

EMBRACING THE ZERO WASTE CHALLENGE

SUSTAINABILITY REPORT 2012

OUR COMPANY

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This report is structured in three major sections, or “books.”

Book 1 Our Company

A high-level overview of our operations, sustainability goals and progress

Book 2 Our Performance: Committed to Sustainability

Detailing our efforts and performance in running our company sustainably

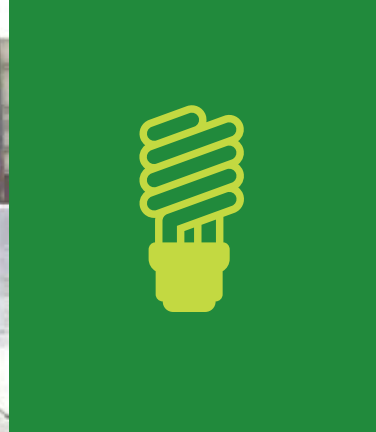
Book 3 Our Future: Maximizing Value from Waste

Highlighting our work to convert waste into resources

In keeping with our commitment to sustainability, and to save paper, we have created this report in a modular fashion. If you are reading a shorter, executive summary version, you will have Book 1 and Book 3. If you are reading the longer, full report, you will also have Book 2. The table of contents for Book 1 is above; the tables of contents for Books 2 and 3 can be found on their respective covers. We have also developed an Appendix, which includes supplemental information and is referred to in a number of places in this report. All three Books and the Appendix can be read online at: www.wm.com/sustainability.



ZERO WASTE =
TRANSFORMING
WASTE INTO
VALUABLE
RESOURCES



IN 2011,
WE MANAGED
NEARLY
13M TONS
OF RECYCLED
COMMODITIES



MESSAGE FROM THE CEO



Dear Valued Stakeholder,

Sustainability is a central motivation for our transformation from a waste collection and disposal company to one that views and uses waste as a resource.

At Waste Management, environmental stewardship is linked inextricably to our business performance. As recycling volumes rise and the demand for recycled commodities grows, our revenues from this part of the business rise. As the demand for renewable energy increases, driven by governmental and customer sustainability goals, so do Waste Management revenues from green energy. And, of course, as demand falls or the value of recycled goods or renewable energy declines, our revenues from these activities fall as well.

We take a long-term outlook, however. Despite periodic dips in recycling and green energy prices, we continue to develop new ways to convert waste into valuable resources. In 2011, for example, we expanded our recycling capacity by 1 million tons, and we are setting up “eco-opportunities” at our transfer and disposal facilities to extract and repurpose recyclables otherwise destined for landfill. We also extended our efforts to educate consumers and provide incentives for them to recycle by partnering with Recyclebank on our Greenopolis and Oceanopolis programs.

Waste Management has provided recycling services for decades, but today we are determined to expand recycling to more, and more challenging, venues and waste streams. For example, as the title sponsor of the Waste Management Phoenix Open in 2012, we issued a “Zero Waste Challenge” to make the golf tournament the “Greenest Show on Grass.” We set goals to divert more than 90 percent of the discards from the tournament away from landfill, and to recover more than 70 percent for further use through donation to charity, recycling and composting. We exceeded those goals — diverting 97 percent of the waste and recovering 82 percent. We also encouraged the more than half a million people who attended this event — and the millions of others who watched the tournament on TV — to think about ways to repurpose materials and avoid waste.

As our own business evolves, we are determined to help our customers meet their sustainability goals — and perhaps even to inspire new goals. Our vision is to remake our company into a “one-stop shop” for customers seeking sustainability solutions. The progress we are making toward our sustainability goals, which were first announced in 2007, also reflects the success of our long-term business strategy. Despite the economic headwinds of 2010 and 2011, I’m pleased to report on major milestones in our progress.

Recycling Our recycling business prospered in 2011. Although volatility in the commodity markets has continued into 2012, we have seen an expansion in revenue from our recycling operations. With almost 13 million tons of recyclables handled in 2011, we are nearly two-thirds of the way to meeting our 2020 sustainability goal. We are building our capacity to take on difficult-to-recycle materials such as electronics, as we partner with our customers and outside experts to certify the safety of these processes. We also have grown our organics processing to over 2.5 million tons handled in 2011.

Green Energy Waste Management alone produces more energy than the entire U.S. solar industry. And we continue on a steady pace to increase our renewable energy generation. In 2011, we produced enough energy to power more than 1.17 million homes. To meet our 2020 goal of generating enough energy to power 2 million households, we will need to expand our overall capacity with new ways of generating energy. This focus is a main driver of our investments in new technologies to convert waste to fuel. It also motivates our expansion into partnerships in Europe and Asia to help meet the growing global interest in low-carbon, waste-based energy production.

We are committed to finding the “next big things” — or even the small profitable things — that will relegate the landfill to the last resort for waste after all possible value has been extracted. We recognize that it takes time to develop the innovative technologies necessary to derive new uses for waste streams, and we are realistic about the challenge of finding the right innovations. That is why we have invested in a portfolio of more than 30 partnerships focused on alternative energy technologies. In this way, we function as venture capitalists for entrepreneurs looking for new ways to transform waste into useful products such as fuels and chemicals. As we work together, we gain insights from what fails as well as what succeeds.

Fleet Efficiency In 2011, we exceeded our 2020 goal to reduce carbon dioxide (CO₂) emissions from our fleet, and we can report dramatic improvement in per-mile emissions of nitrogen oxides (NO_x) and particulate material. After several years of experimentation, we have determined that converting our fleet to natural gas is our best option today to improve efficiency and reduce greenhouse gas emissions. As of second quarter 2012, we operate more than 1,600 natural gas collection vehicles — the largest heavy-duty natural gas fleet in the country. We continue to invest in public fueling stations for our fleet, as well as other local natural gas fleets. We are also improving fuel efficiency with steps such as optimizing routing and maintaining proper tire pressure.

Our innovative services help, too. The Bagster collection bag eliminates half the transport of a disposal bin, and our Solar Compactors mean we avoid trips to pick up half-full containers — minimizing emissions, saving fuel and saving our customers money.

Habitat Conservation We met our 2020 goal of creating 100 certified wildlife habitat sites and protecting 25,000 acres a decade ahead of time. These certified habitats are a source of pride for our employees, are good for the environment and are assets to the communities we serve. We’ve established habitats at our large facilities; now we’re beginning to focus on smaller, more urban sites where wildlife preservation is a valuable community amenity.

We are charting new territory at Waste Management. We’re no longer merely in the business of picking up the trash and putting it somewhere safe. Keeping the environment — and our people and neighbors — safe remains our most fundamental commitment. We increasingly recognize, however, that we have a new role to play. Our customers, and the communities in which we operate, want more sustainable ways to deal with what they discard. When they generate waste, we see opportunities to produce low-carbon power and turn what can be recycled into feedstocks. We’re realistic in our approach. Each year we get better at finding ways to recycle more and recycle more challenging commodities. We also believe that what can’t be recycled at a price the customer is willing to pay can be transformed into energy, fuel or chemicals — and in the process generate fewer emissions and a lower carbon footprint. The fact that more customers each year come to us for sustainable waste management solutions tells us that this direction is a solid base on which to transform our business for 21st century success.

Respectfully,



David P. Steiner
Chief Executive Officer

WASTE MANAGEMENT IN SUMMARY

Waste Management is the leading provider of comprehensive waste management and environmental services in North America. We are also a leading developer, operator and owner of waste-to-energy and landfill-gas-to-energy facilities in the United States. Headquartered in Houston, Texas, the company is publicly traded (NYSE:WM) and operates through subsidiaries providing a full range of environmental services. We serve over 21 million customers with environmentally sound management of solid wastes and the transformation of waste into usable resources.



2020 SUSTAINABILITY GOALS AND PROGRESS TO DATE, 2011

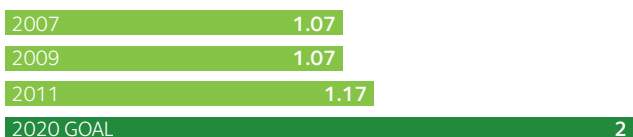
TONS OF RECYCLABLES MANAGED

(million tons)



WASTE-BASED ENERGY PRODUCTION

(million households)



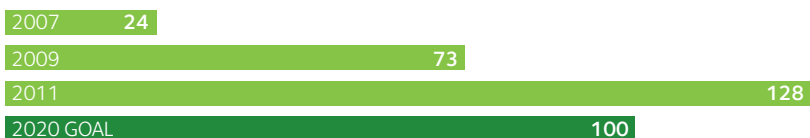
FLEET EMISSIONS

(percent reduction in CO₂ equivalent (CO₂e) emissions)

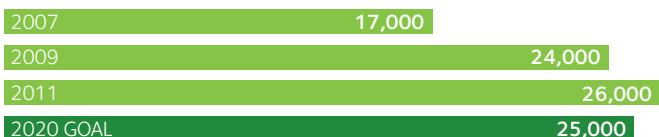
2007 emissions: 2.14M tons CO₂e



NUMBER OF WILDLIFE HABITAT SITES



NUMBER OF ACRES PROTECTED



OUR BUSINESS MIX

Four years ago, we began reporting on our activities in a new way. We distinguished our operations that extract value from waste — what we term “green services” — from those that isolate it in a safe disposal site (the traditional landfill model). We described this allocation in terms of the revenue generated from each of these activities. (The top two pie charts at right illustrate the revenue percentages for 2011 and 2007.)

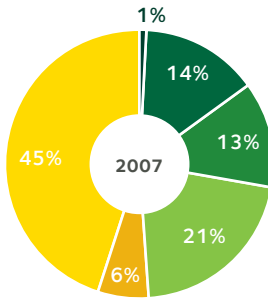
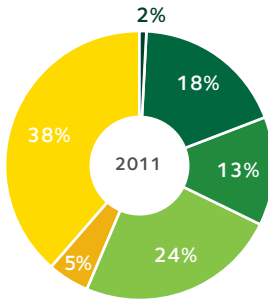
Green services include all forms of recycling, as well as waste-to-energy and landfill-gas-to-energy projects and revenue from collections that feed these projects. The green category includes our consulting work helping other enterprises reduce and recycle waste as well as produce green energy. It also includes our work with partners to develop new ways to convert waste into a valuable resource, in particular the development of new low-carbon fuels and even chemicals not derived from fossil fuels.

Our ultimate goal is to use all of the waste we receive and leave nothing discarded. When that happens, we will have only one revenue chart — green services. But we are realistic about the effort — and the time — it will take to get there. In 2011, we saw very promising signs. The revenues from our innovative services lines, for example, doubled from 1 percent to 2 percent. That number is a comparatively small contribution to our revenue today, but it tells an interesting story. We are working with over a dozen teams of scientists, engineers and entrepreneurs to develop new ways to convert wastes into high-value goods. Some of these partnerships may revolutionize the way we think of waste; all tell us something about what’s practical as we work to convert waste into new products.

Another way to look at our mix of business is to separate our revenues from the collection of waste from what we make for “doing something” with the waste — whether it’s processing, recycling or converting the waste to fuel or power. Looking at our 2011 revenues in this way, we can see that we made more than \$5 billion from activities other than waste collection. The pie chart at the bottom of the opposite page indicates our allocation of revenue among disposing, recycling, treating and generating energy or fuels from waste and our work consulting with others on how to manage their waste.

This way of looking at our non-collection revenues captures the importance of recycling to Waste Management, as well as the promise of the innovative services we describe later in this report. We already make nearly half as much revenue from our innovative service lines as we do from disposal at traditional landfills. That tells us we are on the right track.

WASTE MANAGEMENT MIX OF BUSINESS



GREEN SERVICES

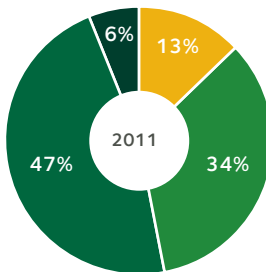
- **Newest Innovative Service Lines**
 Includes Organic Growth Group/Upstream revenues, and Healthcare Solutions.
- **Recycling**
 Includes Waste Management Recycling Services, Recycling Material Sales and Brokerage, landfill revenues from Revenue Generating Cover and Redirected Waste, Organics and recycling revenue within the collection line of business.
- **Green Energy Production Facilities**
 Includes Wheelabrator Technologies' green energy facilities, Waste Management renewable energy and landfill-gas-to-energy facilities, and landfills with bioreactors.
- **Green Collection/Transfer**
 Includes inter-company revenues from collection/transfer station operations to Waste Management "green" facilities (landfills generating energy, waste-to-energy facilities, recycling facilities).

TRADITIONAL SERVICES

- **Traditional Landfill**
 Includes revenues from disposal in landfills not used for energy recovery. Hazardous waste revenue is included in this category.
- **Traditional Collection/Transfer**
 Includes traditional collection and transfer station lines of business.

Source: Full-year 2007 and 2011 revenue data

MIX AMONG NON-COLLECTION REVENUES



- Traditional Landfill
- Green Energy
- Recycling
- Innovative Service Lines

AWARDS

We were honored to receive the following awards and accolades.

2012



Top Waste and Disposal Service Company: World and North America indexes



Top 10 Best Corporate Citizen, *Corporate Responsibility Magazine*, Services Category

CARBON DISCLOSURE PROJECT

Top 10 percent of industrial companies for efforts to reduce emissions and mitigate the risks of climate change



Global Benchmark Index Company

2011



HOUSTON CHRONICLE
chron.com



Waste Management a “Most Ethical Company”

For the fifth consecutive year, Waste Management in 2012 was named one of the world’s most ethical companies by the Ethisphere Institute, a research-based organization advancing recognition of corporate social responsibility, business ethics, anti-corruption and sustainability best practices. One hundred and forty-five companies representing over three dozen industries were listed on their 2012 “WME Index,” with Waste Management the only environmental services or waste industry company to be named. Collectively, Ethisphere reports that these companies performed significantly better than the S&P 500 — even through the worldwide recession.

**MOST
ETHICAL
COMPANY
AWARD
5 YEARS RUNNING**

SUSTAINABILITY KEY PERFORMANCE INDICATORS, 2009-2011

KEY PERFORMANCE INDICATORS	2009	2010	2011
Greenhouse Gas (GHG) Footprint¹ (Metric Tons CO₂ Equivalents)			
• Process	21,552,559	22,503,371	16,448,441
• Transportation	1,754,977	1,817,830	1,773,307
• Energy use	357,141	479,356	488,738
Potential avoided GHG emissions from²			
• Renewable energy generation	3,504,234	3,502,225	4,005,380
• Waste-derived fuels produced and sold	23,976	13,954	18,647
• Reuse and recycling of materials	5,621,788	6,659,259	8,447,023
• Carbon permanently sequestered in landfills ³	17,703,584	16,268,622	15,593,412
Waste-Based Energy Benefits⁴			
• Tons of coal equivalent	5,591,000	5,350,000	6,089,000
• Barrels of oil equivalent	21,563,000	20,462,000	23,494,000
Resource Savings Achieved through Recycling			
• Energy savings – equivalent (number of households/year)	1.4 million	1.5 million	1.8 million
• GHG savings – per passenger car equivalent (number taken off the road/year)	4.8 million	5 million	6.3 million
Total Recordable Injury Rate	3.1	3.3	3.1
Vehicle Accident Rate (driver hours without accident)	12,066	12,981	13,298
Percent of Waste Management's Modern Landfills with Offsite Contaminated Groundwater ⁵	0	0	0
Charitable Giving	\$12,861,665	\$13,331,857	\$13,983,472

¹ 2009 was the base year for Waste Management's carbon footprint, so data from previous years are not available. Please see pp. 18-21 of Book 2 for discussion of the footprint and data notes.

² We are reporting this 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 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 greenhouse gas reduction benefits as our own, nor attempt to deduct these reductions from our carbon footprint.

³ For a discussion of the protocols that govern this calculation of carbon storage or sequestration, see p. 23 of the Appendix.

⁴ Equivalent number of households that could be powered by Waste Management's energy production. Note that standard industry assumptions about household energy use differ for the waste-to-energy and landfill-gas-to-energy sectors. See pp. 7-11 of Book 2 for details.

⁵ Modern landfills are post-1993 and permitted under 40 CFR Part 258 Subtitle D. Offsite contamination is regulatory corrective action required to address offsite impacts to groundwater.

ABOUT THIS REPORT

Waste Management is committed to issuing a detailed sustainability report every two years. This report updates our 2010 Sustainability Report, providing data for 2010 and 2011 and discussing key developments in 2012 where information was available prior to publication. Notes on the scope of the data are included with the data charts or in endnotes.

This report covers Waste Management's wholly owned operations, all of which are located in North America. In 2009, Waste Management entered into new business partnerships to develop waste-to-energy projects in the United Kingdom, Western Europe and China, and we had planned to report on those partnerships in this report. At this time, however, Waste Management is a minority partner in these projects, and most are still in the development phase. Should this change, we will include these projects in the scope of our reporting.

We focus our reporting on the following themes that we have identified through internal and external consultation to be the most material:

- Focusing on our customers' sustainability needs
- Reducing and recycling wastes generated by others
- Converting waste into renewable energy, fuels and chemicals
- Managing our waste treatment, materials processing and disposal facilities to exceed regulatory obligations
- Serving as responsible stewards of the land

GLOBAL REPORTING INITIATIVE

This report is aligned with the Global Reporting Initiative (GRI) G3 Sustainability Reporting Guidelines at a self-checked application level of "B." The Appendix contains a complete index of GRI indicators. More information on GRI and the application levels can be found on the [GRI website](#).

We welcome your feedback on this report, as it helps us to improve future reports. Please contact:

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OUR FUTURE MAXIMIZING VALUE FROM WASTE

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WORKING TO MINIMIZE WASTE & MAXIMIZE VALUE

At Waste Management, we care about the planet. We feel a responsibility to leave it to future generations in better shape than we were given it. We're doing our part by helping businesses and communities transform what they used to send to landfill into valuable resources.

CAPTURING VALUE FROM WASTE

We are contributing to a more sustainable world by:

- advancing technologies to reduce waste
- increasing recycling and reuse
- developing sources of renewable energy
- sharing the benefits of our learning and innovation with our clients and collaborators

WHAT DOES *ZERO WASTE* MEAN?

The term *zero waste* has become a common phrase. While it means different things to different customers, it universally represents a commitment to reducing waste and recycling as much as possible. Many of Waste Management's commercial customers have taken the concept a step further and created their own "zero waste to landfill" goals. Through waste reduction and recycling efforts, combined with waste-to-energy solutions, we are helping our customers lessen or eliminate waste.

OUR VISION

WE WANT TO HELP OUR CUSTOMERS ACHIEVE THEIR ZERO WASTE GOALS

GOALS BY 2020

2 MILLION HOMES POWERED BY WASTE

20 MILLION TONS OF RECYCLABLES RECOVERED

THINK GREEN® AWARD AND THE LIFECYCLE OF INNOVATION

Our investment in innovation reaches into universities for the best new green ideas. We partner with scientists on promising and practical ways to convert waste into resources. We also see a benefit to supporting the pipeline of new environmental innovators. As part of this “lifecycle of innovation,” we have partnered with Rice University as sponsor of the Think Green® Award, the world’s largest graduate-level business plan competition.


Organized by the Rice Alliance for Technology and Entrepreneurship, the competition provides funding and guidance for young entrepreneurs working to commercialize

promising technologies. Waste Management’s Think Green \$100,000 investment prize is designed to encourage the development of new and innovative technologies in the clean tech area, including recycling and renewable energy.

Since its inception in 2010, the Think Green Award has been awarded to Biogas & Electric, LLC, and ReGenerate Solutions, LLC. A startup from the University of California, Los Angeles, Biogas & Electric has developed technology to significantly reduce emissions of nitrous oxide generated during the combustion of methane-rich biogas from anaerobic digestion

facilities. Improving the emissions of turbines and engines powered by biogas can help these systems generate more renewable energy while enhancing local air quality.

ReGenerate Solutions, a startup from the University of Michigan, developed technology that uses bacteria in a sealed metal bioreactor to convert food waste — onsite — at restaurants, cafeterias and supermarkets. The process converts waste into methane that can be used to heat water and into nonhazardous composting material that can be packaged and sold.



FUELING OUR FUTURE

We are partnering with universities to find innovations in clean technology. The sky is the limit!

WHAT WE DO TO MINIMIZE WASTE

Together with our customers, we're reinventing the way we all think about waste. And we're working to give a second life to items that have served their use and been discarded, by converting them back into raw materials, energy and new products.



CONSULTING

We work with customers to help them reduce waste, and to find new and better uses for the waste they do create.



GOODS



DISCARDS



COLLECTION



RECYCLING

We work to recapture value from waste streams by using new technologies (see Innovative Recycling, pp. 4-5 in this Book).



SORTED MSW TO ELECTRICITY FUEL, OR CHEMICALS

(see Post-Recycling Processing, pp. 12-15)



PLASTIC TO FUEL OR CHEMICALS

(see Post-Recycling Processing, pp. 12-15)



ORGANICS TO ELECTRICITY, FUEL OR CHEMICALS

(see Transforming Organics, pp. 10-11)



COMPOST

(see Transforming Organics, pp. 10-11)



LANDFILL GAS TO ENERGY AND WASTE TO ENERGY

POST-RECYCLING
PROCESSING



INVESTING IN TECHNOLOGY

Emerging technologies help us process residual materials into renewable energy and fuels, compost and chemicals.



RESIDUALS TO
ENERGY

Value from waste recycling technologies (see Recycling Technologies, pp. 8-9).

INNOVATIVE RECYCLING TECHNOLOGIES

A typical single-stream plant

According to the EPA, recycling rates in the United States have reached more than 34 percent. But we clearly can do more. Curbside recycling is the backbone of residential recycling, and it is evolving.

We believe that we can continue to make recycling easier, more efficient and more productive. Single-stream recycling, where all recyclables are mixed together in one collection bin, is one way to improve recycling rates. In addition to being easy on consumers, single-stream collection reduces vehicle miles for collection trucks and related tailpipe emissions.

SINGLE-STREAM RECYCLING

The amount of material processed in our single-stream plants has nearly tripled since 2002. In 2011, our 36 single-stream facilities processed 2.77 million tons of material. An even bigger increase is in store in 2012 and beyond as we steadily grow our investment in single-stream recycling facilities.

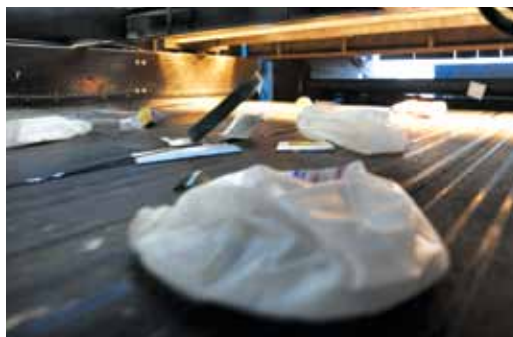
We continually improve the technology of our single-stream plants to improve the quality of the commodities we can produce. In 2011, we purchased 1 million tons of additional recycling capacity, including nearly 750,000 tons of capacity to improve our network of facilities and expand our single-stream service area, and 250,000 tons of capacity for organics processing.

Single-Stream Recycling...

Greatly increases recovery — on average at least **50 percent more recyclable materials collected.**

Helps **lower costs and emissions** associated with collection.

Employs **advanced technologies**, including magnets, screens and optical scanners to automate and maximize the sorting of recyclables.



Recycling sorting technology innovations such as disc screens (left) and optical sorters (right) have led to more efficient processing of recyclable materials.

1



MATERIAL IN-FEED

Trucks are weighed and directed to the tip floor. Material is unloaded, inspected and stored, until it's ready to be fed to a conveyor.

2



PRE-SORT STATIONS

Sorters remove rejected items and film, which is vacuumed away. Bulky materials, inert materials and large pieces of plastic are also removed and in some cases sent for additional recycling.

3



CORRUGATED SCREENS

Material crosses a triple-deck Old Corrugated Cardboard (OCC) screen, which skims off the OCC from the rest of the material stream. The OCC floats over the screen, where it is inspected before being conveyed to storage bunkers.

5



PAPER MAGNET

Material left in the main flow is now mostly containers. These materials flow over a paper magnet, designed to extract paper from the stream. It uses powerful vacuum technology to hold two-dimensional paper flat to the conveyor, while round three-dimensional containers continue on the flow.

4



NEWSPAPER SCREENS

At this stage, the materials pass through a series of disc screens, which separate containers, cans and bottles from old newspapers and remove any remaining fiber material.

6

STEEL MAGNET

Next, a steel magnet removes and stores ferrous materials from the material stream.

7

GLASS SORTER

Whole glass bottles are broken and fed via conveyor belt to the glass crusher, which crushes the glass and moves it to a storage area.



8



OPTICAL SORTING

Bottles and cans that make it through the glass sorting area run through a series of optical scanners. These scanners separate out the last of the paper from the commingled stream, as well PET soda/water bottles, HDPE milk/detergent bottles, and aseptic milk/juice cartons. Each are stored separately.

9



EDDY CURRENT

The remaining material is delivered to an eddy current that automatically separates aluminum by use of a rare earth electro current, which repels the aluminum over a baffle where it drops to a chute and is blown into a bunker for storage.

12



SHIPPING

Bales are shipped to end users around the world via truck, rail or ship, where they are used as feedstock for new products.

11



FINISHED PRODUCT

Forklifts move the bales to a finished product storage area where they are checked for quality.

10

BALING

Interior storage bunkers accumulate large quantities of each separated material stream, which are subsequently processed in ultra-high-efficiency equipment for compaction into "bales" for shipment to end-use markets.

INCREASING RECYCLING RATES

Our customers often ask for our help to increase recycling rates across their operations, or to recycle more of specific materials. Our commitment to helping them maximize the benefits of recycling is stronger than ever.

RECYCLEBANK PARTNERSHIP

In 2011, we announced a strategic investment in Recycle Rewards, Inc., whose subsidiary, Recyclebank®, rewards people for taking everyday green actions by offering discounts and deals from local and national businesses. As part of the investment, Recyclebank assumed Waste Management's Greenopolis recycling platform, and Waste Management agreed to provide its North American customers access to Recyclebank's green rewards program over the next several years. The investment brings together Waste Management's curbside collection infrastructure — the largest in the nation — with Recyclebank's vast online community and incentive platform, enhancing growth prospects for both companies and motivating and mobilizing more people, communities and schools to recycle.

Recyclebank's rewards-for-recycling program is currently in more than 300 communities in the United States and the United Kingdom. Greenopolis's web-based rewards catalog will be incorporated into Recyclebank's rewards program to offer even greater incentives to its member base. Recyclebank will also assume management of the Greenopolis social media platforms, including Greenopolis.com, RecyclePix and Oceanopolis, the Facebook game that uses social gaming to reward recycling in real life and the virtual world.

Recyclebank has been recognized as a Technology Pioneer by the World Economic Forum, a Champion of the Earth by the United Nations Environment Programme and for Outstanding Excellence in Public/Private Partnerships from the U.S. Conference of Mayors. Recyclebank was also named as one of the top 10 percent of B Corp companies for its overall impact on the world by the nonprofit organization B Lab, which is dedicated to using the power of business to address the world's most pressing challenges.

Recyclebank, a Philadelphia-based startup-turned-international-service-provider, develops programs that incentivize green activities through an emerging science called "gamification," or the use of game mechanics to modify behavior. By engaging in online activities, users are prompted to adjust their lifestyles offline in ways that let them live a little lighter on the planet. The company calls this "gaming for good." Research commissioned by Recyclebank has found that 8 percent of users who engaged in their Green Your Home Campaign were more likely to turn off the lights in their houses, and 10 percent switched to compact fluorescent or eco-friendly light bulbs after participating in the campaign.

8%

of users were more likely to turn off lights

10%

of users switched to CFLs or eco-friendly light bulbs



REVERSE VENDING MACHINES

Working in partnership with Keep America Beautiful, Recyclebank and beverage manufacturers, Waste Management is a proud sponsor of an initiative to encourage consumers to recycle plastic and aluminum by using a “reverse vending machine” to return drink containers and reap rewards. Located in high-traffic areas, the machines allow individuals to earn reward points or donate cash to charities for each recycled container deposited. Some manufacturers enhance this incentive by making annual contributions to charities.



DART DIVERSION TOOL

Our Diversion and Recycling Tracking Tool (DART) helps project planners, contractors, architects and building owners measure their green performance during construction, renovation and demolition projects. The service, available across the United States and Canada, operates online and is accessible 24 hours a day to monitor recycling, tabulate total diversion rates and provide documentation to support LEED certification.

2,673

tons construction and demolition
waste diverted in 2011

MAKING PROGRESS ON HARD-TO-HANDLE RECYCLABLES

Items like cell phones, computers, batteries and compact fluorescent light bulbs have traditionally been difficult to recycle. Yet many of their component parts can be reused, and when disposed of improperly, they can leak toxins into the environment. Waste Management is working to provide recycling alternatives.

HANDLING SPECIAL WASTES IN THE MAIL... OR AT CURBSIDE

Compact fluorescent light bulbs (CFLs) are energy-efficient and save money over the long term. But they also contain mercury, and if broken they can release mercury vapor, which is harmful to humans. Waste Management's LampTracker service provides mail-in containers that enable the safe transport and recycling of fluorescent bulbs and tubes for businesses across the United States, as well as for residential consumers through Waste Management's Think Green from Home program. LampTracker also provides mailable recycling services for other common wastes such as batteries, small electronics and computers.

In 2010, Waste Management launched a new program enabling communities to recycle used CFLs in standard curbside pickup, alongside existing residential recycling programs. In a pilot program in Florida, residents received specially designed VaporLok™ containers that can safely store up to 12 standard CFLs. In addition to CFLs, customers can safely recycle syringes and lancets as well as bottles and paper, using Think Green from Home mail-in kits. Waste Management processed and recycled approximately 80 million lamps in 2011, up from 75 million in 2010 and 58 million in 2009.

DIVERTING PLASTICS FROM LANDFILL WITH MICROGREEN

In 2010, we made a strategic investment in MicroGREEN, an innovative start-up working to ensure that plastics used for food containers, product displays and point-of-purchase materials end up having many lives instead of a one-way trip to the landfill.

The company's Ad Air® technology inserts bubbles into virgin, blended or recycled PET plastic, increasing

the length and width of plastic sheeting by 150 percent and the thickness by 200 percent. The technology expands the plastic while it's still in a solid state, allowing for very precise control, while eliminating the need to use the potentially harmful foaming agents found in other types of plastics.

A lifecycle analysis by Franklin Associates found that the MicroGREEN technology took the least amount of energy to produce a hot beverage cup and had the

lowest total solid waste, as measured in both volume and density, when compared to other cups. The technology greatly reduces the environmental impact of plastic containers by reducing the amount of source material used, thanks to incorporating up to 50 percent recycled content and being 100 percent recyclable as #1 PET plastic. The product was honored by *The Wall Street Journal* as a 2010 runner-up for its Technology Innovation Award.



200+

collection depots in North America,
gathering phones, batteries, laptops
and more

E-CYCLING GROWS

Electronics recycling, or e-cycling, is the fastest growing commodity in the waste stream. According to the 2011 Electronics Recycling Industry Survey, the U.S. market for electronics recycling now stands at about \$5 billion a year.

As of 2012, Waste Management operated more than 200 collection depots in North America, gathering phones, batteries, laptops and other manufactured products. To process the material we gather, we operate eight Product Recovery Centers. In addition to recovering component parts, we mine the electronics for rare earth elements, which are of increasing importance in technology applications but can also be difficult and costly to extract from mining and subject to price swings.

All of these centers have earned the Responsible Recycling (R2) and Recycling Industry Operating Standard (RIOS) certification. R2/RIOS is a major certification process that covers, among other things, the way that e-waste is separated from traditional waste streams to ensure materials such as lead, mercury and cadmium are handled properly. Our facilities have also earned the Basel Action Network eStewards certification, as well as ISO 9001 certification.

TRANSFORMING ORGANICS

As much as 30 percent of the waste stream across the United States can be counted as organic waste, with certain sectors — such as grocery stores and restaurants — running as high as 60 percent organic waste. We see a big opportunity for resource recovery. We've established strategic partnerships with the following organic innovators, each of which specializes in a different process for recovering value from organic waste.

PENINSULA

**INVESTMENT SINCE 2011
WILMINGTON, DELAWARE**

Peninsula owns and operates the Wilmington Organics Recycling Center, in Wilmington, Delaware, the largest composting facility in the eastern United States. The company uses an innovative system to protect compost material from the elements for a reliable composting process, while efficiently trapping odors and other emissions such as dust and VOCs.

GARICK LLC

**INVESTMENT SINCE 2010
CLEVELAND, OHIO**

Our investment in Garick has resulted in an expansion of market demand for the value-added products they create from organics, such as compost and soils, organic fertilizer, mulch products and nursery/greenhouse growers' blends.



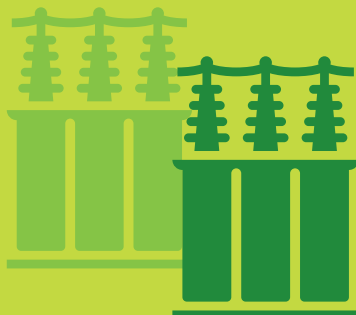
GROWING ORGANICS MANAGEMENT

2011 was a year of growth for us in organics waste management. By the end of 2011, our network of 36 company-operated compost facilities, partners' facilities and third-party operations had expanded to manage more than 2 million tons of organics, converting it to beneficial uses such as mulch and compost. To help increase the amount of organic material we manage, we broadened our portfolio of investments to encompass a range of emerging technologies. In 2011, Waste Management was recognized by *Biofuels Digest* as one of the top 50 hottest bioenergy companies.

HARVEST POWER

INVESTMENT SINCE 2010 UNITED STATES & CANADA

This company, named to the prestigious 2011 Global Cleantech 100 list by Cleantech Group, a research firm focused on global clean technology innovation, uses anaerobic digestion to create clean biogas and nutrient-rich compost. We first invested early in 2010, providing raw materials for composting and working to help the company expand to serve more cities.



RENMATIX

INVESTMENT SINCE 2012 KING OF PRUSSIA, PENNSYLVANIA

Renmatix's proprietary Plantrose™ process converts cellulosic-rich materials into sugars using supercritical hydrolysis (water-based) technology. This technology cost-effectively transforms organic wastes into base sugars for manufacturing bio-based renewable chemicals and fuels.



POST-RECYCLING PROCESSING

To extract the most value possible from the materials we handle, we have partnered with a portfolio of over 30 technology companies. Our partnership with these emerging technologies helps us process residual materials from waste streams into renewable energy, renewable fuel and even green chemicals.

RECOVERING VALUE AFTER RECYCLING

After the waste stream has been mined for recyclable material, residual material remains. Waste Management is investing in conversion technologies to turn this "leftover" material into useful products. We expect to develop a suite of technology solutions over time, working with our partners to divert more material to higher-value uses. Many of these newest technologies are in the pilot phase and will remain so for the next several years. This is an industry that is evolving quickly, and the technologies themselves are likely to change as they develop. We recognize that there is no single solution. That's why we're helping to develop promising technologies, such as those of our partner companies.



FULCRUM

INVESTMENT SINCE 2011
PLEASANTON, CALIFORNIA

Focused on producing ethanol from municipal solid waste, Fulcrum uses a dual-stage gasification process that has been tested over the past two years at smaller scales. The company's first plant is fully permitted and will be built in Storey County, Nevada.

ENERKEM

INVESTMENT SINCE 2010
MONTRÉAL, CANADA

The feedstocks at Enerkem plants include carbon-rich waste such as nonrecyclable municipal solid waste. The company's gasification technology converts these wastes into fuel and chemicals, made without petroleum. Use of this fuel can reduce GHG emissions by more than 60 percent compared to gasoline. Enerkem has facilities in development in Edmonton, Alberta, and Pontotoc, Mississippi, each of which is designed to have a capacity of 10 million gallons of ethanol per year.



AGILYX

INVESTMENT SINCE 2011
BEAVERTON, OREGON

Agilyx converts low-value, hard-to-recycle and contaminated plastics into a high-value, synthetic crude oil. This provides an economical and environmentally responsible solution for processing mixed plastic resins from industrial/residential waste. The company's pilot plant is operating in the Portland, Oregon, area, and a second plant is in development.

INENTEC

INVESTMENT SINCE 2009
BEND, OREGON

Plasma gasification technology will produce flexible, clean fuels and energy from feedstocks such as nonhazardous medical waste and other segregated industrial and commercial wastes. The company's first facility has been constructed in Arlington, Oregon, with commissioning beginning in 2012.



AGNION

INVESTMENT SINCE 2012
PFAFFENHOFEN, GERMANY

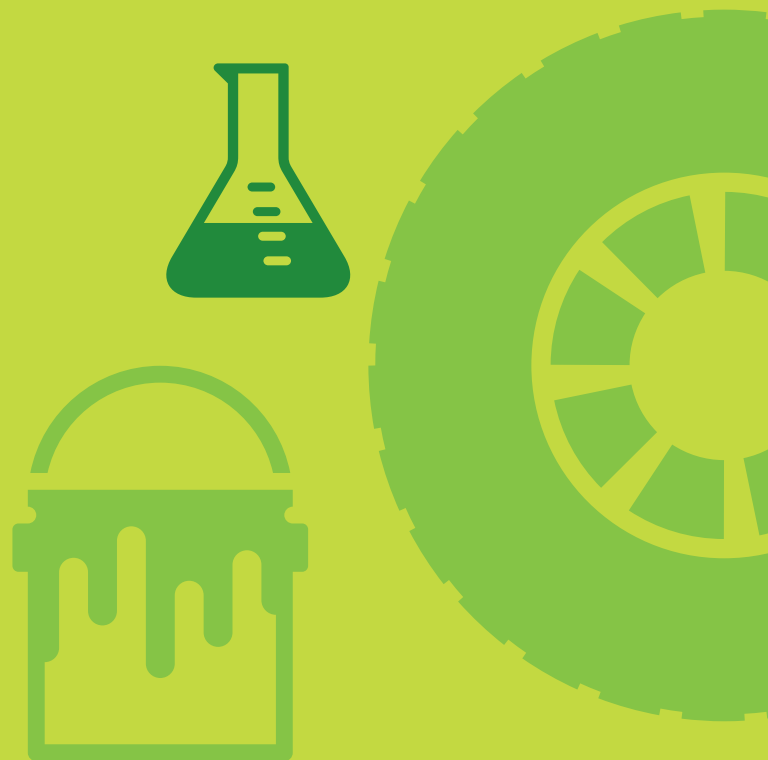
Innovative gasification technology converts solid biomass feedstock into a high hydrogen and carbon monoxide-rich synthesis gas with exceptionally high heating value. Typical customers would include schools, universities, warehouses and distribution centers, shopping malls, hotels and hospitals. Agnion's first commercial biomass gasification plant is currently under construction in the Bavarian town of Grassau.



GENOMATICA

INVESTMENT SINCE 2010
SAN DIEGO, CALIFORNIA

Winner of the Presidential Green Chemistry Challenge Award, Genomatica researches and advances the production of chemicals from municipal solid waste. The company creates specially designed organisms and manufacturing processes to convert syngas into chemical products. This is the first biology-based process making this conversion.



WASTE MANAGEMENT SUSTAINABILITY SERVICES

We're in an age when businesses are expected to run smarter: produce less waste, recycle more and create more efficient operations. Operating sustainably is the new business imperative. Waste Management Sustainability Services was created to help our customers meet the challenge.

Waste Management Sustainability Services is a nationwide network of environmental professionals combining environmental expertise and project management to help clients advance along the path toward sustainability. The consulting group has already helped hundreds of clients in the United States and Canada realize their environmental goals by recommending business practices that reduce waste, save energy and provide a "next life" for resources they no longer need. The new group combines the professional service divisions formerly known as Green Squad and Upstream, and provides integrated environmental solutions that are sustainable, cost-effective and ISO 9001/14001 certified.

→ ZERO WASTE INITIATIVES

Helps customers meet goals ranging from "zero waste to landfill" to source material reduction to closed-loop, fully recyclable products.

→ CARBON FOOTPRINTING

Helps measure and assess customers' carbon footprints as well as suggest opportunities to reduce them.

→ SUSTAINABLE EVENT PLANNING

As "greening" large public and privately sponsored events grows in popularity, builds strategies that incorporate waste reduction, diversion and recycling.

→ SUSTAINABILITY REPORTING

Generates the data needed to meet external stakeholders' demands for information about sustainability efforts and results.

→ SUSTAINABILITY ROADMAPPING

Provides a practical, valuable, head-to-toe assessment of customers' sustainability performance and innovative ways to improve.

→ LEED CONSULTING

Implements LEED principles into construction planning.

→ SUSTAINABLE INITIATIVE PROJECT MANAGEMENT

Supports company sustainability teams in achieving milestones.

WASTE MANAGEMENT SUSTAINABILITY CENTER

Launched in 2011, the Waste Management Sustainability Center, located in Rogers, Arkansas, enables us to use “white board” techniques to brainstorm zero waste strategies with customers. LEED Gold certified on January 2012, the Sustainability Center features nontoxic and highly recycled and recyclable construction. Filled with technological thought-starters, the Center is designed to help businesses envision the specific strategies, tactics and solutions needed to make their environmental goals a reality.



Waste Management Sustainability Center,
Rogers, Arkansas, a LEED Gold Facility



Achieving Zero Waste to Landfill with General Motors

General Motors has a global goal to send zero waste to landfill. Many assembly plants have already met the challenge. GM's Fort Wayne, Indiana, plant employs more than 3,300 people and produces 870 full-size pickup trucks each day. Using recycling, waste-to-energy technology and other creative reuse programs, Waste Management Sustainability Services (WMSS) helped the plant become GM's first in North America to achieve a zero-waste-to-landfill status.

Among GM's zero waste achievements:

- Achieved zero-waste-to-landfill status in January 2011
- Recycled 15,915 tons in 2011
- Has enjoyed more than \$17 million in savings and rebates since 2000

\$17M

in savings and rebates since 2000



Reducing, Reusing and Recycling at Allison Transmission

Since 2008, WMSS has been partnering with Allison Transmission, a manufacturer of commercial-duty automatic transmissions and hybrid propulsion systems, to uncover every opportunity to eliminate, reduce, reuse and recycle. Since we began our work, we've reduced the general plant trash volume by 56 percent and greatly increased recycling.

In 2011, we expanded the company's plastics recycling program, installing centralized recycling stations within each plant and point-of-use recycling bins in high-volume areas, increasing the amount of plastic recycled by more than 17 percent from the previous year. We also began a styrofoam recycling program, reducing disposal costs. Other achievements include a more than 55 percent increase in aluminum recycling, an overall reduction in plant trash volume of 7 percent from 2010 levels, and the recycling of 132 tons of cardboard. Proceeds from the sale of the cardboard were donated to local charities near the company's headquarters.

55%

increase in aluminum recycling



Soaring Recycling Rates at Brandywine Realty Trust

In 2011, Brandywine Realty Trust, a full-service real estate company, asked WMSS to help them reach a goal of recycling 80 percent of the waste generated at properties where they use Waste Management for waste removal.

Following a detailed assessment of their waste stream, WMSS designed a custom program incorporating best practices for placing, labeling and lining bins; improved signage in interior workstations, common areas, break rooms and kitchens; and a comprehensive education program for janitorial staff and building tenants. Detailed monthly reports helped to monitor the success of the program and identify areas for improvement in real time.

Within only four months, Brandywine was recycling more than 83 percent of their waste and achieving cost savings of more than 30 percent. Their recycling rates continue to increase, due to changes implemented through the WMSS program.

83%

of waste recycled, saving more than 30 percent in disposal costs



Coaching Caterpillar to Cut Waste

We've been working with a Caterpillar manufacturing plant in Illinois to help them significantly reduce waste, identifying and collecting materials from the assembly line that can be recycled, including scrap wood and metal, concrete, light bulbs, and even the gloves worn by employees. To make it easier for employees to recycle, we installed a conveyor belt system to sort waste on the spot, onsite. Three months after the system's installation, the plant was able to divert 40 percent of its assembly line trash away from landfill, instead recycling the equivalent of 200 tons a year and saving the company more than \$200,000 annually.

To boost recycling in other plant areas as well, we installed Greenopolis recycling kiosks, solar-powered recycling bins and food digesters in the cafeteria. In a little over a year, the plant increased its overall monthly recycling rate from 30 percent to more than 80 percent.

40%

of assembly trash diverted away from landfill after 3 months

The Waste Management Phoenix Open: The Greenest Show on Grass

In 2010, when Waste Management became the title sponsor of the Phoenix Open, the best-attended golf tournament on the PGA Tour, we saw an enormous opportunity to put sustainability principles to work and use the event as an educational platform.

In 2011, we issued ourselves a “zero waste challenge” for the event. Together with the tournament organizers, Waste Management’s Sustainability Services team worked to develop creative solutions to achieving zero waste at an event attracting more than 500,000 people. For the first time in PGA Tour history, no trash cans were present at the course. Vendors were required to use compostable or recyclable serving materials and containers and to educate patrons about the proper disposal of materials in either recycling or compost bins. Volunteer recycling ambassadors were stationed throughout the course to ensure materials went in the appropriate bins, and a dedicated operations team behind the scenes sorted materials.

Everything was measured and captured in a master sustainability scorecard, and our tally of the final diversion and recovery rates was better than expected.

- More than 97 percent of waste generated at the tournament was diverted from landfills, exceeding the 90 percent tournament goal.
- Eighty-two percent of materials were recovered from the waste stream through recycling, composting, material reuse and charitable donations — far exceeding the goal of 70 percent.



A variety of methods were used to recover materials at the 2012 Waste Management Phoenix Open. Highlights include:

RECYCLING

Plastics (including LDPE, HDPE and PET), aluminum, paper, cardboard, glass and metal were sent to our Waste Management Community EcoCenter Material Recovery Facility for processing.

COMPOSTING

Food, napkins, plates and cups used during the tournament were processed in a digester to produce high-quality compost for surrounding communities.

REDUCING ENERGY USE & EMISSIONS

Energy use and greenhouse gas emissions were reduced by using 60 Solar Compactors, solar light towers and the first solar array on the PGA Tour, as well as purchasing 100 percent renewable energy from the local utility provider and replacing diesel waste hauling trucks with trucks run on compressed natural gas.

TRANSFORMING EVENT MATERIALS

All of the scrap wood from the event was processed (i.e., ground into mulch) by a local organic lawn and garden company. Turf and green mesh were sent to a company that recovers the energy and mineral components from waste for use as fuel and product additives for manufacturing processes.

PROMOTING REUSE THROUGH CHARITABLE DONATIONS

The hosts of the tournament, Phoenix-based organization The Thunderbirds, distributed \$5.6 million to local charities through proceeds raised at the tournament.

Carpet was donated to a local Habitat for Humanity ReStore to be sold to the public. Proceeds from the carpet sales will help Habitat achieve its mission of building homes, communities and hope.

While not included in the tournament recovery goals, the approximately 140,000 used golf balls filling the Waste Management water feature on the lake at the 18th hole were donated to The First Tee, a youth charity teaching life skills through the game of golf.



FINAL LANDFILL DIVERSION RATE

97.58%

GOAL: 90%

FINAL MATERIAL RECOVERY RATE

82.08%

GOAL: 70 %

PARTNERING WITH COMMUNITIES

Our transformation from a company focused on safely disposing of wastes to a company focused on repurposing discarded resources has been shaped in profound ways by the communities in which we operate.

Through one-on-one conversations, small and larger meetings with those living around our operations, polling, surveys, and participation in more structured dialogues as part of multi-stakeholder groups, communities over the years have told us:

Focus less on developing and expanding landfills, and more on **alternatives to landfilling**.

Extract greater benefits from the wastes you handle – in the form of recycling and generating renewable energy.

Use your size and the skills of your staff to find **better technologies** to reduce emissions and environmental impacts from handling waste.

Commit to making your properties a **community resource** and places where **native habitat is preserved**.

These perspectives are reflected in our sustainability goals, and we give credit to the visions of these host communities, which have helped point us to what we believe is a more sustainable business strategy. We've learned from what we've heard, and we appreciate the dialogue.



Monroe Ecopark Leads the Way in Hazardous Disposal

With the opening of its innovative **ecopark**, residents of Monroe County, near Rochester, New York, now have the opportunity to protect their local environment in a hands-on way. Operated by Waste Management, the park offers a one-stop drop for difficult-to-dispose hazardous waste, pharmaceuticals, and recyclables such as tires, scrap metal, fluorescent lights and bulky plastics. The property operates as a disposal, recycling and hands-on education center in one.

Houston Marathon Gets Silver

Waste Management Sustainability Services consultants were key in helping the Chevron Houston Marathon earn Silver ReSport Certification in June 2012. The Council for Responsible Sport (ReSport) Certification takes into account waste, energy and water use, procurement and giveaways, transportation, greenhouse gas emissions and community relations. Initiatives such as paperless race registration, unused food donations, environmentally conscious portable toilets and compost collection allow Waste Management to help raise the sustainability bar for athletes and sporting events. Eighty-three percent of the trash from the marathon was diverted from landfill. The team also worked to “green” a U.S. Olympic Trials marathon event, held the same weekend, diverting 79 percent of trash from it, as well as recent Ironman events in Florida, Texas and Arizona, achieving diversion rates of 45-65 percent at these events.





Portland, Oregon, Targets Citywide Zero Waste Goal

Long considered one of the most sustainable cities in the country, Portland, Oregon, a Waste Management customer, became the largest city in the United States to move to every-other-week garbage collection service, in the fall of 2011. At the same time, food waste was added to the city's existing yard waste collection program. The next move for Portland? The city is targeting a zero waste goal by increasing the diversion of food waste from commercial businesses and banning food waste from the garbage of large commercial generators.

Composting in Oakland Schools

In the San Francisco Bay Area, the power of partnership is helping transform the public schools of Oakland. Superintendent Dr. Anthony (Tony) Smith asked businesses and the community to work together to improve the overall well-being of Oakland students and their families. With decades of service in the Oakland Unified School District, Waste Management rose to the challenge. A bilingual recycling coordinator gave hands-on demonstrations showing students, teachers and staff how to recycle, and implemented a composting program at 30 schools throughout the district (with more on the way), explaining nature's process of decay and renewal and how composting returns valuable nutrients to the soil.

The results of our partnership:

- The District achieved a 43 percent diversion rate through recycling and food waste collection programs.
- Trash was reduced by 20,000 pounds/week during the 2010-2011 school year.

Going Zero Waste at California Farmers Market

The city of West Sacramento worked with the local Chamber of Commerce to open the city's first farmers market in the spring of 2011. With Waste Management's guidance and support, it became one of the region's first "zero waste" farmers markets. Thousands of customers attended the weekly market during its first season. As a result of this community effort, 4,800 pounds of material were composted and recycled in the market's first year.



Helping the Bronx Get Green

Waste Management of New York is a founding partner and driving force behind Get Green: South Bronx Earth Fest, an annual community festival designed to build environmental awareness and foster sustainability. Waste Management's Harlem River Yard transfer station is located in the South Bronx, which historically has had one of the lowest recycling rates in New York City. Every year since 2007, environmental and community groups have come together with Waste Management to organize a day of free, eco-oriented activities, education and entertainment for local residents. The event typically draws over 1,500 local residents to St. Mary's Park in the South Bronx, as well as numerous New York City officials and community leaders, to discuss the importance of sustainability.



CHARITABLE GIVING AND VOLUNTEERISM

Waste Management also supports communities through charitable giving and company volunteerism. In 2011, our employees self-reported just over 11,700 volunteer hours. Our Greenworks program, in which employees who volunteer at least 40 hours at a nonprofit organization can request that charity receive a \$250 grant from Waste Management, logged 137 requests, for a total of \$34,250 in donations.

CASH CONTRIBUTIONS

2011	\$11,044,496
2010	\$9,731,474

IN-KIND DONATIONS

2011	\$2,938,976
2010	\$3,199,190

NATIONAL PARTNERSHIPS

Waste Management is proud to have longstanding relationships with three bellwether organizations at the national level.

Keep America Beautiful

For more than 25 years we've been supporting Keep America Beautiful (KAB), contributing in recent years more than \$1 million annually through cash contributions and in-kind support to promote the prevention of litter, reduce waste, promote recycling and improve communities through beautification projects.

Waste Management is a national sponsor of KAB's signature event, the Great American Cleanup,[™] the nation's largest community improvement program, providing in-kind equipment, manpower and logistical support to millions of volunteers in local efforts. We also support numerous smaller activities in local communities through associated KAB chapters.



Habitat for Humanity

Waste Management has partnered with Habitat for Humanity since 2008, providing a variety of disposal services to help keep Habitat build sites organized, clean and safe. Our financial support has enabled Habitat for Humanity International to help families in 28 states and 111 cities in North America, and Waste Management employees have provided hundreds of hours of volunteer support at build sites across the United States and in Canada. In addition to working to improve the quality of life in communities, we share Habitat's commitment to being environmentally conscious. Waste Management sponsored the first-ever LEED-certified Habitat house, in the Minneapolis-St. Paul metropolitan area.



Wildlife Habitat Council

The Wildlife Habitat Council (WHC) shares our desire to restore and enhance wildlife habitat. Our work with the WHC has enabled us to establish 110 sites with WHC-certified programs, including 26,000 acres created, enhanced and protected for wildlife. Waste Management is active in two of the WHC's marquee programs: Corporate Lands for Learning, a certification program for lands used to promote community learning around conservation, and Wildlife at Work, a management certification tool helping to create, conserve and restore wildlife habitats on corporate lands.





ENVIRONMENTAL JUSTICE

In recent decades, low-income communities and communities of color in the United States have raised the concern that, when compared to more affluent communities, they have borne a disproportionate environmental burden. These communities and their advocates have called for fairness in the siting of landfills, waste-processing facilities and other industrial facilities — an element of what is frequently referred to as “environmental justice.” This is a concern that Waste Management takes very seriously. For more than 20 years, we have expressed our commitment to environmental justice through our collaboration with regulators, community groups, academics, advocates and others in industry to ensure that communities that host our facilities are treated fairly. But more than that, we want to assure our stakeholders that our facilities are distributed equitably across the country and are not concentrated in communities where race or lower income might affect fair access to the local decision makers who determine where industrial facilities can be sited.

We disclosed our company’s demographic footprint in our 2010 Sustainability Report. We believe we were the first company to do so. Using the methodology designed by environmental justice experts and recommended by the EPA, we mapped our landfills and waste-to-energy facilities — the sites for which local community groups and national advocacy organizations most frequently raised concern. Following the 2010 report, we reached out to environmental justice advocates and other

stakeholders for feedback. They told us they were encouraged by our disclosure, but they urged us to go further and map the location of all of our operations. In response, we are disclosing our comprehensive footprint in this report, which can be found in [the Appendix on p. 32](#).

Our facilities are generally as likely to be located in communities above the state average income level as below. Out of 1,423 facilities, 58 percent are located in communities with higher non-Hispanic white representation than the state average, and 48 percent are in communities with higher incomes than the state average.

We will update our footprint again in 2014, when block-level data from the 2010 U.S. Census become available.

Out of 1,423 facilities, 58% are located in communities with higher non-Hispanic white representation than the state average, and 48% are in communities with higher incomes than the state average



WASTE MANAGEMENT

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DESIGN Celery Design Collaborative

CONTENT BuzzWord

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