

Waste Management Policy Participation in the Political Process

May 2020



Waste Management is actively engaged in the political process at all levels of government. Through years of collaboration, we have developed an excellent record of working with communities, environmental organizations, legislators and customers on public policy issues. Even when discussions are challenging and provoke disagreement, we remain committed to open communication and finding common ground with our stakeholders. Operating in a heavily regulated industry, we believe this engagement is a necessary part of our leadership in the environmental services industry, and it ensures that we represent the best interests of our business, our shareholders and our employees.

POLITICAL CONTRIBUTIONS

We periodically make financial contributions to candidates who we believe recognize the value of the services we provide and the importance of environmental sustainability along with a fair, free-market approach as the best way to deliver cost-effective services. All political contributions are to promote the business interests of the company, as they may be affected by public policy decisions, without regard to political preferences of Waste Management executives. We do not expect the candidates to whom we contribute to agree with our positions on all issues at all times. Contributions made to candidates must comply with company policy, and all applicable, federal, state and local laws.

CONTRIBUTIONS PROCESS, CRITERIA AND DISCLOSURE

Waste Management's Government Affairs Department is responsible for executing the company's policy and advocacy agenda. All contributions made to political candidates must be authorized by the Government Affairs Department. Contributions are made with funds from the Waste Management Employees Better Government Fund Political Action Committee (WMPAC) or, where legally permissible, corporate dollars.

- Participation in the WMPAC by eligible Waste Management employees is voluntary.
- Senior members of the company's Government Affairs Department initiate requests for political contributions. In the case of WMPAC contributions, the WMPAC Assistant Treasurer must give his approval. The WMPAC Assistant Treasurer is also the company's Vice President and General Counsel for the Northern U.S. and the National Director of Government Affairs. The company's Chief Financial Officer serves as WMPAC Treasurer, and its Senior Vice President and Chief Legal Officer serves as the WMPAC Chairman.
- In states where it is permissible to use company dollars for contributions, the respective manager of government affairs in the state must approve contribution requests, subject to an annual, cumulative contribution limit to a candidate or political party campaign entity of \$2,500 – after reaching that limit the Senior Vice President, Corporate Affairs and Chief Legal Officer must review and give approval. The state government affairs manager is responsible for assuring compliance with applicable state and local laws. No contribution may be made until entered by the state government affairs compliance coordinator into a centralized corporate political contribution data base. No contribution will be made unless and until all necessary approvals are provided.
- Criteria upon which contribution decisions are made include such factors as positions on public policy issues important to Waste Management, inclusion in committees of jurisdiction over issues impacting the company, leadership positions, representation in districts/states where we have significant operational presence.

- Information on contributions made by the WMPAC or the company is available on the relevant federal or state election commission campaign contributions disclosure site.
- Following each two-year election cycle, the Board of Directors discusses the detailed accounting given by the Senior Vice President, Corporate Affairs and Chief Legal Officer on political contributions by the company, including those from the WMPAC and corporate contributions.
- Waste Management will not directly or indirectly reimburse an employee or other person for political contributions
- Compliance with all applicable federal, state and local requirements regarding political contributions as well as the provisions of this policy are part of the Waste Management Code of Conduct, <https://www.wm.com/about/company-profile/ethics/our-values.jsp>. Each employee of the company, as well as all officers and directors, are given a copy of the Code of Conduct when they join the company and updates are provided as revisions are made. In connection with annual Code of Conduct training, signed acknowledgments are required attesting that each recipient understands the responsibilities outlined. We expect employees to report violations, and we provide an anonymous and confidential Integrity Help Line should a concern arise. The Integrity Help Line reporting, annual Business Ethics questionnaire and whistleblower processes in accordance with the Code of Conduct are reviewed, audited and verified by an outside auditing firm.

ORGANIZATIONS WE SUPPORT

Waste Management is a member of and pays dues to a host of business and trade associations at the national and state level. These associations are important partners in a variety of public policy issues and activities. At times, however, the company may disagree with or actively oppose a position adopted by a business or trade association of which it is a member. Requests to join business and trade associations performing federal lobbying are reviewed and approved by the Senior Vice President, Corporate Affairs and Chief Legal Officer.

Visit this link for a listing of our memberships in national, state and local business associations and stakeholder groups (Appendix to our most recent Waste Management Sustainability Report, updated every two years, <https://www.wm.com/sustainability/index.jsp>).

OUR APPROACH TO PUBLIC POLICY OVERSEAS

To ensure compliance with international law, Waste Management has adopted an anti-bribery and corruption policy and established a Foreign Corrupt Practices Act (FSCP) Compliance Committee. All employees involved in foreign business projects must receive FCPA training..

STANCES ON KEY POLITICAL ISSUES

The environmental services industry is highly regulated and complex. And it's in flux. More and more, Waste Management and other companies like us are doing much more than managing waste. We are producing energy, restoring habitats and helping local governments and citizens to reduce, reuse and recycle materials. As we work with our customers and the communities we serve to create a more sustainable future, we believe we have an important voice to add to the discussion around several key policy debates. These issues represent significant challenges for our industry and are areas of special focus for Waste Management. We welcome engagement from stakeholders around these issues and strive to work with representatives from government, the business sector, community groups and environmental advocates to build consensus for positive change.

The following issues are of particular importance to the company in 2018-2019:

Renewable Energy

Motivated by concerns about greenhouse gas emissions and in the absence of comprehensive federal policy intervention, several states have implemented programs to promote renewable energy. This has resulted in widely divergent standards. Waste Management supports the development of a federal energy policy that would facilitate the widespread development of renewable energy sources, including municipal solid waste, that would allow the country to make significant strides in reducing greenhouse gas (GHG) emissions associated with fossil fuel consumption.

Energy Security and Alternative Fuel Production

Achieving energy security relies on lessening our dependence on foreign oil, and domestic production of fuel from renewable sources contributes to this goal. As a partner in energy security discussions, Waste Management supports policies, including existing federal renewable fuel standards, that encourage and facilitate the production of fuel from renewable sources such as municipal solid waste, as well as tax policy that encourages development of alternative fueling infrastructure, and the conversion of diesel vehicles to cleaner-burning natural gas and renewable natural gas (RNG) from waste. Studies have shown that waste-derived fuels typically have the lowest carbon intensity of all biofuel sources.

Natural Gas and Alternative Fuel Vehicles

Waste Management's fleet policy calls for a transition to natural gas vehicles. Further, we are transitioning to RNG fuel in our natural gas trucks. This transition is necessary to achieve our greenhouse gas reduction goals.

Since 2011, we have encouraged federal and state regulatory support for the transition of heavy-duty fleets to natural gas as the preferred fuel for our industry. The natural gas vehicle platform provides an opportunity to use RNG derived from waste materials, further improving air quality.

Managing State and Local Recycling and Organics Policy Developments

We have a broad recycling footprint across North America, with 103 total recycling facilities, 34 organics processing facilities, four CORE® facilities and 11 construction and demolition facilities at the end of 2019.

Our Government Affairs department coordinates information on recycling, its benefits and challenges, and innovations in state and local regulatory standards, as well as policies in support of the company's overarching goal to make recycling as environmentally productive as possible. Recycling, organics and waste reduction policies are largely driven by local and state initiatives, and it is important to participate and share experience wherever these policy debates arise.

Extended Producer Responsibility

WM has actively engaged in the public policy dialogue around EPR for over a decade. The company has historically supported EPR legislation for most "Hard-to-Handle" materials such as paint, batteries and electronic waste. Regarding EPR for traditional recyclables, WM supports the development of market development policies and lifecycle analysis to optimize environmental benefits associated with materials management as a baseline for program development.

WM recently formalized its policy of support for "Advanced Disposal Fees" (ADF) or "Eco-fees" placed on products/packages. WM supports both visible eco-fees and imbedded fees (invisible to consumers) on packaging but prefers visible fees so consumers clearly see the environmental cost of their purchases.

WM may also support other brand-funded mechanisms to support recycling when local control, existing infrastructure and franchises are protected. EPR that recognizes and uses existing infrastructure investments while maintaining local control and contracts/franchises for recycling collection/processing may be worth considering as a funding option for sustainable recycling. WM

opposes EPR schemes that relinquish control of recycling programs to producers in exchange for the producers taking on the costs of recycling.

International Trade

As China implemented new policies restricting imports of recyclables, Waste Management worked with stakeholders including the Institute of Scrap Recycling Industries, the office of the United States Trade Representative, the US-China Institute and others to understand the policies and to help states, cities and other customers adjust their programs according to China's import policies. China's policies have had global economic implications but are considered necessary if the country is to achieve its own environmental goals. We have worked with a broad range of industry stakeholders to develop short- and longer-term plans for managing the recyclables that can no longer be shipped to China.

In May 2019, Norway introduced a proposal to ban all exports of plastics as part of the Basel Convention beginning in January 2021. ISRI has represented our industry in the ongoing discussions about this new requirement; however, because the U.S. is not party to the Basel Convention, ISRI is working through other parties that are part of related OECD discussions. The global plastic export restrictions required by the Basel Convention has further accelerated WM's commitment to selling plastic to domestic markets. Our position to only sell residential plastic to domestic markets has expanded to a commitment to market all plastic to domestic markets by the end of 2020.

Climate Change

Our CEO has set, and our Board has approved, aggressive sustainability goals with ambitious GHG emissions-reduction benefits from the time we formulated our sustainability goals in 2007. The scope of emissions-reduction activities available to a highly diversified company like Waste Management is vast.

Waste Management prioritizes opportunities with the best potential to deliver high degrees of emissions reduction at low cost, or to deliver emissions reductions combined with a positive return. Our goals and public disclosure around renewable energy production progress, recycling and fuel efficiency drive our investment strategy. This approach to addressing the challenges of climate change is integrated into the evaluation of all significant activities and potential investments — from collection fleet and logistics to administrative functions and facility operating. For example, Waste Management has engaged collaboratively with U.S. EPA and state regulators, environmental organizations, and other public and private owners to develop technical information and recommendations on enhancing regulatory control of landfill gas emissions. Waste Management is working with U.S. EPA and the trade associations for public and private landfills on technical issues with current regulation of landfill gas controls that should facilitate the beneficial use of this renewable resource. Similarly, we continue to work with U.S. EPA, the U.S. Department of Transportation, engine and vehicle makers, fleet owners and environmental groups to provide recommendations on the next phase of fuel efficiency and GHG-reduction standards for heavy-duty trucks. We are hopeful that the new rules will provide a regulatory framework for our continued investment in clean-burning natural gas and potential electric and hydrogen-powered trucks.

As evidenced by our participation in the CDP (formerly the Carbon Disclosure Project) since 2004 and our Sustainability Reports since 2008, Waste Management is committed to the annual disclosure of our carbon footprint and to the innovations we are pursuing to reduce GHG emissions in our operations and for our customers.

Economic Growth and Prosperity

The business community generally advocates to grow the economy and create jobs. Legislative matters involving national infrastructure, energy policy, corporate taxation, an educated labor market and the stability of our national economy impact Waste Management as well as most other businesses large and small. We support legislation that rewards investment and economic stability and expansion.

CONTRIBUTIONS OF WMPAC DURING 2019 TO FEDERAL CANDIDATE CAMPAIGN COMMITTEES AND TO NATIONAL POLITICAL PARTY CAMPAIGN COMMITTEES ENGAGED IN 2019 AND UPCOMING FEDERAL CONGRESSIONAL ELECTIONS:

2019 PAC Contributions to Federal Candidates: Democrat	
Murray, Patty-People for Patty Murray (WA-US Senate)	\$2,000.00
Wasserman Schultz, Debbie-Debbie Wasserman Schultz For Congress (FL-US House)	\$1,500.00
Friends Of Maria (WA-US Senate)	\$2,000.00
Beatty, Joyce-Beatty For Congress (OH-US House)	\$1,500.00
Democratic Senatorial Campaign Committee (DC)	\$5,000.00
Jones, Doug-Doug Jones For Senate Committee (AL-US Senate)	\$1,000.00
Stanton, Greg-Stanton For Congress (AZ-US House)	\$1,500.00
Scott, Robert-Scott For Congress (VA-US House)	\$2,500.00
Stanton,Greg-Stanton For Congress (AZ-US House)	\$1,500.00
Meeks, Gregory-Friends For Gregory Meeks (NY-US House)	\$2,000.00
Clarke For Congress (NY-US House)	\$1,500.00
Cummings For Congress Campaign Committee (MD-US House)	\$1,500.00
Pallone, Frank-Pallone For Congress (NJ-US House)	\$1,500.00
Pascrell, William-Pascrell For Congress	\$1,000.00
Fudge, Marcia-Marcia Fudge For Congress (OH-US House)	\$1,500.00
Vela, Filemon-Filemon Vela For Congress (TX-US House)	\$2,500.00
Veasey, Marc-Marc Veasey Congressional Campaign Committee (TX-US House)	\$1,500.00
Thompson, Bernie-Friends of Bennie Thompson (MS-US House)	\$1,500.00
	\$33,000.00

2019 PAC Contributions to Federal Candidates: Republican	
Burgess, Michael- Michael Burgess For Congress (TX-US House)	\$1,500.00
Granger, Kay -Kay Granger Campaign Fund (TX-US House)	\$1,500.00
Cornyn, John-Texans for Senator John Cornyn Inc (TX-US Senate)	\$2,000.00
Graves, Sam-Graves For Congress (MO-US House)	\$1,500.00
Inhofe, Jim-Friends Of Jim Inhofe (OK-US Senate)	\$2,000.00
Hudson, Richard-Hudson For Congress (NC-US House)	\$1,500.00
McMorris Rodgers, Cathy-Cathy McMorris Rodgers For Congress (WA-US House)	\$2,500.00
Rounds, Mike-Rounds For Senate (SD-US Senate)	\$2,500.00
Davis, Rodney-Rodney For Congress (IL-US House)	\$1,000.00
National Republican Senatorial Committee (DC)	\$5,000.00
Rounds, Mike-Rounds For Senate (SD-US Senate)	\$2,500.00
Raths, Greg-Greg Raths for Congress (CA-US House)	\$1,000.00
Shimkus, John-Volunteers For Shimkus (IL-US House)	\$1,500.00
Young, Don-Alaskans For Don Young (AK-US House)	\$1,500.00
Inhofe, Jim-Friends Of Jim Inhofe (OK-US Senate)	\$2,500.00
Take Back the House 2020 (PA)	\$1,000.00
Kinzinger, Adam-Kinzinger For Congress (IL-US House)	\$1,500.00
Sullivan, Dan-Alaskans For Dan Sullivan (AK-US Senate)	\$2,000.00
Graves, Sam-Graves For Congress (MO-US House)	\$1,500.00
Thune, John-Friends Of John Thune (SD-US Senate)	\$2,000.00
Davis, Rodney-Rodney For Congress (IL-US House)	\$1,500.00
Take Back the House 2020 (PA)	\$1,000.00
	\$40,500.00

The amount of payments made by Waste Management to trade associations (to the extent payments made to any individual trade association exceeded \$25,000 in 2019) that were used for political purposes as identified by the trade association. Waste Management did not make payments to any individual Section 501(c)(4) organization in 2019 that exceeded \$10,000.

ASSOCIATION	2019 PAYMENTS MADE BY WASTE MANAGEMENT	AMOUNT OF PAYMENTS USED FOR POLITICAL PURPOSES BASED ON INFORMATION PROVIDED BY THE ASSOCIATION OR ORGANIZATION
National Waste & Recycling Association	\$686,615	\$60,422.12
The National Association of Manufacturers	\$128,528	\$25,705.60
The Coalition for Renewable Natural Gas	\$25,376	\$10,150.40
Environmental Technology Council	\$70,308	\$7,424.52
Institute for Scrap Recycling Industries	\$40,722	\$5,293