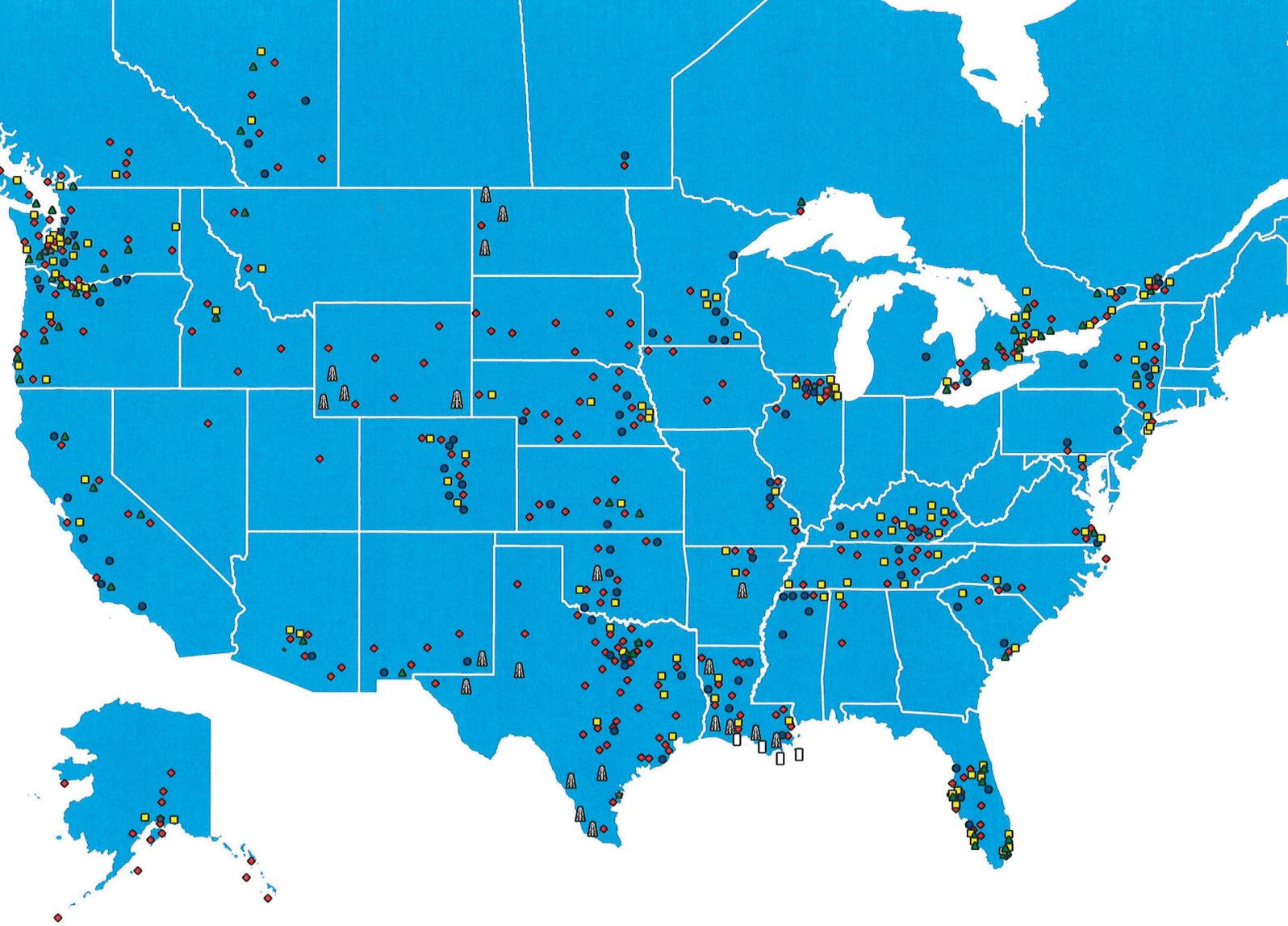




WASTE CONNECTIONS, INC.  
2017 ANNUAL REPORT



*Waste Connections is the premier provider of solid waste collection, transfer, recycling and disposal services in mostly exclusive and secondary markets across the U.S. and Canada. Through our R360 Environmental Solutions subsidiary, we are also a leading provider of non-hazardous exploration and production, or E&P, waste treatment, recovery and disposal services in the U.S. We also provide intermodal services for the rail haul movement of cargo and solid waste containers in the Pacific Northwest.*

## LETTER TO SHAREHOLDERS

2017 was an exceptional year for Waste Connections by almost any metric: safety performance, financial results or positioning for future growth and value creation. Our safety-focused, servant leadership-driven culture delivered a 24% reduction in safety-related incidents, benefitting our employees and the communities we are fortunate to serve.

Acquisitions, continuing strength in underlying solid waste organic growth (price + volume), higher E&P waste activity, and increased recycled commodity values drove strong financial performance and free cash flow generation. Revenue in 2017 grew 37.2% over the prior year to \$4.63 billion, adjusted net income\* increased 45.5% to \$570.7 million, and adjusted net income per share\* increased 26.3% to \$2.16. Adjusted EBITDA\* increased 36.4% to \$1.46 billion, and adjusted free cash flow\* increased 38.7% to \$763.9 million, or 16.5% of revenue and 52.3% of adjusted EBITDA. In addition, adjusted free cash flow on a per share basis increased 21.2% in 2017.

For shareholders, 2017 was our 14th consecutive year of positive shareholder returns, and as shown in the adjacent graphic, our performance continued to outperform sector and market indices.

In spite of record acquisition activity over the past two years, we ended 2017 with an envious combination of high excess cash balances and below-target financial leverage. This strong financial profile keeps us well positioned to not only fund expected continued above-average near-term growth, but to also increase the return of capital to shareholders. In August, we announced the renewal of a normal course issuer bid to provide us with the ability to repurchase up to 5% of outstanding shares during a 12-month period. And in October, we increased our regular quarterly cash dividend by 16.7% to \$0.14 per share.

### TOTAL SHAREHOLDER RETURNS

	Year Ended 12/31/17	5-Year Period Ending 12/31/17
Waste Connections, Inc.	36.5%	230.4%
S&P 500 Index	21.8%	108.1%
Dow Jones U.S. Waste & Disposal Services Index	17.1%	110.0%
S&P/TSX 60 Index	9.8%	56.3%



## CELEBRATING OUR 20TH ANNIVERSARY

Waste Connections celebrated its 20th anniversary in 2017. Since the Company's founding and as depicted below, our differentiated strategy has delivered differentiated results and superior shareholder returns. Five keys to our long-term success are based on embracing the following beliefs, and what we believed 20 years ago when founding the Company is as true today as it was back then.

### Five Keys to Our Long-Term Success

*Solid waste is a commodity business; for most customers and in a majority of markets, the lowest price provider wins.*

*Success is driven by market selection and either asset or contractual positioning in those markets; the sustainability and direction of long-term value creation differ by market.*

*Free cash flow drives value creation; not all markets, revenue or EBITDA generate similar amounts of free cash flow.*

*Companies that win with Human Capital deliver over the long term.*

*Culture Matters; our safety-focused, servant leadership-driven culture has been purposeful. (See Waste Connections: A Servant Leadership Success Story, further below.)*

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	<u>1997</u>	<u>2007</u>	<u>2017</u>
Revenue	\$6 million	\$959 million	\$4.63 billion
# States/Provinces	2/0	23/0	38/6
# Operations			
■ Collections	3	120	261
■ Transfer	0	44	146
■ Recycling	0	26	66
■ Landfill	0	36	90
■ E&P Waste	0	0	41
■ Intermodal	0	6	6
Equity Market Cap	NA	~\$ 2.2 billion	~\$18.7 billion
Adjusted Free Cash Flow	NA	~\$106 million	~\$764 million
Total Shareholder Return since May 1998 IPO	NA	~500%	~3,000%

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## LOOKING AT 2018

Each year brings new challenges, and 2018 will be no different. But each year also brings new growth opportunities. We entered 2018 positioned for another year of exceptional financial performance, expecting a more than 50 basis points year-over-year EBITDA margin expansion and double-digit percentage growth in free cash flow.

Acquisition dialogue also remains near record levels, and we're pleased to have already completed two new market acquisitions in early 2018. In January, we acquired Bay Disposal & Recycling, an integrated provider of solid waste collection, recycling, transfer and disposal services in southeastern Virginia and northeastern North Carolina, consisting of four collection operations, five recycling facilities, one transfer station and a C&D landfill. In February, we entered into an agreement to acquire Right Away Disposal, an integrated provider of solid waste collection, recycling, transfer and disposal services in Arizona's Pinal and Maricopa Counties, consisting of three collection operations, one recycling facility, two transfer stations and an MSW landfill.

This strong start to the year, together with recent enactment in the U.S. of the Tax Cuts and Jobs Act of 2017, record operating performance at many target companies, and rising reinvestment rates for seller proceeds, could make 2018 another year of above-average acquisition activity. Finally, we expect to increase the return of capital to shareholders through another likely double-digit percentage increase in our dividend and resumption of our share repurchase program.

Following Waste Connections' 10th anniversary, we reported almost \$1 billion of revenue in 2007 and stated at that time that we believed our next \$1 billion of revenue growth should produce greater value creation than our first billion, as we expected higher financial returns per future dollar of capital deployed. In the ten years since passed, revenue has grown 4.8 times, while our equity market cap has increased 8.5 times.

We are as confident looking ahead now as we were back then. Here's to our next anniversary!

As always, thank you for your continuing support.



Ronald J. Mittelstaedt  
CHIEF EXECUTIVE OFFICER  
AND CHAIRMAN



Steven F. Bouck  
PRESIDENT



Worthing F. Jackman  
EXECUTIVE VICE PRESIDENT AND  
CHIEF FINANCIAL OFFICER



ACCOUNTABILITY

INTEGRITY

SERVANT LEADERSHIP

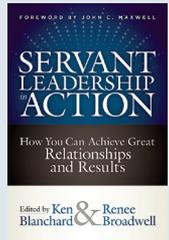
CUSTOMER  
SERVICE

SAFETY

A GREAT PLACE TO WORK

# *Waste Connections: A Servant Leadership Success Story*

Reprinted with permission from *Servant Leaders in Action* by Ken Blanchard and Renee Broadwell. Barrett-Koehler Publishers.



*I met Ron Mittelstaedt, CEO and founder of Waste Connections, a number of years ago when I spoke to his CEO roundtable. Ron and I discovered we were kindred spirits in leadership philosophy. As a result, I got to do some work with Ron and his key managers as they progressed on their servant leadership journey. This essay, written by Rico Maranto, learning and leadership development manager for Waste Connections, will show you how the influence of the top manager can make servant leadership come alive and create great human satisfaction and results.*

—Ken Blanchard

Waste Connections was founded in 1997 when founder and CEO Ron Mittelstaedt acquired a few solid waste companies in the Northwest. Within a few years, Waste Connections had become the fourth-largest solid waste company in the United States and a formidable player in the industry, significantly outperforming its competitors in the stock market.

## **The Problem**

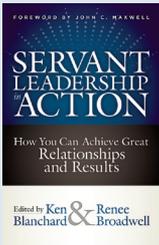
Despite its apparent success, Waste Connections was losing good employees. Out of a staff of 3,000, between 1,200 and 1,400 employees were leaving the organization each year—a turnover rate of more than 40 percent. What's more, 80 percent of those losses were voluntary. People were choosing to leave the company.

Mittelstaedt knew the company would not remain successful if it had to replace and retrain 40 percent of its staff every year. He was particularly concerned about the number of employees who were resigning—and he knew he needed to find a way to keep them.

To help management understand the reason for the high turnover, for a period of two years each person who left the company was asked to fill out an exit survey. More than two thousand survey respondents spelled out the problem: their leaders had failed them. Forty-five percent of those surveyed said they could not have a candid conversation with their manager. An equal number said they were not doing the work they had been hired to do.

Waste Connections' executive leaders needed the managers to take a hard look at themselves. The managers needed to recognize they were the ones their people couldn't talk to. They were the ones who hired people and gave them false expectations. If they wanted to increase employee retention, the leaders had to fix themselves.

Looking back, Mittelstaedt says, “We realized people expected more from the employee/employer relationship than simple management of day-to-day tasks. People needed to feel included, familial, cared for, and empowered. They wanted to know their voice mattered—that they were more than a



number. We had to make a wholesale change. It was a matter of survival. The direction we were heading was not sustainable.”

## The Solution

During his search for a solution to this operational crisis, Mittelstaedt heard about a concept called servant leadership. He learned that it turns the traditional leadership pyramid upside down, placing leaders at the bottom so that they can serve the employees at the top. He learned it requires humility instead of ego. The servant leader’s role is to help others succeed—to serve, not be served. The servant leader seeks to understand what a win looks like for each employee and how to serve each person to help them get that win.

Mittelstaedt considered the premise that employees do not leave companies; they leave managers. He was told servant leadership could make better leaders, create a better place to work, and increase employee retention. But it seemed like soft leadership—so different from the traditional command and control, autocratic style prevalent in the waste management industry. What if employees took advantage of a servant leader’s selflessness? Could a company really achieve outstanding results if leaders simply cared about their people? Would servant leadership work?

Mittelstaedt was convinced it would. He

introduced the concept to Waste Connections senior leaders, saying, “We have a typical top-down leadership pyramid. It may have worked for us at first, but it’s not working now. Times have changed. People have changed. Therefore, we must change. Let’s turn this mind-set upside down!”

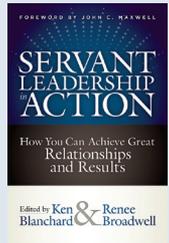
In support of the initiative was Waste Connections CFO, Worthing Jackman, who stated at the time, “I’ll have a higher degree of confidence in our ability to hit financial projections and commitments made by our managers if servant leadership gets embedded in our culture. We’ll actually be running the business, rather than the business running us.”

## The Implementation

Mittelstaedt introduced servant leadership at the 2005 annual managers’ meeting. He discussed the employee turnover problem, explained the long-term impact of high turnover on the organization, shared the results of the employee exit surveys, and set the expectation of change. He then defined servant leadership and invited all of the managers to become servant leaders.

Ken Blanchard was the keynote speaker at that meeting. Ken explained how servant leadership was not soft leadership—yes, it was about relationships, but it was also about results—both results and relationships.

## *Waste Connections: A Servant Leadership Success Story*



Waste Connections is a decentralized organization. Field leaders are expected to be true entrepreneurs and are empowered to run their sites as if they owned them. They are held accountable for results (safety, turnover, financial, etc.), but not for their management methods. Because of the decentralized structure at Waste Connections, corporate leaders rarely tell field leaders what to do or how to do it.

In the spirit of decentralization, Mittelstaedt said to the managers, “We hope you will become servant leaders. We won’t make you do it, but we believe you’ll get better results if you do. And you will be judged by your performance.”

### **Changing the Culture**

Mittelstaedt knew servant leadership would be a monumental change in the organization’s culture. “It was like pushing a snowball uphill for two years,” he says. “There were a lot of dissenters because the concept was so foreign. People thought it wouldn’t work. They wanted to keep doing things the way we had always done them.”

President Steve Bouck says, “The managers were skeptical. They would say, ‘We’re running a lot of trucks and we’ve got a lot of work to do. If I tell an employee what to do, they’d just better do it.’ Helping managers adopt servant leadership required consistent,

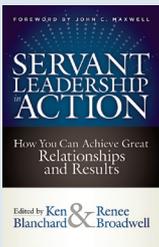
persistent communication and alignment of incentives.”

COO Darrell Chambliss adds, “Implementing servant leadership is hard. It requires continuous reinforcement. We still constantly talk about it and spend resources on it. Unless an organization is committed to doing that, servant leadership will become a dusty book on the shelf.”

Waste Connections did a number of things to change the culture and help managers embrace servant leadership. These were a few of the key initiatives:

- *Introduce a vision, purpose, and values.* “The introduction of our values and our vision of self-directed, empowered employees was a critical piece that helped shape the framework of our culture and leadership style,” says Bouck.
- *Conduct servant leadership training.* Initially, Ron and senior leaders taught full-day servant leadership seminars for all managers. District manager training evolved from teaching how to manage a waste business to teaching how to be a servant leader—and from technical skills to soft skills.

After a period of time, Ron hired a director of leadership development who developed and began teaching a series of



seven servant leadership courses. The new director attended every meeting possible to discuss servant leadership, sent out weekly servant leadership emails to all managers, and talked about servant leadership at every opportunity.

Ron says, “That took servant leadership to a whole new level. It gave servant leadership an identity in the company.”

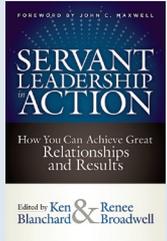
- *Distribute a servant leader newsletter.* Managers who adopted servant leadership began to have successes. To inspire others, a newsletter was created as a medium to share success stories.
- *Distribute a servant leadership survey.* In 2007, a survey was distributed to all employees. The survey asked each employee to rate their supervisor on various servant leadership characteristics. The following year, a percentage of each manager’s bonus—for some, as much as 25 percent—was determined by survey results.
- *Create a Servant Leader Playbook.* At the 2007 annual managers’ meeting, Mittelstaedt announced that servant leadership is a lifestyle, not a program. To illustrate, he gave a diet analogy. He said, “There are thousands of diets out there. If you stick to one, you’ll lose weight. Many people lose weight but then gain it back and say, ‘I was on a diet but now I’m

not.’ The people who keep the weight off start with a diet and it becomes a lifestyle. Healthy living becomes part of their DNA—who they are. We will give you the servant leadership diet. You need to decide if it will become your lifestyle.”

The “diet” Mittelstaedt suggested became known as the *Servant Leader Playbook*. The playbook translated the idea of servant leadership into actions any manager could take to become a better servant leader. This helped servant leadership gain even more traction in the company. Some of the plays in the playbook included:

- post the company’s vision, purpose, and values in your department
- meet with your team and discuss accountability for vision, purpose, and values
- reinforce the values (walk the talk)
- catch people doing something right
- allow time in every meeting for employees to give their manager a to-do list to hold the manager accountable
- coach every day.
- *Create servant leadership awards.* Each year, Waste Connections had recognized

## *Waste Connections: A Servant Leadership Success Story*



managers with awards like Manager of the Year or Most Improved EBITDA (earnings before interest, tax, depreciation, and amortization). But now the company wanted to recognize not only what the best managers did, but how they did what they did. So a Servant Leader of the Year award was created, recognizing the manager who best embodied servant leadership. It is the premier award—the “best picture” of the company’s Oscars.

- *Get self-serving leaders off the bus.* By 2008, servant leadership had gained momentum. About 90 percent of managers had adopted servant leadership and were achieving significant results. At that year’s annual managers’ meeting, Mittelstaedt made an announcement: servant leadership was no longer optional. It was the expected method of leadership throughout the company.

One of the company’s division vice presidents (DVPs) had been recognized two consecutive years at the annual managers’ meeting and seemed to build good relationships with his employees. He achieved impressive results and spoke like a servant leader when talking with senior leadership. Everyone thought he was a good servant leader—everyone but his employees. In their servant leader surveys, they described a very different manager—one who was egotistical and hypocritical.

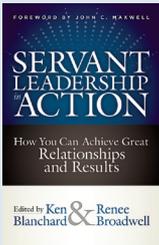
When the DVP’s character came to light, Mittelstaedt and other executives had to make a crucial decision: *Do we keep a manager who gets great results but is not a servant leader?*

Mittelstaedt noted the manager had done very well managing the senior leaders’ perception of him. “But,” he said, “servant leadership isn’t about worrying up; it’s about worrying down. It’s not about what your boss thinks of you; it’s about what your people think of their boss.” Then he stated flatly: “If we have a cancer in our culture, we have to cut it out.”

They fired the DVP. Soon afterward, between fifteen and twenty other managers were either shared with the competition or demoted to an individual contributor position. This sent a clear message to everyone that servant leadership was not an option.

Sue Netherton, vice president of people training and development, explains, “We have to be willing to let people go who are not servant leaders, even if they get good results. Keeping them would be a reflection on our leadership—and would compromise our servant leadership culture.”

- *Hire for character.* Waste Connections also needed to elevate the employee candidate



pool, so they changed their hiring practices. In the past, they had hired applicants with the desired competencies—skill and experience. They learned to hire less for competency and more for character—because, as Mittelstaedt would say, “You can’t train character.” Before they considered a candidate’s skill and experience, the recruiters asked questions to learn if a candidate’s personal values aligned with company values.

## The Results

By the end of 2010, overall turnover had dropped from 40 percent to 17 percent. And of that, only 56 percent was voluntary, down from 80 percent. Waste Connections’ stock was outpacing all of their competitors as well as the S&P, and safety incident rates had dropped 40 percent.

Netherton describes the introduction of servant leadership to Waste Connections as “a defining moment that ultimately led to the success of the organization.”

“Servant leadership made Waste Connections a place where employees *wanted* to be instead of where they *had* to be,” says Bouck. “It was a better place to work, in a tough industry.” Mittelstaedt says, “People hear we have a better company and a great culture, and it attracts better employees. We now find and keep the kind of employees we want to have.”

“Servant leadership defined the expectation of how we wanted the company run by those who run the company,” Chambliss says. “It taught supervisors it was okay to have friendly relationships with their employees. It taught us to communicate from the receiver’s point of view, not just the boss’s. It made us better members of our own families and better members of our communities.”

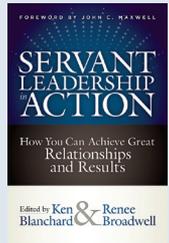
Mittelstaedt sums up the impact of servant leadership: “The whole idea of servant leadership is that it has a positive ripple effect. The way our leaders treat their employees becomes the employees’ vision of leadership. The employees then go out and coach little league teams, serve in their church or community, lead in their families, and leave an indelible servant leadership thumbprint. Their influence improves their families and communities and continues to ripple outward as others lead the way they have been led.”

## Waste Connections Update

In 2016, Waste Connections stock continued to outperform its competitors and the S&P. Safety incident rates were the lowest in the industry. Overall turnover continued to be low and voluntary turnover was lower than it had ever been.

In the summer of 2016, Waste Connections merged with a similar but slightly larger company in terms of employees. The two

## *Waste Connections: A Servant Leadership Success Story*



companies were in the same industry, used similar equipment, and had similar safety standards—but were achieving very different results. The other firm’s voluntary termination rate was 80 percent higher than that of Waste Connections, and their incident rate was four times higher. They had had thirty-one employee/third-party fatalities over the previous four years while Waste Connections had none. They were essentially in the same place Waste Connections had been ten years earlier.

If the companies were so similar, why such different results? A servant leader culture. Dean DiValerio, an assistant regional vice president who joined Waste Connections in the merger, says, “As I look back at various waste companies I’ve worked for, I realize we all used the same trucks and got our employees from the same candidate pool. The true differentiator that has made Waste Connections so successful is servant leadership. It separates them from everyone else in the industry.”

After the merger, Waste Connections immediately introduced the incoming managers to servant leadership. More than forty classes were held for more than a thousand managers. The excitement about servant leadership was palpable.

Within nine months, their employee turnover had dropped 14 percentage points, their



safety incidents had dropped more than 66 percent, and Waste Connections’ stock price had increased from \$66 to \$86 per share [pre June 2017 stock split]. Servant leadership gets results!

Mittelstaedt explains, “Servant leadership has become our DNA—the core of our company. It’s how we do things.”

As Waste Connections moves into the future, servant leadership will continue to be how they do what they do: foster real relationships as they achieve unparalleled results.

# CORPORATE INFORMATION

## EXECUTIVE OFFICERS

Ronald J. Mittelstaedt  
*Chief Executive Officer and Chairman*

Steven F. Bouck  
*President*

Darrell W. Chambliss  
*Executive Vice President and Chief Operating Officer*

Worthing F. Jackman  
*Executive Vice President and Chief Financial Officer*

Matthew S. Black  
*Senior Vice President and Chief Tax Officer*

David G. Eddie  
*Senior Vice President and Chief Accounting Officer*

David M. Hall  
*Senior Vice President - Sales and Marketing*

James M. Little  
*Senior Vice President - Engineering and Disposal*

Patrick J. Shea  
*Senior Vice President, General Counsel and Secretary*

Mary Anne Whitney  
*Senior Vice President - Finance*

Robert M. Cloninger  
*Vice President, Deputy General Counsel and Assistant Secretary*

Keith P. Gordon  
*Vice President - Information Systems*

Eric O. Hansen  
*Vice President - Chief Information Officer*

Michelle L. Little  
*Vice President - Accounting*

Shawn W. Mandel  
*Vice President - Safety and Risk Management*

Susan R. Netherton  
*Vice President - People, Training and Development*

Scott I. Schreiber  
*Vice President - Equipment and Operations Support*

Gregory Thibodeaux  
*Vice President - Maintenance and Fleet Management*

Colin Wittke  
*Vice President - Sales*

Richard K. Wojahn  
*Vice President - Business Development*

## REGION OFFICERS

### WESTERN REGION

Dan Schooler, *Regional Vice President*  
Kevin Joyce, *Regional Controller*

### CENTRAL REGION

Phil Rivard, *Regional Vice President*  
Jason Bjornholt, *Regional Controller*

### SOUTHERN REGION

Rob Nielsen, *Regional Vice President*  
Tyler Kennedy, *Regional Controller*

### EASTERN REGION

Jason Craft, *Regional Vice President*  
Doug McDonald, *Regional Controller*

### CANADA REGION

Dan Pio, *President*  
Marc Fox, *Regional Vice President*  
Jason Pratt, *Regional Controller*

### E&P GROUP

Benson Henry, *Regional Vice President*  
Bill Maak, *Regional Controller*

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Ronald J. Mittelstaedt  
*Chief Executive Officer and Chairman*

Robert H. Davis  
*Managing Partner/President*  
*Rubber Recovery, Inc. - a scrap tire processing and recycling company*

Edward E. “Ned” Guillet  
*Senior Vice President, Human Resources (retired)*  
*The Gillette Company - a global consumer products company*

Michael W. Harlan  
*Chairman and Chief Executive Officer of TruHorizon Environmental Solutions - an oilfield services company, and President of Harlan Capital Advisors, LLC*

Larry S. Hughes  
*Vice President, Finance and Chief Financial Officer (retired)*  
*West Fraser Timber Co. Ltd. - an integrated wood products company*

Susan “Sue” Lee  
*Senior Vice President, Human Resources and Communications (retired)*  
*Suncor Energy Inc. - Canada’s leading integrated energy company*

William J. Razzouk  
*Chairman (retired)*  
*Newgistics, Inc. - a provider of intelligent order delivery and returns management solutions*

### CORPORATE INFORMATION

Waste Connections’ common shares are traded on the New York Stock Exchange and the Toronto Stock Exchange under the ticker symbol WCN.

### ANNUAL AND SPECIAL MEETING

Shareholders are invited to attend our annual and special meeting of shareholders on May 24, 2018, at 10:00 a.m. at our Principal Administrative Office.

### PRINCIPAL ADMINISTRATIVE OFFICE

3 Waterway Square Place, Suite 110  
The Woodlands, TX 77380  
USA  
Tel: (832) 442-2200  
Fax: (832) 442-2290

### PRINCIPAL EXECUTIVE OFFICE

610 Applewood Crescent, 2nd Floor  
Vaughan, Ontario L4K 0E3  
Canada  
Tel: (905) 532-7510  
Fax: (905) 532-7576

### TRANSFER AGENT & REGISTRAR

Computershare  
100 University Avenue, 8th Floor  
Toronto, Ontario M5J 2Y1  
Tel: (800) 564-6253  
Website: [www.computershare.com/ca/en](http://www.computershare.com/ca/en)

### INVESTOR RELATIONS

Additional copies of this report, our Form 10-K, our Management Information Circular and Proxy Statement and other financial information are available to shareholders without charge by contacting our Investor Relations Department at (832) 442-2200. You may also contact us by visiting the Investor Relations page on the Company’s website at <http://wasteconnections.investorroom.com/>.

## SELECTED FINANCIAL DATA

*(in thousands of U.S. dollars)*

SUMMARY BALANCE SHEET	<u>2016</u>	<u>2017</u>
Current assets	\$ 743,392	\$ 1,176,868
Property and equipment, net	4,738,055	4,820,934
Goodwill	4,390,261	4,681,774
Intangible assets, net	1,067,158	1,087,436
Other non-current assets, net	165,059	247,669
Total assets	\$ 11,103,925	\$ 12,014,681
Current liabilities	\$ 692,177	\$ 802,599
Long-term debt and notes payable	3,616,760	3,899,572
Deferred income taxes	778,664	690,767
Other long-term liabilities	361,447	347,673
Total equity	5,654,877	6,274,070
Total liabilities and equity	\$ 11,103,925	\$ 12,014,681
SUMMARY INCOME STATEMENT	<u>2016</u>	<u>2017</u>
Revenue	\$ 3,375,863	\$ 4,630,488
Adjusted EBITDA*	\$ 1,071,089	\$ 1,460,525
Net income attributable to Waste Connections	\$ 246,540	\$ 576,817
Adjusted net income attributable to Waste Connections*	\$ 395,178	\$ 570,666
SUMMARY CASH FLOW DATA	<u>2016</u>	<u>2017</u>
Net cash provided by operating activities	\$ 795,312	\$ 1,187,260
Capital expenditures for property and equipment	\$ 344,723	\$ 479,287
Adjusted free cash flow*	\$ 550,944	\$ 763,891

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\* Non-GAAP measure. See *Non-GAAP Financial Measures* on pages 70-72 of our Annual Report on Form 10-K for the year ended December 31, 2017.

This 2017 Annual Report should be read together with our Annual Report on Form 10-K for the year ended December 31, 2017, including Item 1A—Risk Factors.



## WASTE CONNECTIONS, INC.

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### STATEMENT OF VALUES

#### PURPOSE

Honoring our commitments provides our stakeholders peace of mind and establishes us as the premier waste services company in the markets we serve. This creates a safe and rewarding environment for our employees while protecting the health and welfare of the communities we serve, thereby increasing value for our shareholders.

#### OPERATING VALUES

##### SAFETY

We strive to assure complete safety of our employees, our customers and the public in all of our operations. Protection from accident or injury is paramount in all we do.

##### INTEGRITY

We define integrity as “saying what you will do and then doing it.” We keep our promises to our customers, our employees and our shareholders. Do the right thing, at the right time, for the right reason.

##### CUSTOMER SERVICE

We provide our customers the best possible service in a courteous, effective manner, showing respect for those we are fortunate to serve.

##### TO BE A GREAT PLACE TO WORK

We maintain a growth culture where our employees can maximize their potential personally and professionally. Our objective is to provide an environment where people enjoy what they do and take pride in their work. We wish to embody a work hard, play harder culture.

##### TO BE THE PREMIER WASTE SERVICES COMPANY IN THE U.S. AND CANADA

We continue to provide superior returns, remain environmentally responsible, and grow in a disciplined way, deploying resources intelligently and benefiting communities we live in. We remain a “different breed”.

#### VISION OF THE FUTURE

Our goal is to create an environment where self directed, empowered employees strive to consistently fulfill our constituent commitments and seek to create positive impacts through interactions with customers, communities, and fellow employees, always relying on our Operating Values as the foundation for our existence.

