

Making Recycling Sustainable

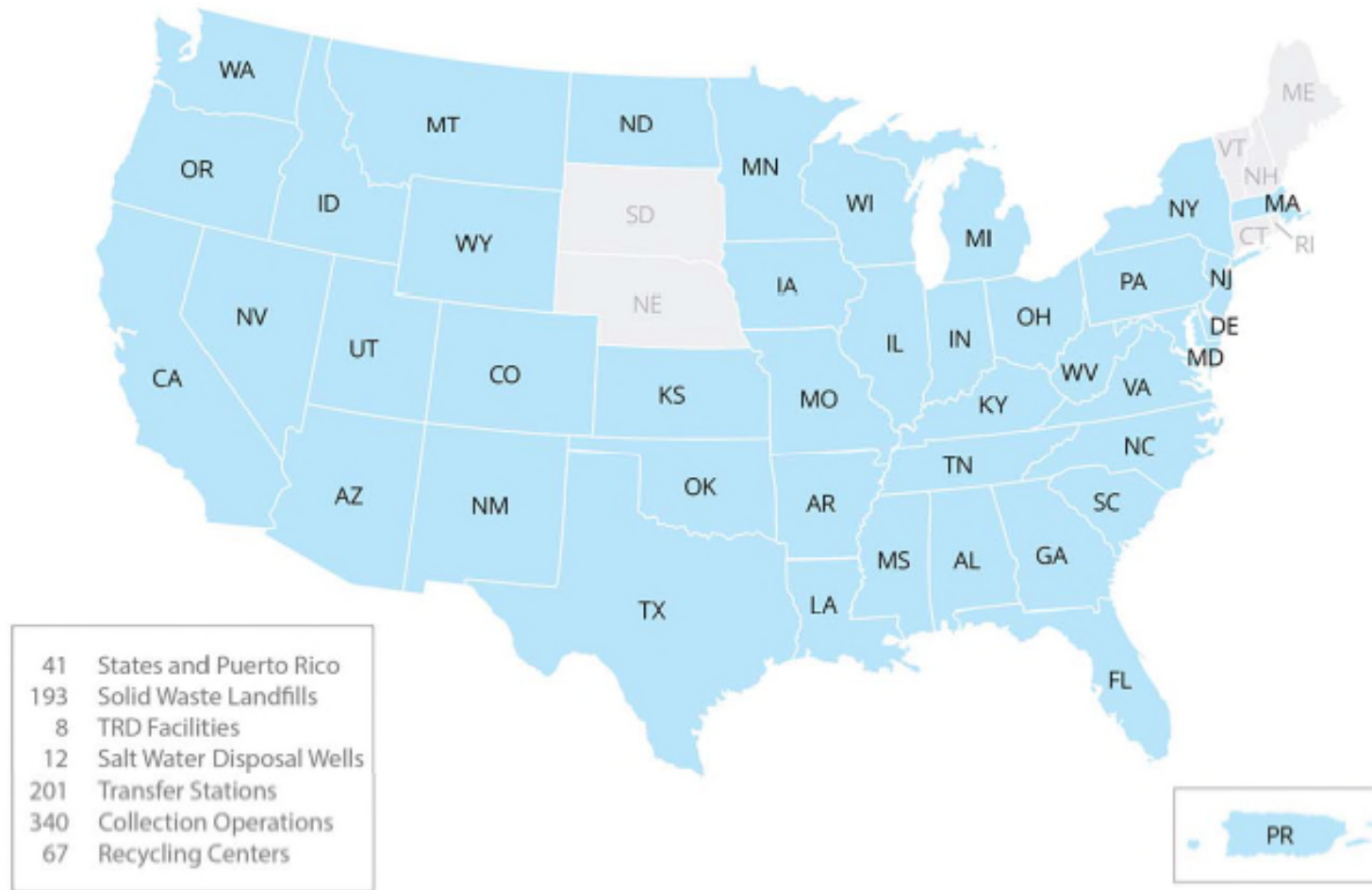
Recycling Reimagined

A Changing Landscape

April 2016



National Footprint



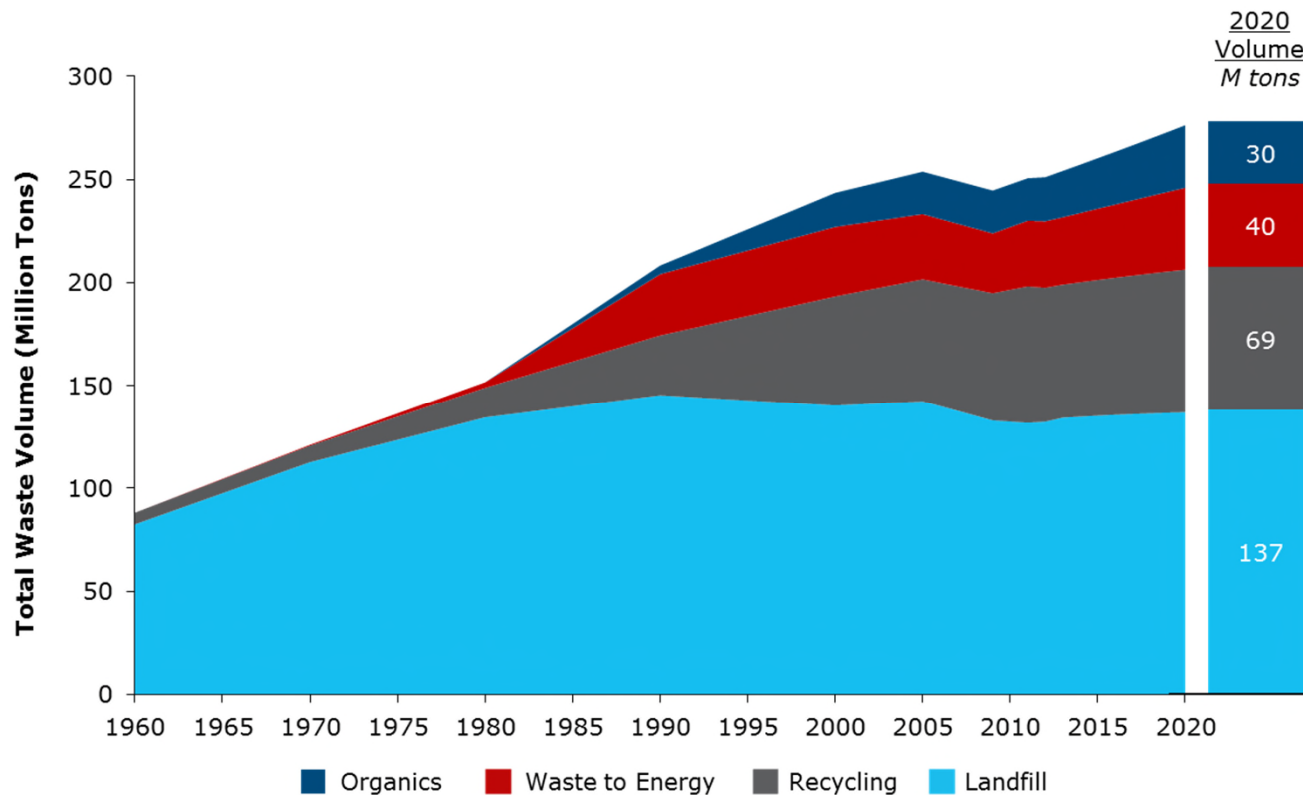
Our Sustainability Commitments



- Ranked 1st industry-wide and in the top 10% globally by CDP (Carbon Disclosure Project) for impact reduction on climate change
- 67 recycling centers adding 150k additional recycling tons each year
- Adding 2 landfill gas-to-energy projects each year
- Operate 2200 (CNG) natural gas trucks
- Driving a 3% reduction in scope 1 greenhouse gas fleet emissions by 2018



The Evolving Ton

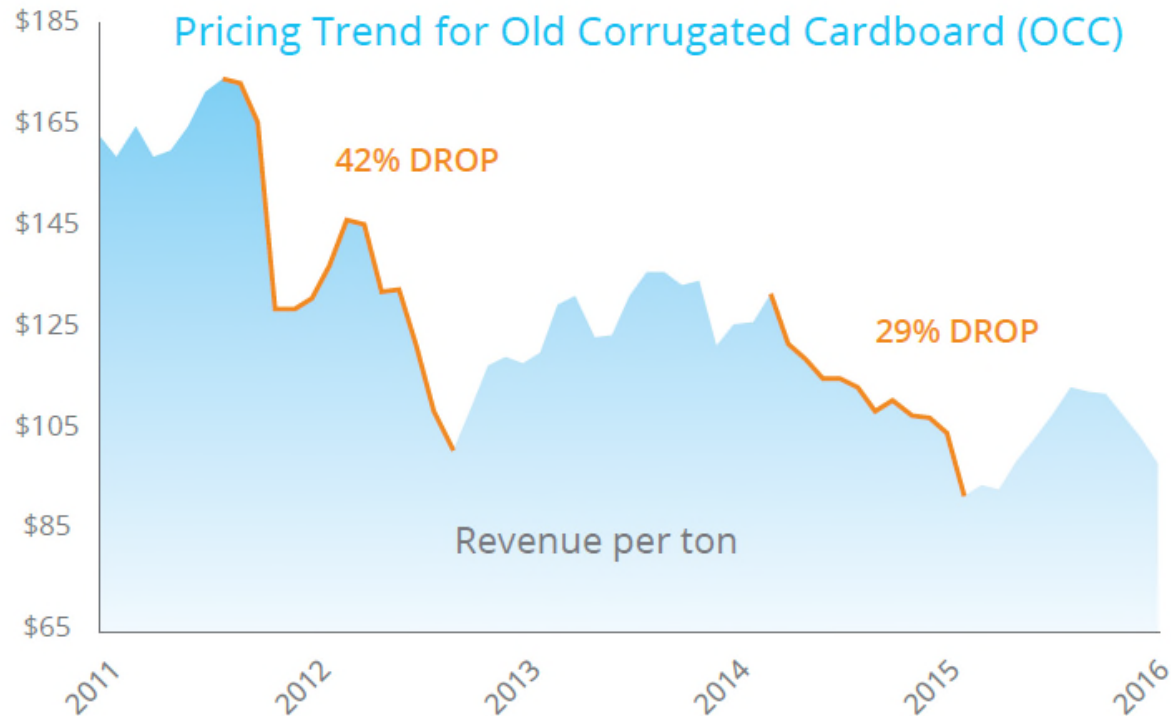


Over 90% Of Customers Either Currently Use Or Would Use Recycling*

Recycling and organics growing faster than landfill disposal, with most customers demanding Recycling



State of Recycling Industry



Key Drivers of Change

- Decreased oil prices and changes in global economy impacting demand are driving a steep decline in commodities pricing
- Lightweighting of packaging
- Increased contamination rates

Commodities prices are at a 5 year low and dynamics have changed permanently

Material Trends



Trends



Implications

Material no longer in circulation
18M tons in 2000 → ~2M in 2015

Lighter-weight and limited end markets
HDPE → off-spec PET

Lighter-weight and flexible packaging
not recyclable
Tin can → copolymer pouch

Waste Minimization Increasing Pressure on Total Waste and Recycling Tons

How we can make recycling Better Together

Educating your communities today

Waste in the recycling stream increases sorting time and damages recycling equipment. Proactively educating residents on what items they can and cannot recycle will help keep the recycling stream free from waste and lower costs for everyone.

Sharing in the benefits of tomorrow

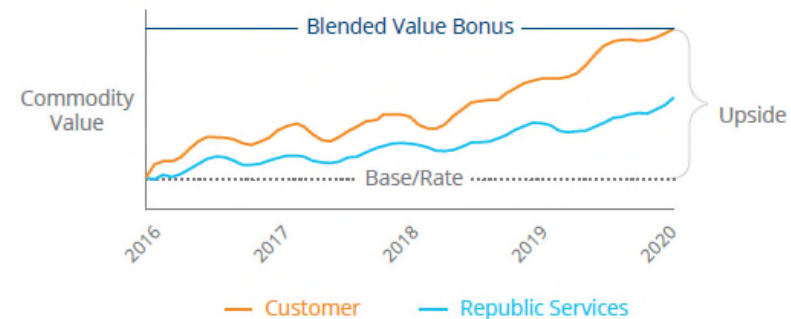
If commodity markets improve, we will all share in the upside together. This provides assistance to your city's general fund to cover budget shortfalls or invest in the community.

Offering a sustainable solution for our future

Now is the time to act. Recycling is good for our Blue Planet™ and customers are demanding it. Pricing recycling to cover the cost of collections and processing ensures the viability of recycling regardless of commodity price changes or economic fluctuations.

63.8 million

Americans said they will place an item into a recycling container even if they aren't sure it's recyclable²



of customers want recycling and are willing to pay for it³