020 goals, the recycling market has changed around us, as has our business strategy. We've taken a hard look at recalibrating our goals based on environmental burden-reduction attributes such as energy or emissions reductions, in particular greenhouse gas (GHG) reductions. We want to clearly communicate the environmental benefits our services provide.

Waste Management Sustainability Goals 2010-2038

1. ENVIRONMENTAL GOAL

Waste Management will offset four times the GHG emissions we generate through our operations by 2038.

In 2017, the services that Waste Management provided offset the emissions of our own operations by three times. Waste Management's new goal, a jump from three times to four, will require us to decrease the emissions from our operations while increasing the emissions-reduction services we provide for ourselves and our customers.



Emissions Reduced

- › **Fleet and fuel:** Waste Management will emit fewer emissions through our operations by transitioning from diesel to alternative fuel vehicles in 90 percent of our entire fleet. We will use renewable fuel in over 90 percent of our vehicles. Our goal of emitting fewer emissions requires an investment in a Near Zero fleet. Over 90 percent of our fleet purchases are “NZVs” (Near Zero Vehicles), which will allow us to reduce emissions associated with our fleet 45 percent by 2038, against a 2010 baseline.
- › **Facilities:** Waste Management will continue to improve energy efficiency at our facilities, reducing our own emissions throughout our systems.

Emissions Avoided

- › **Production of renewable energy:** Waste Management will avoid emissions by capturing methane at our landfills for use by third parties as renewable electricity and renewable fuel.
- › **Recycling:** Waste Management will increase avoided emissions by recycling materials for the greatest environmental benefits.

2. COMMUNITY GOAL

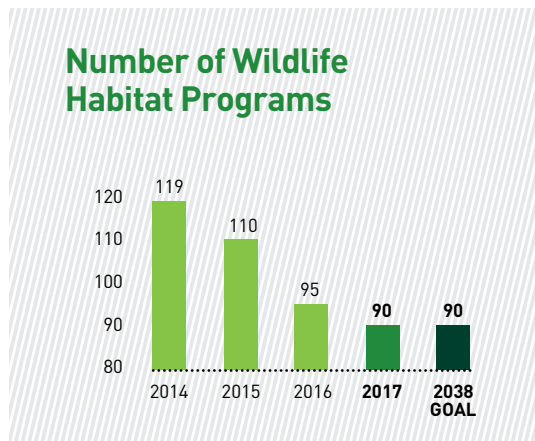
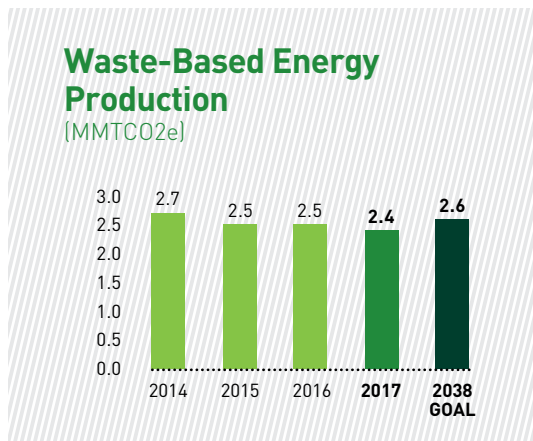
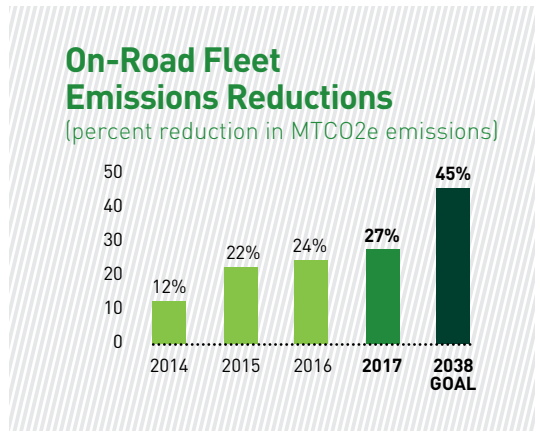
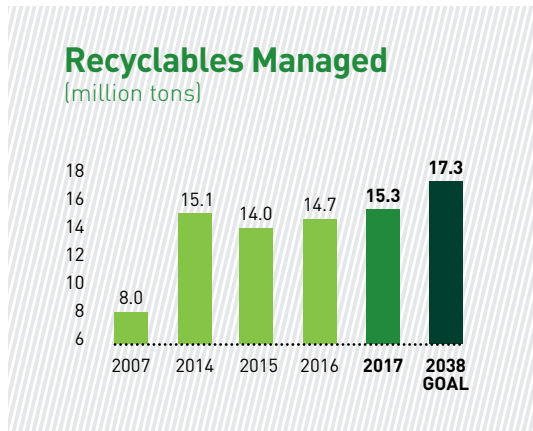
Waste Management will help make communities in which we live and work safe, resilient and sustainable.

Though our operations span 20 million customers in the U.S. and Canada, we are very much a local business that is an integral part of the communities we serve. We want to help make our communities, cities, towns and counties better places to work and live — today and for the future. To do so, we support events, programs and organizations that are as varied as the thousands of communities and individuals we serve.

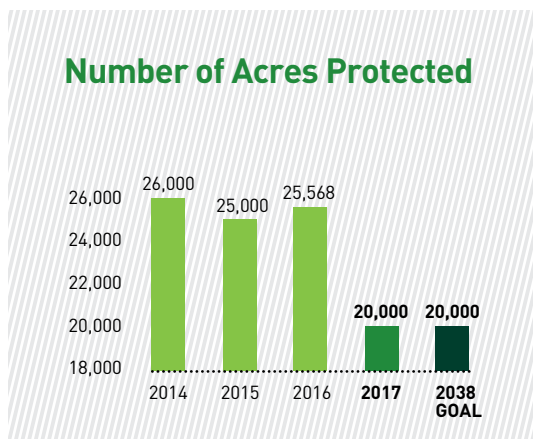
We concentrate on initiatives that enhance our environment, promote education and improve the livability of our communities. Focus areas include:

- › Projects that reduce environmental impacts, including beautification and litter control efforts
- › Providing environmental education and outreach
- › Support of wildlife preservation efforts
- › Support of safe neighborhood programs
- › Support of a variety of charitable giving projects

Waste Management Sustainability Goals — 2010-2038 (cont.)



Numbers reflect both “Lands for Learning” projects and specific habitat sites. Note that in 2017, the WHC program was revised to emphasize site quality and impact rather than quantity. Our program has taken that approach as well.

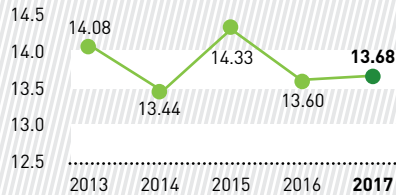


Our WHC partner has changed its emphasis from acreage to site quality and impact of project, and we are shifting our goal accordingly.

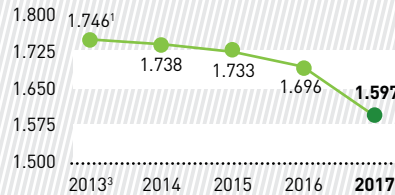
2017 Sustainability Key Performance Indicators

GHG EMISSIONS ASSOCIATED WITH OPERATIONS (MMTCO₂e)¹

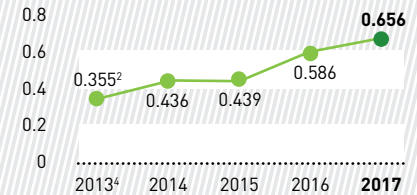
Process²



Transportation³

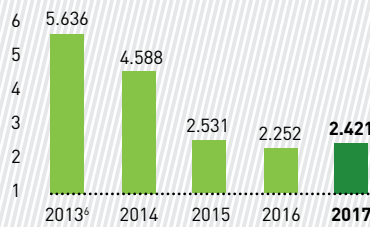


Energy Use

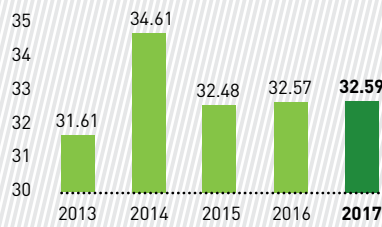


AVOIDED GHG EMISSIONS (MMTCO₂e)⁴

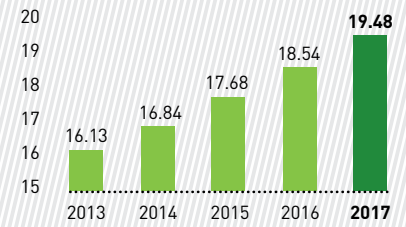
Renewable Energy Generation



Recycling of Materials⁵



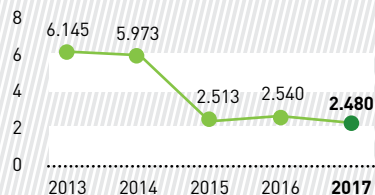
Carbon Permanently Sequestered⁶



Reflects the impact of our 2014 divestiture of the Wheelabrator waste-to-energy business.

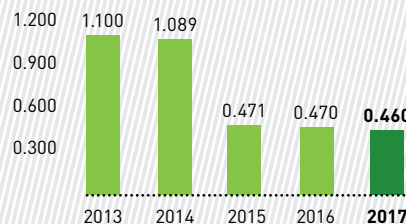
WASTE-BASED ENERGY BENEFITS (EQUIVALENTS)⁷

Tons of Coal Equivalent



Waste-Based Energy Production

[million households]

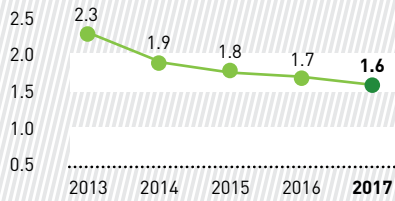


Sustainability Key Performance Indicators (cont.)

RESOURCE SAVINGS ACHIEVED THROUGH RECYCLING

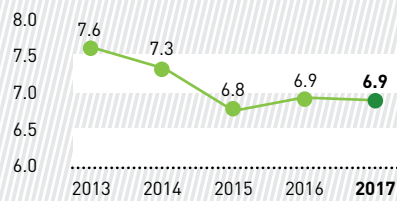
Household Energy Equivalent

(in millions)



Cars Off Road

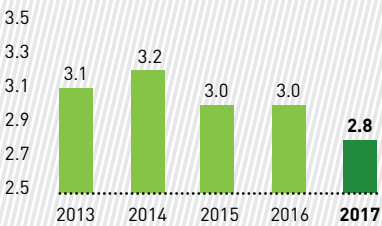
(in millions)



SAFETY PERFORMANCE

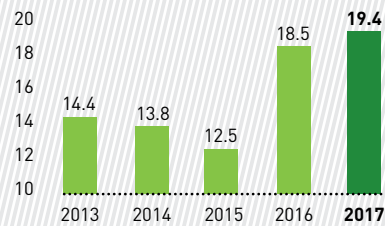
Total Recordable Injury Rate

(incidents per 100 employees)



Vehicle Accident Recordable Rate

(driver hours without a vehicle accident, in thousands)

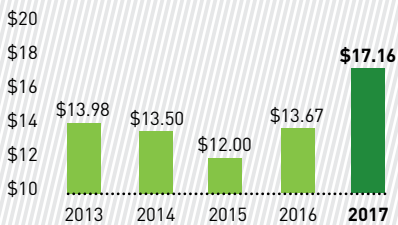


2016 and 2017 adjusted to exclude "Other Vehicle Initiated Impact" incidents.

PHILANTHROPY

Charitable Giving

(in millions)



Key Performance Indicator Footnotes

- 1 Since 2013, we have used the modified 100-year global warming potentials (GWPs) promulgated by the U.S. EPA. Pertinent to our carbon footprint, our Scope 1 and 3 emissions calculations use the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (FAR) GWP, and our Scope 2 emissions from purchased electricity use the IPCC Second Assessment Report (SAR) GWP.
- 2 Process emissions come from our landfills. The amount of landfill gas that is collected can be measured, the amount of landfill gas generated, and the amount emitted to the atmosphere as fugitive emissions must be estimated using prescribed calculation methodologies. The applicable methodologies are the Solid Waste Industry for Climate Solutions (SWICS) Protocol and the U.S. EPA Greenhouse Gas Reporting Program (GHGRP) rules. Our landfill footprint includes estimated emissions from both active and closed facilities.
- 3 Our methodology for calculating fleet efficiency conform to U.S. EPA's SmartWay Truck Tool. SmartWay calculations use records compiled for tax credit and fee purposes. The tax documentation reflects fuel purchased in a year, including some insignificant amounts of fuel stored rather than used in a given year.

Note that our transportation emissions reported here include those from both our collection fleet and our noncollection "yellow iron" (i.e., off-road equipment such as forklifts and excavators) used on site. A small amount of fuel in this category is used for nontransportation purposes (e.g., running emergency generators or barbeque grills on site), but we do not subtract these from our transportation totals.
- 4 We are reporting these data to inform our customers and the public about the potential GHG reduction benefits associated with carbon storage in landfills, our renewable energy production and the value of the recyclable materials we collect and process. We are not presuming to characterize how emerging regulatory programs will allocate credit for these avoided emissions, so we do not claim these GHG reduction benefits as our own nor attempt to deduct these reductions from our carbon footprint.
- 5 In our calculations, we assume that, by recycling and composting, we divert materials from our modern WM landfills with landfill gas-to-energy capacity. If instead our recycling and composting were to divert materials from the "national average landfill" from the EPA WARM model, the emissions reductions achieved by recycling and composting would 36,091,771 MTCO₂e in 2017. Note also that the increase in emissions reductions realized by recycling does not correspond arithmetically to the increase in total tons recycled. That is because, for example, paper recycling (80% of all recyclables) achieves very high emissions reductions, while the emissions reduction potential associated with glass recycling (20% of recyclables) is nominal on a per ton basis. For a discussion of the protocols that govern this calculation of carbon storage or sequestration, see [page 160](#) of the Appendix.
- 6 For a discussion of the protocols that govern this calculation of carbon storage or sequestration, see [page 160](#) of the appendix.
- 7 Tons of coal equivalent is calculated based on the equivalent number of households that could be powered by waste-based energy production. Note that standard industry assumptions about household energy use differ for the waste-to-energy and landfill gas-to-energy sectors: Standard waste-to-energy reporting is 1,000 households per installed megawatt, while the household conversion for landfill gas-to-energy is based upon U.S. Energy Information Administration data that is updated yearly. Our calculation does not include wind or solar energy because we don't own the energy.

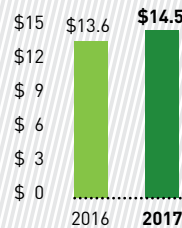
ECONOMIC IMPACT

2017 was in many ways the best year ever for Waste Management, returning \$1.5 billion to shareholders. This performance is a strong platform from which to spend resources to make long-term advancement on recycling technology and equipment, fleet efficiency and emissions reduction, and investment in our employees.

“Looking at the full year, 2017 was exceptional for Waste Management as our continued focus on improving core price, adding profitable volume in a disciplined manner and controlling costs led to arguably the best year in the company’s history.”

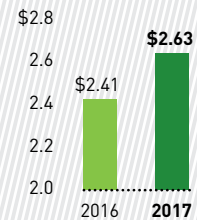
Jim Fish, President and CEO

Revenue (in billions)



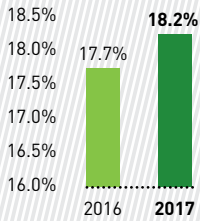
Revenues grew 6.4 percent, our largest increase in revenue dollars since 1998

Adjusted Income from Operations¹ (in billions)



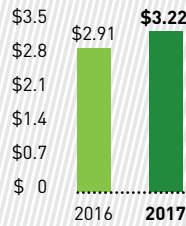
Adjusted income from operations grew more than 9 percent

Adjusted Operating Margin¹



Adjusted operating margin increased 50 basis points.²

Adjusted EPS¹



Diluted earnings per share increased more than 10 percent.

Free Cash Flow¹ (in billions)



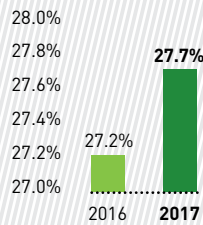
Free cash flow increased \$60 million year-over-year.

Adjusted Operating EBITDA^{1,3} (in billions)¹



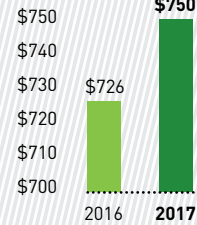
Operating EBITDA exceeded \$4 billion.

Adjusted Operating EBITDA Margin^{1,3}



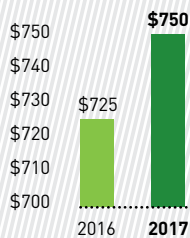
Adjusted operating EBITDA margin increased 50 basis points.²

Cash Dividends (in millions)



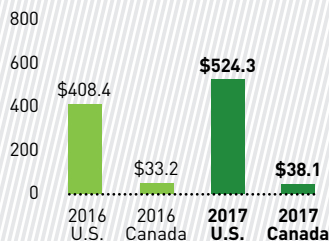
Cash dividends paid to shareholders were up 3.3 percent.

Share Repurchases (in millions)



In 2017, we returned approximately \$1.5 billion to shareholders through dividends and share repurchases.

Income Taxes Paid (in millions)

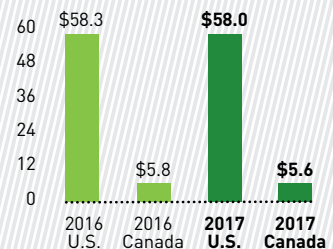


¹Non-GAAP measures. Please see [pg. 137](#) in the Appendix to this report for additional information and a link to reconciliations of these measures.

²A basis point is one-hundredth of 1 percent.

³Operating EBITDA is defined as income from operations before depreciation and amortization.

Real Estate Taxes Paid (in millions)



AWARDS & RECOGNITION



CORPORATE AWARDS



World's Most Ethical Companies:
The Ethisphere Institute 11 of the past 12 years



CDP (formerly Carbon Disclosure Project): Reporting since 2004



DJSI North American and/or World Indices: 13 of the past 16 years



Climate Disclosure Leadership Index: 11 consecutive years



CDP A-List: 2016 and 2017



Dow Jones Sustainability Index S&P 500 Commercial Services & Supplies Sector Leader: 2018



CORPORATE SUSTAINABILITY

- > **100 Best Corporate Citizens:** Corporate Social Responsibility Magazine 2015-2018
- > **Change the World:** Fortune Magazine 2015
- > **FTSE4 Good Index Series:** 2011-2018
- > **Euronext Vigeo World 120 Index:** 2012-2015
- > **Ecovadis:** Silver (2017), Bronze (2016, 2018)



ENVIRONMENTAL

- › **Green Fleet Leadership Award:**
Chicago Area Clean Cities Coalition, 2017
- › **Education Excellence Award:**
Youth Education Program, Washington, Solid Waste Association of North America (SWANA), 2017
- › **Governor’s Environmental and Economic Leadership Award:**
Davis Street Transfer Station, California EPA, 2017
- › **Environmental Gold Leader:**
Awarded to the Denver Arapahoe Disposal Site, Denver; Colorado Department of Public Health and Environment’s Environmental Leadership Program, 2017
- › **Frank Condon Award:**
Environmental Federation of Oklahoma, 2017



WORKPLACE

- › **“Best for Vets” Employer:**
Military Times 2010-2018
- › **“Best Place to Work,” Corporate Equality Index Score 90+:**
Human Rights Campaign 2011-2017; Corporate Equality Index Score 80, Human Rights Campaign, 2018
- › **Best Companies to Work for Millennials (Top 100):** Women’s Choice 2018
- › **America’s Best Places for Latinos to Work:** Hispanic/Latinos Professional Association (HLPAA) 2017
- › **Top Military Friendly® Employer:**
GI Jobs 2010-2018
- › **Military Friendly Diversity Program:**
GI Jobs, 2018
- › **Top Military Friendly:**
Canada Company’s Military Employment Transition (MET) 2017
- › **Top Military Spouse Employer:**
Canada Company’s Military Employment Transition (MET) 2017
- › **50 Best Companies to Sell For:**
Selling Power Magazine



COMMUNITY

- › **Corporate Conservation Leadership Award:** Wildlife Habitat Council, 2017
- › **Carolyn Crayton Award:** Keep America Beautiful, 2017 — Awarded to employee Buford Clark
- › **Community Partner of the Year:** Wildlife Habitat Council 2015
- › **Corporate Lands for Learning of the Year:** Wildlife Habitat Council 2015
- › **Community Partner Award:** Grass Valley Chamber of Commerce 2017
- › **Simi Valley Education Foundation Legacy Award:** Simi Valley Education Foundation 2017



BUSINESS RECOGNITION

- › **Supplier of the Year Services Award:**
BASF 2015
- › **Business of the Year:** Chamber of Commerce, Okeechobee County, 2017
- › **Excellence in Job Creation and Major Investments:** Le Conseil des entreprises en technologies environnementales du Québec (CETEQ) 2017
- › **Award of Appreciation:** Nevada City Chamber of Commerce, 2017

REPORTING & MATERIALITY



As North America's leading provider of comprehensive waste management services, our mission is to maximize resource value while minimizing impact to further both economic and environmental sustainability for all our stakeholders.

Transparency is an important part of this mission. Accordingly, we are committed to consistent public disclosure and discussion of our own progress through the publication of a sustainability report every two years. In off years, we update key data and content to the most recent full year.

Our last comprehensive report was published in 2016 with available data and key discussion items updated in 2017. Generally, this report covers subject matter for 2017 and early 2018 for Waste Management's wholly owned operations, all of which are located in North America. All data is for the year ended December 31, 2017, except where noted. Notes on the scope of the data, including changes to methodology from the prior reporting period, are included either with charts or in footnotes. This report has been prepared in accordance with Global Reporting Initiative (GRI) Standards: Core Option.

In addition, this year we are piloting the use of the 2017 draft Sustainability Accounting Standards Board (SASB) metrics for the waste and recycling component of the Infrastructure sector. We provide an index cross-referencing those indicators. We also provide an index cross-referencing the United Nations Sustainable Development Goals (UNSDG) in support of these global reporting systems attempting to increase focus on sustainable practices.

Assurance

We currently do not seek external assurance for all elements of this report. Our 2017 GHG emissions inventory has been assured by Lloyd's Register Quality Assurance Ltd. The inventory includes direct (Scope 1 and 2) emissions and indirect (Scope 3) GHG emissions from the following sources:

- › Purchased goods and services
- › Capital goods
- › Fuel- and energy-related activities (not included in Scope 1 or Scope 2)
- › Business travel
- › Employee commuting
- › Downstream leased assets

The complete assurance statement is available as part of our [CDP filing](#).

Materiality

The content of this report has been compiled and organized based upon insights from a materiality assessment conducted by an internal team. This team is charged with ongoing stakeholder engagement, including participation in key business and multistakeholder organizations listed in the [Appendix](#) of this report, media relations, disclosure of sustainability information for sales and marketing purposes, and completion of sustainability survey requests. The materiality process involved four steps:

- › Identification of potential material topics by reviewing GRI aspects, benchmarking against key corporate peers and analyzing past Waste Management reports, which themselves have been amended over time to reflect feedback from customers, community representatives, employees and nongovernmental organizations (NGOs).
- › Inventory of aspects and topics most important to external stakeholders, primarily NGOs and customers and their supply chain vendors, based upon requests, surveys and ongoing engagement since the last reporting period.
- › Survey of internal stakeholders, which included more than 40 cross-functional directors and subject matter experts, to determine which topics impact our business most. Participants were queried about topics most likely to trigger impacts over the next five years and over which Waste Management is able to exercise control.
- › Normalization and ranking of results from internal and external stakeholders determined by breaking scores into quintiles for scoring purposes by an independent statistician.

In 2017, we supplemented our earlier materiality review and annual review of topics covered by customers and investors by surveying the sustainability goals and metrics of our top 60 customers to determine any data needs that were unaddressed. In addition, we engaged significantly with the Sustainability Accounting Standards Board (SASB) as it developed consensus reporting standards for the infrastructure sector. We believe this effort to enhance the transparency and utility of our sector's reporting was productive and have appended to this report an index cross-referencing our pilot effort incorporating the SASB metrics.

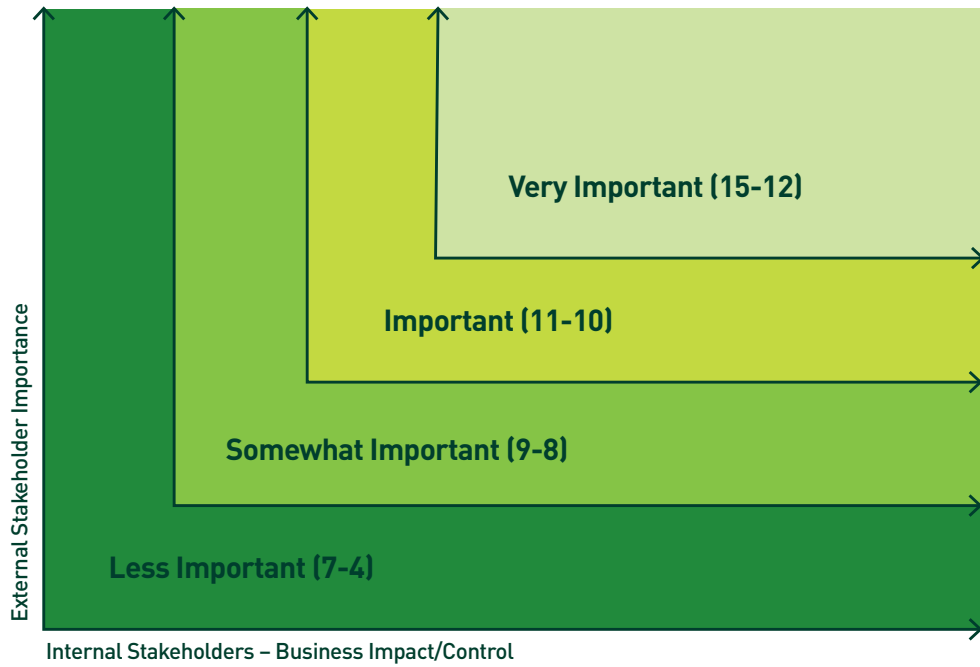
This alignment with SASB has resulted in some modification to our reporting (e.g., changing our characterization of mix of services to customers) and some supplementation of reporting (e.g., adding a characterization of our operations by location in dense populations). We find that data requests from customers and the investment community are increasing in type and scope. In an effort to balance the providing of the detail requested with the public interest in clear reporting on our business strategy and its key impacts, we are making more extensive use of our GRI Content Index for specialized audiences. In addition, we are aligning with many of our customers by including an index cross-referencing the United Nations Sustainable Development Goals (UNSDGs) to increase the utility of our reporting for researchers.

Forward-Looking Information

This report contains forward-looking statements, including statements concerning the company's outlook, performance or results in the future, as well as statements of beliefs about the future, plans and strategies or anticipated events. You should view these statements with caution. They are based on the facts and circumstances known to the company as of the date the statements are made and are subject to risks and uncertainties that could cause actual results to be materially different. Such risks include, but not limited to, increased competition; pricing actions; failure to implement our optimization, growth, and cost savings initiatives and overall business strategy; failure to identify acquisition targets and negotiate attractive terms; failure to consummate or integrate such acquisitions; failure to obtain the results anticipated from acquisitions; environmental and other regulations; commodity price fluctuations; international trade restrictions; disposal alternatives and waste diversion; declining waste volumes; failure to develop and protect new technology; significant environmental or other incidents resulting in liabilities and brand damage; weakness in economic conditions; failure to obtain and maintain necessary permits; labor disruptions; impairment charges; and negative outcomes of litigation or governmental proceedings. Please also see Part I, Item 1A of the company's most recent Annual Report on Form 10-K filed with the SEC for additional information regarding these and other risks and uncertainties applicable to our business. The company assumes no obligation to update any forward-looking statement, including financial estimates and forecasts, whether as a result of future events, circumstances or developments or otherwise.

The matrix below summarizes the results of the assessment:

Materiality Assessment



Very Important (15-12)

- Data Reporting and Verification (15)
- Compliance (14)
- External Recycling Rate (14)
- Local Engagement Plans & Programs (14)
- Local Environmental Impact (14)
- Public Policy Engagement (14)
- Safety Record (14)
- Anti-Corruption (13)
- Green Service Sales (13)
- Renewable Energy Generation (13)
- Innovation (12)
- Impact on Local Environment (12)
- Local Impact Assessment & Improvement (12)

Important (11-10)

- Business Ethics/Code (11)
- Business Mix (11)
- Energy Consumption (11)
- Labor Practices & Human Rights (11)
- Supplier Screening — Environment (11)
- Climate Change — Financial Impact (10)
- Diversity (10)
- GHG Emissions — Scope 1-3 (10)
- Risk Management (10)
- Transportation Impacts (10)

Somewhat Important (9-8)

- Corporate Governance (9)
- Customer Satisfaction (9)
- Customer Privacy (9)
- Economic & Local Economic Impact (9)
- Internal Recycling Rate (9)
- Life Cycle Analysis (9)
- Recycling Service Sales (9)
- Disaster Relief (8)
- Employee Demographics (8)
- Water Consumption (8)

Less Important (7-4)

- Alignment with International Frameworks (7)
- Contributions (7)
- Emissions of Ozone, NOx, SOx (7)
- Biodiversity Impact (6)
- Freedom of Association (6)
- Layoffs & Turnover (6)
- Social Media (6)
- Supplier Screening — Labor Practices (6)
- Supplier Screening — Social (6)
- Local Procurement (5)
- Political Contributions & Involvement (5)
- Benefits (4)
- Conflict Minerals (4)
- Executive Compensation (4)
- Government Financial Assistance (4)