## 2014 Sustainability Report







This Sustainability Report reflects our work in Republic Services' five pillars of sustainability: Operations, Materials Management, Communities, Safety and People.

This Report reflects YE 2014 numbers.

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### Our Blue Planet™

We believe in the preservation of a **Blue Planet**...a cleaner, safer and healthier world where people thrive – not just for today, but for generations to come.

We are guardians of our environment and have a **responsibility** to regenerate our planet with the materials we are entrusted to handle every day by driving increased recycling, generating renewable energy, and helping our customers be more resourceful.

We must **lead by example**, working diligently to improve our relationship with the environment and society through decreased vehicle emissions, innovative landfill technologies, use of renewable energy, community engagement and employee growth opportunities.

We are privileged to serve more than 14 million customers in 240 markets across the country, creating **effortless experiences** that support their evolving needs and honor their unique commitments to improving their communities.

By embodying the five R's on the Republic Star – Respectful, Responsible, Reliable, Resourceful and Relentless – our employees will thrive in an atmosphere where **safety is a key priority** and each person can be a compassionate steward of our Blue Planet.

We're committed because it's more than picking up and handling our country's waste. This is a **collective effor** to do what's best for our communities, customers, employees and environment – without exception, without fail.

This is not a fleeting cause. It is the **foundation for our future**, and the very heart of who we are as we work every day to protect our Blue Planet.





### Message from Don Slager President & CEO

When people think about sustainability, they naturally think about environmental responsibility within the context of their own daily lives. For example, taking the time to separate recyclables from other waste, making the conscious decision to minimize the use of plastic shopping bags at the store or conserving water at home. These are meaningful choices, and their environmental impact is indisputable.

But, is it enough? Will these choices by themselves sustain our planet for future generations? In our hearts and minds, we already know the answer. No. We could each do more to reduce, reuse and recycle in daily life.

The reality is people care about the environment. People want to be environmentally responsible, and do the right thing.

That's where we come in.

### Making it Effortless for Customers

Everything we do is for our customers. There is no more important relationship in our business. That is why we recently asked customers across the country questions about what they value in a recycling and waste provider, and the priority they place on environmental responsibility. We were pleased by what we heard. The vast majority said they want to be more sustainable, but they do not necessarily know what to do or how to do it.

At Republic Services, we believe sustainability is about balance. It is about protecting our Blue Planet. In addition, we believe we can create stronger profits and a more durable business by encompassing a broader view.

For our 14 million customers, this means peace of mind that recyclables are indeed recycled the right way. It is the assurance that by entrusting Republic to own and safeguard the waste we collect, customers are making a positive, sustainable choice. It is the understanding that we relentlessly pursue innovation in our services, products and capabilities, making it effortless for customers to do more of the right thing with confidence.

#### **Blue Planet**

We are caretakers of this Blue Planet, largely covered with blue waters that flow beneath blue skies. It is worthy of every effort we can make to protect it for our children and our children's children

For Republic's part, we start with a resounding commitment to reduce carbon emissions whenever and wherever possible. As the operator of the 8th largest vocational fleet in the country, we believe we have a responsibility to be leaders in reducing carbon emissions as well as dependency on foreign oil.

Today, we operate a compressed natural gas (CNG) fleet of 2,200 vehicles that has carbon emission reduction benefits equal to removing nearly 11,000 cars from roads each year. In fact, roughly 35 percent of the vehicles we purchased in 2014 are powered by this domestic fuel source.

To sustain our commitment, we have built 36 natural gas fueling stations on our sites. These stations, along with the CNG trucks they support, represent a signifi ant local investment in cleaner and more efficient vehicles in the communities they serve. They also embody our commitment to safety.

Safety is core to the responsibility we assume as caretakers of our Blue Planet. That is why we prioritize safety education and training on a daily basis, and it is why we celebrate strong safety records.

As an industry leader that owns and operates over 300 active and closed landfills nationwide, we set the standard for quality landfill management. We leverage the power of science, advanced technologies and innovation to customize site management plans, and address complexities that range from odor mitigation and groundwater protection to community engagement.

Whether it is state-of-the-art leachate collection and pretreatment systems, landfill gas collection systems that connect with advanced air pollution control equipment or sophisticated groundwater protection protocols, we are uniquely capable of managing the dynamic operating environment at any landfill.

### **Regenerative Economy**

Republic's business, and the broader economy, exists within planetary boundaries. This means we consider our Blue Planet to be a vital asset. It means we must responsibly account for and value precious natural resources like air, water, land and the ecosystems they create. It means we strive for balance in every aspect of what we do, whether it is our people, operations or resources, to ensure that we help to regenerate the planet.

Simply put, our ability to deliver truly exceptional service to our customers is directly linked to our commitment to extract value from the country's waste stream — through materials that can be repurposed as commodities to offset virgin material use or through materials that generate energy to offset fossil fuels. When we extract materials and energy, we are regenerating our economic engine while preserving the planet's natural resources.

Our world-class operations exemplify our commitment to innovation and excellence at 60 recycling centers across the nation. We collected nearly 5 million tons of recyclable materials in 2014, enabling discarded items to be regenerated into newspaper, cardboard, glass and plastic bottles, tissue, paper towels, and metal cans. Recycling this quantity of material saves 15 million tons of carbon dioxide

equivalent (CO<sub>2</sub>e), which is nearly as much as Republic's entire carbon footprint.

Republic Services is equally committed to harnessing landfill gas, the natural byproduct of decomposing waste, and converting it into energy. We operate 72 landfill gas-to-energy (LFGTE) projects across the country. Annually, these projects generate enough electricity to power more than 250,000 households, meeting the needs of a community the size of Austin, Texas. In addition, the carbon emission reductions benefit from our current landfill gas-to-energy projects is equal to removing more than 4 million cars, or roughly every automobile in the state of Georgia, from local roads.

We participated in the 2014 CDP S&P 500 Climate Change Report, our inaugural submission. The report represents the progress achieved by companies in reducing emissions, responding to climate-related risks and opportunities, and mobilizing influence to manage climate change. For our first year, which created a baseline for future submissions, we earned a Disclosure Score of 93 out of 100, which reflects our strong commitment to transparency, thoroughness and responsibility, and a C band in Performance – which we see as a strong starting point for a first-year responder.

### **Positive Impact**

We believe we are creating a positive impact. What we do each day, and what we empower our customers to do in their homes and businesses, leads to sustained environmental benefits.

By working with our customers and the community, and living up to our brand promise, We'll handle it from here.™, we are making a difference in protecting and preserving our Blue Planet. But, at the same time, we are the first to recognize that there is significantly more work to be done, and we are only just beginning.

On behalf of our 31,000 employees, I am pleased to share with you our 2014 Sustainability Report. We are proud of our current achievements and hope that you are as encouraged about the future as we are here at Republic Services.

## Our Company At a Glance

Republic Services is an industry leader in U.S. recycling and non-hazardous solid waste. Through our collection operations, recycling centers, transfer stations, landfills and landfill gas-to-energy projects, we focus on providing reliable environmental services and solutions for commercial, industrial, municipal and residential customers. Republic and our 31,000 employees believe in protecting the planet and applying effortless solutions to our customers' recycling and waste challenges.

**14 Million**Customers

39 States & Puerto Rico

**31,000** Employees

**340** Collection Operations

**198**Transfer Stations

**60** Recycling Centers

**189**Active Solid Waste Landfills

**2,200**Natural Gas Trucks

**36**Natural Gas Fueling Stations

**72**Landfill Gas-To-Energy Projects

**2** Landfill Solar Energy Projects

**100 million tons**Waste Collected Annually

**\$8.788 Billion** 2014 Revenue

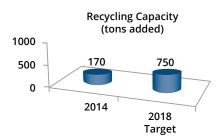
## Our Sustainability Goals

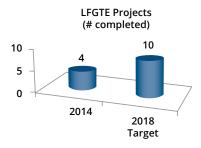
### **Materials Management**

At Republic Services, we recognize the opportunity we have to responsibly manage the diversity of materials in the waste stream. Not only to extract value from those materials in the form of commodities and energy, but to also reduce the greenhouse gas emissions associated with those materials. We are focused on two high impact areas to drive emissions reductions resulting from the materials we handle:

**Commodities** – recycling results in a significant reduction in greenhouse gases compared to growing or mining those same commodities for use as virgin raw materials. Republic's goal is to increase the ability to recycle by adding capacity each year to our recycling infrastructure. Through experience, we've learned that communities can only add or increase recycling when the infrastructure exists. Our goal is to add an additional 150,000 tons per year or more of recycling capability by 2018 to enable growth of recycling. This results in a reduction of 480,000 tons/yr of  $CO_2e^1$  for a total of 2.4M tons of  $CO_2e$  reductions over the next 5 years. That's in addition to the 15 million tons of  $CO_2e$  that we are avoiding through the recycling investments we've already made as of year end 2014. We are on target to reach our goal by 2018.

**Energy** – materials like paper, food and yard waste generate biogas containing methane when they break down in landfills. Harvesting the biogas prevents the methane from escaping into the atmosphere. Using biogas for energy projects, called landfill gas-to-energy (LFGTE), displaces the use of fossil fuels for energy generation. By managing these materials and creating an alternative energy source, we can significantly reduce greenhouse gas emissions through the avoided use of fossil fuels. Thus, we have a goal to develop at least two LFGTE projects per year, resulting in roughly 20,000 tons per year of avoided  $CO_2^2$ . This is the equivalent of not burning 100 railcars worth of coal each year. We exceeded our target in 2014.



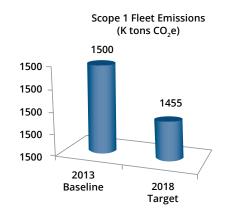


<sup>1</sup> EPA Warm Version 13, 6/14, Mixed recyclables; includes lifecycle assessment (LCA) of materials. Every ton of material that is recycled instead of landfilled results in a reduction of 3.2 tons of C 2e.

### **Operations**

The greatest contribution to emissions from Republic's energy use in our own operations is our fleet. We have 16,000 recycling and waste collection vehicles that serve our customers across the country. Our collection fleet comprises roughly 70% of our scope 1, 2 and 3¹ operations emissions. Thus, our attention is focused on reducing the impact of our fleet.

**Fleet** – Republic has a number of initiatives in progress to reduce the amount of fuel that we use, and therefore, our greenhouse gas emissions from our fleet. To date, we've converted 2,200 trucks to CNG from diesel, and we are continuing to do this at a rate of roughly 300 per year. Our OneFleet program improves maintenance practices, and the automation of our fleet results in more efficient routing. Together, these and other initiatives will help us reach our goal of reducing our Scope 1 Fleet absolute greenhouse gas emissions by 3% by 2018.



<sup>&</sup>lt;sup>1</sup> Scope 3 emissions measured thus far include third party and sub-contract hauling and business travel.

<sup>&</sup>lt;sup>2</sup> Every LFGTE project captures roughly 1500 scfm of biogas. Avoided emissions calculated using the EPA LFG Energy Benefits calculator "avoided equivalent emissions" and EPA equivalency calculator

## Operations

Republic exercises the utmost responsibility in our operations. This includes our fleet, our buildings, our landfill technology and the day-to-day activities we conduct in the community. We're working hard to understand and measure our impact to the air, water and land to minimize or eliminate any negative consequences, where possible.



## Caring

### 18 million

The number of gallons of diesel fuel we save each year by using CNG.

## Operations Fleet

With approximately 16,000 trucks on the road, Republic operates the **8th largest vocational fleet** in the country. Every day, our drivers and their trucks form Republic's front line to meet the recycling and waste needs of our residential and commercial customers.

Approximately 2,200 of our vehicles are powered by compressed natural gas (CNG) at our 36 natural gas fueling stations nationwide. We believe using CNG vehicles provides a competitive advantage while reducing the amount of fuel required for our operations, improving air emissions, and significantly reducing vehicle noise profiles.



### National Clean Fleets Partnership

We participate in the National Clean Fleets Partnership, a strategic alliance with large fleets throughout the country who are working handin-hand with the U.S. Department of Energy (DOE) to reduce petroleum use.

## for our planet...one truck at a time.



### **Automation**

Automation increases productivity and provides a safer work environment for our drivers. An automated, single-operator fleet allows us to serve more customers using less fuel and enables us to attract and retain strong, diverse talent. Approximately 70% of our residential fleet is automated. And, with our current conversion and purchase plans, we expect approximately 75% of our residential fleet to be automated by 2017.

#### **OneFleet**

OneFleet, our standardized vehicle maintenance program, enables us to use best practices for fleet management, truck care and maintenance – to provide each driver with a safe and reliable truck



every day. OneFleet is expected to extend the life of our fleet by one year, reduce material impact and improve fuel efficiency.

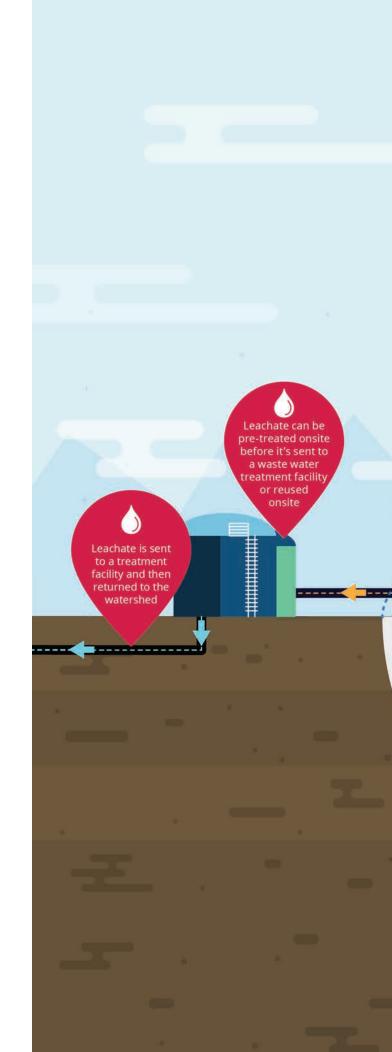
### Operations

## Regenerative Landfills

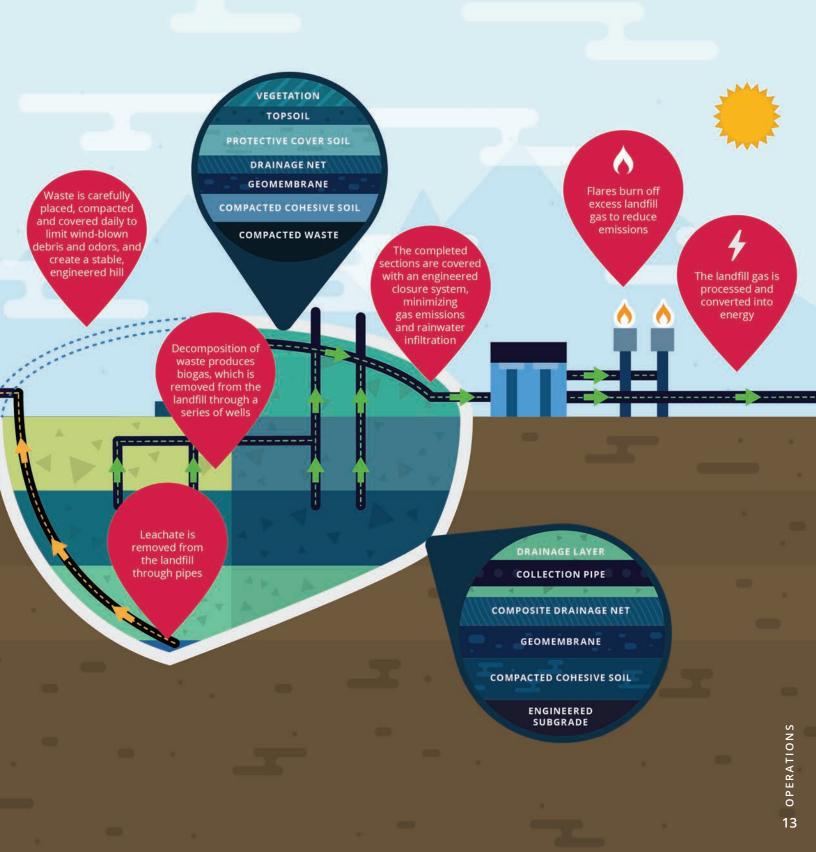
Society will always need landfills for the safe disposal of certain items. Landfills are a part of the essential infrastructure necessary for a community to function. In the 21st century, their role will become increasingly important as the U.S. population continues to grow and the number of active, permitted landfills declines.

Simply put, society requires landfills to be more sophisticated today than ever before. From leachate extraction that is returned to community watersheds or gas collection systems that harness and convert methane gas into renewable energy, today's landfills are highly engineered containment systems that responsibly protect and process the nation's waste. These systems leverage the power of science and advanced technologies to protect the air, land and water upon which society depends.

Collectively, these systems — and the environmental scientists and engineers who manage them — comprise Republic's commitment to operational excellence in landfill management.



Republic Services operates over 300 active and closed landfills across the country. Teams of more than 160 environmental managers, engineers and scientists ensure that the long-term management of the country's waste materials are regenerative to the planet.



## OPERATIONS

# Operations Landfill Gas & Leachate

Water that is present in landfills must be captured and then handled in a responsible manner. Our collection systems collect and process water to ensure that landfills have a minimum impact on watershed regeneration.

Returning precious water back to a community's watershed is an important component of Republic's operational excellence. Properly managed wastewater systems, such as those found at Republic landfills, play an important role in protecting local water quality. Depending upon the landfill site, a variety of treatment methods may be deployed to manage collected leachate.

### What is leachate?

Leachate is liquid, such as rainwater, that passes through the landfill and collects small amounts of the natural decomposition of the waste. This liquid is then removed from the landfill by an engineered leachate collection system.



of treated water from Republic's landfills ar returned to the nation's watersheds each year.

### **Gas Extraction System**

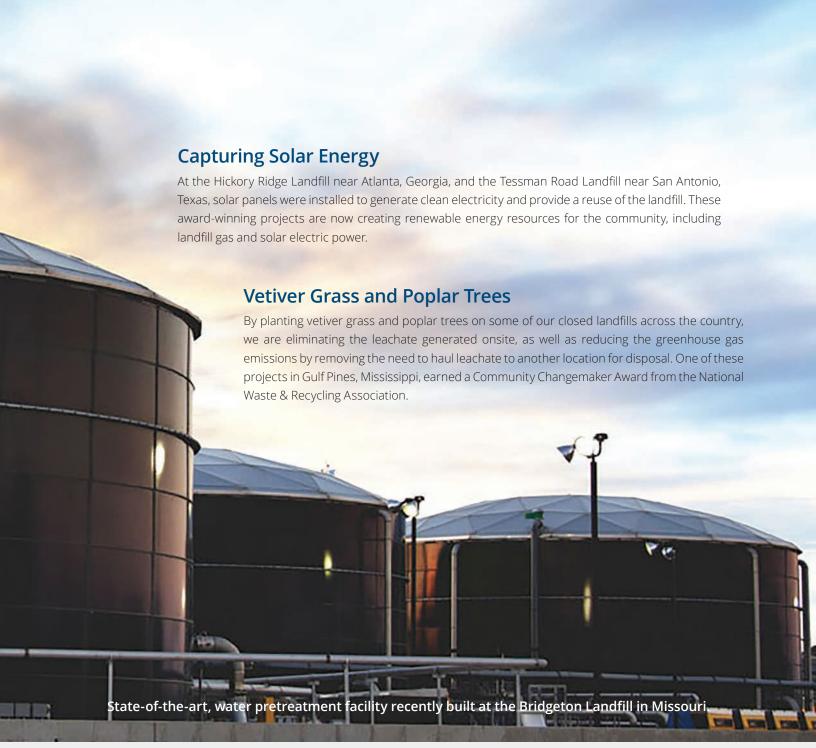
Most of Republic's landfills are equipped with robust gas extraction systems whereby methane gas, a byproduct of decomposing waste, is extracted from the landfill using a complex system of pipes and wells. At landfills that do not yet have gas-to-energy projects or where excess gas is produced, methane is managed through use of flares, ensuring destruction of potent greenhouse gases and other air pollutants.



Republic Services is committed to operating landfills with environmental practices and policies that are good for our customers, local businesses and residents. Some of our landfills are being used or repurposed in innovative ways to continue the community use of the land.

### A Repurposed Closed Landfill

The Wildcat Golf Club in Houston, Texas, serves as the backdrop for views of the Houston skyline. The course, which is built on top of the closed Holmes Road Landfill, displays pieces of antique pump jacks, storage tanks and other industrial artifacts that add to the experience. Wildcat serves as a point of pride for residents and shows what can be accomplished when a city invests in a neighborhood restoration project.



#### **Recreation Connections**

The Mill Creek Connector Trail in Cleveland, Ohio, was designed to create recreation connections into neighboring communities. The trail, which runs along the closed Warner Hill Landfill, provides walkers, bikers and runners access to Mill Creek Valley, a scenic urban waterway. The trail includes a 150-foot bridge, light industrial views and an overlook providing eagle-eye views of Cuyahoga Valley.

### **Increasing Native Biodiversity**

As part of its commitment to increase native biodiversity, the Charlotte Motor Speedway Landfill in Charlotte, North Carolina, is a Wildlife Habitat Council-certified site. The 729-acre capped landfill contains a number of habitat types, including mixed hardwood forests, forested riparian wetlands, grasslands and a pond. Nest boxes near the pond enhance existing habitat for wood ducks and songbirds. The Rocky River runs through the site, providing additional aquatic habitat, and a nature trail provides opportunities for wildlife viewing.

## Materials Management

Republic recognizes the responsibility and opportunity we have in managing the nation's waste stream to provide a source of renewable materials and energy to the economy. We are innovative and constantly explore new options to capture value and energy from materials in the waste stream, while ensuring environmental responsibility and sustainability.



## Materials Management Recycling

With 60 recycling centers nationwide, recycling is a core component of Republic's business. And, with more people recycling in more communities, we're on a path to a cleaner, healthier planet for future generations to enjoy.

Republic looks for ways to reduce materials in its landfills that have value to society. Recycling not only removes materials from landfills, but it returns recovered recyclables to the economy to replace virgin materials that have large carbon footprints and other harmful environmental impacts associated with their mining and/or production.

As recycling demand continues to grow, we will be there to meet the need. With state-of-the-art equipment and some of the industry's best talent, Republic continues to make significant investments in recycling infrastructure that offers recycling solutions to more residents and businesses across the country.



We build our recycling centers with the environment in mind. Each newly constructed center is built to LEED standards.



In 2014, Republic invested over \$20 million to develop and upgrade our recycling centers, increasing our capacity by an additional 170,000 tons per year.

The majority of this investment was dedicated to serving the expansion of our single-stream, curbside collection service.

To meet customer recycling demand in markets where we don't have facilities, we develop capabilities through alliances and partnerships.

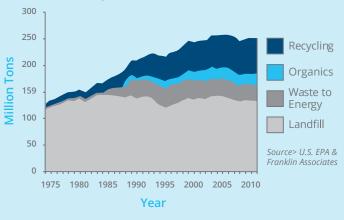
# **MATERIALS MANAGEMENT**

### Materials Management

## Managing the Evolving Ton

The term "evolving ton" references the increasing volume of materials recycled. Today, a ton of trash isn't what it used to be — it's evolving. Years ago, the discarded material that was disposed in a landfil was made up of practically everything consumers wanted to throw away, including much of what is now recycled. With a portion of a given ton diverted to recycling centers and removed from the waste stream, fewer tons are entering landfills. This signals a change in consumer demand and further supports Republic's efforts to grow our recycling business.

### **U.S. Municipal Solid Waste**



### North Texas Recycling Center

One of Republic's newest recycling centers, located in North Texas, was the winner of the Solid Waste Association of North America's 2014 Gold Award for Recycling Excellence. The Center received the award within one year of opening and set the industry standard for innovation in recycling technologies and processes across the country. The 90,000 square-foot center is home to a technologically advanced single-stream recycling system that can process more than 500 tons of materials per day, or more than 140,000 tons of materials each year.

### Southern Nevada Recycling Center

In the fall of 2015, Republic will open a new recycling center in Southern Nevada that will double residential recycling capacity in the region, making it the largest residential recycling center in the nation. The new 110,000 square-foot facility will feature an interactive learning center that is intended to be a resource for the community and customers, as well as an educational destination for sustainability-minded Las Vegas tourists.



There are many steps in the recycling process. It begins with the customer, who places items in the recycling bin. The rest is up to us. In general, our recycling process is:





We collect and deliver recyclable materials to our recycling centers.

### Republic collected nearly five million tons of recyclables in 2014, consisting of the following materials:

Ste Marin	paper	72%
	glass	.8%
6	organics	.8%
	plastic	. 5%
	other*	.4%
	bi metal/tin cans	.2%
	aluminum	1%

\*wood, batteries, tires, copper, etc.

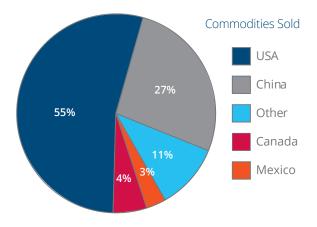
### **Recycling Center Innovation**

Many of Republic's recycling centers feature highly automated materials sorting systems, which enable facility operators to continually monitor the materials sorting process, move up to 110 tons of materials per hour, and automate the baling and storage of finished commodities. These systems also can sort and process incoming materials, and ship finished commodities to domestic and international markets.



### **Recyclable Commodities**

Once the recyclables are sorted and baled, we sell the commoditized materials to over 150 mills and manufacturers worldwide.





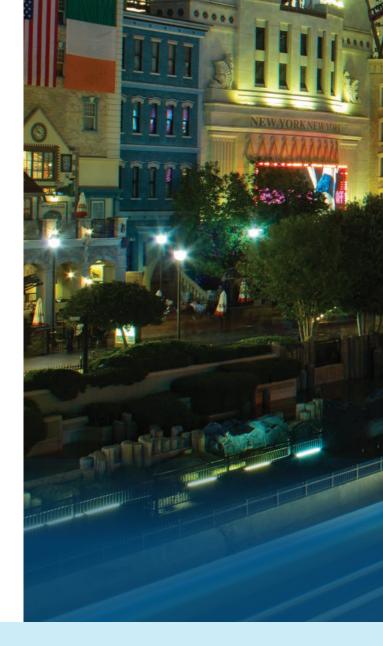
We sort all materials – both mechanically and by hand – grouping like items together.



We package materials for transport to off-site manufacturers.

## Materials Management Recycling Partnerships

We believe in empowering our customers and communities to do the right thing. This means providing effortless recycling solutions at their homes or businesses, and creating a sustained impact through public education and awareness. We partner with major retailers, professional sports franchises, universities, and others who are as committed to protecting our Blue Planet as we are, and who believe in leading by example. Together, we have incredible reach and vast opportunity to increase recycling participation across the country, from shopping centers to stadiums and tourist destinations to classrooms.



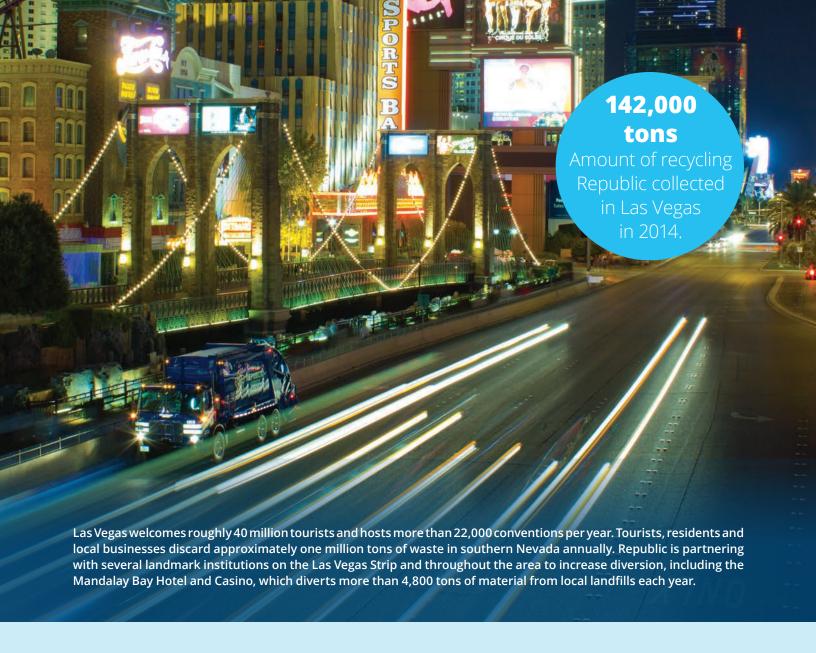
### University of Nevada – Las Vegas Game Day Challenge

Republic's Game Day Challenge partnership is a national competition among approximately 75 universities and colleges. The University of Nevada – Las Vegas (UNLV) involves education and awareness initiatives that enable each fan to recycle nearly one pound of material per home game. It is a winning combination. UNLV ranks first in the Mountain West Conference and second in the nation in Game Day Challenge recycling. Republic and UNLV also team up throughout the year to increase recycling participation on campus, generating approximately 750 tons of recycled material per year.

#### Three Cheers for the Blue Team

We partner with the Buffalo Bills in an effort to make Ralph Wilson Stadium a zero waste facility. During home games, the Buffalo Bills and Republic Services' Blue Team distribute complimentary blue recycling bags and black garbage bags to tailgaters to help keep their spaces clean. In 2014, the carbon emissions benefits from this team effort were equal to saving 12,500 gallons of gasoline, which would have been used to support the manufacturing and transportation of virgin materials.

Some of the other sports teams we work with include the Phoenix Suns, Phoenix Mercury, Utah Jazz, Denver Nuggets, Portland Trailblazers, Arizona Diamondbacks, Kansas City Royals, Indianapolis Colts, San Jose Sharks, Loyola Marymount University and the University of Missouri – St. Louis.



### The Power of Teamwork

Republic teams up with several major retailers to increase diversion and improve operating efficiencies at storefronts and distribution centers nationwide. Republic customizes sustainability programs for national account customers that are designed to exceed expectations, empowering some of America's greatest companies to do even more of the right thing.

In 2012, one of the country's major retailers requested assistance in designing an alternative program to replace their disposal practices for non-repairable store equipment. Republic developed a pilot program that — in its first year — identified and diverted more than 330,000 pounds of material from local landfills. Due to the pilot's success, the program was quickly expanded to all of its approximately 1,000 stores nationwide.

Another large retailer requested assistance in capturing plastics at its stores and distribution centers. Working with our customer, we implemented a strategy that involved employee engagement, audits, and monthly and quarterly data reviews. In one year, this strategy improved plastics diversion by 15%, contributing an additional \$350,000 in annual savings for our customer.

## Materials Management Gas-To-Energy

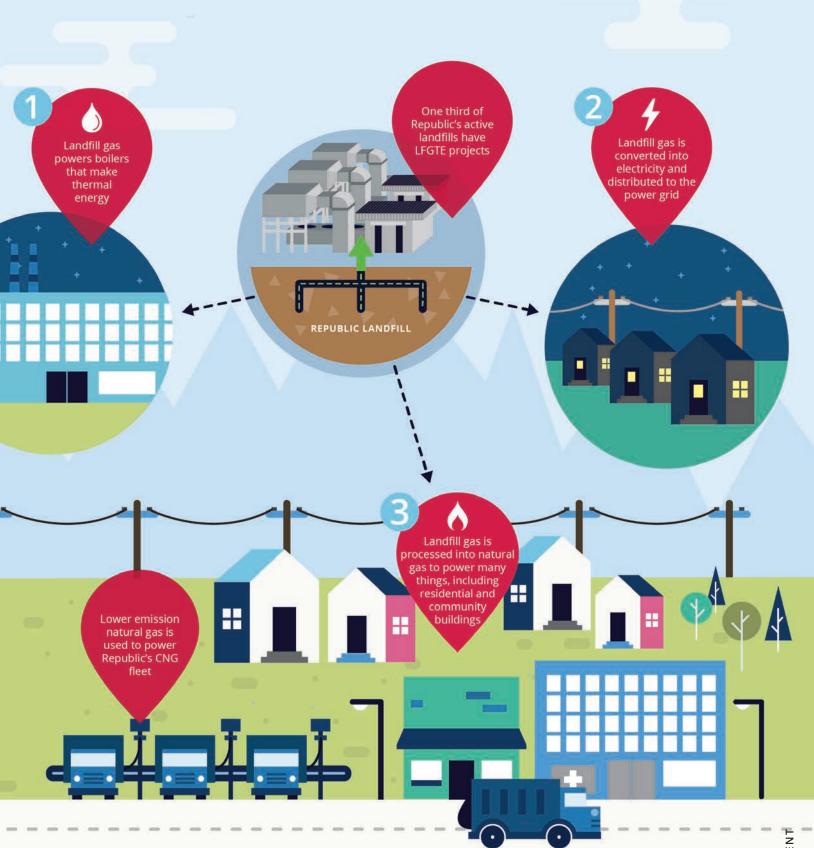
Materials like fiber, food and yard waste generate methane gas when they decompose in landfills. We manage these materials by removing them from the landfill where alternative treatment facilities, like composting, exist.

Where these facilities are not available, Republic is committed to providing landfill gas-to-energy (LFGTE) projects that are vital resources in the renewable energy infrastructure of the communities we serve. The use of landfill gas provides our economy and environment with significant benefits, including:

- the capture and use of methane, thereby reducing air pollution
- the offset of fossil fuels, thus reducing our dependence on foreign oil and use of our natural resources.







Gas-to-Energy projects involve extracting gas from within the landfill, processing the extracted gas, and then distributing the energy through one of the three ways listed above.

## Communities

We are dedicated to supporting our customers and being a good neighbor in the communities in which we live and work. This includes investing back into our communities through customer engagement, philanthropic giving, volunteerism, infrastructure investments, and operating in over 240 markets at the highest standards.



### Communities

## Customer Engagement

Republic's customers care about more than simply having their recyclables and waste picked up. They share our concern for the planet and want to do what is best for the environment. For effective solutions and reliable industry knowledge, customers often look to Republic Services and our products and services that make being environmentally responsible convenient and effortless for them



### **Republic Rewards**

Our community-based program encourages customers to recycle by empowering them to earn recycle points, which do two things:

1) provide access to hundreds of discounts on everyday products and at stores, and

2) fund needed civic projects in their own neighborhoods through community grants. Whether supporting the purchase of new playground equipment, planting flowers at the local library or donating trees, customers can contribute to neighborhood improvements, all funded by Republic.



### Electronics Recycling with BlueGuard™

Because the consequences of improper electronics disposal can be serious, including health hazards and data breaches, Republic is educating customers and providing them with the solutions they need to properly dispose of these items. While this helps guard our customers' personal information, we're also protecting our planet from the hazardous materials inside electronic waste that can damage the environment.



We'll handle it from here.™

Republic Services' tagline – We'll handle it from here. – lets our customers know that they can count on us to provide an effortless experience. We have a robust and growing suite of products and services along with the customer zeal to make proper disposal easy for our customers, while giving them peace of mind that they are making a positive environmental impact.

### BluePrint™ Waste Assessments

Republic Services can create a customized sustainable waste program for each customer that is focused on cost savings and service efficiency, as well as promoting environmental responsibility. By performing waste audits and providing customized programs to numerous customers at the local and national level, there has been significant reduction in the amount of waste that goes to a landfill and an increase in the amount of materials that are recycled.





### All-in-One Recycling.™

Republic's All-in-One Recycling program makes recycling effortless for our customers. The name itself lets our customers know that we'll sort their recyclables so they don't have to. All-in-One Recycling is as simple as throwing all recyclables into one bin and letting us do the rest. Because the effectiveness of our programs is determined by the amount that our customers recycle, the simplicity of this program is specifically designed to grow residential recycling activities geared toward families.



### All-in-One Office™

All-in-One Office delivers everything a business needs for a successful employee recycling program and is our first product that offers recycling and waste solutions inside a business. The program offers commercial and industrial customers access to a wealth of ready-to-use materials to help them launch, support, and promote their internal recycling programs. These tools help to effectively introduce the recycling program to employees and encourage ongoing recycling - which results in an overall increase in office recycling.

# Communities Community Engagement

Whether it's walks and runs to raise awareness or food drives to benefit local food banks, Republic Services employees are always ready, willing and able to extend a helping hand to their communities.

From a corporate perspective, Republic makes donations to support not only the local Phoenix community, where our headquarters is located, but also backs causes that are national in scope and impact.



Our generous employees joined in the Ice Bucket Challenge and the fight against ALS, raising more than \$10,000





### Communities

## Improving the Community

Our 31,000 dedicated employees constantly stay connected with their local communities. While there are far too many local activities to name, we're proud to see our charitable efforts focused where they're most needed:

### **Children & Family**

Whether we're providing a meal to a family in need or making a child smile on Christmas morning, our employees are especially generous when it comes to opportunities to help children and families thrive. We conduct canned food drives across the nation at various times of year; donate to organizations like Goodwill; support holiday causes, like Toys for Tots and Adopt-A-Family; and take part in community activities geared toward families.

### **Community & Environment**

Everyone wants to live in a clean, safe environment—and our employees are making that a reality in neighborhoods and wildlife areas alike. From adopting highways to community cleanups to efforts to increase recycling, we're helping to make America even more beautiful.

#### **Health & Wellness**

By donating to Susan G. Komen to increase breast cancer awareness, Banner Children's Hospital to fight kids' cancer, and participating in local blood and food drives at various offices, our employees continue to show their generosity when it comes to helping to find a cure and drive awareness for many forms of disease, disability and poverty.

#### **Arts & Education**

Through museum sponsorships, scholarship funds and recycling initiatives in K-12 schools and universities, we're committed to providing funding for arts, science and education programs. In communities across the country, we support educational and developmental programs with organizations, like the Boys & Girls Club, the YMCA, Boy Scouts of America and various arts and science museums.



Every October during Breast Cancer Awareness Month, Republic employees across the country rally around events, fundraisers, walks and runs to demonstrate our commitment to finding a cure for breast cancer

- Crestwood, Illinois



Children from Garehime Elementary School toured the Apex Landfill

- Las Vegas, Nevada







Students lined up to sit inside one of our trucks at Hawthorne Elementary School's Career Day event.

- Independence, Missouri



Employees from Mt. Laurel and Valley Forge participated in the 4th Annual Walk for Wishes fundraiser.

- Philadelphia, Pennsylvania



Local team honored as second hauler to ever earn the Washington County Recycle at Work Award.

– Lake Oswego, Oregon

## Safety

Due to the nature of our industry, we prioritize safety above all else. When people feel safe, they can fully participate in the opportunities that are available to us every day.



# Safety Think. Choose. Live.

Republic is dedicated to the safety of our employees, customers and the communities we serve. In fact, safety is one of our key company priorities.

Drivers work hard to be safe every day as they go out and do their jobs. In addition to serving customers and keeping the streets and community clean, they are keenly aware of their surroundings and make the choice to do the right thing – all the time, every day.

Our **Think. Choose. Live.** slogan encapsulates our everyday safety message to our employees to: **Think** about what you are doing, **Choose** the safe answer, and **Live** to go home to your family. Our goal is to ensure every one of our employees returns home safely each night.



#### **Safety Facts**

Over the past seven years, Republic's safety performance\* has been 42% better than the industry average.

Our Pedestrian Safety and Defensive Driving videos have won CINE and Telly awards.

Republic's Heat Stress Safety program was recognized by the U.S. Department of Labor.

Each morning, our 15,000 drivers across the nation start their day with a safety briefing.

Republic operates 22 driver training safety centers.



#### **Safety Incentive Programs**

We're proud of our two safety incentive programs: Dedicated to Safety and Dedicated to Excellence. We recognize and reward employees for outstanding safety and customer service. For Dedicated to Safety, employees must meet all safety requirements for the year, including no preventable accidents and no safety warnings. For Dedicated to Excellence, employees must earn the Dedicated to Safety Award and meet additional criteria for customer service, attendance and other performance metrics. We believe safety and productivity go hand-inhand. Last year, approximately 12,300 employees earned the Dedicated to Safety Award and 5,800 employees earned the Dedicated to Excellence recognition.

#### Focus 6

Our industry-leading safety program, Focus 6, provides employees with guidance, tips and techniques to prevent the six most common types of serious accidents – backing, intersections, push-pull-lift, rear collisions, rollover, and pedestrian. The training employees receive from Focus 6 is the foundation of the countless decisions they have to make every day to stay safe.



Pictured left to right. 2014 Drivers of the Year: Johnny Caine (Residential), Florentino Castrellon (Industrial), and Quemene Perea (Commercial).

#### Driver of the Year

We believe good safety records are something to celebrate, and we take pride in recognizing employees and divisions that demonstrate a relentless commitment to safety. Employees with the best driving records are eligible for the industry's most prestigious award, National Waste & Recycling Association's Driver of the Year.

Since 2009, Republic drivers have won "Driver of the Year" for the large truck category 10 out of 12 times. In 2014, Republic swept the category with all three winners: Large Residential, Large Industrial and Large Commercial.

# Republic Stars on the Street

Safety is about more than preventing dents and dings, it's also about being a good partner in the community and keeping an eye out for our neighbors. Our drivers are often recognized for going above and beyond the call of duty, protecting people and their property. We look out for our communities because they're our communities, too.

"Thank you to Jose and Roberto for being so kind and observant. They took the time to return our empty trash bin to our front door and placed my husband's missing keys on the lid. We didn't even know they were missing yet! We can't thank Jose and Roberto enough – it was a really kind thing to do. These gentlemen are doing a great job!"

— Customer, Las Vegas, NV

#### Idaho Driver Saves Drowning Man

Residential Lead Driver Ryan C. was driving his route when an erratic driver caused another car to nose dive off the road and into a canal to the side of the road. Ryan ran to the canal and could see a young man inside trying desperately to escape the sinking car. Seeing this, Ryan jumped into the canal and tried to open the doors. After several tries, the glass broke, and Ryan reached inside for the man who did not know how to swim. Ryan assured him he would be alright as he pulled him from the car and onto the canal bank.

#### **Drivers Take Action in Fire**

An Athens-Clarke County police officer responded to a house fire. Upon arrival, he observed the attached garage engulfed in flames. As he approached the garage with a fire extinguisher, he saw two men, Drivers Luis M. and Tim S., attempting to put out the fire. One had a water hose fighting the fire and the other was pulling a riding lawn mower from the garage that was covered in flames. As the officer used a fire extinguisher to help combat the flames, both Luis and Tim continued removing items out of the garage that were accelerating the fire. The fire was quickly extinguished and no injuries occurred.

### **Driver Rescues Family** in Car Accident

Residential Driver Johnny H. was on his way back to the local Morganton, NC, division after making his last stop for the day when an SUV in front of him lost traction in the snow. The SUV spun sideways and across the road, and ended up flipped over in a ditch. The woman driving the car was able to crawl out of the window, but Johnny saw a toddler and man still stuck inside. He worked with the man trapped inside to get the child out safely. The man inside was then able to free himself



"As I was getting my son ready this morning, I heard the garbage truck approaching and realized that I forgot to take the trash out. My husband, who just got deployed to Afghanistan, used to be the one to do this. By the time I got the cans out, the truck was already pulling out of my cul-de-sac. As I returned back inside the house, I saw the driver, Juan Z., walking to my driveway and manually rolling my trash can to the truck to empty it. It was super nice of him to do that. It was so unexpected, and I was touched when I saw that. You have a GREAT employee, and we are grateful for the wonderful service he provides. Thank you."

— Customer, Bridgeton, MO

#### Four Legged Friend Returned to Customer

Republic customer Chuck W. was breaking down cardboard boxes to place in his apartment complex's recycling container when his turtle, Brian, climbed into one of them. It wasn't until after the container was serviced that Chuck realized Brian may have been caught up in the disposed materials. Chuck drove to our Newby Island Resource Recovery Park for help finding his pet. With the aide of GPS and our employees, Chuck was able to locate the boxes he tossed. Inside one of them, he found his turtle safe and sound, which led to a very happy reunion between our customer and his four-legged friend.

# Employee Helps Detain Escaped Inmate

One night, there was an alert that several people had broken out of the Maricopa County Detention Center in Phoenix, Arizona. While Roll-Off Driver Mark F. was servicing a compactor, one of the escaped inmates approached him and asked for a ride. Mark realized he was an escapee and carefully detained him until police officers arrive

# People

We believe that empowered employees are the greatest indicator of our success. We provide ongoing job training, growth and development opportunities for our employees at every level. We're invested in our employees and continue to look for meaningful ways to demonstrate our appreciation for the hard work and dedication they show each and every day they come to work.



#### People

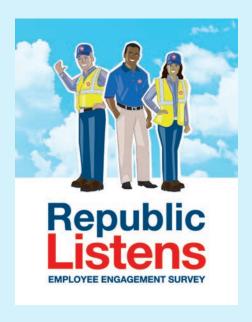
# Aligned to Serve Customers and Preserve Our Planet

An important part of protecting our Blue Planet is our people. Without their unwavering commitment to the planet and our customers, we wouldn't be able to do all that we do every day.

We're focused on attracting and retaining talented professionals that are just as committed to the environment as our company and our customers — and we motivate them through meaningful and rewarding careers.

#### **Employee Engagement**

We can only serve our customers and the planet with employees who are engaged in our company and the work we do every day to protect the planet. Through an annual employee engagement survey, an open door policy, and robust communications, we listen to our employees, show them we care, and most importantly, demonstrate our commitment to making Republic a great place to work for everyone.



In 2014, our employee engagement score was 81%. We look forward to continuing to work with our employees to reinforce Republic as a great place to work.

#### **Diversity & Inclusion**

We are actively and intentionally creating an environment in which all individuals are welcomed and valued. In 2013, we launched MOSAIC (Mission of Supporting an Inclusive Culture) as our renewed approach to diversity and inclusion. Through MOSAIC, we have developed new strategies and activities to continue creating a more diverse workforce and inclusive work environment. In this way, we can leverage our best thinking to improve our culture and better serve our customers and planet.

#### **Hiring Our Heroes**

There's no better way to protect our planet than to recruit and hire the heroes who have protected our country. We actively recruit and hire veterans – those transitioning from military life as well as those long discharged from active duty. We value the skills, experience and operational excellence they bring to our organization – along with their commitment to a better tomorrow.

Historically, we've had great success hiring veterans. In 2012, for example, 33% of general managers, 20% of operations managers, and 38% of maintenance managers that we hired self-identified as having served in the U.S. Coast Guard, Army, Navy, Marines or Air Force.

#### **Compensation & Benefits**

We retain top talent by offering competitive pay and a comprehensive benefits package. We care about our employees' well-being and offer a Total Rewards program to support good health and build wealth, including:

- ACA-compliant healthcare program for all employees, including prescription, vision and dental coverage options
- A health concierge, providing 24/7 guidance by medical professionals
- 401(k) program with company match
- The Road to Wellness program with online provider tools for managing health and wealth
- Employee Assistance Program to help employees with legal, financial and emotional challenges
- Employee Stock Purchase Plan

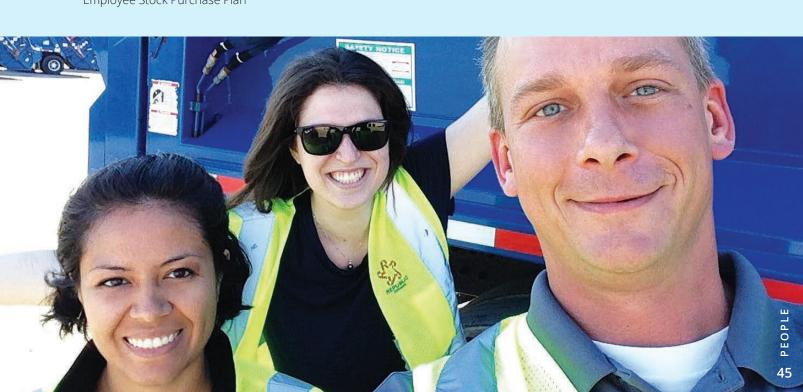
#### Employee Relief Fund

If disaster strikes, our first priority is accounting for our employees, and then making sure they have the support they need to move forward. While Republic is on the ground and heavily involved in community clean ups following disasters big and small, we also make sure to provide support to employees enduring loss unexpected situations. Through our

small, we also make sure to provide support to employees enduring loss during these unexpected situations. Through our Employee Relief Fund, employees are not alone if disaster strikes a little too close to home.

#### **Learning & Talent Development**

We want our people to be the difference in the lives of our customers and the communities we serve. That's why we create high-impact learning experiences that people can use on the job and at home. With many training opportunities focused on safe driving, we're making sure our drivers are doing their part to keep the community clean and the roads safe for our customers and their families.



## Over the past five years

Republic's Employee Relief Fund has provided nearly \$500,000 in financial support to 222 employees affected by tornadoes, hurricanes, wildfires and other natural disasters.

# People Ethics & Compliance

At Republic, we are committed to operating our business with the highest levels of ethics and integrity. Our continued success depends upon us acting legally, responsibly and ethically at all times. Nothing is more important than doing the right thing.

We strive to conduct our operations in compliance with applicable laws, regulations and permits. Our facilities and operations are subject to a variety of federal, state and local regulations that regulate, among other things, the environment, public health, safety, zoning and land use.

Republic's Ethics & Compliance Committee is composed of members of senior management.

#### **Ethics**

#### An "Open Door"

Employees can and should raise any concern about actions or decisions that may be unethical, illegal or in violation of Republic policies. Republic's "Open Door" practice encourages open communication between managers and employees. Discussions are kept in confidence to the extent appropriate or permitted by law. Concerns are handled quickly, discreetly and professionally.

#### The AWARE Line

The AWARE Line is available to any Republic employee who wants to report a potential violation of the law or Republic's policy, or other concern. The toll-free number is operated by an independent service, whose trained specialists are available to take calls 24 hours a day, 7 days a week, in both English and Spanish. The calls are not recorded or traced.

Calls are forwarded to Republic for follow-up. Reports are promptly and thoroughly reviewed and treated confidentially to the extent possible. Appropriate action is taken when policy, ethical or legal violations or misconduct are found to exist.

## Code of Business Ethics & Conduct

Legal compliance and ethical behavior are an integral part of our everyday jobs. In addition to detailed policies, procedures and guidelines, our Code of Business Ethics & Conduct reminds us of our commitment to conduct business according to the law and high ethical standards. The Code of Business Ethics does not cover every ethical question or situation, but it does provide a basic guide to understanding Republic's expectations for each employee.

Additionally, our managers are required to complete training, adding a variety of important compliance topics. There are other required online compliance training modules taken at the time of hire with refresher modules planned for every two years.

#### Compliance

#### Federal, State & Local Regulations

Operating and other permits, licenses and other approvals generally are required for landfills and transfer stations, certain solid waste collection vehicles, fuel storage tanks and other facilities that we own or operate.

Federal, state and local laws and regulations vary, but generally govern many of our operations, including wastewater or storm water discharges; air emissions; the handling, transportation, treatment, storage and disposal of hazardous and non-hazardous waste; and the remediation of contamination associated with the release or threatened release of hazardous substances. The U.S. Environmental Protection Agency (EPA) and various other federal, state and local authorities administer these regulations.

#### **Following Federal Statutes**

The primary federal environmental and occupational health and safety-related statutes that we follow each day to ensure operational compliance, include:

- The Solid Waste Disposal Act, including the Resource Conservation and Recovery Act (RCRA)
- The Comprehensive Environmental Response, Compensation and Liability Act (CERCLA)
- The Federal Water Pollution Control Act (the Clean Water Act)
- The Clean Air Act
- The Occupational Safety and Health Act (OSHA)

# Complying with State and Local Regulations

Each state in which we operate has its own laws and regulations governing solid waste disposal, water and air pollution, and, in most cases, releases and cleanup of hazardous substances and liabilities for such matters. States also have adopted regulations governing the design, operation, maintenance and closure of landfills and transfer stations.

# Do the Right Thing!









