

2020 Shareholder Resolution

Waste Management, Inc. | Adoption of Stronger Recycling Programs and Restriction on Waste Exports

Lead Filer: Trillium Asset Management

WHEREAS: Plastic pollution has become a critical and urgent global problem. Experts estimate 300,000 metric tonnes of plastic are polluted to the ocean from U.S. land sources every year. The global figure is eight to twelve million tonnes and is projected to increase rapidly. The environmental impacts of plastic pollution are vast, including significant harm to marine and terrestrial ecosystems and wildlife.

Plastic waste breaks down and persists in the environment, eventually accumulating in agricultural soils, water supplies, food supplies, and the human body – with as yet unknown health repercussions.

Due to heightened global awareness of the impacts of plastic pollution, restrictions on single-use plastics were implemented in 150 countries and approximately 350 U.S. municipalities through 2018. However, aggressive lobbying by industry and trade associations helped prevent even more laws from taking effect, including container deposit and extended producer responsibility (EPR) laws that are proven to reduce plastic pollution and increase recycling rates.

Waste Management (WM) reportedly lobbied against EPR legislation in California in 2019, in contrast to peers like Republic Services that supported the legislation. This was despite Waste Management's CEO saying: "we are supporting the development of domestic recycling markets." WM actually has a public stance against EPR programs for materials such as paper, packaging, and bottles, claiming these materials are already handled under curbside recycling programs. Yet, EPA data shows only nine percent of the 34.5 million tons of plastic waste generated in the U.S. was recycled in 2015; seventy five percent was sent to landfill.

Proponents believe more can be done to divert plastic waste from landfill and boost recycling rates above nine percent. Because Waste Management brands itself as "North America's leading post-consumer recycler," proponents believe Waste Management is uniquely suited and has a responsibility to further provide constructive solutions to reduce plastic waste and strengthen plastic recycling in the United States.

BE IT RESOLVED: Shareholders request the Board of Directors of Waste Management issue a report, at reasonable cost and omitting proprietary information, discussing if, and how, the Company can increase the scale and pace of its efforts to constructively support industry and public policy solutions to address the environmental problems caused by plastic pollution.



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SUPPORTING STATEMENT: In the report, shareholders suggest Waste Management discuss the following strategies, among others, at board and management discretion:

- An assessment by region or state comparing collected plastic waste materials
 with local market demand and providing recommendations for establishing new
 plastic processing facilities in local markets to address any gaps;
- The current technical efficiency of its material recovery facilities (MRFs) and availability of cost-effective upgrades that would boost recycling yields;
- A root cause assessment of economic and technical challenges at MRFs, including identifying lost-time impacts of top contaminants (e.g. plastic bags);
- Efforts to facilitate public policy initiatives that would reduce the environmental impacts of plastic waste without harming the Company, including various container deposit and EPR type legislation.