



*Giving Resources New Life<sup>®</sup>*

## 2020 Sustainability Report



ESTABLISHED 1975

RECYCLING • SOLUTIONS • ORGANICS • COLLECTION • ENERGY • LANDFILLS



# IN THIS REPORT

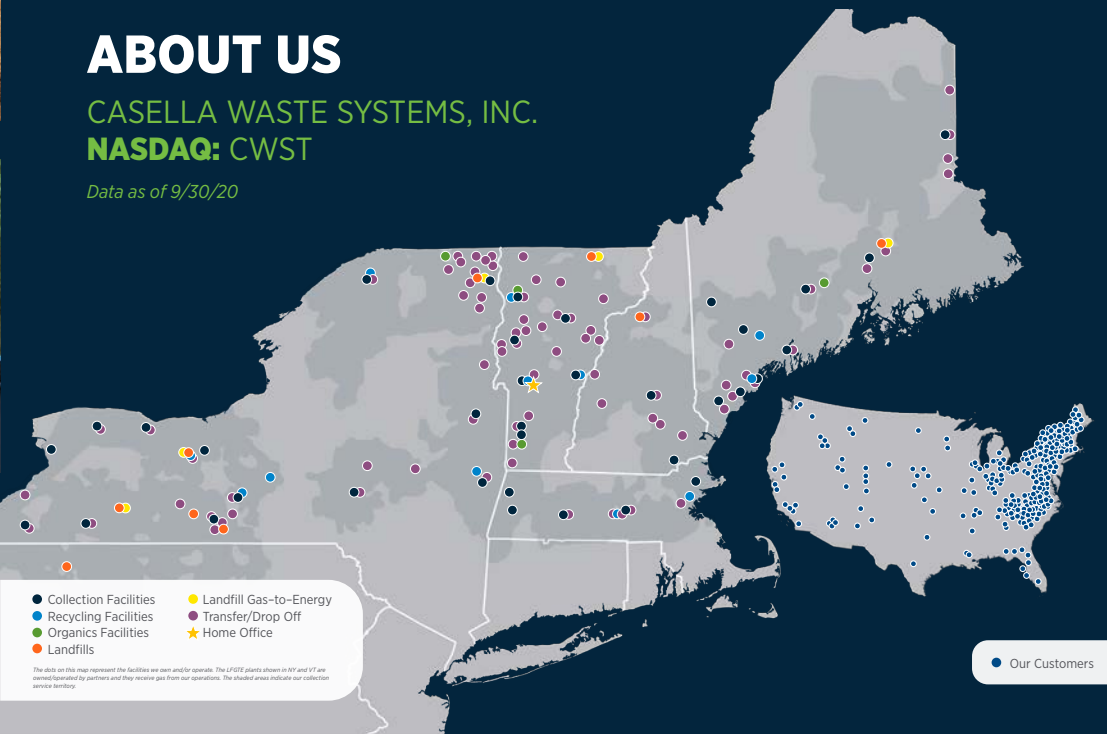
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## ABOUT US

CASELLA WASTE SYSTEMS, INC.

**NASDAQ: CWST**

*Data as of 9/30/20*



**2,494**

NUMBER OF EMPLOYEES



**\$768MM**

ANNUAL REVENUE



**843**

COLLECTION VEHICLES



**>1MM**

TONS RECYCLED

We invite our readers to send comments or questions regarding this report to:  
Casella Waste Systems, Inc., Attn: Abbie Webb, 25 Greens Hill Lane, Rutland, VT 05701 • [abbie.webb@casella.com](mailto:abbie.webb@casella.com)

# ABOUT THIS REPORT

To update stakeholders on our progress toward our sustainability vision, we issue a biennial sustainability report. In this report, we follow a widely-respected reporting framework developed by the Global Reporting Initiative (GRI). **This year's report has been prepared in accordance with the GRI Standards: Core option.** The GRI standards are built upon the following principles:

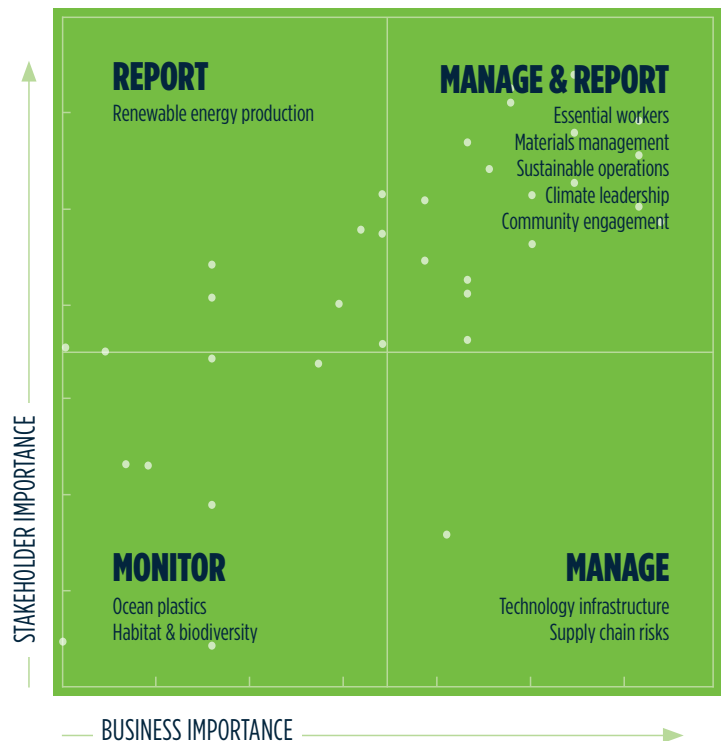
- Stakeholder Inclusiveness:** In preparing our report, we strive to consider the perspectives of six key stakeholder groups: **Employees, Customers, Communities, Investors, Government** and **Supply Chain**.
- Sustainability Context:** Throughout our report, we describe the ways that our sustainability initiatives will bring our actions and impacts into alignment with broader societal goals and environmental limits.
- GRI Materiality:** We report on the topics that are important to our stakeholders and that reflect our largest economic, environmental, and social impacts. These are described in the chart below.
- Completeness:** We strive to provide a full picture of the material sustainability issues within our operational boundaries that best reflect the impacts of our business since our last report.



**GRI Materiality Assessment:** In early 2020, through stakeholder surveys, management interviews, and a facilitated materiality workshop, we identified the environmental, social, and economic topics that are most important to our stakeholders and to our long-term business success. We reviewed those results alongside those identified through our enterprise risk management process. The adjacent chart summarizes the results of our materiality assessment. Individual topics are represented by the white dots, which we have consolidated into topic areas listed in blue text. This report is organized around the five material topics listed in the upper right quadrant.

**Time period:** This report is current through mid-2020. Data points are current as of 12/31/2019, unless otherwise noted.

**Other sustainability documents:** In addition to this sustainability report, our stakeholders may be interested in one or more of the following references: our GRI Content Index, which is appended to this report, and our Sustainability Accounting Standards Board (SASB) disclosure and our CDP Climate disclosure, which are available on our website [ir.casella.com/esg-practices](http://ir.casella.com/esg-practices).



# A MESSAGE FROM OUR CEO

I am writing this letter, and we are sharing this sustainability report, in the midst of one of the most challenging periods in recent history.

For most of 2020, the world has had to confront not only a pandemic, but accelerated social, economic, and political disruption. This change and disruption is exposing useful ways of doing things, and less useful ways of doing things. Although it brings discomfort and pain, it is creating new expectations, new rules, and new opportunities. It is sweeping away dust and cobwebs, and complacency.

It has become clear to me, and I'm sure to many others as well, that we are looking at a unique opportunity to think deeply and creatively about the role our business plays not only in adapting to change, but in leading it.

What role do we play in people's lives, as a place for people of diverse backgrounds, experiences, and talents to come to work, commit to shared values, and learn, grow, and reach their potential?

What are we learning from our experience as an essential service during a massive public health crisis that we can translate more deeply into our mission of protecting and advancing environmental sustainability and public health and safety?

What is our responsibility to engage more deeply in the lives of our communities, not only in investing in the infrastructure that contributes to a cleaner, more sustainable environment, but creating and sharing the value from our work that leads to healthier, more prosperous, livable places?

To us, these are important questions. We have spent most of our 45-year history thinking about sustainability more directly through the things we do, the infrastructure we build, and the expertise we bring to challenges like recycling and resource management.

Now, our understanding of sustainability is calling us to reach further, and to set our sights more broadly on creating a sustainable business culture – from our people to our operations – and create more sustainable value, especially for our customers but for all our stakeholders as well.

As a result, we've articulated much of this vision in this report as a set of 2030 Goals. To us, these sustainability goals are strategic, in that they reflect our broader company strategic direction, and that they drive much of that direction as well. They reflect the company we are becoming. We consider them as important and as serious as other goals, such as our financial performance.

We're also thinking beyond 2030, and are beginning to articulate a vision for the next 30 years. It was nearly twenty years ago that we began asking ourselves how the world around us was changing, and what problems would we get paid to solve thirty years into the future. This thinking formed much of the early foundation for our commitment to becoming a more sustainable business. Being continuously thoughtful around this issue is crucial to our business's ability to adapt and thrive.

This report serves to articulate the foundation underneath our sustainability goals and vision. It discusses the key issues we believe we've made great progress in, and where there is even greater opportunity for sustainable growth and excellence.

In the pages that follow, you'll find a more detailed discussion about how we see ourselves and our business evolving, particularly in the face of change and disruption. From our people to our operations, from the changing needs of our customers and communities to our opportunity to be stewards of our climate, we're excited to meet the challenges of a broader call to sustainability.

In closing, I'd like to make one more very important point. In the face of this 2020 pandemic, full of uncertainty and disruption, the entire Casella team has done extraordinary work. Their dedication, commitment, adaptability, and growth has given me my most grateful and proudest moments in the history of the company.

Our essential workers have kept our communities safer and healthier. In fact, much of the work they do is a noble thing, crucial to modern life in the best of times, and absolutely essential in difficult times. I am certain that as our customers and communities look back on all of this, they will say that Casella demonstrated the best of what people are capable of – caring, reliability, and looking out for each other. Without a doubt, our people are the core of our sustainable culture.

Thank you for your interest in the work Casella is doing to create a more sustainable world. I hope this report gives you a clear picture of our beliefs and our actions to solve important problems.



All the best,

A handwritten signature in black ink, appearing to read "John W. Casella". The signature is fluid and cursive, written over a white background.

John W. Casella  
Chairman & CEO

# SUSTAINABILITY STRATEGY

We are positioning our business to adapt, evolve, and thrive in a rapidly changing world. Two components of our strategic approach – sustainable growth and resource solutions – are highlighted here.

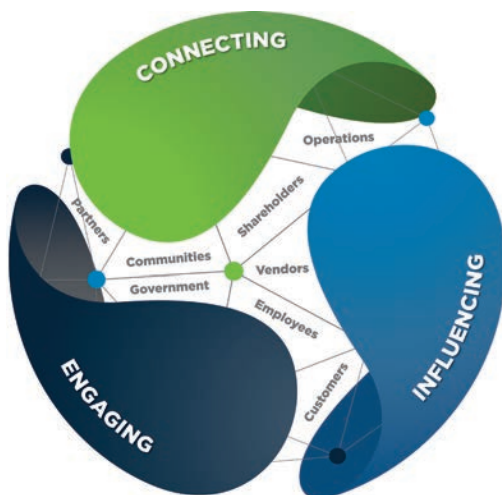
## Sustainable Growth

In recent years, we grew our business by applying our core values while looking inward to execute a powerful financial and operational strategy. We have transitioned to an emphasis on growth via strategic acquisition and development, which has extended our sustainable practices and approach to new operations. For our next wave of growth, we are looking outward to bring renewed focus and discipline to the way we engage with customers, communities, employees, investors, and society. We will sustainably grow our business by increasingly creating and sharing value with external stakeholders.

To craft and deploy this strategy of sustainable growth, we have pulled together our customer care, community engagement, marketing, sales, government affairs, and sustainability units into a unified team focused on each of the areas where our business interfaces with external stakeholders. Through this focus, we are discovering new opportunities to serve customers, grow community trust, ignite passion in our people, build shareholder support, and improve our impact on society.

Our sustainable growth strategy brings to life the principle of the sustainability handprint. By now, most are familiar with the idea of a footprint quantifying one's negative impacts on society and the environment. Similarly, the handprint is a summation of one's positive impacts on society and the environment. Combining the two, we ask ourselves not just how do we do less harm, but how do we do more good?

Sustainable growth is about building a bigger and better business by doing more good, by creating value and sharing it with our external stakeholders.



## Resource Solutions

Our Resource Solutions segment unites our recycling, organics, and customer solutions business units. The team delivers an efficient and effective one-stop-shop resource to help customers meet their waste and recycling goals. Beyond this, the group delivers much more, executing the strategy of sustainable growth as a powerful driver of new business, a builder of talent, and an engine of innovation.

With our Resource Solutions team, we are able to deliver more services to our current industrial, institutional, commercial, and municipal customers. Beyond traditional waste and recycling services, we provide specialty recycling, organics recovery, and advanced resource management services. Our holistic approach positions current customers to achieve their sustainability goals and is a powerful draw for new customers.


To successfully deliver complex resource management services, Resource Solutions has fully embraced Casella's strategic commitment to the growth and development of its people. Customers entrust their sustainability programs to Casella because they trust our talented people to bring a depth of knowledge and the leadership skills required to champion sustainability goals and manage complex organizational change.

Sustainability requires strategic innovation and execution. We have found that the most fertile ground for innovation is the space where our expertise overlaps with the expertise of our customers. Immersed in their customers' operations, our Resource Solutions team is constantly inventing practical solutions to real-world problems, and rapidly advancing the technologies and capabilities of sustainable resource management.

With our unique approach to sustainable growth and resource solutions, we continue to weave sustainability into the fabric of our daily decisions and long-term strategy. As we look to the dynamic years and decades ahead, we are confident in our ability to innovate, adapt, and grow while creating and sharing real value with our customers and communities.


# AN EVOLVING INDUSTRY





**TAKE IT AWAY**

The original job of our industry was to keep neighborhoods clean and healthy by promptly and reliably taking waste away.




**ENSURE SAFE & SECURE DISPOSAL**

The job grew to include closing down local unlined “dumps” and safely securing waste in engineered sanitary landfills.




**DIVERT WASTE & RECOVER RESOURCES**

New technology enabled waste diversion and energy recovery. The approach has important benefits but has not always driven resources to their best possible use.



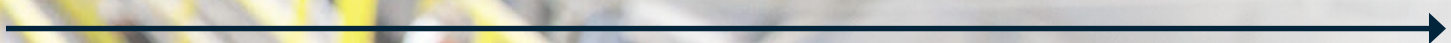

**FEED A CIRCULAR ECONOMY & PROTECT THE CLIMATE**








Today, we must all be working to minimize waste and cycle resources back into supply chains while dramatically slashing carbon emissions and creating real value for stakeholders.



**INDUSTRY EVOLUTION**

**CASELLA MILESTONES**



 <p><b>1975</b></p> <p>Doug Casella founds Casella's Refuse Removal and invites his brother John to join him (Rutland, VT)</p>	 <p><b>1977</b></p> <p>The brothers build their first recycling facility, which is also the first in the State of Vermont</p>	 <p><b>1996</b></p> <p>Casella's public private partnership model is established and brings modern engineering to the Clinton County, NY Landfill</p>	 <p><b>1999</b></p> <p>The Company starts its first food waste collection route and two years later completes the acquisition that would become Casella Organics</p>	 <p><b>2010</b></p> <p>Casella reduces its carbon footprint by 45%, and earns the 2012 EPA Climate Leadership Award for Excellence in GHG Management</p>	 <p><b>2013</b></p> <p>Casella begins to build Resource Solutions, extending professional services to customers across 45 states</p>	 <p><b>2020</b></p> <p>Casella positions for Sustainable Growth, broadening ESG communications and announcing ten strategic sustainability goals for 2030</p>
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# 2030 GOALS & 2050 VISION

## 2030 GOALS

We have established ten sustainability goals for 2030. Every Casella employee has an important role to play in advancing these essential elements of our sustainable growth strategy.



### Essential Workers

#### HEALTH & SAFETY

**Improve our safety performance**, reducing our Total Recordable Incident Rate (TRIR), a measure of accidents and injuries compared to hours worked

2019	2030
6.2	4.0 OR LESS

#### ENGAGEMENT

**Enhance employee engagement**, reducing total employee turnover, including voluntary and involuntary turnover as a percentage of total workforce

2019	2030
36%	25% OR LOWER



### Materials Management

#### RESOURCE SOLUTIONS

**Grow our Resource Solutions business** to reduce, reuse, or recycle over 2 Million tons of solid waste materials per year by 2030

2019	2030
1,053,114 TONS	2,000,000 TONS

#### RENEWABLE ENERGY

**Double the renewable energy from our facilities**, including landfill gas, solar, and geothermal energy from Casella-owned and partner facilities, in MMBTU with a 2019 baseline

2019	2030
733,560 MMBTU	1,454,000 MMBTU



### Sustainable Operations

#### ENVIRONMENTAL COMPLIANCE

**Maintain strong environmental compliance**, reducing our number of sanctions including notices of violation, enforcement orders, and notices of non-compliance/deficiencies

2019	2030
15	8

#### FUEL EFFICIENCY

**Improve our fuel efficiency**, reducing our Gigajoules (GJ) of fuel consumed per ton of waste and recycling collected by 20% below a 2019 baseline

2019	2030
0.495 GJ/TON	0.396 GJ/TON



### Climate Leadership

#### GHG EMISSIONS

**Further reduce our carbon footprint**, measured in metric tons of carbon dioxide equivalents (CO<sub>2</sub>e) from scopes 1 and 2 with a 2010 baseline

2019	2030
33% BELOW 2010	40% BELOW 2010

#### NET CLIMATE BENEFIT

**Grow our Net Climate Benefit Factor**, which is the sum of the GHG emission benefits of our recycling, renewable energy, and carbon sequestration activities, divided by our Scope 1 and 2 emissions

2019	2030
2.9x	5.0x



### Community Engagement

#### COMMUNITY GIVING

**Increase our community giving**, including charitable donations, in-kind services, and local community sponsorships

2019	2030
\$1,000,000 ESTIMATED	\$2,000,000

#### EMPLOYEE VOLUNTEERING

**Increase volunteering in our communities**, as measured by employee volunteer hours

2019	2030
TRACKING TO BEGIN IN 2021	TARGET TO BE ANNOUNCED IN 2022





Tyler Wood  
Vermont



## 2050 VISION

As we manage today's business and advance toward our 2030 targets, it is equally important that we keep our eyes on the horizon, to anticipate and prepare for change, and to imagine what our employees, our customers, our environment, and our society will need from us in the future. This is the essence of sustainable growth.

With the rapidly increasing pace of technological innovation, and the uncertainty of social, economic, and environmental change, thirty years into the future is a long time. History – and a healthy dose of humility – tells us that we might only be able to accurately predict a minor percentage of the specific technologies that will be commonplace in three decades. In a similar vein, we cannot realistically predict the specific pace or direction of change in markets, infrastructure, or culture.

Regardless, we think it is reasonable to see 2050 as a world where the fundamental forces of change at play today – resource limits, global connectedness, climate change, and the pursuit of fairness – continue as challenges, and in which we will find opportunities to create and share value. No matter what these forces bring, our job will always be to sustainably

manage waste and recyclables, using the best available tools and technologies of the day, so our customers and communities can live their lives and the planet remains, well, livable.

We also see 2050 as a place where the definition of waste has shifted, and where the lines between resources, waste, and products continue to blur as the supply chains through which they flow become more circular. Driving this shift will be innumerable challenges and innovations – small and large – many of which have yet to be imagined. To imagine, invent, and deliver these solutions is what excites and motivates us.

Whatever 2050 may bring, for Casella to thrive we will need to continue to distill and nurture the things that make our company great. First, build people. Provide a place where people find deeply meaningful work solving vital human and environmental problems. Second, advance human and environmental health by establishing the vital infrastructure that makes modern life possible and brings society into alignment with natural systems. And lastly, create and share value. Be a company that can confidently say that people, communities, and the planet are better off as a result of the work we do every day.

# ESSENTIAL SERVICES

*In a pandemic, the need for safe, reliable waste and recycling services remains. Even when daily life grinds to a halt, our services will always be needed, and our people will always rise to the occasion to do this essential work.*





# ESSENTIAL SERVICES

In the best of times, the work we do is a noble mission. Every day, our job is to protect and advance public and environmental health and safety. We invest in, build, and operate the infrastructure and services that make modern life and all its comforts possible.

During a crisis such as the COVID-19 pandemic, the essential nature of our work is all that and much, much more. While our lives and jobs and economies shift dramatically, the work we do is simply not an option and is, in fact, one of the underpinnings of a functioning, stable society grappling with a crisis. In simpler terms, the need for safe, reliable waste and recycling services does not change. And so, as many businesses close down and our neighbors, friends, and families stay home, the men and women of Casella are working harder than ever to protect the customers and communities we serve.



Difficult times often bring out the very best in people. Our hope for all of us is that when our customers and communities look back on all of this they will say that Casella and its people have been part of the best things that happened, and demonstrated the best of what people are capable of – caring, dedication, reliability, and looking out for each other.

**Health & Safety:** Through careful adherence to CDC guidance, our teams have been able to maintain social distancing and keep COVID cases extremely low.

**Operations:** With citizens staying home, residential waste and recycling streams have increased substantially, but our operations team has established a Priority Response Team and maintained steady residential productivity metrics.

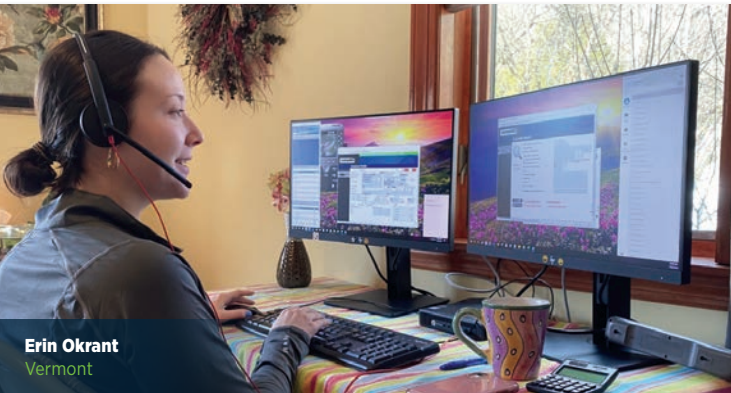
**Technology:** Our technology team rapidly transitioned over 60% of our office workforce to remote work and created real time analytics and dashboards enabling us to redirect trucks and equipment where most needed.

**Customer Care:** Our account representatives and customer care team have stayed closely attuned to customers and adapted nimbly to their rapidly evolving needs.

**Markets:** Although demand for many commodities predictably declined along with the economic slowdown, markets for certain materials flourished. The rise in online shopping has driven demand for recycled cardboard. The revival of backyard gardens made May 2020 the busiest month we've ever had for compost sales.

We continue to draw many important lessons from the pandemic. It has been a master class in adaptability and resilience. It has forced us to think more deeply about the perspectives and experiences of our customers, communities, employees, shareholders, and society. It has reminded us of the significant responsibility that comes with a deep sense of purpose and urgency.

We will continue to draw upon these lessons for years to come. But for us, the most important insight is this: as so many aspects of daily life have ground to a halt, our services will always be needed, and our people will always rise to the occasion day after day to deliver this essential work.



# COMMUNITY GIVING

During the pandemic, we have seen a tremendous outpouring of support from our customers and communities, stepping up in countless ways to help our people get the job done and stay safe. We are grateful for their generosity and are proud to contribute where we can to support our first responders and local economies.



## N-95 Mask Donations

At the onset of the COVID-19 pandemic there was a great need for personal protective equipment for first responders and hospital personnel on the front lines of treating those infected. We were grateful to be in a position where we

were able to donate nearly 140,000 N-95 masks to those who needed them most. The recipients valued the donations at over \$1 million.



## Rochester, NY Healthcare Shoe Donations

Anyone who has worked in the healthcare industry, and as a nurse specifically, will tell you that the days are long and spent primarily on your feet. Alongside an anonymous donor and through a partnership with

Fleet Feet in Rochester, NY we were able to contribute 1,000 pairs of Karhu sneakers and Balega socks to the University of Rochester Medical Center staff. The contribution totaled \$100,000 with Casella contributing half.



## Small Business Support

The small businesses that are the backbone of our local economies have been hard hit by pandemic-related shutdowns. To show our appreciation for their important work, and to support them in reopening, we have found opportunities to

repurpose some of our own advertising budget to help local shops spread the word and invite their customers to come back. We have done this in collaboration with several area chambers of commerce and local media outlets. It has been humbling to give even this small boost to the entrepreneurs who make our communities unique and our economies strong.



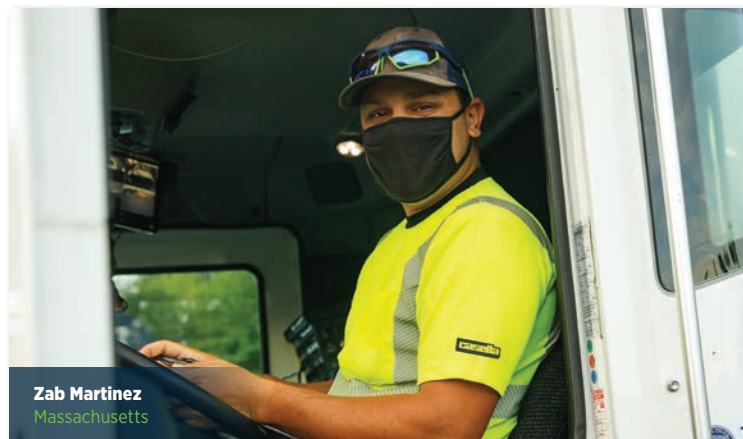
## Meals to Frontline Workers

The fellowship of shared meals brings communities together. This has never been more appreciated than during mandatory quarantines and long hours for frontline workers. In many of our communities we have been able to deliver that

sense of normalcy. At the United Memorial Medical Center in Batavia, NY, our local team provided meals from a local food truck to every shift over the course of three days as just one example.



Mihui Bailey  
New York



Zab Martinez  
Massachusetts

# ESSENTIAL WORKERS

*Without fuss or fanfare, the men and women of the waste and recycling industry rise before dawn and get right to work making modern civilization possible.*

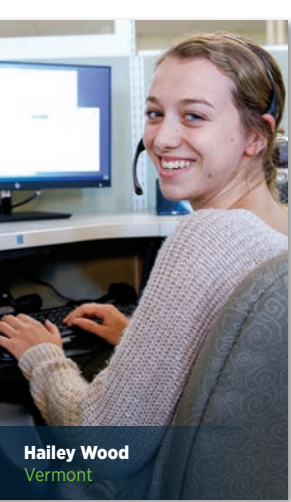




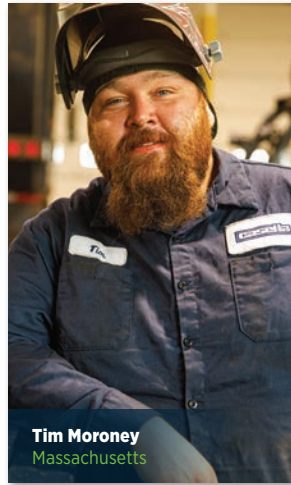
Pete Holman • Maine

# ESSENTIAL WORKERS

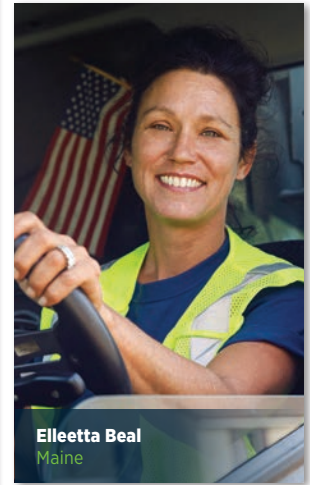
To work for Casella is to stand shoulder to shoulder with talented and hard-working individuals from all different backgrounds and perspectives. Our team consists of drivers, vehicle technicians, sorters, engineers, accountants, customer care specialists, and more. What unites us is our commitment to the customer and our passion for renewing the world's limited resources.



**50%**  
OF CASELLA  
EMPLOYEES  
WEREN'T BORN  
YET WHEN THE  
COMPANY WAS  
FOUNDED



**1 OUT OF  
EVERY 13**  
CASELLA  
EMPLOYEES HAS  
A BACKGROUND  
OF MILITARY  
SERVICE



## CORE VALUES

Casella employees make good decisions for our business, customers, and communities when we adhere to our core values, which provide a shared framework within which to apply our individual skills and strengths to solve problems.

### SERVICE

**We win when we help others.**

We are willing servants. We are sensitive to needs and are eager to be a resource to everyone around us, being generous with our time, talent and energy.

### TRUST

**We excel when we assume the best in each other.**

Mutual respect and an open, honest environment mark our interactions with others. We acknowledge each other's contributions, we practice active listening, and we deliver on our promises.

### RESPONSIBILITY

**We succeed when we balance our freedom to act with a sense of accountability.**

We invest deeply in creativity, autonomy and the willingness to take risks. We recognize these investments bear the greatest fruit when exercised within a framework of disciplined boundaries.

### INTEGRITY

**We thrive when we do the right thing.**

We believe there are enduring principles for everything we do and we strive, in our words and deeds, to meet or exceed those standards.

### CONTINUOUS IMPROVEMENT

**We prosper when we learn, understand, and improve.**

We create opportunities for human talent to thrive. We share what we've learned. We apply the lessons we learn every day to the goal of getting better and better at everything we do.

### TEAMWORK

**We're more effective when we work together.**

Our impact is consistently stronger when we respect, support and view each other as partners.





**Richie Ketter**  
Massachusetts



**Charlotte Love**  
New York

## HEALTH AND SAFETY

### goal

**Improve our safety performance,** reducing our Total Recordable Incident Rate (TRIR), a measure of accidents and injuries compared to hours worked

**2019**  
**6.2**

**2030**  
**4.0 OR LESS**

The top priority in all of our operations is to protect the health and safety of our team and the communities we serve. At the heart of our safety program are our safety and operations teams, who are dedicated to ensuring that every employee gets home to his or her family at the end of each day.

Our safety success begins with hiring: a commitment to the safety of yourself and your team is a prerequisite for employment with Casella. It continues with new hire training, ongoing training, and thousands of daily decisions and actions that add up to a safe day.

Our commitment to our people goes beyond operational safety and extends to the holistic wellbeing of each individual. We strive to provide resources that support the physical and mental health of our employees and the overall well-being of their families.

### SLOW DOWN TO GET AROUND

Slow Down to Get Around (SDGTA) is a national safety campaign that reminds motorists to drive more carefully near waste and recycling vehicles. Being struck by a motorist is a leading cause of death for waste and recycling collection employees, and with proper awareness, is completely preventable.

Casella has worked actively with the Solid Waste Association of North America to advance this important safety message. In addition to advocating for SDGTA legislation in the states where we operate, we are now working to add reflective SDGTA decals to many of our trucks.



## ENGAGEMENT

goal



**Enhance employee engagement**, reducing total employee turnover, including voluntary and involuntary turnover as a percentage of total workforce

2019

36%

2030

25% OR LOWER

We build people and cultivate engagement by investing in our career path programs, which open doors for development and career growth.

- **Apprenticeships:** Through our apprenticeship program for drivers and technicians, we recruit new talent from many backgrounds and help them build the skills they need to thrive. The approach benefits our business, our employees, and our communities.
- **CDL Training:** We believe in providing opportunities that don't require college degrees. In 2019, we supported 45 drivers in securing their commercial drivers license (CDL), which unlocks new opportunities for them within Casella and beyond.
- **Operations Training:** Our operations training program develops individuals into frontline manager roles. Through on-the-job training, participants learn the skills required to handle operations at our hauling divisions. Upon completion, trainees are offered a management position. Comparable programs are also available for landfills, maintenance, and finance.

We believe that people thrive and grow when they can clearly envision their successful future. Our career path programs ensure that each employee is empowered to pursue targeted training and coaching to succeed today and advance to their aspired future role tomorrow.



**Nick Graves**  
Vermont



**Katrina Dussault-Swanson**  
Maine



**Joseph Pantano**  
New York



**Lisa McMenemy**  
Massachusetts

## DIVERSITY & INCLUSION

Casella's commitment to workplace diversity and to fostering a culture of inclusion is rooted in our core values of service, trust, responsibility, integrity, continuous improvement, and teamwork. Only by bringing our diverse backgrounds, cultures, and perspectives together can we develop the innovative waste and recycling solutions needed to build a better tomorrow for the communities and customers we serve.

Across the Company, we find countless examples of individual leadership to advance diversity and inclusion (D&I). Three of these are highlighted on the next page. As we continue down a path of sustainable growth, we remain committed to ensuring that these efforts are emulated and experienced consistently throughout the whole company.

### A Path Forward

Our vision is to draw on our core values to continue striving for diversity throughout our workforce, including our leadership, that represents the geographies in which we serve.

To ensure progress toward our vision, we make the following commitments for the year ahead:

1. We will advance D&I throughout the career paths of our employees, with a year one focus on broadening our recruiting efforts to new talent pools, promoting diversity in our training and development programs, and encouraging diversity within our process for advancing the company's next cohort of leaders.
2. We believe that the awareness and skills necessary to foster an inclusive culture can be learned and developed. We will launch a cultural awareness and competency training program for managers that emphasizes D&I. We will achieve full management participation in that program by the end of 2021.
3. We will incorporate better D&I tracking, procurement, and investment practices as part of our ongoing efforts to establish more strategic partnerships and purchasing platforms with our supplier network.
4. We will establish an internal D&I team that will include broad representation from our workforce and will be led by a member of our executive management team.

## Where We Are

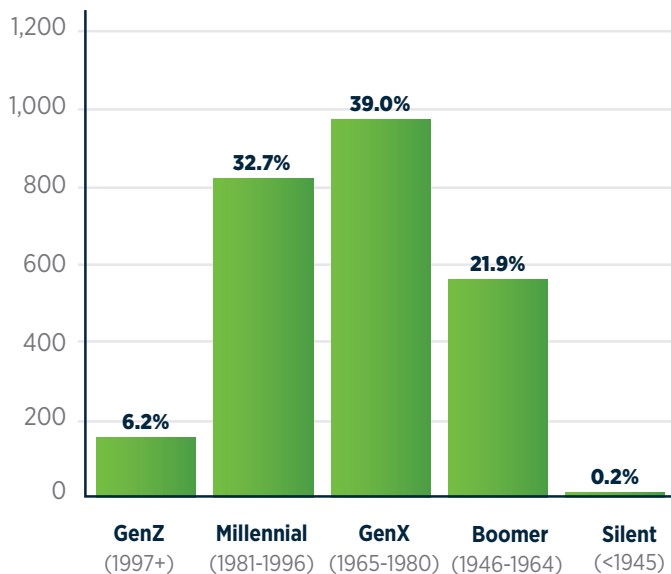
The current diversity of our organization in terms of gender, race, and age is provided in the following charts.

- Females make up 20% of our team, with relatively consistent representation across levels of the organization. Females comprise 6.3% of our drivers and operators, a figure that is trending upward as we succeed in efforts to bring more women to these important operational roles.
- Racial and ethnic minorities make up 12% of our team, which is roughly comparable to U.S. census data for the northeastern states where we operate. The gap between our workforce (13%) and management (5%) will be a focus area for improvement.
- While the transportation industry – including operators and technicians – grapples with the challenges of an aging workforce, we find that the generational mix of our organization is reasonably well balanced, due in large part to our successful apprenticeship programs.

### DIVERSITY AT CASELLA

Gender, Racial, and Generational

	FEMALE	RACIAL MINORITY
<b>BOARD OF DIRECTORS</b>	<b>20%</b>	<b>10%</b>
<b>MANAGEMENT</b>	<b>24%</b>	<b>5%</b>
<b>WORKFORCE</b>	<b>19%</b>	<b>13%</b>
<b>ALL CASELLA</b>	<b>20%</b>	<b>12%</b>



Data as of 9/30/2020

## EXAMPLES OF D&I LEADERSHIP

### NEXT GENERATION JOB TRAINING FOR IMMIGRANT POPULATIONS

The Asian American Civic Association (AACA) empowers immigrant and low-income populations around Greater Boston. The group recognized Casella for being “integral to AACA’s efforts to launch next generation job training programs.” Specifically, Casella played a leadership role in developing and deploying the Green Automotive Maintenance Skills pilot program, which places individuals onto a strong diesel technician career path. Casella received AACA’s Employer of the Year Award (2020).



### HOLISTIC SUPPORT FOR THOSE IN RECOVERY

Casella has been proud to partner with Goodwill of Northern New England to bring their Job Connection program to Rutland, VT. Job Connection offers holistic support to individuals facing barriers to workforce participation, including past addiction, long-term poverty, mental health issues, and more. The collaboration between Casella and Goodwill has been recognized with two awards: the Spirit of Goodwill Award (2019) and the Partnership for Innovation Award (2020) from NHBSR.

### SUPPORT FOR VETERANS

One out of every thirteen Casella employees has a background of military service, and many more of our employees have family members that have served or are serving in the military. Casella is dedicated to hiring veterans, guard and reserve members, and military spouses and giving them opportunities for meaningful growth and development while doing important work. Casella was recently recognized as a Top Employer for Veterans in Maine (2020).

## EMPLOYEE SPOTLIGHTS



With hands-on experience from a variety of positions at our Rutland, VT recycling facility, **WARREN KEOUGH** is advancing his career through our Operations Training Program. Warren's commitment to continuous improvement is seen in his pursuit of higher education from an associate degree to his recent MBA with the support and encouragement of Casella's leadership team.



Building on her foundation in Customer Service, **RACHEL WASHBURN** has advanced in her career with Casella to become our Director of Industrial Solutions. Rachel loves working in an industry where she can learn something new every day and is able to help others achieve their goals.



**LUKE MOLASKI**, a team-oriented driver based in Rutland, VT with six years of experience, earned the 2019 Driver of the Year Award for the Western Region. Luke is inspired by his customers, especially the kids who get excited to see his truck coming down the road.



Joining Casella in 2007 as a Sorter at the Auburn MA Recycling Facility, **JOSE "GABY" APONTE TORRES** found his calling as a Maintenance Supervisor. He is grateful for the supportive learning environment at Casella, and the opportunity to learn many different jobs and become a supervisor. Gaby is motivated by his hardworking team and the dedication of Casella's leaders.



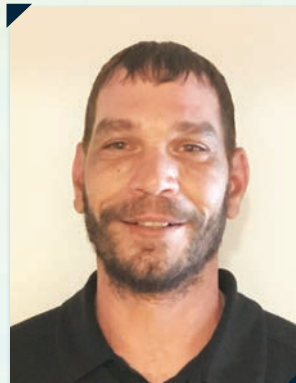
**KNEATH WARRINGTON** discovered Casella through our Military Hiring Program and excelled in our Operations Training Program. He holds a M.S. in Operations and Project Management and is pursuing a Doctorate in Finance. He was recently promoted to Region Project Manager. Kneath also serves in the U.S. Army and draws inspiration from the pride and dedication of the Casella team.



**MELONDA "LONNIE" O'BRIEN** began her career with Casella as a dispatcher and advanced to become a General Manager. This summer Lonnie and her team transformed the front section of their Oneonta, NY facility into a community garden using recycled materials and local compost.



**FELIX VEGA**, a Heavy Equipment Operator with our Auburn, MA division, has been with Casella since 2007. He enjoys learning and has mastered everything from operating a line to various types of equipment and machinery. In 2019, Felix was recognized as Equipment Operator of the Year for the Eastern Region.



**SCOTT SLAVICK'S** career with Casella has grown steadily since 1999 as a Helper in our Geneva Collection Division to his current oversight of multiple facilities in Central New York. Scott was recognized in 2019 as the Operations Manager of the Year for the Western Region, and was recently promoted to General Manager.

**“For more than forty years, we have cultivated a culture of never-ending learning and career growth for our people – seeking to find, engage, develop, and advance our strong and thriving team. Investing in our people creates an engaged and productive team environment leading to outstanding customer satisfaction and business growth.”**

**— John W. Casella**



**IRMA DELEON** began her career with Casella working as a sorter in 1996 and has found her niche as a Line Supervisor in our Charlestown Recycling Facility. Irma enjoys providing employees with resources to help them overcome personal challenges. She finds great joy in working to help others be their best.



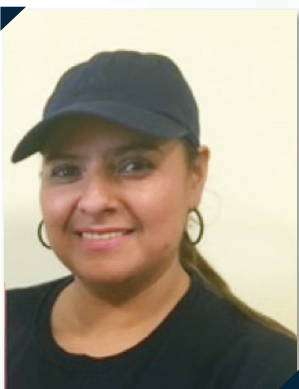
Army Veteran, **BRIAN GROSHON** discovered Casella through our Military Hiring Program in 2013 during his transition to the civilian workforce. He completed our Operations Training Program and has continued to advance to become the Assistant General Manager at our Salem, NH division. Brian enjoys coaching and mentoring his employees to succeed in their careers with Casella.



**SHAHBAZ SOOFI** joined Casella as a Sustainability Analyst, responsible for tracking the company's environmental and social impacts. With support from Casella, he is pursuing a dual MS/MBA in Climate Science and Policy and Sustainability from The Bard Center for Environmental Policy. Shahbaz is the founder and co-host of Casella's "Beyond the Bin" podcast.



**PETER GORCZOK**, a retired Army Veteran, brought his commitment to lead and selflessly serve others to his career at Casella. He began his career working in dispatch for our Waterville, ME Division, later becoming the Operations Manager for our Hermon, ME Division. Peter was recognized as the 2016 Operations Manager of the Year for the Eastern Region.



**MARIA HENRIQUEZ** has been with Casella for 21 years, starting as a sorter in the Charlestown, MA Recycling Facility. After working in a variety of positions, Maria discovered her perfect fit, a skid steer operator, a position for which she received the 2019 Load Operator of the Year for Resource Solutions Recycling Operations.



**CHRIS BALES** began his career as an environmental educator and municipal recycling manager. He found his niche as a Product Specialist in Maine where he distributes compost, mulches, and soil amendments made from municipal and industrial byproducts. In the fall, Chris can be spotted in his pickup with a giant pumpkin grown using Casella's **earthlife** brand of products.



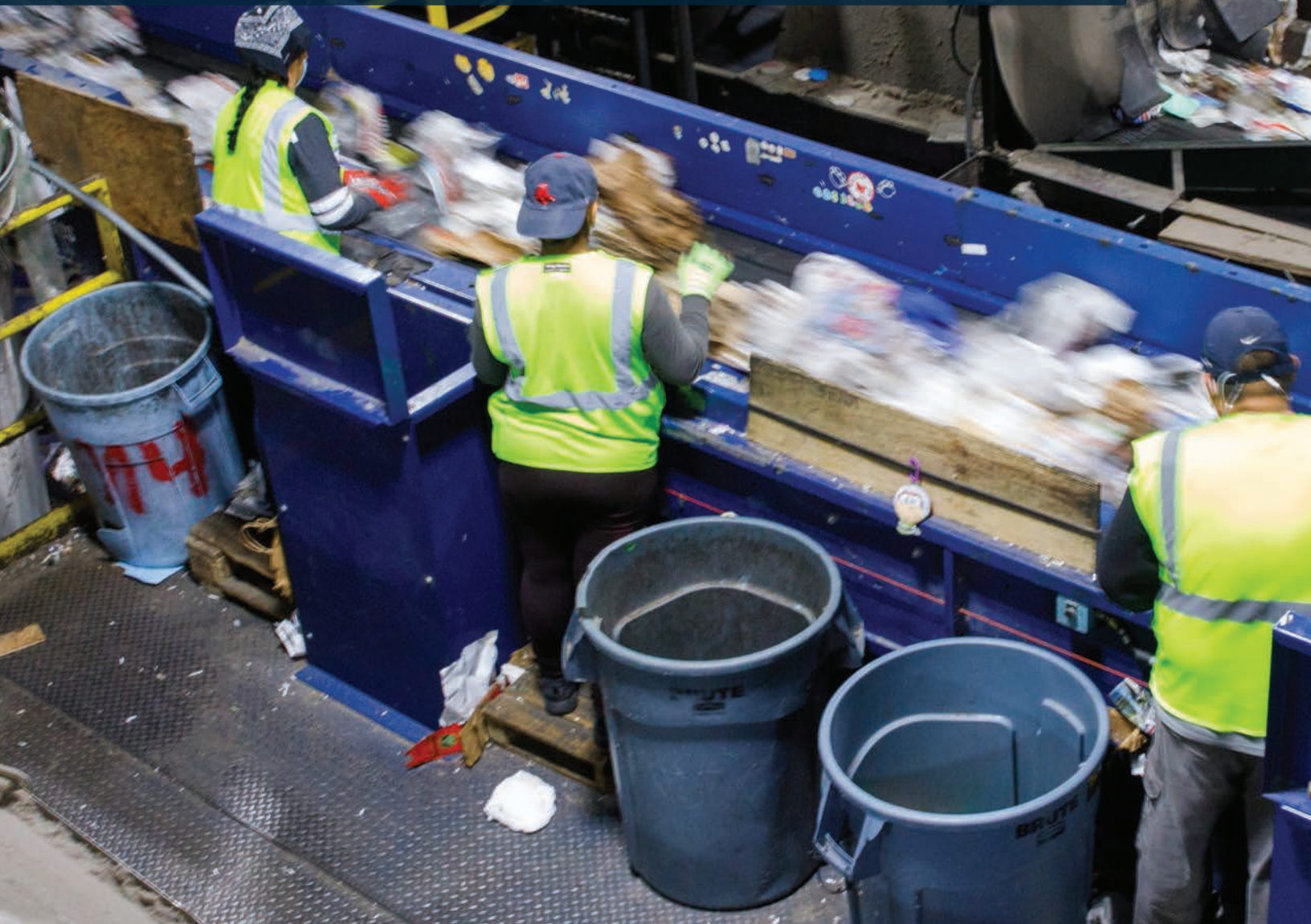
**WINSTON ASH** joined Casella in 2016 as the General Manager for our Rockland County Materials Recovery Facility (MRF) and now leads our Albany Recycling Facility. Winston finds tremendous joy in teaching employees how to do their jobs and to take pride in their work and the results they achieve.



**JULIA POTTER** joined Casella in 2012 looking to repurpose her retail customer service skills as a dispatcher in our Geneva, NY division. Julia's commitment to continuous learning opened a new career opportunity as a company-wide Operations Support Manager. Julia has found Casella to be a company that truly invests in their people and encourages professional growth and development.

# MATERIALS MANAGEMENT

*The work we do, the infrastructure we build, and the investments we make enable our customers and communities to achieve their recycling goals. We are proud to play this integral role in advancing local, regional, and global sustainability.*





# MATERIALS MANAGEMENT

Each year, we recover over a million tons from the waste stream and capture enough landfill biogas to power over 28,000 homes. By 2030, we aim to double both our resource recovery and our renewable energy production. Through sustainable materials management, we help to reduce habitat destruction, biodiversity loss, and greenhouse gas emissions associated with resource extraction and consumption.

## RESOURCE SOLUTIONS



To help our customers achieve their waste and recycling goals, we are called to provide increasingly specialized expertise and infrastructure. Our Resource Solutions team brings unparalleled knowledge, skills, and passion to serve their customers' resource management needs. The group also operates recycling and organics recovery facilities that capture over a million tons of material from the waste stream every year.



We tailor our Resource Solutions to meet the needs of customers in four key segments: industrial, higher education and healthcare, municipal, and commercial. Recent success stories are presented in the case studies below.

**HIGHER EDUCATION & HEALTHCARE: Phillips Academy Andover** is a university-preparatory boarding school in Massachusetts with a deep-rooted commitment to waste reduction, sustainability, and education. Since 2015 Casella has implemented resource management services including food waste services and surplus furniture donation. The campus' Green Move Outs and year-round donation collection efforts alone recover over 30 tons per year.

**COMMERCIAL: Aubuchon Hardware** is a longstanding customer with Casella waste and recycling bins behind 94 store locations throughout the northeast. Some Aubuchon customers may soon find us in the front of stores too, with our **earthlife**® compost products becoming available for sale as part of an innovative pilot at select locations. With our **earthlife** products, we transform organic residuals into valuable soil products for farm, garden, and landscaping projects.

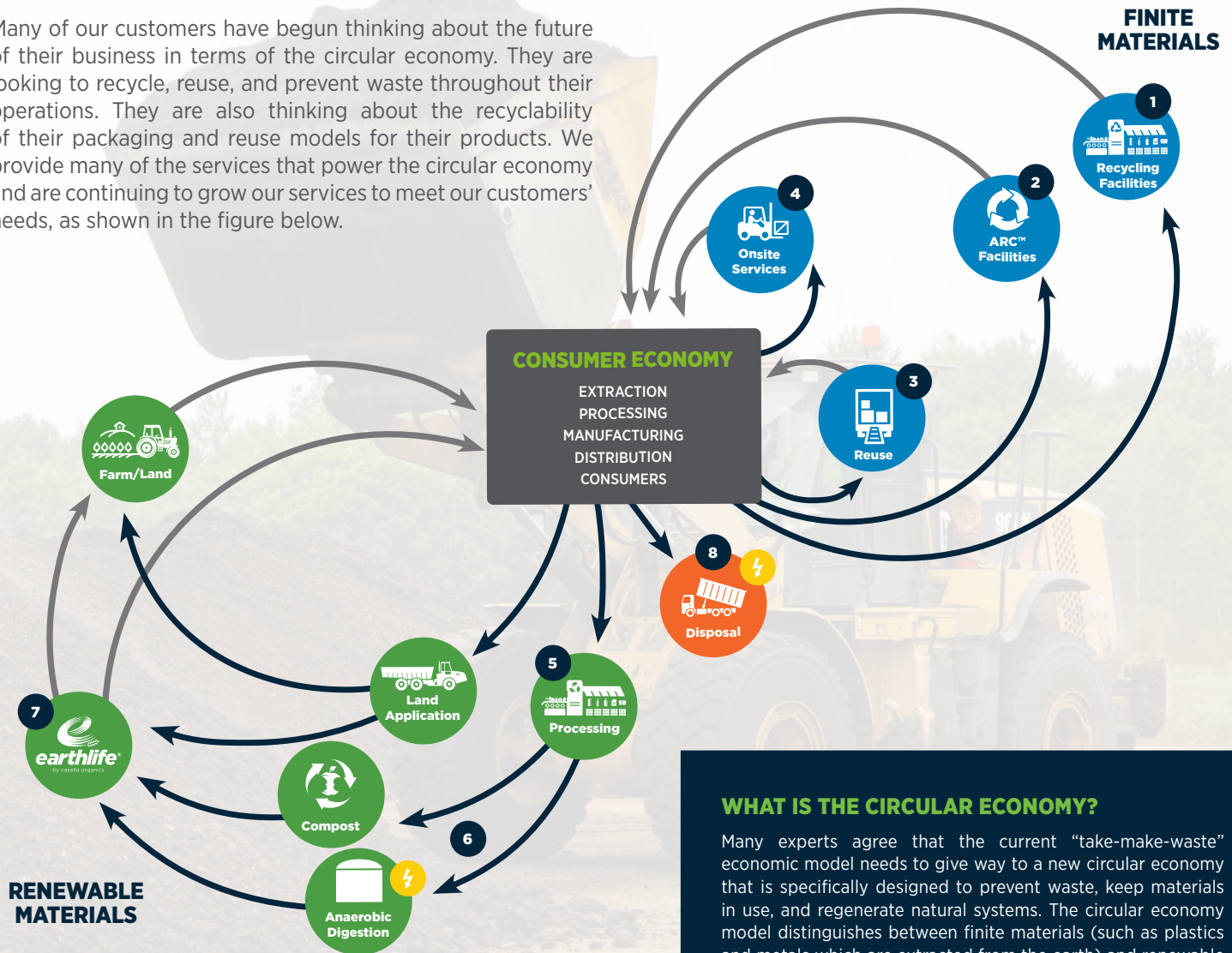
**INDUSTRIAL: Nestlé Purina** has been making high-quality pet food brands at its Allentown, PA, factory for over 80 years. With Casella's support, Purina's factory is achieving its ambitious waste management goals. Casella is able to separate materials to be recycled or used for anaerobic digestion and has installed balers and optimized logistics. By focusing on finding beneficial uses for materials that would have otherwise been discarded, Purina and Casella are helping drive toward a more circular economy.

**MUNICIPAL: The Town of Fairfax, VT** has long worked with Casella to provide waste and recycling services to its residents. In 2020, the municipality furthered its program with the addition of curbside food waste collection and a mobile phone app. Since July 1<sup>st</sup>, the community has recovered over 125 tons of recyclables and food waste, 371 community members have downloaded the mobile app, and residents have completed over 2,100 searches to learn what is recyclable in their town.



# SUPPORTING A CIRCULAR ECONOMY

Many of our customers have begun thinking about the future of their business in terms of the circular economy. They are looking to recycle, reuse, and prevent waste throughout their operations. They are also thinking about the recyclability of their packaging and reuse models for their products. We provide many of the services that power the circular economy and are continuing to grow our services to meet our customers' needs, as shown in the figure below.



## WHAT IS THE CIRCULAR ECONOMY?

Many experts agree that the current “take-make-waste” economic model needs to give way to a new circular economy that is specifically designed to prevent waste, keep materials in use, and regenerate natural systems. The circular economy model distinguishes between finite materials (such as plastics and metals which are extracted from the earth) and renewable materials (such as food waste and other organics which can be returned to nature), with separate loops for each. In this figure, we have mapped our work onto the circular economy system diagram, adapted from the Ellen MacArthur Foundation.

- 1 Recycling facilities:** Our recycling facilities serve thousands of businesses and households and recover over 550,000 tons of recyclable cardboard, paper, metal, plastic, and glass per year.
- 2 Casella ARC™ facilities:** Our unique aggregation and recovery collaborative model enables the capture of specialty recyclables from manufacturing, hospitals, colleges, and more.
- 3 Promoting reuse:** Many items – cardboard cartons, drums, pallets, and more – can be reused extensively prior to recycling. We work with vendors to provide this service.
- 4 Onsite services:** Through onsite management, waste audits, and ongoing support, we help our customers identify unnecessary waste that can be eliminated at the source.
- 5 Organics processing:** To recover the most value from food waste and other organics, we invest in on- and off-site processing equipment. One example is depackaging, which separates food and beverage from packaging to maximize recovery.

- 6 Organics recovery:** We capture approximately 450,000 tons per year of organic residuals including wastewater biosolids, wood ash, paper mill fiber, and food waste. Through methods such as composting, anaerobic digestion, or land application, organic wastes are renewed as resources.
- 7 earthlife® products:** Through our extensive line of branded agricultural and landscaping products we support crop yields and soil health by returning nutrients and carbon to tens of thousands of acres of farmland and managed landscapes.
- 8 Safe and secure disposal:** For materials that are not yet suitable for recycling or recovery, our landfills continue to provide responsible containment. Several of our facilities are connected to landfill gas power plants that generate renewable energy.

## RENEWABLE ENERGY

**goal** 

**Double the renewable energy from our facilities**, including landfill gas, solar, and geothermal energy from Casella-owned and partner facilities, in MMBTU with a 2019 baseline

**2019**

**733,560** MMBTU

**2030**

**1,454,000** MMBTU

With the right infrastructure, society's waste can become a valuable source of renewable energy. Casella began investing in that infrastructure in 2008, when our first landfill-gas-to-energy power plants came online. We have continued to advance the infrastructure through ongoing investments in our gas collection systems and through collaborations with renewable energy partners.

Today, the gas from six of our landfills goes to on- and off-site power plants that yield over 214,000 megawatt-hours (MWh) of electricity. This is enough electricity for 28,000 homes. It is nearly ten times the amount of electricity consumed by all of our 130+ facilities combined.

The next wave of renewable energy infrastructure at our facilities is likely to consist of renewable natural gas (RNG) projects. Rather than using gas to make electricity, these projects refine and compress landfill gas to produce RNG, which can be flexibly used for a variety of off-site uses, including electricity production, home heating, or even vehicle fueling.

On a much smaller but still important scale, we have other options for capturing renewable energy at our facilities. One example is the 12-acre solar farm, owned by Borrego Solar, that is located at our landfill in Coventry, VT. Another example is the innovative landfill heat recovery system that we built to heat our maintenance shop at our landfill in Bethlehem, NH.

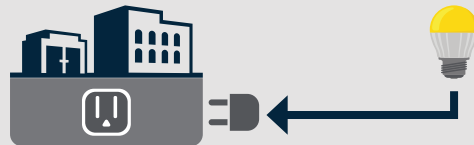
In the coming years, through direct investments and third-party collaborations, we will capture more energy from society's waste, with a goal to double the renewable energy yield of our facilities by 2030.



**Shawn Nason**  
Maine

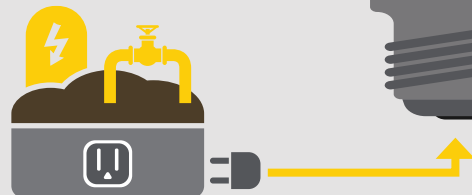
**21,753**

MWh Consumed by Casella Facilities in 2019



**214,985**

MWh Produced by Casella & Partner Facilities in 2019



**PRODUCING ENOUGH ELECTRICITY FOR OVER 28,000 NEW ENGLAND HOMES!**

# RECYCLING SAVES ENERGY

Recycling is an important strategy for energy conservation. This is because extracting raw materials from the environment uses a lot of energy. When society makes new products with recycled materials instead, the energy demand is much lower.

How much lower? According to EPA data, one ton of mixed recyclables will save an average of 4.3 MWh of energy throughout the supply chain. Using EPA factors, we can calculate the energy benefit of the materials we recover.

Although it is not as visible as an array of solar panels, recycling reduces the overall amount of energy required to make new products, making our society less energy intensive, thus making a renewably powered future more achievable.



The energy saved by one bale of recycled soda cans is equal to the annual electricity output of 5 home solar systems



The energy saved by one bale of recycled milk jugs is equal to the annual electricity output of 1.4 home solar systems



The energy saved by one bale of recycled paper is equal to the annual electricity output of 1.5 home solar systems



# SUSTAINABLE OPERATIONS

*These trucks weigh tens of thousands of pounds, but our drivers and technicians know how to make them tread lightly on the landscape.*





**casella**

ESTABLISHED 1975

800-CASELLA • casella.com

**CAUTION**  
VEHICLE STOPS AND BACKS UP FREQUENTLY

# SUSTAINABLE OPERATIONS

Throughout the northeast we operate over 130 facilities and over 843 collection vehicles. To make these operations more sustainable, we are investing in fuel efficiency and alternative fuel vehicles, while maintaining a daily focus on meeting and exceeding our environmental compliance requirements.

## FUEL EFFICIENCY

goal 

**Improve our fuel efficiency**, reducing our Gigajoules (GJ) of fuel consumed per ton of waste and recycling collected by 20% below a 2019 baseline

2019

0.495 GJ/TON

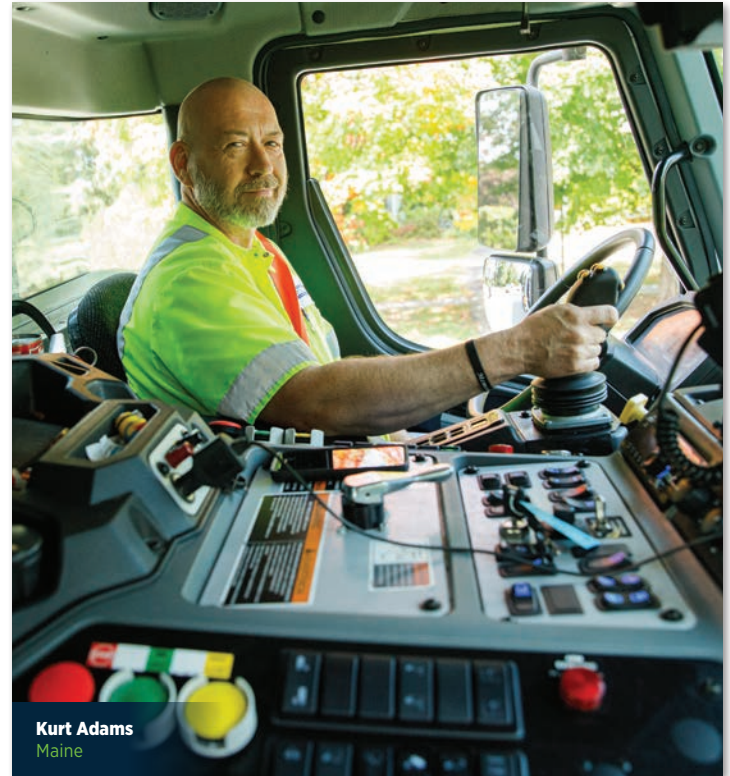
2030

0.396 GJ/TON

By 2030, we aim to improve the fuel efficiency of our waste and recycling collection operations by 20%. We track our performance in terms of Gigajoules of fuel per ton of material collected, which we aim to reduce from 0.495 to 0.396. When we achieve this goal, we expect to be saving over 1 million gallons of diesel fuel per year.

For the past five years, we have worked to standardize and modernize our fleet. The effort has driven significant improvements in our maintenance and productivity metrics and has substantially reduced the average age and size of our fleet. By phasing out and replacing older equipment with newer models, we have improved our emission controls and overall efficiency. We are now turning our focus to increasing our level of automation.

We expect to achieve our next wave of efficiency improvements as we deploy the latest automation technology and improved routing capabilities throughout our fleet. These measures will also deliver important safety benefits. In test markets, the preliminary results have shown a significant improvement in worker safety metrics, a 30% reduction in miles driven, and a 19% increase in driver productivity.



Kurt Adams  
Maine

## ALTERNATIVE FUELS

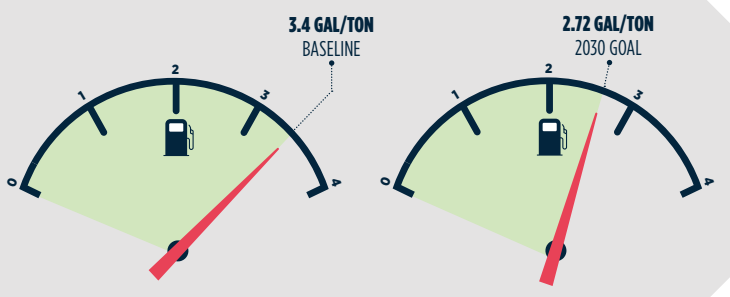
Alternative fuel technology for refuse vehicles has advanced markedly in recent years and we look forward to deploying more compressed natural gas (CNG) and electric vehicles in our fleet over the coming years.

**Compressed Natural Gas (CNG)** vehicles play an important role in our industry's transition away from diesel fuel reliance. These CNG trucks have a lower carbon footprint and a cleaner emission profile compared to standard diesel trucks. They also have the ability to run on Renewable Natural Gas (RNG), opening the possibility that our trucks may one day be fueled by the gas produced at our landfills.

Today CNG vehicles make up 4% of our routed vehicle fleet. In markets with available CNG fueling infrastructure, 19.6% of our routed fleet runs on CNG.

**Electric** vehicle technology continues to advance and is becoming increasingly viable for heavy-duty refuse fleets such as ours. Improvements in battery capacity, vehicle range, and power will help enable the adoption of electric trucks in our industry.

We intend to pilot one or more electric refuse trucks in 2021 to evaluate the progress of the technology and its ability to meet the demands of our collection routes.





## ENVIRONMENTAL COMPLIANCE

### goal

**Maintain strong environmental compliance,** reducing our number of sanctions including notices of violation, enforcement orders, and notices of non-compliance/deficiencies

**2019**

**15**

**2030**

**8**

Compliance with environmental laws and regulations is a core expectation for each of our operations and a daily responsibility of each Casella employee. Our engineering and environmental professionals work with our facility operating teams to continuously manage to this standard.

Our commitment to compliance is best understood within the context of our published environmental policy, which outlines seven key environmental leadership statements on the topics of resource conservation and renewal, environmental compliance, air and climate protection, water protection, land protection, community engagement, and leadership and continuous improvement. Our environmental policy is available for download on our website or in Appendix C of this report.

### GREENING OUR YELLOW IRON

Our push for fuel efficiency extends to our off-road fleet. Today, three of our landfills are running Cat® electric drive dozers, which the manufacturer reports can yield a fuel savings of up to 35%. Additional fuel efficiencies have come from upgrading our landfill compactor equipment.

Having adopted the new technology, the local operating teams report that the equipment works very well while consuming less fuel than the machines they replaced. We will deploy the electric drive dozer technology at two more locations in 2021.



# CLIMATE LEADERSHIP



*For us, fighting climate change is not about doing less; it is about doing more. It is about capturing more gas; producing more renewable energy; reducing, reusing, and recycling more; and sequestering more.*





Mike Dileonardi • Maine

Rising to the global climate challenge requires that we simultaneously reduce our operational emissions and grow our emission-reducing services. We must also prepare and adapt our business for the effects of climate change that are already inevitable.

## EMISSION REDUCTIONS

goal 

**Further reduce our carbon footprint,** measured in metric tons of carbon dioxide equivalents (CO<sub>2</sub>e) from scopes 1 and 2 with a 2010 baseline

**2019**

**33%** BELOW 2010

**2030**

**40%** BELOW 2010

Casella began measuring its carbon footprint in 2006 as a **founding partner of the EPA Climate Leaders program**. As the only waste and recycling company among the program's founding members, Casella worked with EPA staff to test and evaluate new models for quantifying emissions from our industry. We established our 2005 baseline and announced a public reduction target.

In 2012, we received the **EPA's Excellence in Greenhouse Gas (GHG) Management award**, celebrating the company's achievement of a **45% reduction in total GHG emissions from 2005 to 2010**. We achieved those reductions through investments in landfill gas collection, landfill gas to energy facilities, energy efficiency, and alternative fuel vehicles.

Having achieved our first goal, the company has developed a **new target to reduce our GHG emissions to 40% below 2010 levels by 2030**. We will achieve this goal through further investments in landfill gas collection and beneficial use and through fleet and facility efficiency measures.

For a more detailed review of our emissions and a discussion of our corporate approach to climate-related risks and opportunities, readers can view our Sustainable Accounting Standards Board (SASB) disclosure and CDP Climate reporting. These reports are available on the ESG (environmental, social, and governance) section of our website.



# NET CLIMATE BENEFIT

**goal** 

**Grow our Net Climate Benefit Factor**, which is the sum of the GHG emission benefits of our recycling, renewable energy, and carbon sequestration activities, divided by our Scope 1 and 2 emissions

**2019**  
**2.9x**

.....

**2030**  
**5.0x**

The work we do benefits the climate. For every ton of carbon we generate managing our customers' and communities' waste and recyclables, 2.9 tons of carbon are eliminated elsewhere in the economy through recycling, energy production, and carbon sequestration.

Waste reduction, reuse, and recycling activities reduce emissions throughout global supply chains. Renewable energy production displaces more carbon-intensive forms of energy in the power grid. Carbon is sequestered by waste that is landfilled rather than incinerated.

We calculate our Net Climate Benefit Factor by adding the emission benefits of our recycling, renewable energy, and sequestration activities and then dividing this number by our total Scope 1 and 2 emissions. These calculations are all completed using EPA factors and tools.

For a business like ours, rising to the climate challenge means we cannot simply emit less; we must also do more to develop and grow the waste and recycling services that will be required in a low-carbon circular economy future. We will work to increase our Net Climate Benefit Factor to 5x by 2030.

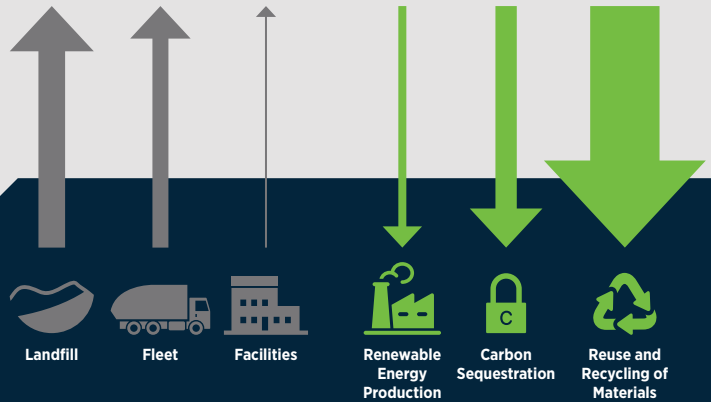


**Gene Barker**  
Maine

## CALCULATING OUR NET CLIMATE BENEFIT FACTOR

*Million Metric Tons of CO<sub>2</sub>e*

0.637   0.070   0.009   -0.019   -0.419   -1.662



	2019	TARGET 2030
<b>Emission Prevention</b>	2.101	↑
<b>Emissions</b>	0.716	↓
<b>NET CLIMATE BENEFIT FACTOR</b>	<b>2.9x</b>	<b>5x</b>

## PLANNING & RESILIENCE

In the face of increasingly frequent and severe storms, we are making our business more resilient so we pass that resilience along to our customers and communities.

To ensure that we can continue to meet the service needs of our customers and communities during major storms, we maintain priority response plans and natural disaster guidance in our facility operating manuals. This includes planning for rapid deployment of workers and equipment to affected areas as well as operational, communication, and safety best practices.

Our field operations at transfer station and disposal facilities are directly impacted by climate factors such as the size and frequency of rain events and the timing and frequency of freeze-thaw cycles. Shifts in these factors require us to revise aspects of our facility design and operating practices.

# COMMUNITY ENGAGEMENT

*At Casella, community is a collective comprised of thousands of employees, customers, business partners, non-profit organizations, government officials, and shareholders all coming together, moving forward in service to one another. Our commitment to the communities we serve, the organizations that support them, and the people who live in them drives us.*





(L-R) Zach Defeo, Diane Sander, Laurel Rice, Hussam Alhallak, Stefany Scott & Courtney Parker • Vermont

# COMMUNITY ENGAGEMENT

We exist to be of service to our community. The Casella community is comprised of our employees, customers, neighbors, and other business partners. Sustainable growth requires that we meaningfully engage with and create shared value for these stakeholders. Through a combination of volunteerism, education, and corporate giving, Casella contributes to sustainable communities throughout its operating footprint and beyond.

## COMMUNITY GIVING

goal



Increase our community giving, including charitable donations, in-kind services, and local community sponsorships

2019

\$1,000,000 ESTIMATED

2030

\$2,000,000

Each Casella division strives to give back to its local community. By supporting spring litter cleanups, contributing to charitable causes, funding youth scholarships, sponsoring neighborhood events, and so much more, each division team finds its own unique ways to create and share value with the local community.

As a company, we strive to not only bring value to our customers through outstanding service, but to also create and share value with everyone in our communities.

Over the coming years, we will work to become more intentional about the ways we create and share value. This will require that we plan, manage, and measure our community giving programs with as much attention and care as we bring to our core operations. With this professional focus, we aim to grow our charitable donations, in-kind services, and local community sponsorships to achieve our 2030 goal of \$2,000,000 in annual community giving.

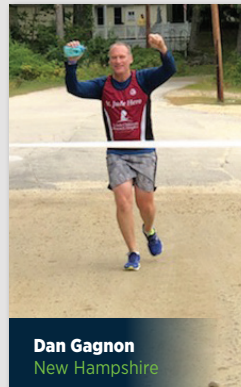


Bill Meyers (right)  
New York

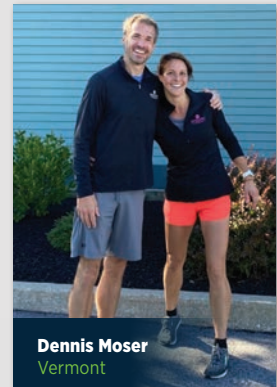
## BOSTON MARATHON

The 124<sup>th</sup> running of the Boston Marathon looked much different than it ever has before and not just because COVID-19 restrictions forced participants to compete virtually. For the first time ever, Casella had two employees qualify for the event.

**Dan Gagnon**, a driver from our Belmont, New Hampshire division raised more than \$10,000 for St. Jude Children's Research Hospital and **Dennis Moser**, SEC Reporting Accountant in our home office raised more than \$50,000 for The Heather Abbott Foundation alongside his wife Katie.



Dan Gagnon  
New Hampshire



Dennis Moser  
Vermont

# EMPLOYEE VOLUNTEERISM

goal



Increase volunteering in our communities, as measured by employee volunteer hours

2019

TRACKING TO BEGIN IN 2021

2030

TARGET TO BE ANNOUNCED IN 2022

Our employees complete thousands of hours of community volunteering, education, and public service each year through work-sponsored programs and on their own time. They volunteer at animal shelters, serve at food cupboards, and mentor young people. They share their knowledge and expertise with countless schools, organizations, and non-profits. They do their part to create strong and supportive communities.

To strengthen and amplify the beneficial impact of employee volunteerism, we are beginning to record and celebrate these hours our people commit to the community. We encourage every Casella employee to participate in at least one workday per year of volunteering, with a particular emphasis on sharing their recycling and sustainability expertise with their communities. We will announce a 2030 volunteering target in 2022.



Littleton Playground Volunteers  
New Hampshire

## HABITAT FOR HUMANITY

Two years after **Hussam Alhallak** and his wife Hazar Mansour gathered their children and a few belongings and fled from war-torn Syria, they found themselves living in a small apartment in Rutland, VT. Having gained refugee status, the couple worked to learn a new language, put themselves through classes to earn accounting certifications, and provide stability for their three children.

What Hussam and Hazar needed most was a home that could provide space and comfort for their growing family. Upon learning about Habitat for Humanity in Rutland, Hussam immediately applied. When his family was awarded the opportunity he said it “was like I was flying.”

In the meantime, using his new accounting credential, he had secured a job as Staff Accountant in Casella’s home office. When his coworkers found out that this year’s build would be for Hussam they quickly donated funds to help the process along. Buoyed by a company match, Casella employees donated more than \$33,000 to the project and volunteered over 40 hours to build the new home.



Diane Sander  
Vermont









(L-R) Rob Folsom with Farmer Frank Caverly • Maine

TOPIC	TARGET	METRIC DESCRIPTION	2019	2020	2030 GOAL
Essential Workers	Health & Safety	Health & Safety Total Recordable Incident Rate (TRIR), a measure of accidents and injuries compared to hours worked	6.18		2.5
	Engagement	Total employee turnover, including voluntary and involuntary turnover as a percentage of total workforce	36%		25%
Materials Management	Resource Solutions	Tons of solid waste materials that we reduce, reuse, or recycle through our operations or with third parties in collaboration with our customers	1,053,114		2,000,000
	Renewable Energy	Renewable energy production, including landfill gas, solar, and other forms of energy from Casella-owned and partner facilities, in MMBTU.	733,560		1,467,000
Sustainable Operations	Environmental Compliance	Number of environmental compliance sanctions including notices of violation, enforcement orders, and notices of non-compliance/deficiencies.	15		8
	Fuel Efficiency	Gigajoules (GJ) of fuel consumed per ton of waste and recycling collected	0.495		
		Percentage below 2019 baseline	0%		20%

TOPIC	TARGET	METRIC DESCRIPTION	2019	2020	2030 GOAL
<b>Climate Leadership</b>	<b>GHG Emissions</b>	Metric tons of carbon dioxide equivalent (CO <sub>2</sub> e) emissions from scopes 1 and 2	715,229		
		Scope 1	710,667		
		Scope 2	4,562		
		Percentage below 2010 baseline	33%		40%
	<b>Net Climate Benefit</b>	GHG benefit of recycling	1,662,000		
		GHG benefit of renewable energy production	19,000		
		GHG benefit of carbon sequestration	419,000		
Net Climate Benefit Factor: the sum of the GHG emission benefits of our recycling, renewable energy, and carbon sequestration activities, divided by our Scope 1 and 2 emissions		2.9		5.0	

<b>Community Engagement</b>	<b>Community Giving</b>	Charitable donations, in-kind services, and local community sponsorships, in U.S. dollars.	\$1.18 Million estimated		\$2 Million
	<b>Employee Volunteering</b>	Employee volunteer hours	Tracking to begin in 2021		Target to be announced in 2022

## GRI 102: GENERAL DISCLOSURES, 2016

### 1. ORGANIZATIONAL PROFILE

**102-1 Name of the organization** p. 2  
Casella Waste Systems, Inc

**102-2 Activities, brands, products, services**  
Primary brands = Zero-Sort® Recycling, Casella Organics™, and earthlife®

**102-3 Location of headquarters** p. 2  
Rutland, VT

**102-4 Location of operations**  
Northeastern United States (VT, NH, ME, MA, NY, PA)

**102-5 Ownership and legal form**  
Corporation

**102-6 Markets served**  
Sectors served include residential, commercial, industrial, institutional, retail, municipal, and agricultural. Our customers include those who generate waste and those who purchase our products.

**102-7 Scale of organization** p. 2  
# of employees: 2,523 (as of 12/31/2019)  
Net sales: Revenue: \$743.3 million (2019)  
Quantity of products or services provided: 6.9 million tons managed (2019)  
9/30/2020 figures are available on page 2 of 2020 Sustainability report

**102-8 Information on employees & other workers** p. 14-21  
Total employees: 2,494 (as of 9/30/2020)  
By employment contract: 80% hourly, 20% salary (as of 9/22/2020)  
By gender: 20% female (9/22/2020)  
By age group: 6% Gen-Z, 33% Millennial, 39% Gen-X, 22% Boomer (9/22/2020)  
By race: 12% non-white (9/22/2020)

**102-9 Supply chain**  
Casella's primary areas of purchasing include heavy-duty collection vehicles, recycling equipment, and landfill construction materials. The company's environmental impact derives primarily from the types and quantities of residuals we receive from our customers, and the degree to which those materials are properly sorted and characterized for recycling or disposal.

**102-10 Significant changes to the organization and its supply chain**  
Since issuing our 2018 sustainability report, the Company has completed strategic acquisitions that have included the expansion of our presence into western New York. The company also closed a landfill in Massachusetts.

**102-12 External initiatives**  
External economic, environmental, or social charters,

This report is prepared in accordance with the GRI Standards: Core option.

principles, or other initiatives to which we subscribe or which we endorse: EPA America Recycles Pledge, New Hampshire Clean Energy Principles

**102-13 Membership of associations** Appendix E

### 2. STRATEGY

**102-14 Statement of senior decision maker** p. 4

### 3. ETHICS & INTEGRITY

**102-16 Values, standards, principles, norms** pp. 16-21  
Appendix C

### 4. GOVERNANCE

**102-18 Governance structure** Appendix D

### 5. STAKEHOLDER ENGAGEMENT

**102-40 List of stakeholder groups** p. 3

**102-41 Collective bargaining agreements**  
5.9% as of 12/31/2019

**102-42 Identifying and selecting stakeholders** Appendix B

**102-43 Approach to stakeholder engagement** Appendix B

**102-44 Key topics and concerns raised** p. 3

### 6. REPORTING PRACTICE

**102-45 Entities included in consolidated financial statements**  
This information can be found in our 2019 Form 10-k

**102-46 Defining report content and topic boundaries** p. 3,  
Appendix A

**102-47 List of material topics** p. 3

**102-48 Restatements of information**  
None.

**102-49 Changes in reporting** p. 3, Appendix A  
The report has been reframed around our 2020 materiality assessment results, which is described on page 3 and in Appendix A.

**102-50 Reporting period** p. 3

**102-51 Date of most recent report**  
2018 (full report); 2019 (progress update)

**102-52 Reporting cycle**  
Biennial

**102-53 Contact point for questions regarding the report** p. 2

## 102-54 Claims of reporting in accordance with the GRI standards

This report has been prepared in accordance with the GRI Standards: core option

102-55 GRI content index. p. 44-45

## 303: WATER & EFFLUENTS, 2018

### 303-1 Interactions with water as a shared resource

The company's water consumption is low, primarily consisting of use for sanitation and drinking water, with limited amounts for irrigation, dust suppression, and vehicle washing. Recycled water is utilized where possible for dust suppression. The largest source of wastewater is leachate collected from active landfill facilities. Landfills work to minimize leachate production through operational best management practices, and dispose of collected leachate at permitted disposal facilities.

### 303-2 Management of water discharge-related impacts

Wastewater streams delivered to permitted wastewater treatment facilities are sampled and tested in accordance with state or facility-specific permits. Onsite treated flows are managed in accordance with approved NPDES discharge permits.

### 303-4 Water discharge by quality and destination

115.0 million gallons of leachate from active landfills was directed to wastewater treatment plants in 2019. 1.8 million gallons of leachate from active landfills was treated and discharged under NPDES permits. Minimal quantities of sanitary wastewater were treated and discharged through permitted septic systems.

## 305: EMISSIONS, 2016

305-1 Direct (Scope 1) GHG emissions p. 32-35, Scorecard  
Scope 1 GHG Emissions: 710,667 MTCO<sub>2</sub>e

305-2 Energy Indirect (Scope 2) GHG emissions p. 32-35, Scorecard  
Scope 2 GHG Emissions: 4,562 MTCO<sub>2</sub>e

## 306: WASTE, 2020

### 306-1 Waste generation and significant waste-related impacts p. 22-27

The ways in which we manage and mitigate our customers' waste can be found in the Materials Management section of our sustainability report.

### 306-2 Management of significant waste-related impacts p. 25

The diagram on this page introduces some of the ways we support and advance a circularity measures.

## 307: ENVIRONMENTAL COMPLIANCE, 2016

307-1 Noncompliance with environmental laws or regulations p. 31, Scorecard

Monetary fines in 2019: \$142,875. Total non-compliance incidents in 2019: 15.

## 403: HEALTH & SAFETY, 2018

403-1 Statement of whether a health & safety management system has been implemented p. 17

403-9 Worker-related injuries p. 17, Scorecard  
Total recordable incident rate

## 404: TRAINING & EDUCATION, 2016

### 404-1 Average hours of training per year per employee

Continuous improvement is one of Casella's six core values and the company supports a culture of lifelong learning. Internal training programs are focused on safety, compliance, operations, leadership, technology, and more. The company also supports employees in developing their skills externally, via college courses and professional certifications. Apprentices receive on average 218 hours of skilled job training. In the coming years, the company plans to establish a Learning Management System that will enable more detailed tracking of training hours, while giving employees added agency in advancing their growth and development.

### 404-2 Programs for upgrading employee skills and transition assistance programs

Casella's employee training programs are discussed on page 18 of this report. Our commercial driver's license (CDL) training program is an important example of transition assistance. Fleet automation makes our operations safer and more efficient, but also reduces our need for helpers. The CDL training program provides a pathway for helpers to transition to new roles as drivers.

### 404-3 Percentage of employees receiving regular performance and career development reviews

Annual performance reviews are conducted at all levels of the company, along with ongoing coaching and development. The company plans to implement a Performance Management System to more comprehensively track and manage its performance review processes beginning in 2021/2022.

## 405: DIVERSITY & EQUAL OPPORTUNITY, 2016

405-1 Diversity of governance and workforce by age, gender, race p. 18-19

## 413: LOCAL COMMUNITIES, 2016

413-1 Operations with local community engagement, impact assessments, and development programs p. 38-39, Scorecard

100% of our operations have implemented some level of community engagement activity. We will be working to formalize and elevate these activities around targeted operations in the coming years.

## Appendix A: Report Development

We prepared this report over the course of 2020. In this, our fifth full Sustainability Report, we remain focused on the same six stakeholder groups (Employees, Customers, Communities, Investors, Government, and Supply Chain) and within the same scope and boundaries (Organizational Control) as in prior years.

This year's process began with a more formalized GRI materiality assessment focused on identifying the material topics for inclusion in our sustainability reporting. The process consisted of an online survey sent to approximately 200 internal stakeholders and 70 external stakeholders, with a response rate of over 40%. The online survey was supplemented with nine stakeholder interviews. The five material topic areas identified through that process are: essential workers, materials management, sustainable operations, climate leadership, and community engagement.

These five topic areas provide the framework for our report, which was further developed with direct input from leaders representing multiple functions throughout our organization. Performance indicator data were compiled by the Sustainability Team. Casella's Director of Sustainability leads our biennial report development process.

We value the input we receive from our key internal stakeholders during the reporting process, and we are actively working on expanding our reach to solicit input from a broader range of stakeholders in our report development process. Our plan for implementing a more robust and comprehensive stakeholder engagement process is explained further in Appendix B.

We issue our reports biennially. In off years, we release a performance indicator scorecard and issue a brief interim update.

## Appendix B: Stakeholder Engagement

Upon issuing each biennial sustainability report, we work to actively engage members of each of our six key stakeholder groups: Employees, Customers, Communities, Investors, Government, and Supply Chain. We conduct this outreach via multiple channels including meetings, webinars, public events, facility tours, and social media. We value sharing our sustainability journey with these stakeholders and drawing upon their insight and feedback to continuously improve our performance.

## Appendix C: Environmental Policy

### Casella Environmental Policy

It is Casella's policy to protect the environment and advance sustainable resource management in all that we do. We provide essential services that protect public health and the environment. We are committed to delivering solutions that are truly – environmentally, socially, and economically – sustainable. Where truly sustainable solutions do not yet exist, we are committed to helping to develop them.

Our most significant environmental impacts derive from our stewardship of society's resources: The recyclables we recover reduce the need for global resource extraction. The organics we recover help to rebuild depleted soils or yield renewable energy. The products we dispose are securely contained and sequestered.

The environmental impacts over which we have the most direct control relate to the selection, construction, maintenance, and/or operation of safe and compliant facilities and vehicles. We also drive environmental sustainability through our corporate strategy, capital allocation, and active development of sustainable business models.

Every Casella employee is responsible for protecting and improving the environment, whether by growing our resource solutions services, maintaining regulatory compliance, or identifying opportunities for continuous improvement and innovation in service of the environment.

Adhering to our environmental policy simultaneously benefits the environment and our business. It promotes regulatory compliance and helps us manage risk. Viewing our business through an environmental lens helps us identify opportunities for growth and competitive advantage.

These seven key Environmental Leadership Statements serve as overarching tenets in implementing our environmental policy:

**Resource Conservation and Renewal:** We develop and deliver resource solutions – including recycling services, organics services, energy capture, and more – to help society meet its sustainable resource management goals.

**Environmental Compliance:** We employ engineering and environmental professionals to support our facilities and compliance programs in accordance with applicable laws, regulations, and company goals. We use technology to measure and track our performance, and to identify opportunities for continuous improvement.

**Air and Climate Protection:** We protect our air resources and the global climate by measuring, calculating, reporting, and controlling the emissions from our operations, facilities, vehicles, and equipment. Through strategies such as landfill gas capture and fleet upgrades, we substantially reduce our emissions.

**Water Protection:** We protect water resources through responsible stormwater management, petroleum handling, preventive maintenance, and leachate management. Training and best management practices ensure we are prepared to promptly respond to any release and take appropriate corrective action.

**Land Protection:** We benefit land resources through organics recovery operations that rebuild soil and through waste reduction and recycling operations that reduce global resource extraction. We minimize our direct impact on the land through extensive environmental best practices at each of our solid waste facilities. Where possible, we work to improve the land through habitat and pollinator projects.

**Community Engagement:** We exist to be of service to our community. The Casella community is made up of our employees, customers, neighbors, and other business partners. Sustainable growth requires that we meaningfully engage with and create shared value for these stakeholders. Through a combination of volunteerism, education, and corporate giving, Casella contributes to sustainable communities throughout its operating footprint and beyond.

**Leadership and Continuous Improvement:** Casella does not claim to be perfect. When we make a mistake or fall short of perfect compliance, we are committed to responding promptly, communicating transparently, and learning from the experience. Similarly, we don't claim to be omniscient. As society's understanding of environmental science and sustainability evolves, we are committed to learning, adapting, and being on the leading edge of emerging technologies and environmental management practices.

## Appendix D: Corporate Governance

The day-to-day business at Casella is carried out by our employees under the direction and leadership of our Chairman and Chief Executive Officer John W. Casella. Led by Lead Director Joseph Doody, the Casella Board of Directors:

- Reviews the company's performance, strategies, and major decisions
- Provides oversight of the company's compliance with legal and regulatory requirements, enterprise risk management, and the integrity of our financial statements
- Provides management oversight including review of the Chief Executive Officer's performance and succession planning for key management roles
- Provides oversight relating to compensation for the Chief Executive Officer, key executives, and the Board, as well as oversight of compensation policies and programs for all employees.

## Board Committees

Our Board has three standing committees—audit, compensation, and nominations & governance—each of which operates under a Board-approved charter. The compensation committee has a stock plan subcommittee. Our Board has determined that all of the committee and subcommittee members are independent as defined under the rules of the NASDAQ stock market. Our corporate governance guidelines, committee charters, code of ethical business conduct, and other governance materials are available on the investor relations page of the Casella corporate website.

## Board Leadership Structure

The Chairman of the Board of Directors, John W. Casella, is also Chief Executive Officer. We believe that our Chief Executive Officer is best situated to serve as Chairman of our Board because he is the director most familiar with our business and industry and is therefore best positioned, collectively with the Lead Director, to establish the Board's agenda and fulfill the other responsibilities of the Chairman of the Board. As our Chief Executive Officer since 1993, Mr. John Casella has been an integral part of the leadership of our Board and his strategic vision has helped to guide our growth and performance. Our Board believes that its leadership structure is appropriate because it strikes an effective balance between strategy development and independent leadership and management oversight in the Board process.

## Communicating with the Independent Directors

Our Board gives appropriate attention to written communications submitted by stockholders. Our Lead Outside Director, with the assistance of our general counsel, is primarily responsible for monitoring communications from stockholders and for providing copies or summaries to the other directors as he considers appropriate. Communications are forwarded to all directors if they relate to important substantive matters and include suggestions or comments that the Lead Outside Director considers to be important for the directors to know. In general, communications relating to corporate governance and long-term corporate strategy are more likely to be forwarded. Stockholders who wish to send communications to our Board may address such communications to:

**Board of Directors, c/o Corporate Secretary,  
Casella Waste Systems, Inc., 25 Greens Hill Lane, Rutland, VT 05701**

Casella maintains a MySafeWorkPlace incident reporting phone line staffed by an independent third party. Individuals can make anonymous reports to MySafeWorkPlace through a toll-free number or via the Casella corporate website to report accounting discrepancies, ethics violations, fraud, theft, harassment, and workplace and fleet safety concerns. We encourage good faith reporting of all concerns and prohibit the retaliation for submission of an incident report. MySafeWorkPlace contact information is included in our employee manual, on the company's intranet, and on posters displayed at our facilities.

## Appendix E: Memberships & Organizations

Casella is a member of or collaborates with the following organizations.

### National

National Recycling Coalition  
National Waste & Recycling Association  
Nwra Future Industry Leaders Alliance  
Nwra Women's Council  
Association of Post-Consumer Plastic Recyclers  
Institute of Scrap Recycling Industries (ISRI)  
Product Stewardship Institute  
Water Environment Federation  
Solid Waste Association of North America (SWANA)  
US Composting Council  
American Biogas Council  
Biomass Power Association  
United Way  
Society of Human Resources Management (SHRM)

### Regional

Northeast Recycling Coalition  
Northeast Resource Recovery Association  
SWANA Northern New England Chapter  
Environmental Business Council of New England  
Goodwill of Northern New England  
North East Biosolids and Residuals Association  
Mid-Atlantic Biosolids Association  
New England Water Environment Association  
New England Nursery Association, Inc.  
New England Water Environment Association, Inc.  
New England Sports Turf Managers Association  
Eastern Paper Mill Suppliers Association  
Northeast Human Resources Association (NEHRA)

### Massachusetts

MassRecycle  
Greater Boston Chamber of Commerce  
Worcester Regional Chamber of Commerce  
Associated Builders and Contractors, Massachusetts Chapter  
Massachusetts Nursery and Landscape Association  
Asian American Civic Association

### Vermont

Vermont Council on Rural Development  
Vermont Chamber of Commerce  
Vermont Truck and Bus Association  
Vermont Businesses for Social Responsibility  
Association of Builders and Contractors VT  
Vermont Human Resources Association (VTHRA)  
Employer Support of the Guard and Reserve (ESGR)  
Champlain Valley Farmer Coalition, Inc.

### Maine

Maine Chamber of Commerce  
Maine Water Environment Association  
Maine Rural Water Association  
Maine Farm Bureau  
Maine Landscape and Nursery Association  
Maine Renewable Energy Association  
Maine Pulp and Paper Association  
Maine Organic Farmers' Association  
Maine Business for Social Responsibility  
Maine Municipal Association  
Maine Resource Recovery Association  
Maine Aggregate Association  
Associated Builders and Contractors of Maine  
Environment and Energy Technical Association  
Maine Motor Transport Association

### New Hampshire

Business and Industry Association of New Hampshire  
New Hampshire Businesses for Social Responsibility  
Association of Builders and Contractors NH  
New Hampshire Timberland Owners Association  
New Hampshire Home Builders Association

### New York

New York State Association for Solid Waste Management  
New York State Solid Waste Federation  
New York State Association for Reduction, Reuse, and Recycling  
New York Water Environment Association  
Mid-Atlantic Biosolids Association  
New York Farm Bureau  
New York Corn and Soybean Growers Association  
Rail Operators of New York Association

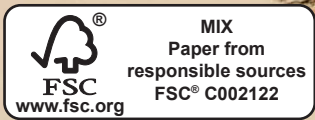


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