WASTE MANAGEMENT, INC.
AUDIT COMMITTEE CHARTER

PURPOSE

The Audit Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Waste Management, Inc. (the "Company") to oversee the accounting and financial reporting processes of the Company and audits of the financial statements of the Company. The Committee shall assist the Board in monitoring, among other items outlined in this Charter, (1) the integrity of the financial statements of the Company, (2) the compliance by the Company with legal and regulatory requirements, (3) the qualifications, performance and independence of the independent registered public accounting firm (the "independent auditors") engaged for the purpose of performing an integrated audit and issuing the related audit reports on the Company's financial statements and controls and/or performing other audit, review or attest services for the Company, (4) the performance of the Company's internal audit function and (5) management's approach to risk assessment and risk management. The Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the "SEC") to be included in the Company's annual proxy statement. The Committee shall have and may exercise all the powers and authority of the Board with respect to the specific responsibilities and authority assigned to the Committee in this Charter or hereafter assigned to the Committee by the Board, except as may be otherwise provided by law, and shall have all the power and authority required under the Sarbanes-Oxley Act of 2002.

The Committee is directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditors (including resolution of disagreements between management and such auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company. The independent auditors shall report directly to the Committee. In fulfilling that responsibility, the Committee has the ultimate authority and responsibility to select, evaluate, and, where appropriate, replace the independent auditors. The Committee shall preapprove all audit, review or attest engagements and permissible non-audit services, including the fees and terms thereof, to be performed by the independent auditors, subject to, and in compliance with, the *de minimis* exception for non-audit services described in Section 10A(i)(1)(B) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable rules and regulations of the SEC (collectively, the "Applicable Rules and Regulations"). The Committee is also expected to obtain and review information supporting the qualifications of the audit engagement team to conduct the audit engagement in accordance with the Standards of the Public Company Accounting Oversight Board ("PCAOB Standards").

COMMITTEE MEMBERSHIP AND STRUCTURE

The Committee shall consist of not less than three members of the Board, and each member of the Committee shall be designated by the Board after receiving the recommendations of the Nominating and Governance Committee. Any member of the Committee may be removed or replaced by an affirmative vote of the majority of the Board.

A member of the Committee shall not, other than in his or her capacity as a director, committee member, committee chair or non-executive chair of the Board, accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries.

The Board shall also designate a chair of the Committee (the "Chair") based on the recommendation of the Nominating and Governance Committee, who shall be responsible for preparing the agenda in conjunction with management, presiding over meetings and coordination of reporting to the Board. If a Chair has not been designated by the Board or is not present at a meeting, the Committee may designate an interim Chair for such meeting by majority vote of the Committee members then in attendance.

The members of the Committee shall be composed exclusively of persons who the Board determines meet the independence, expertise, experience and financial literacy requirements of the New York Stock Exchange, Section 10A(m)(3) of the Exchange Act and the Applicable Rules and Regulations. At least one member of the Committee shall be a person who the Board determines is an "audit committee financial expert" as defined by Item 407(d)(5) of Regulation S-K promulgated by the SEC. Unless otherwise determined by the Board, no member of the Committee shall simultaneously serve on the audit committee of more than two other public companies.

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate. In the interim between meetings of the Committee, the Chair of the Committee, acting as a subcommittee of the Committee, may grant preapprovals of audit and permissible non-audit services and fees. The Committee also may delegate such preapproval authority to any other subcommittee of the Committee. Any decisions of such subcommittees or members to grant preapprovals shall be reported to the full Committee at its next regularly scheduled meeting (not including meetings held by remote video or audio communication in connection with review of quarterly earnings results).

RESPONSIBILITIES

The Committee shall, as required or to the extent it deems necessary or appropriate:

Financial Statement and Disclosure Matters

1. Review and discuss the annual audited financial statements, as well as disclosures made in management's discussion and analysis of financial condition and results of operations, with management and the independent auditors. The review and discussion shall include major issues and judgments (a) regarding accounting principles and financial statement presentation and (b) otherwise made in connection with the preparation of the Company's financial statements, including any significant changes in the selection or application of accounting principles, any major issues concerning the adequacy of the Company's internal controls, any special audit steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.

2. Review and discuss with management the Company's effective tax rate, uncertain tax positions, adequacy of tax reserves, status of tax audits, and significant tax developments.

3. Recommend to the Board whether the Company's annual audited financial statements and accompanying notes should be accepted, as prepared by management, for inclusion in the Company's Annual Report on Form 10-K.

4. Review and discuss with management and the independent auditors an analysis prepared by management and the independent auditors of significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including analyses of the effects of alternative methods of generally accepted accounting principles on the financial statements.

5. Review and discuss with management and the independent auditors the Company's quarterly financial statements, as well as disclosures made in management's discussion and analysis of financial condition and results of operations, prior to the filing of its Form 10-Q, including any matters provided in Statement on Auditing Standards No. 100 arising in connection with the Company's quarterly financial statements.

6. Review and discuss with management (including the senior internal audit executive) and the independent auditors the Company's internal controls report and the independent auditors' attestation of the report prior to the filing of the Company's Annual Report on Form 10-K.

7. Review and discuss reports from the independent auditors on:

    a. All critical accounting policies and practices to be used.

    b. All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, including (i) ramifications of the use of such alternative disclosures and treatments and (ii) the treatment preferred by the independent auditors.

    c. Other material written communications between the independent auditors and management.

8. Review with management the Company's earnings press releases, including the use of any "non-GAAP financial measures," as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (covering, for example, the types of information to be disclosed and the type of presentation to be made).

9. Review with management and the independent auditors the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

10. Meet periodically with management to review the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including a review of the adequacy of reserves.

11. Review major changes to the Company's auditing and accounting principles and practices as suggested by the independent auditors, internal auditors or management.

12. Review such other matters with the independent auditors as are required by PCAOB Standards or the Applicable Rules and Regulations.

13. Review the disclosures, if any, that the Company's Chief Executive Officer and Chief Financial Officer make to the Committee and the independent auditors in connection with the certification process for the Company's Reports on Form 10-K and Form 10-Q concerning any significant deficiencies or weaknesses in the design or operation of internal control over financial reporting and any fraud that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

14. Discuss with the independent auditors any material changes to the Company's accounting principles and any matters required to be communicated by the independent auditors by PCAOB Auditing Standard 1301 *Communications with Audit Committees* relating to the conduct of the audit (including the independent auditors' judgments about the quality of the Company's accounting principles and estimates).

Oversight of the Company's Relationship with the Independent Auditors

15. Evaluate on an annual basis the independent auditors' qualifications, performance and independence in accordance with PCAOB Standards and the Applicable Rules and Regulations, taking into account the opinions of management and the Company's internal auditors (or other personnel responsible for the internal audit function) and, if necessary, replace the independent auditors.

16. Pre-approve all audit, review or attest engagements and permissible non-audit services, including the fees and terms thereof, to be performed by the independent auditors, subject to, and in compliance with, the *de minimis* exception for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act and the Applicable Rules and Regulations; provided that any such non-audit services must be of a type permitted to be provided by the independent auditors under the Applicable Rules and Regulations.

17. Determine the compensation paid to the independent auditors for both audit and non-audit related services.

18. Confirm the regular rotation of the audit partners as required by law. Consider whether there should be regular rotation of the independent auditing firm.

19. Establish clear hiring policies for employees or former employees of the independent auditors in accordance with the Applicable Rules and Regulations and annually review a listing of employees of the independent auditors hired during the last fiscal year.

20. Review the independence of the independent auditors, giving consideration to the range of audit and non-audit services performed by them. The Committee shall, at least annually, obtain and review a formal written statement by the independent auditors describing all relationships between the independent auditors and the Company. To evaluate the independence of the independent auditors, the Committee shall review the statement; conduct an active discussion with the independent auditors with respect to any disclosed relationships or services that may affect the objectivity and independence of the auditors; and take any other

appropriate action in response to the independent auditors' statement or other communications to satisfy itself of the independence of the independent auditors and compliance with the Applicable Rules and Regulations. The Committee's conclusions with respect to independence shall be reported to the full Board.

21. Review and evaluate the lead partner of the independent auditor team.

22. Obtain and review a report by the independent auditors, at least annually, describing the firm's internal quality-control procedures and any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm and any steps taken to deal with any such issues.

23. Meet with the independent auditors and the senior internal auditing executive prior to the annual audit to review and approve the planning, scope, adequacy, and staffing of the annual audit.

24. Review with the independent auditors any problems or difficulties the auditors may have encountered. Such review should include:

    a. Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information, or any significant disagreements with management;

    b. Any accounting adjustments that were noted or proposed by the independent auditor but were "passed" (as immaterial or otherwise);

    c. Any known communication or consultation between the Company's audit team and the independent auditors' national office respecting material auditing or accounting issues presented by the engagement;

    d. Any management letter or internal control letter issued or proposed to be issued by the independent auditors and the Company's response to that letter;

    e. The level of satisfaction by the independent auditors that they have had timely access to all relevant data and information; and

    f. Any changes required in the planned scope of the audit.

25. Review and resolve any disagreements regarding financial reporting between management and the independent auditor.

<u>Oversight of the Company's Relationship with Other Public Accounting Firms</u>

26. Review on an annual basis a summary of work performed by any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services.

Oversight of the Company's Internal Audit Function

27. Review and approve the appointment and replacement of the senior internal auditing executive. Consult with executive management regarding the performance evaluation and compensation of the senior internal auditing executive.

28. Review the significant reports to management prepared by the internal auditing department and management's responses.

29. Review with management the responsibilities, budget and staffing of the internal auditors and any recommended changes in the planned scope of the internal audit. The internal audit function is intended to provide management and the Committee with ongoing assessments of the Company's risk management processes and system of internal control.

Compliance Oversight Responsibilities

30. Obtain from the independent auditors assurance that Section 10A(b) of the Exchange Act has not been implicated.

31. Obtain reports from management and the Company's senior internal auditing executive that the Company's subsidiaries and foreign affiliated entities are in conformity with applicable legal requirements and the Company's Code of Conduct.

32. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

33. Prepare the report of the Committee required by the rules of the SEC to be included in the Company's annual proxy statement.

34. Ensure that the Chief Compliance Officer and the Chief Legal Officer each have direct access to the Committee to report matters involving criminal conduct or potential criminal conduct.

35. Review and approve the appointment and replacement of the Chief Compliance Officer. Consult with executive management regarding the performance evaluation and compensation of the Chief Compliance Officer.

36. Review with the Company's Chief Compliance Officer and advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Conduct, as well as actions taken to maintain an effective compliance program, including developments in compliance law and best practices.

37. Discuss with management and the independent auditors any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.

38. Review with the Company's Chief Legal Officer legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.

39. Meet at least quarterly with the Chief Financial Officer, the senior internal auditing executive, the Chief Compliance Officer, the Chief Legal Officer and the independent auditors in separate executive sessions and have such other direct and independent interaction with such persons from time to time as the members of the Committee deem appropriate.

Oversight of Risk Assessment and Risk Management

40. Periodically discuss and review with management the Company's enterprise risk management framework and processes for risk assessment and risk management, including identifying and evaluating major risk exposures, to assist the Board in its oversight of management's assessment and management of material risks facing the Company.

41. Regularly discuss the Company's major current and emerging risk exposures, including but not limited to, operational risks; financial risks; environmental, health and safety risks; technology, privacy, artificial intelligence and cybersecurity risks; legal, regulatory and compliance risks; strategic risks; and human capital risks. Review management action to monitor and control such risk exposures and regularly report to the Board regarding such reviews and discussions. The Chair and the chair of the Board may also, at times, refer discussion of risk exposures to full meetings of the Board and other committees of the Board.

42. Review the Company's annual disclosures concerning the role of the Board and the Committee in the risk oversight of the Company (which may be referred to the full meeting of the Board).

Other Responsibilities

43. Review and approve, at least annually, the election by the Company and its subsidiaries to use the non-financial end-user exception for swaps that are exempt from the mandatory clearing requirement (and, consequently, the trade execution requirement) pursuant to the "end-user exception" under Section 2(h)(7) of the Commodity Exchange Act and the rules of the Commodity Futures Trading Commission thereunder, including 17 C.F.R. § 50.50, as amended (the "End-User Exception"); and, review and approve generally, and not on a transaction-by-transaction basis, the decision of the Company and its subsidiaries to enter into swaps in reliance on the End-User Exception.

44. Review with the Chief Executive Officer and the Board the appointment, dismissal and replacement of the Chief Financial Officer and the Chief Accounting Officer and consult with the Chief Executive Officer about the performance evaluation and compensation of each.

45. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Nominating and Governance Committee and the Board for approval.

46. Report to the Board, at least annually, all public company audit committee memberships by members of the Committee.

47. Annually review the Committee's performance relative to this Charter and report the evaluation results to the Nominating and Governance Committee and the Board of Directors.

48. Adopt an orientation program for new Committee members. All Committee members are encouraged to attend educational programs to enhance their Committee membership, as they feel appropriate, and the costs of such program will be paid by the Company.

49. Perform any other activities consistent with this Charter, the Company's By-laws, governing law and the Applicable Rules and Regulations, with respect to the financial affairs of the Company, as the Committee deems appropriate, and report such other activities to the Board at its next regularly scheduled meeting.

50. Make regular reports to the Board.

51. Regularly approve minutes of Committee meetings.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles and the Applicable Rules and Regulations. These are the responsibilities of management and the independent auditors. It is also not the duty of the Committee to conduct investigations, or to assure compliance with laws and regulations and the Company's Code of Conduct. However, with regard to investigations approved by resolution of the Committee, or approved by resolution of the Board and delegated to the Committee, and in which the Committee believes there may be a potential conflict of interest, the Committee shall select outside counsel, accountants or other consultants it deems appropriate and determines are independent of the Company and management. The cost of all such advisors will be paid by the Company. Further, the Committee shall have the authority to engage outside advisors, including legal, accounting or other consultants to advise the Committee or as it determines necessary to carry out its duties. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, compensation to any advisors employed by the Committee, and administrative expenses of the Committee that are necessary or appropriate for carrying out its duties.

The Committee will meet as often as the members shall determine to be necessary or appropriate but at least four times during each year. In addition, the Committee will make itself available to the independent auditors and the internal auditors of the Company as requested. Reports of meetings of the Committee shall be made to the Board of Directors at its next regularly scheduled meeting following the Committee meeting, accompanied by any recommendations approved by the Committee that require Board approval.