

We'll handle it from here®

#### DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking information about us that is intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Words such as "guidance," "expect," "will," "may," "anticipate," "plan," "estimate," "project," "intend," "should," "can," "likely," "could," outlook" and similar expressions are intended to identify forward-looking statements. These statements include information about our sustainability targets, goals and programs in addition to our plans, strategies, expectations of future financial performance and prospects. Forward-looking statement. These statements are based upon the current beliefs and expectations for ur management and are subject to significant risk and uncertainties that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that the expectations will prove to be correct. The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information. More information on factors that could cause actual results or events to differ materially from those anticipated is included from time to time in our reports filed with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2019, particularly under Part I, Item 1A - Risk Factors, and in our Quarterly Reports on Form 10-Q. Additionally, new risk factors emerge from time to time and it is not possible for us to predict all such risk factors, or to assess the impact such risk factors might have on our business or sustainability programs and goals. We undertake no obligation to update publicly any forward-looking statements wheth

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Keeping our communities clean and safe has never been more important to the Republic Services team. It's paramount to our role as an essential services provider during this global pandemic and core to the values demonstrated by our 36,000 employees every day as they serve as passionate stewards of the environment.

As an industry leader, we've always been committed to keeping communities clean in a safe and environmentally responsible way, with a focus on preserving precious natural resources and extracting as much value as we can from the materials we collect. This includes sorting through recyclables, consolidating loads for transport and disposing of waste in highly engineered landfills. It's what we mean when we say — We'll handle it from here.

Operating as an essential services provider in today's dynamic macro environment requires us to exhibit an even higher level of innovation and operational excellence in all areas of our business. Every day we identify rapidly evolving risks and opportunities, respond quickly across the organization and uphold the highest level of ethical standards. Our Blue Planet: 2030 Goals are designed to help Republic thrive in this ever-changing environment through a bold sustainability platform and durable practices that benefit the environment and society as well as enhance our business — even in the most challenging of times. And, through it all, the health and safety of our employees and communities remain our number one priority and at the forefront of every decision we make.

#### 2030 GOALS: YEAR ONE RESULTS

In 2019, we unveiled our ambitious 2030 sustainability goals. These goals are core to our business and integrated into Republic's business strategy and longterm financial targets. They also align with the United Nations' Sustainable Development Goals, which address critical global macrotrends. We believe our year-one achievements demonstrate a sustained ability to connect financial results with environmental and social performance, including addressing various risks and opportunities posed by climate change. It's by design that as we manage the five elements of our sustainability platform, we strengthen the foundation of our business for the long-term and create value for all stakeholders.

It's often said that what gets measured gets managed and we're continually evaluating our sustainability efforts just as we do with other critical business initiatives. This report helps illustrate our progress through the disclosure of key sustainability accomplishments and metrics. I'm particularly proud of the progress we're making in supporting the circular economy, generating renewable energy and supporting our communities through the Republic Services Charitable Foundation.

It's by design that as we manage the five elements of our sustainability platform, we strengthen the foundation of our business for the long-term and create value for all stakeholders.

Last year, we became the first U.S. recycling and solid waste services provider to have its emissions reduction target approved by the Science Based Targets initiative. Additionally, Republic was named to the North American and World Dow Jones Sustainability Indices for a fourth consecutive year, as well as the CDP Climate A List. This third-party recognition highlights our leadership in corporate governance, environmental, social and financial aspects of sustainability. Through all of this, we're committed to increased transparency on metrics that matter to our stakeholders as we pursue our 2030 goals.

#### THE COMPOSITE STRENGTH OF OUR TEAM

Supported by unwavering management commitment and a highly engaged Board of Directors, we're focused on upholding our core values — to be Respectful, Responsible, Reliable, Resourceful and Relentless — in all we do, every day. Fostering a value-based culture with strong ethics and compliance drives positive change throughout our business while advancing our

commitment to sustainability and the communities we serve. We are committed to superior corporate governance and we continue to monitor and implement developments in emerging best practices to further enhance our governance model.

Our people remain the backbone of our success. As an employer, we welcome and value people with diverse backgrounds and are committed to maintaining an environment where everyone can feel safe and valued and do their best work. At Republic, the composite strength of our employees' unique ideas, experiences and backgrounds are essential to who we are as a company and enables us to anticipate and meet our customers' needs. Together, we are working to make our Company a leading model for inclusion and equality.

We've just started on our journey toward accomplishing our 2030 goals and are excited about the strides we'll continue to make as we move forward. We believe ongoing connectivity with a wide range of key stakeholders is essential and your input will help us evolve our goals and operations over time. Please join our collective commitment to preserve Our Blue Planet.



Chief Executive Officer







# We're proud to be an industry leader in recycling and solid waste and it's our vision to be America's preferred partner.

We'll handle it from here. That's our brand promise to let customers know they can count on us to provide an exceptional experience while protecting Our Blue Planet. Our employees are helping to ensure a cleaner, safer and healthier world where people and communities thrive for generations to come.













We serve millions of customers across the country and are focused on providing simple solutions for their recycling and waste needs.







#### **OUR VALUES**

Respectful, Responsible, Reliable, Resourceful and Relentless – those are the Five R's that make up the Republic Star. They are the guiding principles of how we do business and represent the foundation of our culture. They are also at the very heart of who we are as we work every day to protect our planet. Responsibly handling our country's recycling and waste is only one part of being an industry leader. We are committed to doing what's best for our communities, customers, employees, shareholders and the environment every day.



The Five R's of the Republic Star:





















# Republic Responds to the COVID-19 Pandemic

The COVID-19 pandemic struck the U.S. early in 2020 with little warning and escalated fiercely across the world, changing our way of life and business landscape. This crisis forced stay-athome orders and school closures, leaving millions of Americans sheltering in place. Our 36,000 employees didn't miss a beat as the majority of our workforce remained in the field, continuing to provide a valuable, essential service to our customers and communities.

We responded to unprecedented challenges with swift and comprehensive action to help protect and support our employees and communities.



Distributed hundreds of thousands of masks and sanitation supplies to protect our employees



Transitioned more than 1,200 customer service employees to a work-from-home environment, in only three days, without missing a single customer call



Launched a \$20 million economic stimulus to support our 28,000 frontline employees, customers and the communities we serve As states issued stay-at-home orders, the volume of residential trash and recycling increased significantly. In the first few weeks of the pandemic, we partnered with our municipal customers to adjust services to help us manage the surge in household recycling and solid waste. For example, in many markets we temporarily suspended the collection of bulk and yard waste to allow us to put more resources into collecting residential recycling and solid waste to ensure our communities stayed clean and healthy.

Because we provide an essential service, we have contingency plans in place to ensure the continuity of our services. We were well prepared to face the challenges of this pandemic. Our priorities are simple and remain unchanged: put our people first, keep our facilities running smoothly and take care of our customers.

# Our response to the COVID-19 pandemic is a demonstration of our values in action and exemplifies our overarching commitment to sustainability and the five elements of our platform:



#### SAFETY

The waste disposal industry is one of the most heavily regulated businesses in the U.S., and for good reason. As such, prior to the pandemic, Republic was prepared with extensive safety protocols in place for handling solid waste.

The health and safety of our employees, customers and communities are our top priority. During the pandemic, Republic closely followed guidance from the CDC and state and local public health agencies and adhered to OSHA guidelines regarding the safe handling of waste and recycling. Additionally, we provided employees necessary personal protective equipment (PPE) for their roles – including face masks and gloves for all of our field employees.



#### PEOPLE

We care deeply about the well-being of our employees. To help during this catastrophic time, we provided 10 additional paid days off to any employee diagnosed with COVID-19, those with a diagnosed family member, or any employee subject to a medical or government directed quarantine. It was important for our workers to know they didn't have to worry about missing work or how they would care for a sick family member.

We also revised our medical plans to cover copays and medical expenses related to COVID-19 testing and treatment and to provide virtual doctor visits and early prescription refills.

In addition, we introduced remote work arrangements for office employees, and we reallocated work and rotated schedules for drivers and other positions to keep employees safe and working during this uncertain time.



#### **OPERATIONS**

Properly maintaining our equipment and facilities is part of our daily routine. During the pandemic, we upped the ante by placing facilities and equipment on an enhanced cleaning schedule and conducting deep cleaning and disinfection of any operating location, including trucks and heavy equipment, that may have been exposed to the virus.

We also made extensive changes at all facilities to help ensure proper social distancing for employees, including adjusting our procedures to limit the number of employees interacting with each other when they checked in and out for their shifts. Additionally, we installed plastic protective barriers in our recycling centers to help keep workers safe in areas where they are stationed less than six feet apart.



### MATERIALS MANAGEMENT

We're proud to say that during the height of the pandemic, our recycling operations across the nation continued without interruption. Every facility remained open, which became even more important as the demand for paper, particularly corrugated cardboard, increased for domestic paper mills to supply medical manufacturers, grocers and e-commerce shipments.









#### **Committed to Serve**

Through the pandemic, our 28,000 frontline employees continued to serve our customers every day. To thank them and support local small businesses — many of whom are our customers — we launched Committed to Serve. We invested \$17 million in gift cards for employees to spend locally and to provide meals for employees and their families purchased from independently owned, local restaurants. In doing so, we supported our teams and our customers at a time when it was needed the most.

Because small businesses are the cornerstone of strong and vibrant neighborhoods, Republic also donated \$3 million to the Republic Services Charitable Foundation to help small businesses recover. Three national organizations — Rebuilding Together, Habitat for Humanity International and NeighborWorks America — each received a \$1 million grant from our Foundation that will be used to fund small business revitalization projects across the country. The grants will support locally owned and operated businesses in need of critical repair, renovation or support to stay in business and prosper following the COVID-19 pandemic.







Through our charitable foundation, Republic Services supported the delivery of nearly 800 care packages to healthcare workers and hospitalized children in Atlanta, Boston, Memphis, Phoenix, Seattle and St. Louis. It was our way of saying thank you to our healthcare workers, from one essential services provider to another and to bring some cheer to children facing illnesses during this unprecedented time.

Our Commitment

to local restaurants for employee meals and take-home family meals

in gift cards for our frontline employees to support their local economies

contribution to our charitable foundation to support the rebuilding of small businesses

## **Helping Local Restaurants Survive**

Many restaurant owners shared their stories and appreciation for the meaningful impact our Committed to Serve initiative had on their ability to keep people employed, pay bills and even stay open.



AJO AL'S MEXICAN CAFÉ, a family-owned restaurant in the Phoenix area, has been a Republic Services customer since 2003. The pandemic slowed their business so much that it forced a 50 percent staff cut at all four restaurant locations. We spent more than \$27,000 at Ajo Al's to feed our workers and their families, and some Republic employees spent a portion of their gift cards at the restaurants as well.



In Boise, Idaho our employees picked up meals in the middle of the night for our drivers, many of whom start their day before 4 a.m. LOS MARIACHIS LOCOS employees stayed at work well past midnight making breakfast burritos for our frontline workers for a 2:30 a.m. pickup. The owners and employees were grateful for the business and extremely happy to feed our drivers a hot meal no matter the hour.



The owners of **RILEY'S SMOKEHOUSE** in Marion, Illinois told us they brought in additional employees to fulfill our takeout order and were able to pay people who would otherwise have been out of work.

# **Supporting Our Communities**

Around the country, our employees stepped up to help others in countless ways.





Julie J. in Corvallis, Oregon made face masks for the Greater Albany Public School teachers who provided daycare for essential employees. Jim C. and his wife, Nancy, made over 50 face masks out of reusable Republic Services shopping bags to help hospitals and senior living facilities in their New Jersey community.

#### THANKING OUR FRONTLINE WORKERS

Across the country as our teams were working long hours to serve our communities during the COVID-19 crisis, our drivers were greeted again and again by thank-you messages like these from our customers. All of us at Republic were extremely touched by this outpouring of support and kindness.



An Indianapolis neighborhood planned a celebration for their driver Michael T. using an app to coordinate thank-you messages along his route. It was a huge surprise and much appreciated.



Tilly in Elk Grove, California made our driver's day when she greeted him with her thank-you sign.



Driver Heriberto S. drove into his neighborhood route and found his customers waiting for him with thank-you signs in Chula Vista, California.

#### **OUR BLUE PLANET**

Republic employs 36,000 environmental stewards, all of whom are fiercely dedicated to protecting Our Blue Planet. We work to increase recycling, generate renewable energy and help our customers and communities be more resourceful. As an industry leader, we must also lead by example, continuously improving our own footprint through decreased vehicle emissions, innovative landfill technologies, community engagement and employee growth and development.

We only have one planet to call home and we are passionate about preserving it.



# 36K

AVERAGE PICKUPS
PER DAY

\$10B

\$525M

INVESTMENT IN ACQUISITIONS

79
RECYCLING CENTERS

189
ACTIVE, MODERN-DAY
LANDFILLS

41
STATES &
PUERTO RICO

39%

BETTER SAFETY
PERFORMANCE THAN
THE INDUSTRY AVERAGE

Based on OSHA recordable rates

T5

LANDFILL GAS & RENEWABLE ENERGY PROJECTS

340
HAULING FACILITIES

16K

**TRUCKS** 

One of the largest fleets in the U.S.

6 M

TONS OF RECYCLABLES

**PROCESSED** 

10 COMPOST FACILITIES



Republic Services Charitable Foundation

1M

PEOPLE POSITIVELY IMPACTED THROUGH CHARITABLE GIVING

76%

OF RESIDENTIAL ROUTES AUTOMATED

15
SALT WATER
DISPOSAL WELLS

TREATMENT, RECOVERY & DISPOSAL FACILITIES

212
TRANSFER STATIONS

20%

OF FLEET POWERED BY NATURAL GAS

We're passionate about being responsible stewards of our nation's waste. Together, we are leading the way in our industry, receiving notable recognition and rankings for our 2019 sustainability achievements.

MEMBER OF Dow Jones Sustainability Indices In collaboration with a Robeco SAM brane















# **Company Strategy & Business Results**

#### **2019 BUSINESS RESULTS**

Under the leadership of our Board of Directors and management team, our 36,000 employees continued to advance our strategy of Profitable Growth through Differentiation throughout 2019. We did this through a consistent focus on our five strategic pillars: Market Position, Operating Model, People and Talent Agenda, Customer Zeal and Digital Platform. Our collective commitment to these strategic pillars has generated sustainable earnings and free cash flow growth while continually improving return on invested capital. We remain focused on our purpose of creating value for all our stakeholders — customers, employees, communities and shareholders.

The Company's strong performance reflects our focus on executing our strategy designed to profitably grow our business, manage our cost structure, generate consistent earnings and free cash flow growth, improve return on invested capital and increase cash returns to our shareholders, while managing our key environmental and social risks and leveraging opportunities.

#### A SUSTAINABLE BUSINESS MODEL

Republic's sustainability goals and practices are core to our business and are integrated into our strategy as well as our long-term financial targets. Sustainable business practices are part of our daily operations, which improve our profitability and support long-term value creation for our stakeholders. Our Board of Directors, through its Sustainability & Corporate Responsibility Committee, is responsible for overseeing our management's handling of environmental, social and enterprise risks, including environmental and corporate sustainability risks and opportunities. As a result of our ongoing commitment to sustainable business practices, we have been recognized for our leading performance in several key areas, including employee engagement, ethics, innovation, climate change and sustainability. A sampling of our 2019 awards are highlighted on page 16 of this report.

14%

Increase in Adjusted EPS1 \$1.2B

Adjusted Free Cash Flow<sup>1</sup> Generated

\$900M

Returned to Shareholders 27%

Total Shareholder Return

#### **OUR APPROACH TO SUSTAINABILITY**

We have been steadily building on our sustainability performance for several years and in 2019 unveiled a set of ambitious, long-term goals we refer to as Our Blue Planet: 2030 Goals. These goals build on the success of the time-bound goals we achieved in 2018 and are designed to significantly benefit the environment and society while enhancing the foundation and profitability of our business for the long term.

Prior to unveiling our 2030 goals, we updated our materiality assessment. This process helped us center our goals around our most relevant business risks and opportunities and included an analysis of global trends, identification of our business model dependencies and engagement with key stakeholders.

The United Nations' Sustainable Development Goals (SDGs) reflect the urgent environmental, political and economic challenges facing our world. Republic's goals support four of the SDGs where we believe our scale and efforts can make the most difference.











































# Major Sustainability Milestones

Included on Dow Jones Sustainability
Index and CDP A List for the first time.

2016

Achieved our original time-bound goals and made progress on our safety goal.

Updated our materiality assessment.

2018

#### 2014

Announced our sustainability platform, identifying five elements of sustainability that remain deeply ingrained within our business today. Set three time-bound goals related to recycled commodities, energy and fleet, as well as one ongoing safety goal.

#### 2017

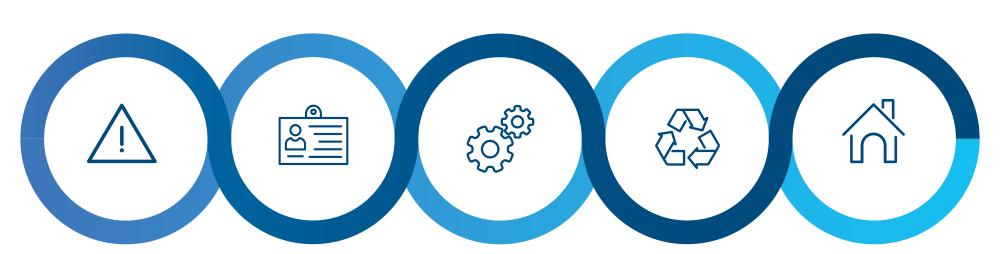
Surveyed more than 20,000 stakeholders on the importance of, and our performance on, our sustainability opportunities.

#### 2019

Unveiled new 2030 sustainability goals designed to address critical global macrotrends and our most relevant sustainability risks and opportunities.



We announced our sustainability platform in 2014, identifying five elements of sustainability that are deeply integrated into our business today. These elements have stood the test of time and continue to guide our short- and long-term sustainability and business goals.



#### **SAFETY**

Nothing is more important than safety. The nature of our business model requires us to be uncompromising on safety. A sustainable planet is only possible if everyone works and lives together...safely.

#### **PEOPLE**

We believe an engaged and diverse workforce is the greatest indicator of our success. Our people make Republic a preferred place to work and help our communities to be strong and vibrant.

#### **OPERATIONS**

With one of the largest fleets in the nation and an average of 5 million pickups per day, we know it's important for us to continuously leverage technology to reduce emissions while increasing efficiency.

#### **MATERIALS MANAGEMENT**

Our experience, passion and ethical standards drive us to do more, solve more, innovate more and turn waste into solutions that deliver a valuable product or service while also protecting our planet.

#### COMMUNITIES

Investing in the communities where we live and work is important to us. We provide financial support, volunteer our time and provide in-kind donations to help our communities thrive.

# Governance

We are guided by our core values — to be Respectful, Responsible, Reliable, Resourceful and Relentless in all we do, every day. Supported by unwavering management commitment and engaged Board oversight, we strive to uphold these values to maintain a strong ethical and compliant culture.

Republic operates within a comprehensive corporate governance framework that defines responsibilities, sets high ethical standards of professional and personal conduct, and helps ensure compliance with these responsibilities and standards. This tone is set at the top by our highly engaged Board of Directors. We have many mechanisms within our corporate governance framework that ensure our directors collectively represent the best mix of experience, wisdom, integrity and ability to advance our strategy and serve the interests of all our stakeholders.

Republic follows the corporate governance principles for U.S. listed companies set forth by the Investor Stewardship Group.

#### **BOARD SUCCESSION AND REFRESHMENT**

We regularly add directors to infuse new ideas and fresh perspectives into the boardroom. The average tenure of our 10 directors is 4.9 years.

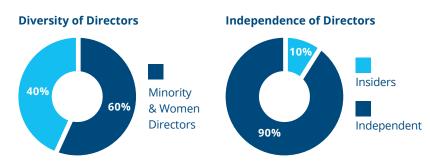


In recruiting directors, we focus on how the experience and skill set of each individual complements those of our current directors to create a balanced Board with diverse viewpoints and backgrounds, deep expertise and strong leadership experience.

Our Board evaluation and succession planning processes are critical components of the Board's commitment to and execution of its refreshment policy.



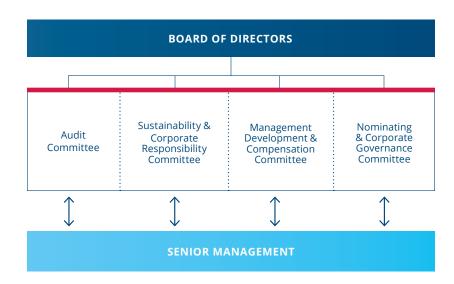
Interconnected evaluation and succession planning practices ensure that our Board composition reflects the skills and experiences that best meet the current and future needs of the business.



Our Board is composed of 10 directors who are highly qualified, with a diverse set of skills, backgrounds and perspectives.

#### **BOARD AND COMMITTEE OVERSIGHT**

Our management team, subject to oversight by our Board, structures, monitors and adjusts our strategy and corporate responsibility efforts in a manner that is consistent with our core values and best serves the interests of the Company and all of our stakeholders.



#### SUSTAINABILITY & CORPORATE RESPONSIBILITY COMMITTEE

We have a Board and committee structure that enables our directors and management team to engage in detailed, meaningful discussions about complex issues relating to environmental, social and governance (ESG) opportunities and risks.

Our Sustainability & Corporate Responsibility Committee, which meets quarterly, assists the Board in fulfilling its oversight responsibility and acts in an advisory capacity to management with respect to significant issues, strategic goals, objectives, policies and practices that pertain to:

- Safety
- Sustainability performance
- Charitable giving and community support
- Political contributions
- Enterprise and other risks, including cyber security, environmental and reputational risks
- Business continuity and crisis management
- Inclusion and diversity
- Employee wellness
- Corporate security

#### LINKING ESG TO SHAREHOLDER VALUE AND EXECUTIVE PAY

Our Management Development & Compensation Committee is committed to a performance-based executive compensation program that drives financial success and sustained shareholder value creation. We create long-term value for our shareholders by generating consistent earnings and cash flow growth and continually improving our return on invested capital, all of which are performance metrics included in management's short-term and long-term incentive compensation programs. These metrics are derived from the Company's three-year plan, which incorporates the benefits from its strategic initiatives and sustainability efforts.

We take a bottom up approach when we structure our executive compensation goals to ensure they reflect management's strategic initiatives, including sustainability, and the impact of anticipated external factors. This structure incentivizes our executives and benefits our shareholders in the form of stock price appreciation and shareholder returns.

We drive value when we limit costs, create profitable growth and effectively manage risk. There's a direct line from achieving those goals to our overall business strategy, into which sustainability has been fully incorporated. We know that driving long-term value is directly related to sustainable operations.

#### **ETHICS & COMPLIANCE**

We set high ethical standards for our Company and partners that help us deliver best-in-class performance. With a focus on continuous improvement, we regularly review and update, as appropriate, our policies governing ethical conduct and responsible behavior.

**Our Corporate Governance Guidelines** provide a framework within which our Board conducts its business and provides oversight. They establish certain expectations and protocols for individual directors and the Board as a whole.

**Our Code of Business Ethics and Conduct**, "Leading with Integrity," applies to all of our directors, officers, employees, independent contractors, consultants and other third parties acting on behalf of Republic. This code is an integral part of Republic's ethics and compliance program and serves as the cornerstone of our commitment to conduct business with the highest ethical and legal standards. We do this by staying true to our values and embracing our priorities, as well as leading with integrity in every aspect of our business.

**Open lines of communication** between employees and management are a critical component of our ethics and compliance program. We believe this commitment fosters a culture of trust and mutual respect where there is no fear of retaliation for speaking up with a question, concern or suspected misconduct. If employees are uncomfortable speaking directly to their supervisor, any other member of management or wish to remain anonymous, they have the option to contact the AWARE Line, Republic's employee hotline, which is operated by an independent reporting service.



Our consistent commitment to a strong ethical and compliant culture was recently acknowledged by being named to the 2020 World's Most Ethical Companies® List by the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices. This is the fourth consecutive year that Republic received this honor. The World's Most Ethical Companies' assessment is based upon the Ethisphere Institute's Ethics Quotient® (EQ) framework, which offers a quantitative way to assess a company's performance in an objective, consistent and standardized manner.

# **Our Blue Planet: 2030 Goals**

**PROGRESS & ACHIEVEMENTS** 

We made meaningful progress toward our sustainability goals in 2019.

The chart to the right outlines our goals and data from 2019. Detailed insights into the progress we made for each goal are available in sections that follow.



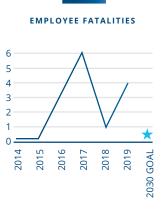
# Safety Amplified:

0

Zero employee fatalities

<2.0

Reduce our OSHA Total Recordable Incident Rate (TRIR) to 2.0 or less by 2030





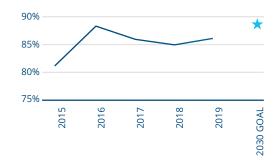


# **Engaged Workforce:**

88%

Achieve and maintain employee engagement scores at or above 88% by 2030

#### EMPLOYEE ENGAGEMENT SCORE





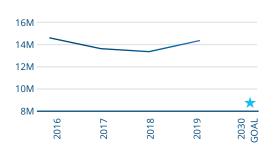
# Climate Leadership:

35%

Reduce absolute Scope 1 and 2 greenhouse gas emissions 35% by 2030 (2017 baseline year)

\* APPROVED BY SBTi1 \*

### OUR CURRENT GHG FOOTPRINT Millions of tons



 SBTi is a collaboration between CDP, the United Nations Global Compact (UNGC), World Resources Institute (WRI) and the World Wide Fund for Nature (WWF)

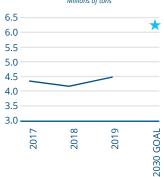


# Circular Economy:

40%

Increase recovery of key materials by 40% on a combined basis by 2030 (2017 baseline year)

### KEY MATERIALS RECOVERED Millions of tons



# Regenerative Landfills:

50%

Increase biogas sent to beneficial reuse by 50% by 2030 (2017 baseline year)

#### BENEFICIAL BIOGAS REUSE





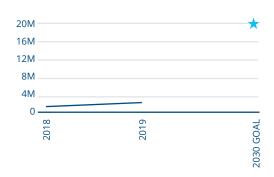
# Charitable Giving:

# **20M**

Positively impact **20 million people**by 2030

#### CHARITABLE GIVING GROWTH

People positively impacted (cumulative)





#### **SAFETY**

No job is so important that we cannot take the time to do it safely. Every task, large and small, must be done with a relentless focus and commitment to safety. It's a responsibility that extends beyond our employees and into the communities we serve.

Over the past 10 years, our safety performance (based on OSHA recordable incident rates) has been 39% better than the industry average. Keeping everyone safe helps us attract the best drivers, reduce costs related to incidents and improves our relationship with our communities.









# **Safety Amplified**

Our safety goals support the idea that a sustainable planet is only possible if everyone works and lives together safely. We're encouraged that our Total Recordable Incident Rate (TRIR), an indicator of overall safety performance, improved in 2019 compared to 2018. Our goal is zero fatalities; unfortunately, we experienced a particularly difficult year related to employee fatalities and have redoubled our efforts to help achieve zero fatalities.

#### GOAL #1

## Zero employee fatalities

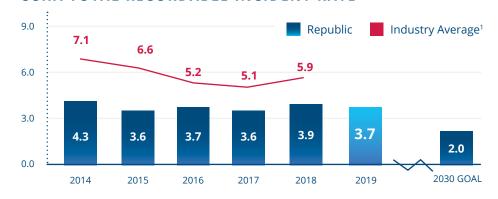
#### **EMPLOYEE FATALITIES**

	2014	2015	2016	2017	2018	2019	2030 GOAL
Operating Collection Vehicles	0	0	3	4	1	2	0
OSHA Reportable	0	0	0	2	0	2	0

#### GOAL #2

OSHA Total Recordable Incident Rate (TRIR) of 2.0 or less by 2030<sup>1</sup>

#### OSHA TOTAL RECORDABLE INCIDENT RATE



# **Using Consumer Technology to Prevent Incidents**

With more than half of our employee population on the road every day, we prioritize safety above all else. Like other drivers, they negotiate tight alleyways, parallel parking and a variety of other challenges on the road. Unlike other drivers, they are facing all of those obstacles in a 25-ton truck. One of the biggest challenges is other drivers who are distracted. To help with this, we needed an innovative solution that allowed drivers to avoid our

trucks altogether, so we partnered with HAAS Alerts and Waze, a popular consumer navigation app, to place tracking beacons on our trucks.

These beacons are used in a variety of situations and enable our trucks to communicate to other drivers using Waze that a slow-moving vehicle is present. During the pilot, over 130,000 notifications alerted drivers of a

Republic truck location, which allowed them to reroute their course to avoid our trucks entirely.

Helping drivers choose a path that is clear of any slow-moving vehicles removes them from a potential accident, creating safer roadways.

<sup>1.</sup> Occupational Safety and Health Administration (OSHA) is the main federal agency charged with the enforcement of safety and health standards. The OSHA recordable rate shown is the Total Recordable Incident Rate (TRIR) and is a function of the number of recordable injuries and the total number of hours worked. Published OSHA data lag one calendar year.

We put safety first. Guided by our overarching safety policy and comprehensive safety management program, we've set aggressive goals to ensure we keep safety top of mind in all we do, every day. To learn more about our management approach to safety, please see our 2019 GRI Report.

#### 2019 PROGRESS

There are no second chances when it comes to safety. We know a good program requires detailed processes, standards and a viable commitment from employees to keep themselves and our communities safe. Republic's award-winning, industry-leading safety program takes that even further through innovation, partnerships and a steadfast focus on being the best.

Our Safety Amplified program provides more tools and drives greater awareness to help our teams better execute our safety standards. Continual training, multifaceted programs and strategic partnerships are the key components of our program. It's simple by design and composed of actions and activities that ensure safety is embedded in all we do. Together, these six initiatives protect Republic's most important asset — our people. Each year we improve the program based on what we learned the prior year.

#### **Focus Together**

There are six types of serious incidents we want to eliminate. We share monthly casestudy videos of field events to educate all employees on how to avoid these incidents.





#### **Innovate Together**

Leveraging innovative technologies to improve fleet safety is vital. In 2019, we partnered with several companies to pilot technology that could help make our trucks safer and smarter.

#### **Lead Together**

Our frontline leaders have a huge impact on safety because they are guiding our teams every day, so ensuring they have the tools and resources needed to protect the safety of their teams is vital. We support them with best-in-class communication resources and training techniques.



**Six Initiatives** to Achieve Our **Safety Goals** 

- Our 2019 -**Improvements** 



#### **Analyze Together**

Finding ways to analyze real-time data to help improve safety is critical. In 2019, we continued to utilize a structured framework called Human Factors Analysis Classification System (HFACS) to help us evaluate root causes of incidents in the field and process gaps to help guide a more directive decision model to keep employees safe.

#### **Partner Together**

Safety requires all of us working together for the greater good, which is why we initiated working with local teams to improve safety practices. We work with our local leaders from a variety of departments to help us study incidents and rewrite processes.





#### **Celebrate Together**

We're proud of our employees and their relentless commitment to safety. We believe highlighting safety wins brings well-earned recognition to our teams and reinforces best practices. We implemented a Safe Days Tracker in 2019 at each of our facilities to celebrate and showcase safe behavior on a daily basis.

#### **POSITIVE IMPACTS OF SAFETY AMPLIFIED**

We believe our Safety Amplified goals will deliver additional positive impacts for our Company and stakeholders.



**Build and sustain a safety culture** in all areas of our business



**Enhance customer trust** 



**Streamline operational processes** and increase productivity



Deliver a reputational advantage, including positioning our Company as an employer of choice



Help preserve our license to operate in our communities



**Contribute to employee** engagement



## **Safety is Our #1 Priority**

We consider it every employee's responsibility to take personal ownership of their safety and the safety of their coworkers.

Since 2016, Republic has been proud to be the only recycling and waste services provider partnering with Together for Safer Roads. This coalition of global, private sector companies is committed to improving roadway safety with a shared vision of decreasing road traffic collisions, injuries and deaths. Leveraging our vast experience, Republic helped initiate a project to provide small- to mid-sized U.S. fleets with essential knowledge regarding training, safety standards and federal compliance at no cost. This project was expanded to include global small- to mid-sized fleets in 2019.



## **Driver & Operator of the Year**

Each year, the National Waste and Recycling Association (NWRA) recognizes drivers and operators who uphold the field of recycling and waste collection as an honorable occupation and conduct themselves and the vehicles and equipment they operate in a safe and responsible manner.

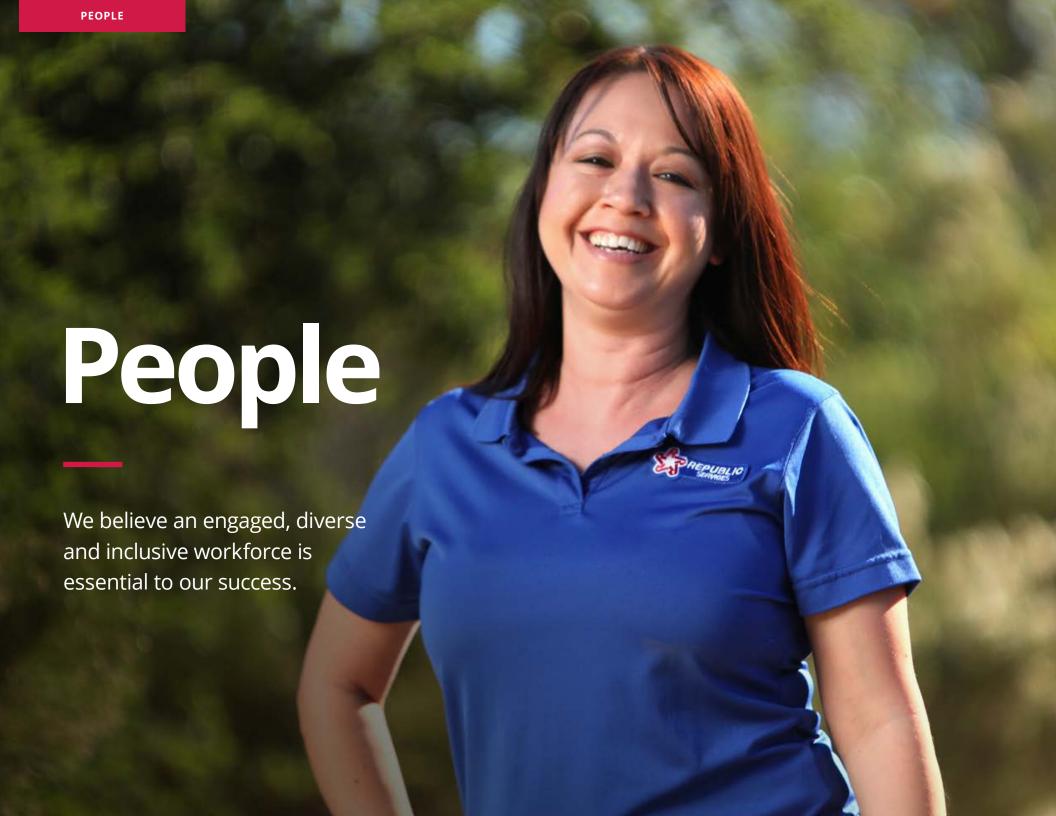


**75%** 

Since 2009, Republic drivers have won 75 percent of the NWRA Driver of the Year awards. 2019 was Republic's first NWRA Operator of the Year winner.



Republic driver Mike Juhan and operator Roberto Hernandez were honored by the industry and their peers during an awards program at the 2019 WasteExpo, the largest annual waste industry trade show in North America.



#### **PEOPLE**

An engaged workforce brings the best and most diverse ideas forward to drive change and differentiation as we protect Our Blue Planet for generations to come.



Our employees' unique ideas, experiences and backgrounds help us connect our business to the external world — making everything we do for our customers, community and planet possible. As we work to combine meaningful experiences and programs that develop and motivate employees with attractive compensation and benefits packages, we're creating a company where the best people want to work and are engaged every day.





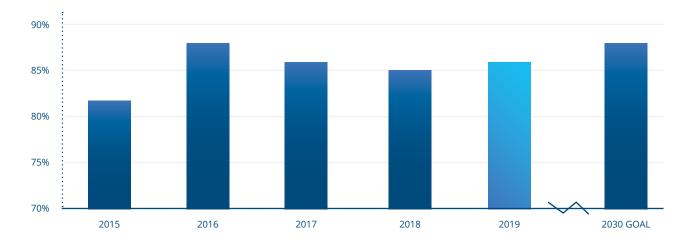
# **Engaged Workforce**

Engaged employees bring and share better, brighter ideas because they are aligned with our vision, mission and values. They have a passion for their job and are motivated to achieve goals that help make the world cleaner, safer and healthier.

#### GOAL

Achieve and maintain employee engagement scores at or above 88 percent by 2030<sup>1</sup>

#### REPUBLIC EMPLOYEE ENGAGEMENT SCORES



86%

Our 2019 Engagement Score was 86%, up from 85% the previous year — continuing to outperform industry benchmarks and demonstrating Republic's commitment to creating a workplace environment that ranks among the best employers in the country<sup>2</sup>.



2. https://www.gallup.com/workplace/231602/right-culture-not-employee-satisfaction.aspx

3. https://www.pewresearch.org/fact-tank/2018/04/11/millennials-largest-generation-us-labor-force/



## **Focused on Engagement**

Research tells us that companies who score in the top quartile in engagement realize a 41 percent reduction in absenteeism. Within Republic, our highly engaged business units see 59 percent less turnover<sup>2</sup>. Engaged employees are passionate about their work, their customers and each other. Our business units with higher engagement have fewer safety incidents, fewer missed pickups, better environmental performance and are more likely to meet our strategic business objectives<sup>3</sup>.

We're focused on driving employee engagement and are investing in programs to help solidify Republic as an employer of choice.

Our human rights policy and our values form the foundation of the culture we've created at Republic Services. We offer numerous programs to develop and enhance employee engagement and diversity, beginning with recruiting to fulfilling each individual's purpose at work. Although we already have outstanding engagement scores, we've set an aggressive goal to ensure we don't lose sight of what's most important to the success of our business — our people. To learn more about our management approach to employee engagement, please see our 2019 GRI Report.

#### 2019 PROGRESS

Our people — from our frontlines in the field to our headquarters — continue to be the most critical component in successfully executing our strategy. We strive to make Republic a desirable place to work for our 36,000 employees by creating learning experiences and programs that develop, train, engage and motivate, as well as compensation and benefits that attract and retain the best workforce.

With a focus on safety, employee engagement, learning and talent development, and inclusion and diversity, we aspire to be a company where the best people want to work and perform their best every day.

### **Learning & Talent Development**

#### DRIVER PROGRESSION TRAINING

We know that promoting from within not only increases engagement, but saves time and money. That's why we help employees who want to expand their knowledge and skill set behind the wheel get a commercial driver's license. We support them by providing financial support for their license and letting them use our trucks to practice. Once they receive their license, we crosstrain them across our major areas of collection. This program is a win for Republic and shows our commitment to employee growth and development while supporting our goal of driving employee engagement.



#### SUPPORTING FEMALE LEADERS

Republic supports the career growth of our employees in a variety of ways and in 2019, we made significant progress advancing women in the workplace. We want to hire the best and brightest employees and help them achieve the next level through programs that develop and prepare them for leadership roles throughout our Company.

### **NEW Rising Stars**

We've partnered with the Network of Executive Women (NEW) for several years and in 2019 sent six leaders to be part of Rising Stars, a development program focused on high potential, high performing female leaders.

#### Forté Program Partnership

In 2019, we initiated a partnership with the Forté Foundation, a nonprofit organization helping women thrive and develop as leaders. Its mission is to launch women into fulfilling, significant careers via access to business education, opportunities and a community of successful women.

#### **Signature Select Program**

Signature Select is a development program facilitated by Republic's external partner, Signature Leaders, focused on helping high potential women build their brand, develop their network and build strong performance habits, leadership influence and storytelling skills. In 2019, Republic sent 11 participants through the Signature program and hosted over 42 high potential, mid-level female leaders from various companies for an in-person, multiday panel and networking event.

### **Recruitment, Inclusion & Diversity**

At Republic, our journey to drive inclusion and diversity is a road with many paths, and our direction is, and always has been, clear. We are relentless in our focus to foster a culture of inclusion and diversity where we create meaningful connections between people, inspire acceptance of difference, and cultivate a community where we all belong and can perform at our best. We are proud of our legacy of providing career opportunities for people of all backgrounds. Our focus on inclusion and diversity has been, and continues to be, a guiding principle of our talent and business strategy as we continue to be a place where the best people come to work.

#### **Developing Strong Frontline Leaders**

As a leader in the recycling and waste industry, it's critical to have strong leaders on the front lines of our business to manage our teams. Our general managers influence 82 percent of our workforce and their engagement.

Through our General Manager Acceleration Program (GMAP), we're creating leaders worth following and differentiating Republic as a company invested in building executives of the future.

We partner with several premiere universities to recruit MBA candidates who have exceptional business acumen. Recruits spend two years working in rotations throughout the Company (sales, finance, operations and hauling) to build their business knowledge and hone their leadership skills. A key component of the program is providing experience in managing profit and loss responsibilities at a business-unit level. Since its inception in 2017, 36 employees have entered the two-year program and 13 have completed it.



#### **SheDrives Success**

We're focusing on the unique talents of female drivers with our SheDrives recruitment campaign. Republic is above the national average in hiring women drivers and our Baton Rouge, Louisiana facility is leading the way with 68 female drivers. Facility leadership guickly learned that female drivers have a lot to offer in terms of skill, safety and customer service. This campaign continues to bring light to the fact that being a driver is a viable career for women, offering worklife balance and good compensation and benefits.

#### **Sharing Commonalities**

Our Business Resource Groups (BRGs) unite employees who share commonalities to support business objectives that bring value to our Company. They also help foster an inclusive culture, welcoming employees who identify with the group's purpose.

We partner with our BRGs to enhance our efforts to attract and hire talented people who are a mix of genders, races, abilities and experiences — people who reflect the world in which we live and work. BRG representatives participate in external recruiting events and speak on panels and at conferences to demonstrate our commitment to inclusion and diversity.

Significant 2019 achievements include the expansion of our Women of Republic BRG to include all interested field employees and the launch of our veterans-focused resource group V.A.L.O.R. (Veteran. Advocacy. Learning. Outreach. Recruiting.), and preparation for the early 2020 launch of the Black Employee Network. We also implemented an online platform to help employees in all roles across the country easily connect with one another.







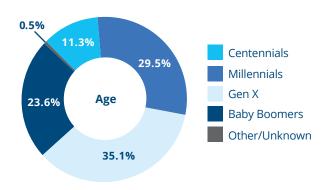




#### **Hiring Heroes**

Republic Services has a longstanding commitment to the men and women who serve our country. In fact, approximately 7 percent of our workforce are veterans. We value their unique perspectives as well as the military skill sets, leadership, accountability and attention to detail they offer. We continue to intensify our efforts to hire veterans and active service members. As part of this commitment, we're partnering with the nonprofit Reveille Foundation in Phoenix, Arizona, to help veterans, some of whom are homeless, obtain a commercial driver's license and join our team of drivers. In 2019, we hired three drivers through this program.

#### REPUBLIC'S AGE & GENDER DIVERSITY



#### Gender

Females on Board of Directors	33.3%
Female Share of Total Workforce	18.6%
Women in All Management Positions <sup>1</sup>	21.6%
Women in Junior Management Positions <sup>2</sup>	21.0%
Women in Top Management Positions <sup>3</sup>	17.4%



# **ROAD-EO: Showcasing Our Best Drivers, Operators and Technicians**

Republic knows the value of hiring the right people to serve our customers. We're proud to have some of the best and safest drivers, heavy equipment operators and technicians in the business. In 2019, we hosted our second ROAD-EO National Championship at the ISM Speedway in Arizona. The competition is our largest employee engagement event and demonstrates our commitment to recognizing our superior employees and their exceptional skills.

**79** Competitors

**1,000**Years of Experience

#### **Excellence in Recruitment**



Republic's We Work for Earth® and SheDrives initiatives were recognized for adding more diversity into every part of our recruitment process.



Republic was ranked #1 in our industry (#11 overall) by leading talent recruitment firm SmashFly for efforts in using innovative technology like geofencing to execute an SMS and email recruitment campaign that increased applicant flow and brand awareness in 12 markets.

- 1. as a % total management workforce
- 2. as a % total of junior management positions



#### **OPERATIONS**

From landfills and vehicles to equipment and buildings, we use our assets to provide essential and valuable services to thousands of communities. Whenever possible, we are committed to reducing our carbon footprint through the use of alternative and renewable fuels, extracting resources from the waste stream and designing programs that help support the circular economy. In fact, in 2019, we were the first in the industry to have an approved science-based, greenhouse gas (GHG) emissions target to ensure we're doing our part to combat global warming.



CDP, the global environmental impact nonprofit, named Republic to the prestigious Climate "A List" for our science-based goals, strategies and actions to lower greenhouse gas emissions and mitigate climate risks. CDP's annual rankings recognize companies from around the world that are pioneers for action on climate change. In 2019, CDP scored more than 8,400 companies, with only the top 2 percent making the A List. This achievement provides important validation of our approach to addressing climate change.





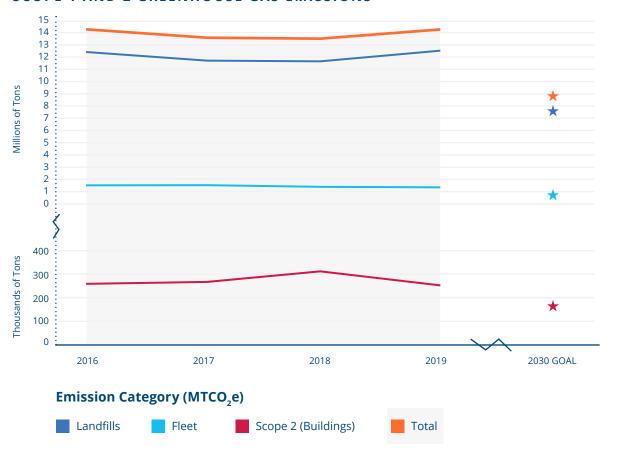
# **Climate Leadership**

We've adopted an aggressive, SBTi-approved target for reducing greenhouse gas emissions from our landfills, vehicles and buildings. In 2019, we made progress in all three areas.

#### GOAL

Reduce absolute Scope 1 and 2 greenhouse gas emissions by 35 percent by 2030 (2017 baseline)

#### SCOPE 1 AND 2 GREENHOUSE GAS EMISSIONS





Our environmental policy and comprehensive environmental management system guide our efforts to continuously improve our performance and reduce our impacts. To learn more about our management approach to greenhouse gas, air and water emissions, please see our 2019 GRI Report.

**2019 PROGRESS** 

### **Reducing Fleet Emissions**

Powering our fleet with renewable natural gas is one way we're lowering our emissions. We partner with Clean Energy Fuels to help us manage our 39 compressed natural gas (CNG) stations. In 2019, we initiated three expansion projects to further our commitment to use renewable natural gas as a bridging fuel to lower fleet emissions.

With one of the largest vocational fleets in the country, using innovative technology to reduce emissions is vital. In 2019, we added 158 new CNG trucks, bringing the number of vehicles running on alternative fuels to more than 3,200. Our new CNG-powered trucks replace older, diesel-powered vehicles, can run on renewable natural gas and help decrease emissions and reduce unwanted noise. With an expanding fleet of vehicles that produce significantly fewer greenhouse gas emissions, we're making a difference throughout the communities we serve.

#### USING TECHNOLOGY TO ADVANCE **EFFICIENCY**

Developed internally, our new RISE platform is transforming our dispatch operations and creating efficiencies that help decrease fuel usage and emissions through real-time routing. This technology equips our dispatchers with routing information and enhanced data to increase connectivity with our customers and improve productivity.

#### **INVESTING IN CLEANER HEAVY EQUIPMENT**

As much as we love our big blue trucks, we also utilize heavy equipment, such as forklifts and stationary equipment like compactors. With reduced emissions in mind, we invested in nearly 200 pieces of new equipment in 2019 and diversified our heavy equipment suppliers to leverage modern features like the latest emissionreducing technology (meeting the EPA's latest standards), idle-reduction and increased fuel efficiency. Additionally, we're revamping our maintenance standards for heavy equipment to ensure our machines are running cleaner and more efficiently as we protect Our Blue Planet.



600 (F

According to the U.S. Environmental Protection Agency, each new CNG truck deployed is equivalent to planting 600 mature trees each year.

### **Reducing Emissions Through Landfill Innovation**

Our operating strategy for managing landfill gas emissions is to maximize the amount of gas collected at each landfill. By safely collecting the maximum amount, we minimize any gas escaping as fugitive emissions. The collected landfill gas is either utilized for beneficial reuse as renewable energy or combusted in a flare. While beneficial reuse of the gas as renewable energy is our primary goal, both methods provide significant environmental benefits. When an energy project is not available or feasible, combusting the gas in a flare reduces a minimum of 98 percent of the criteria pollutant emissions and reduces the greenhouse gas emissions more than 90 percent.

#### Reduction of GHG emissions from landfills presents two major challenges.

#### **COLLECTED BIOGAS**

As Republic strives to collect more biogas in an effort to reduce our fugitive emissions to meet our science-based target goal, we are managing our byproduct pollutants in two ways:

- 1. We've established a goal to increase the amount of gas we use for beneficial purposes. Today, landfill gas-to-energy (LFGTE) systems are only viable at certain landfills. Uncertainty around the EPA Renewable Fuel Standards goals and expiring economic incentives for existing renewable energy projects create additional headwinds for our efforts to reuse biogas. In anticipation of these challenges, we're exploring new technology to expand the application of these and other systems to generate renewable energy and direct less gas to flares. See our Regenerative Landfill goal for more information on this topic.
- 2. Where beneficial reuse is not an option, we rely on combustion in flares to minimize environmental impact in accordance with industry standards and we are disclosing our annual byproduct pollutants in our GRI Report (topic 305-7).

#### **MEASUREMENT**

The United States has the most sophisticated and engineered landfills in the world. However, there is still no way to accurately and continuously measure fugitive landfill GHG emissions caused by uncollected biogas.

Instead of direct measurement, fugitive emissions are currently calculated using complex equations created by an industry consortium, together with the EPA, over

decades. This methodology has served a purpose to characterize the contribution of landfills in relationship to the overall GHG footprint in the U.S. It does not, however, lend itself to tracking progress or reductions at individual landfills. Nonetheless, it continues to be the industry standard for now.

The primary challenge to the current method is that fugitive emissions are estimated based on the amount of gas collected at the landfill. As a site endeavors to maximize gas capture, the equation increases the estimation of fugitive emissions.

Therefore, we have a paradox: Our calculated landfill GHG emissions may increase as we do more to reach our goal. This might be counterintuitive for our stakeholders and prevents us from demonstrating progress toward our goal at present. As we strive to meet our goal over the next 10 years, we're embarking on a journey to explore how best to measure and prove emissions from landfills. Until we get there, monitoring our biogas collected can serve as a measure of our progress.



# **Achieving an Industry First for Greenhouse Gas Reduction Targeting**

In 2019, Republic became the first U.S. recycling and solid waste services provider to have its emissions reduction target approved by the Science Based Targets initiative (SBTi)¹ as consistent with levels required to meet the goals of the Paris Agreement. We took the extra step of setting a science-based climate leadership goal and this recognition validates our commitment to reducing emissions throughout our operations.



"Science-based targets provide companies with a clearly defined pathway to future-proof growth and benefit from greater opportunities for innovation, strengthened investor confidence and improved competitiveness. By having their emissions reduction targets validated by the SBTi, Republic Services is ensuring that its targets are consistent with transformation at the scale and pace that science says is needed to prevent catastrophic global warming."

#### Heidi Huusko

United Nations Global Compact

# **Reducing Emissions When We Build**

Our commitment to sustainable practices extends to approximately 1,000 facilities nationwide that we own and operate. When we construct new buildings and retrofit existing facilities, we work to adhere to the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) standards. We strive to use innovative technologies that require less energy, conserve water and utilize sustainable materials and design principles in an effort to make our workspaces more environmentally responsible with increased productivity and efficiency. This includes:

#### **Passive Sustainable Design**

We consider sun orientation and climate when siting a building as well as window placement and operation to best manage daylighting and natural ventilation. These strategies go a long way in reducing energy requirements for the building.

#### **Active Sustainable Design**

We design our buildings with high-efficiency electrical, plumbing, HVAC and other systems and fixtures that have small environmental footprints.

### **Renewable Energy Systems**

We couple solar and other systems with passive sustainable design strategies when there is a good return on investment.







#### MATERIALS MANAGEMENT

The circular economy reduces the need for raw materials, which mitigates their associated environmental and social burden. We're focused on extending the life of the materials we recover from the waste stream by recycling key commodities and extracting more biogas from our landfills to use as a renewable energy source. Both add value to the economy while benefitting our environment.



Our Plano Recycling Center in Texas opened in 2019 and was recognized as the Recycling Facility of the Year by the National Waste & Recycling Association. This 77,000-squarefoot, state-of-the-art facility serves more than 510,000 residents and 2,500 commercial customers. Highly advanced sorting technologies — including optical scanners and robots which recognize specified material in milliseconds — are used to process 350 tons of recyclable materials per day.





# **Materials Management**

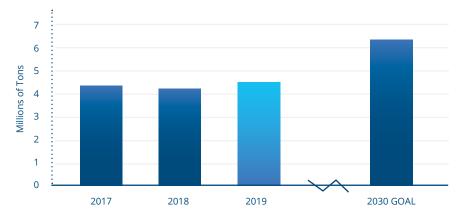
We increased recovery of targeted commodities despite difficult market drivers and uncertainty in the marketplace.

#### GOAL #1

# **Circular Economy:** Increase recovery of key materials by 40% on a combined basis by 2030 (2017 baseline)

We increased the recovery and resale of targeted commodities (cardboard, metals, plastics, organics, biogas and oil) to over 4.5 million tons last year, a notable achievement given the difficult market drivers for recycling in 2019. This marks a 2.5 percent increase in recycling since 2017. We accomplished this in part by increasing our focus on food and yard waste recovery and ramping up our investment in traditional recycling to improve the quality of recovered materials.

#### **KEY MATERIALS RECOVERED**



#### GOAL #2

# Regenerative Landfills: Increase biogas<sup>1</sup> sent to beneficial reuse by 50% by 2030 (2017 baseline)

In 2019, we achieved a 4.74 percent year-over-year increase in the beneficial reuse of landfill biogas through targeted efforts to identify viable projects. Despite uncertainty in the marketplace, we are working on multiple new projects to expand our use in the near future. Since 2017, we've had a 1.8 percent increase.

#### BENEFICIAL BIOGAS REUSE



Our environmental policy and comprehensive environmental management system guide our efforts to extract value from the waste stream and return it to the economy. To learn more about our management approach to the circular economy, please see our 2019 GRI Report.

#### 2019 PROGRESS

### **Driving the Circular Economy**

Despite international policy changes that have severely curtailed exporting materials to several foreign markets since 2018, we have utilized innovation to help sharpen our focus on recycling key commodities to drive the circular economy.

As a result of our initiative to optimize and improve our efficiency of recovering materials, we sold 2.2 million tons of recyclable materials in 2019, excluding glass and organics. We also collected and delivered an additional 2.2 million tons of materials to third parties for processing.

Changing international market demand for recycled commodities has caused severe volatility in commodity prices since 2018. On a positive note, investment in domestic paper mills is occurring for the first time in decades, creating a need for high quality cardboard and mixed paper in North America to feed manufacturing. For the past two decades, China has been the largest importer of recovered commodities from around the globe. Today, Republic exports less than 1 percent of our processed materials to China.

#### **PLASTICS**

While most of the plastics Republic recovers have historically been sold to domestic commodity buyers, we eliminated the export of plastics to all overseas markets in late 2019 and now work exclusively with North American customers.

Keeping recovered materials within our country has many sustainability and economic benefits, from reducing the carbon footprint of overseas shipments to bolstering domestic jobs and production.

Plastics account for 7 percent of the total recyclables we sell.

Of the total recyclables we sell, only 7 percent are plastics and 88 percent of these plastics are #1 polyethylene terephthalate (PET), #2 high-density polyethylene (HDPE), and #5 polypropylene (PP), which have durable end markets. The remaining 12 percent (plastics #3, #4, #6 and #7) are "end of the line" plastics that currently have limited or no end markets.

Due to our size and scope, Republic is in a unique position to play an important role in creating solutions to increasing concerns around plastic waste. We are actively analyzing multiple business models to help drive higher recovery and circularity.

# Recycling Simplified

# **National Recognition for Recycling Education**

Republic's Recycling Simplified consumer education campaign won the 2019 Best Recycling Public Education Program Award from the National Waste & Recycling Association, which recognizes innovators and leaders in the industry who have made substantial contributions to American recycling through partnerships, public education and innovations in recycling facilities. Winners were selected by a panel of judges who are professionals in the waste and recycling industry as well as from other technology and education organizations.

After the 2018 launch of the Recycling Simplified initiative and a supporting national public relations campaign, we executed a \$2 million multichannel marketing campaign in 2019 in six cities to further help reduce contamination rates by focusing on what and how to recycle correctly. The local campaigns employed radio ads, billboards and social media to reach residents. In two of the markets, pre- and post-campaign audits were conducted on residential recycling routes to gauge the effectiveness of the marketing. Contamination rates decreased significantly in both communities.

# **Investing in Advanced Recycling Technology**

We are committed to recycling for the long term and continue to invest in technology that increases efficiencies and maximizes the recovery of higher quality recyclables.

We recognize our facilities must continually evolve to address consumer trends, as well as changing package designs and unprecedented levels of contamination. In 2019, Republic invested \$34 million in technology and equipment upgrades at 39 of our recycling facilities. We now have 79 recycling facilities, down from 91 the previous year, as we've consolidated processing to fewer and more advanced facilities to achieve better quality materials for our end-market customers.



Historically, the cardboard received at recycling facilities consisted of larger shipping cartons from commercial customers.

With the rise in online shopping, our facilities have seen an influx of smaller boxes — referred to as the "Amazon Effect." We're addressing this shift by installing new machinery that better captures smaller cardboard shipping boxes.



We also continue to increase our use of optical sorters to scan and separate paper or plastics in milliseconds.

These optical units use near-infrared technology, like that used in night vision, along with digital cameras to identify recyclable materials and sort them quickly and more accurately than a manual process. We installed 19 optical scanners in our facilities in 2019. In Seattle, the addition of two optical sorters has already resulted in more high-quality paper recovered while ensuring the capture of other high-value materials such as aluminum.

## **Creating Clean Power from Landfill Biogas**

We focus on extracting as much biogas from our landfills as possible while maintaining a stable operating environment. This renewable gas can then be used for heat, electricity and transportation fuels.

With 75 renewable energy projects at our active and closed landfills across the country, Republic is delivering renewable electricity to the power grid and directly to cities and manufacturers by converting landfill gas and solar into clean energy. The renewable natural gas, or RNG, we produce is primarily used as fuel for vehicles, including our own fleet of trucks.

Biogas has a wide array of uses as a renewable energy product. Industrial, manufacturing and utility companies are displacing fossil fuels — often referred to as decarbonizing their pipelines — with treated biogas or RNG which are low-cost alternatives and better for our environment.

#### **EXPANDING LANDFILL GAS-TO-ENERGY PROJECTS**

Using waste to make clean power and reduce our reliance on fossil fuels is a win-win.

Republic is doing just that with renewable energy projects across the nation using advanced landfill gas-to-energy technology (LFGTE) to capture methane that's released as food waste, yard debris and other organic materials decompose in the landfill. The methane is then processed to meet natural gas pipeline quality specifications, converting organic waste into a clean fuel and energy source — and reducing greenhouse gas emissions.

As a leader in our industry, we strive to do the right thing and be a good neighbor. We partner with experts in the field to leverage the latest technologies to convert the byproduct from solid waste into renewable energy that protects our environment and provides a clean fuel source. Innovative renewable energy facilities help protect our planet for generations to come.

We replaced an older renewable energy project at the Blue Ridge Landfill in Fresno, Texas, with one that will generate enough electricity to power more than 4,000 homes annually.

It has the capacity to reduce annual greenhouse gas emissions by the equivalent of more than 51,000 cars on local roads, according to the U.S. Environmental Protection Agency.

# **Taking the Lead in Composting**

The organics industry is an emerging sector with an enormous amount of opportunity. Organics diversion is being debated across the country and more and more legislation is driving it out of landfills. As a leader in this area, Republic is working to create more commercially viable and environmentally sound alternatives for organic waste.

With 10 compost facilities in four states as of 2019, we processed 1.7 billion pounds of organic waste at our organics facilities last year, creating more than 275,000 tons of nutrient-rich compost.

This compost is marketed and sold to residential customers, landscapers, golf courses, farmers and some big gardening brands you'd recognize at your local home improvement store.

Many of our composting facilities are technologically advanced, using mechanical aeration to speed up the biological process and to reduce odors and emissions. Our facility at the Otay Landfill in Chula Vista, California, is completely off the grid, using solar-powered fans and a unique aerated cover technology that requires little energy consumption and traps odors, dust and emissions.

The Otay facility is one of six in California, where there is a greater demand for compost due to legislation mandating the diversion of organic waste from landfills. In California, approximately 20 million tons of organics are disposed of each year and current legislation requires that 75 percent of organics be diverted from landfills by 2025. In coming years, similar requirements are expected in more markets — meaning even more food and yard waste will need to be processed, creating additional business and sustainability opportunities for Republic.

30%

Yard and food waste make up about 30% of the municipal solid waste sent to landfills, according to the Environmental Protection Agency.







#### COMMUNITIES

It's been said that charity begins at home, and for Republic Services, that means helping make a difference in the neighborhoods where our employees and customers live and work. As a company, we give back to our communities in a variety of ways, always focused on impacting the greater good of the neighborhood and the people who live there.



Through the Republic Services Charitable Foundation, our National Neighborhood Promise® program supports neighborhood revitalization efforts across the country. Our Community Grant program works at the local level, supporting nonprofit organizations that are addressing needs in neighborhood revitalization, safety, disaster relief and social services. Through our Employee Giving program, Republic encourages employees to give to charitable organizations close to their heart through payroll deductions.



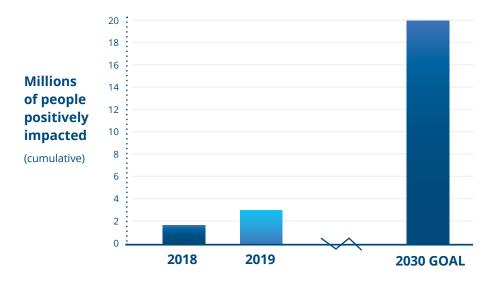
# **Charitable Giving**

We continue to expand our charitable giving activities and in 2019, we supported 23 projects through our Foundation and the National Neighborhood Promise program.

GOAL

Positively impact 20 million people by 2030

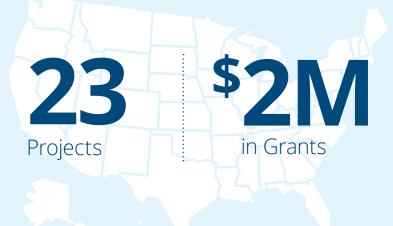
#### CUMULATIVE CHARITABLE GIVING GROWTH



### **National Neighborhood Promise**

In 2018, our Foundation launched a charitable giving program, National Neighborhood Promise, to help transform and revitalize neighborhoods across the nation. In 2019, we contributed more than \$2 million to support 23 neighborhood revitalization projects as we progress toward our 2030 goal.

Through the National Neighborhood Promise program, the Republic Services Charitable Foundation works with our national nonprofit partners, Rebuilding Together, Habitat for Humanity International and NeighborWorks America, to directly support projects and programs across the country. These partnerships strengthen neighborhoods by rebuilding, revitalizing and restoring public places and spaces such as parks, playgrounds and other vital community landmarks.



Charitable support per project ranged from \$35,000 to \$250,000. These projects engaged local Republic employees and members of the community, positively impacting 1 million people in 2019 alone.



#### 2019 PROJECT HIGHLIGHTS



In partnership with Avenue CDC, Republic's local team helped improve the playground and community park at Looscan Elementary School and provided critical home repairs for neighboring families. The project positively impacted 25,000 community members. Additionally, the support included a recycling lesson for Looscan students through Republic's Recycling Simplified Education Program.





# Springfield, Missouri

Along with Habitat for Humanity of Springfield, Republic's employees and volunteers supported the cleanup of Lafayette Park and the installation of a playground in Woodland Heights to make the areas safer for visitors. This public space is used by more than 40,000 community members. Habitat for Humanity of Springfield honored Republic Services with the Golden Hammer Award at its Hearts & Hammers Awards program.





More than 160 Republic employees and Charlotte-Mecklenburg Housing Partnership volunteers helped revitalize the exterior of 25 homes in Charlotte's Druid Hills neighborhood. The teams also cleaned the local neighborhood park and community gardens. Together, the projects positively impacted more than 12,000 people in the local community.



# O Phoenix, Arizona

Partnering with Rebuilding Together Valley of the Sun, Republic's local team supported the revitalization of Moya Elementary School in the Estrella neighborhood of Phoenix. Nearly 200 Republic employees and family members helped build community gardens, basketball courts and a soccer field on the school grounds, in addition to critical building repairs, to make a difference for more than 100,000 residents of the neighborhood.



### **Our National Neighborhood Promise Partners**



100+ community affiliates with a focus on repairing and revitalizing homes and communities.



240+ local affiliates doing neighborhood revitalization across the country.



250 community-based organizations supporting place-based community stabilization strategies.

**COMMUNITY GRANTS** 

1.3K

Organizations supported with financial contributions and in-kind products and services.









## **Employee Giving**

Republic Services reached another milestone in our charitable efforts with the launch of the Employee Giving Program. The program debuted in September 2019, which we designated as our official Month of Giving.

Whether it's supporting the environment, veterans, animal welfare or health causes, the Employee Giving Program makes it easy for Republic team members to make a difference. Employees can contribute to the charitable organizations they care about most through a payroll deduction, with the flexibility to choose a recurring deduction or one-time contribution.

2K

In the program's first three months, nearly 2,000 employees contributed to hundreds of charitable organizations. When each employee gives a little, we can make a big impact together.

# **Employee Relief Fund**

Through our Employee Relief Fund, we granted financial assistance exceeding \$100,000 to employees and their families impacted by natural disasters.

In 2019, nearly 40 percent of the support directly aided employees who were impacted by hurricane damage. Nearly 1,900 employees contributed to the fund last year.

#### **APPENDIX**

To help our stakeholders better understand how Republic Services responsibly manages recycling and non-hazardous solid waste, we have developed educational infographics that illustrate and explain the different processes related to our business.

**Recycling Operations Curbside Collections** 

**Organics Diversion** 

**Regenerative Landfill** 

Landfill Gas & Renewable **Energy Projects** 

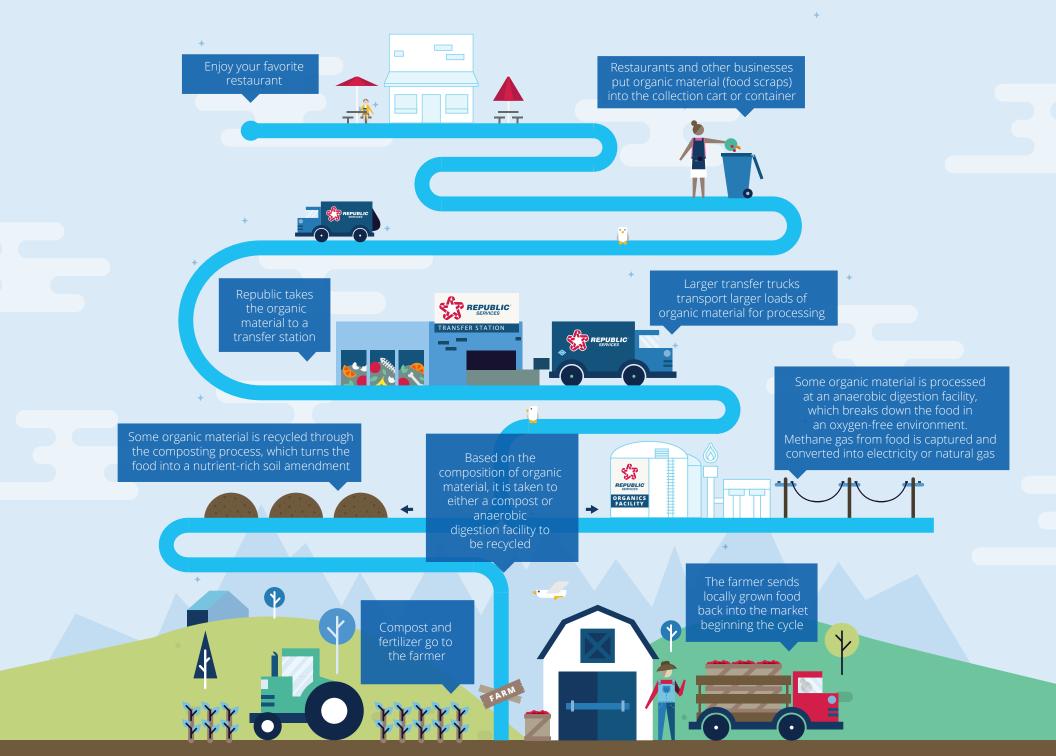
**Environmental Services** 

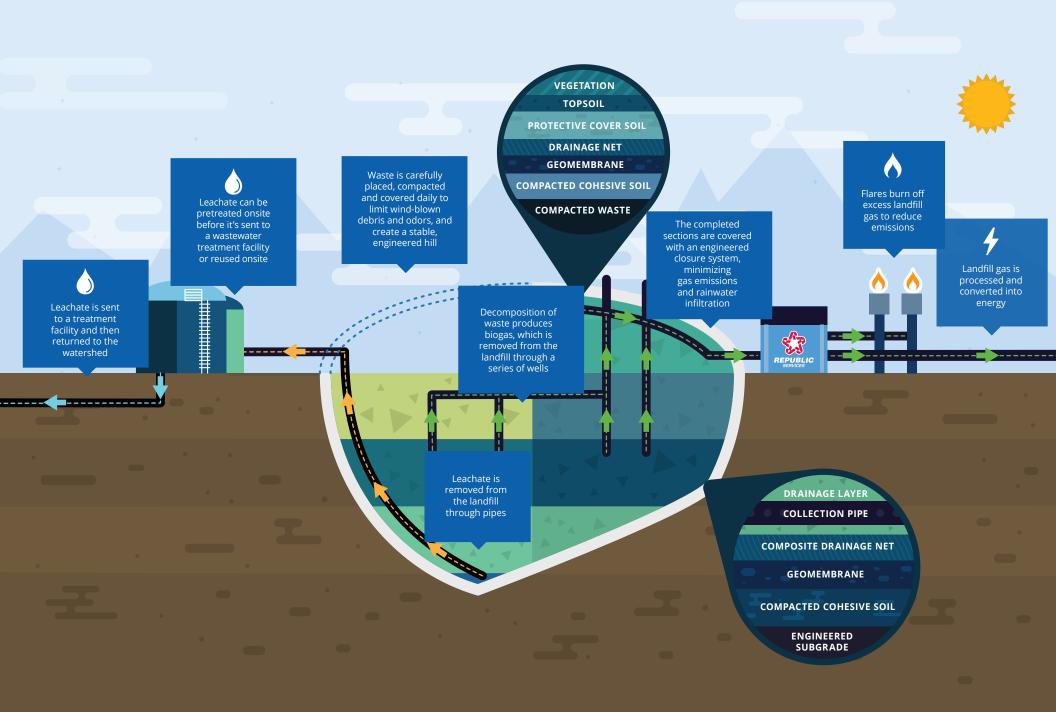
**Circular Economy** 

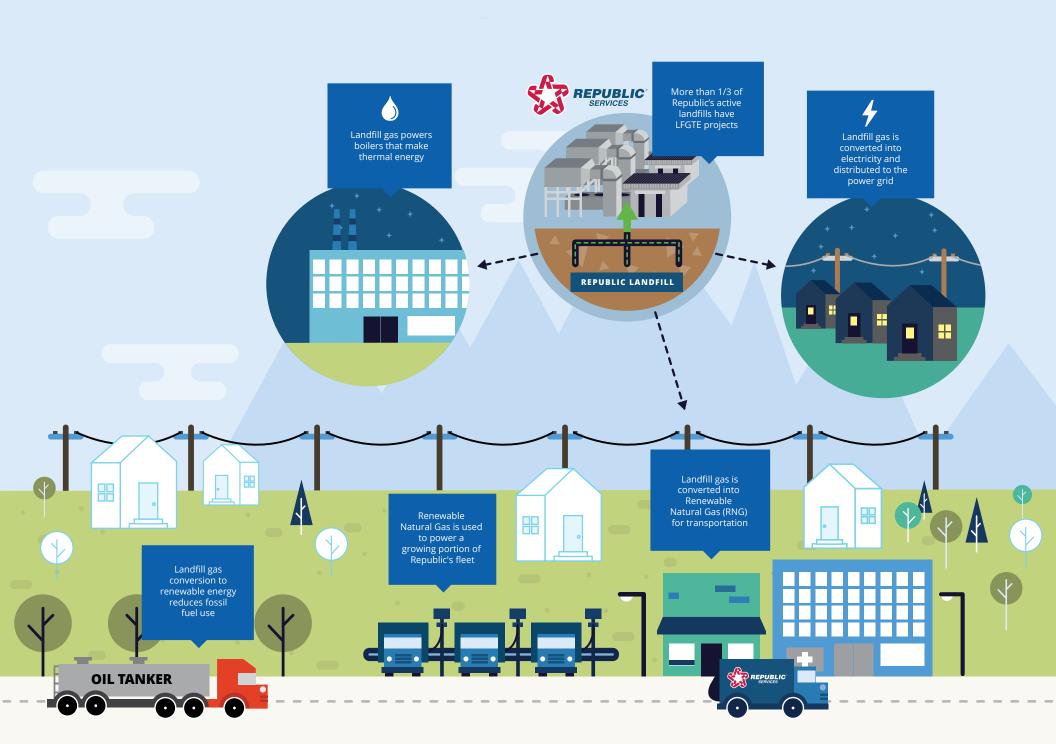




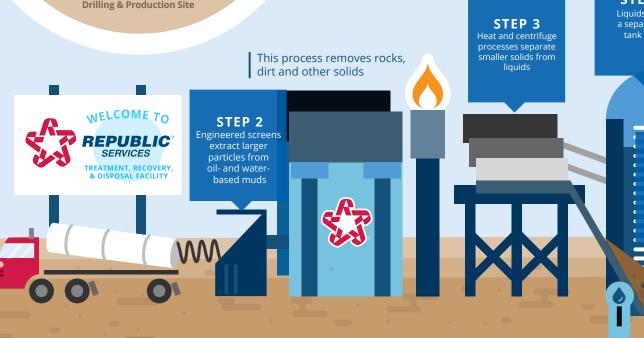












STEP 4
Liquids go to a separation tank farm

Oil separates from water, sinking to the tank bottom

STEP 5
Water is returned to salt water disposal wells, and solids are brought to a lined, specialized cell at the landfill

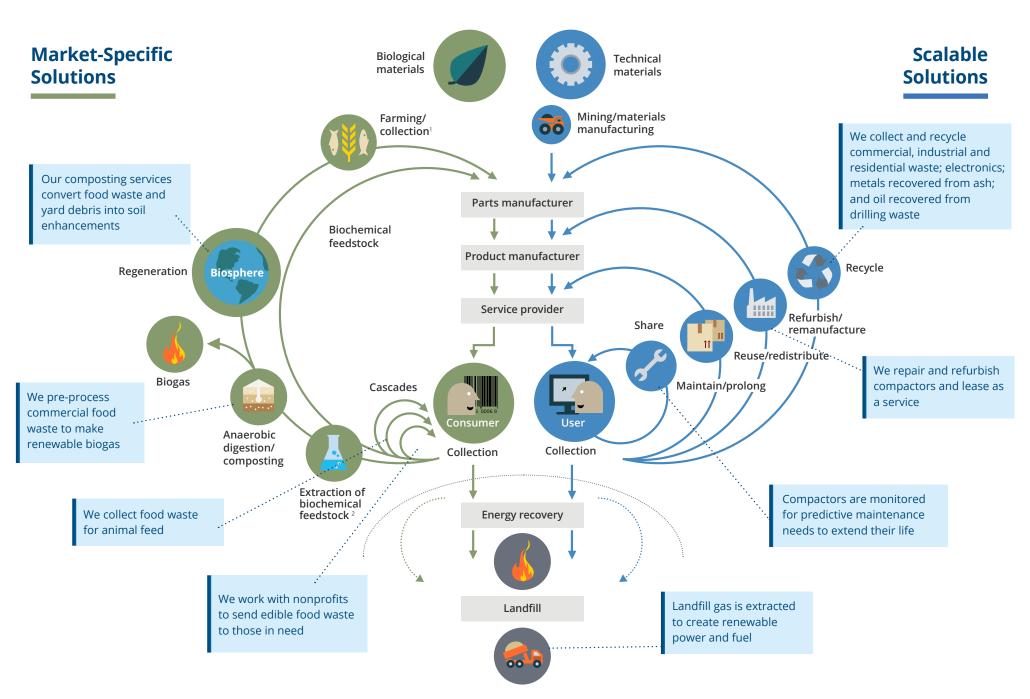
STEP 6

170K barrels

of oil are

recovered and

sold annually



<sup>1.</sup> Hunting and fishing

<sup>2.</sup> Can take both post-harvest and post-consumer waste as an input



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We'll handle it from here.