UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[Mark One]
☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2023
or
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission File Number 1-37556

Stericycle®
We protect what matters.

Stericycle, Inc.
(Name of registrant as specified in its charter)

Delaware	**36-3640402**
(State or other jurisdiction of incorporation or organization)	*(IRS Employer Identification Number)*

2355 Waukegan Road
Bannockburn, Illinois 60015
(Address of principal executive offices, including zip code)
(847) 367-5910
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	SRCL	Nasdaq Global Select Market

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐	Non-accelerated filer ☐
Smaller reporting company ☐	Emerging growth company ☐	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

On April 24, 2023, there were 92,445,372 shares of the Registrant’s Common Stock outstanding.

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Glossary of Defined Terms

Unless the context requires otherwise, the “Company”, “Stericycle”, “we”, “us”, or “our” refers to Stericycle, Inc. on a consolidated basis. The Company also uses several other terms in this Quarterly Report on Form 10-Q, most of which are explained or defined below:

Abbreviation	Description
2022 Form 10-K	Annual report on Form 10-K for the year ended December 31, 2022
Adjusted Income from Operations	Income from Operations adjusted for certain items discussed in Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations
AICPA	American Institute of Certified Public Accountants
COVID-19	The global novel coronavirus disease 2019 outbreak, which the World Health Organization declared to be a pandemic
Credit Agreement	Credit Agreement dated September 30, 2021 and First Amendment dated April 26, 2022, among the Company and certain subsidiaries as borrowers. Bank of America, N.A., as administrative agent, swing line lender, a lender and a letter of credit issuer and the other lenders party thereto, as amended
Credit Agreement Defined Debt Leverage Ratio	As of any date of determination, the ratio of (a) (i) Consolidated Funded Indebtedness as of such date minus (ii) Unrestricted Cash as of such date to (b) Consolidated EBITDA (as defined in the Credit agreement) for the period of four fiscal quarters most recently ended on or prior to such date.
Credit Facility	The Company's $1.2 billion credit facility due in September of 2026 granted under the terms of the Credit Agreement
CRS	Communication and Related Services (Divested December 2022)
DEA	U.S. Drug Enforcement Administration. The DEA is a division of the U.S. Department of Justice. It is the federal agency which regulates the manufacture, dispensing, storage, and shipment of controlled substances including medications with human abuse potential
DOJ	U.S. Department of Justice
Domestic Environmental Solutions	Hazardous Waste Solutions and Manufacturing and Industrial Services (Divested April 2020)
DSO	Days Sales Outstanding, defined as the average number of days that it takes a company to collect payment after revenue has been recorded, computed as the trailing twelve months of Revenues for the period ended DSO, divided by the Accounts Receivable balance at the end of the period
DTSC	U.S. Department of Toxic Substances Control
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization. Another common financial term utilized by Stericycle to analyze the core profitability of the business before interest, tax, depreciation and amortization
ERP	Enterprise Resource Planning
Exchange Act	U.S. Securities Exchange Act of 1934
FASB	Financial Accounting Standards Board
FCPA	U.S. Foreign Corrupt Practices Act
FCPA Settlement	FCPA Settlement with the Securities and Exchange Commission, the Department of Justice and Brazil authorities of approximately $90 million and engagement of an independent compliance monitor for 2 years and self-reporting for additional year
International	Operating segment including Europe, Middle East, Asia Pacific and Latin America (Divested our Brazil operations in April 2023, which was our last remaining Latin America business) Business operations outside of North America
IRS	U.S. Internal Revenue Service
North America	Operating segment in North America, including U.S., Canada and Puerto Rico
NOV	Notice of Violation
Other Costs	Represents corporate enabling and shared services costs, annual incentive and stock-based compensation
Purchase Agreement	Stock Purchase Agreement, dated as of February 6, 2020, by and between Stericycle, Inc., and the Harsco Corporation and CEI Holding LLC, a Delaware limited liability company and subsidiary of Harsco Corporation
PSU	Performance-based Restricted Stock Unit
RSU	Restricted Stock Unit
RWCS	Regulated Waste and Compliance Services, a business unit that provides regulated medical waste services
SEC	U.S. Securities and Exchanges Commission
Senior Notes	5.375% ($600.0 million) Senior Notes due July 2024 and 3.875% ($500.0 million) Senior Notes due January 2029
SG&A	Selling, general and administrative expenses
SID	Secure Information Destruction Services, a business unit that provides confidential customer material shredding services and recycling of shredded paper
SOP	Sorted Office Paper
SQ Settlement	Small quantity medical waste customers class action settlement of $295.0 million
Term Facility	Aggregate amount of commitments made by any lender under the terms of the Credit Agreement
Term Loans	Advances made by any lender under the Term Facility
TSA	Transition Services Agreement
U.S.	United States of America
U.S. GAAP	U.S. Generally Accepted Accounting Principles

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

STERICYCLE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)
(Unaudited)

In millions, except per share data

	Three Months Ended March 31,	
	2023	**2022**
Revenues	$ 684.3	$ 664.2
Cost of revenues	423.3	419.7
Gross profit	261.0	244.5
Selling, general and administrative expenses	216.0	238.6
Divestiture losses, net	5.0	—
Income from operations	40.0	5.9
Interest expense, net	(20.4)	(16.3)
Other income (expense), net	0.2	(0.8)
Income (Loss) before income taxes	19.8	(11.2)
Income tax expense	(8.5)	(2.9)
Net income (loss)	11.3	(14.1)
Net income attributable to noncontrolling interests	(0.1)	(0.1)
Net income (loss) attributable to Stericycle, Inc. common shareholders	$ 11.2	$ (14.2)
Income (Loss) per common share attributable to Stericycle, Inc. common shareholders:		
Basic	$ 0.12	$ (0.15)
Diluted	$ 0.12	$ (0.15)
Weighted average number of common shares outstanding:		
Basic	92.3	92.0
Diluted	92.7	92.0

See accompanying Notes to Condensed Consolidated Financial Statements.

STERICYCLE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)

In millions	Three Months Ended March 31,	
	2023	2022
Net income (loss)	$ 11.3	$ (14.1)
Other comprehensive income (loss):		
Currency translation adjustments	7.9	(8.9)
Total other comprehensive income (loss)	7.9	(8.9)
Comprehensive income (loss)	19.2	(23.0)
Less: comprehensive (loss) attributable to noncontrolling interests	(2.2)	(0.1)
Comprehensive income (loss) attributable to Stericycle, Inc. common shareholders	$ 21.4	$ (22.9)

See accompanying Notes to Condensed Consolidated Financial Statements.

STERICYCLE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

In millions, except per share data

	March 31, 2023	December 31, 2022
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 60.0	$ 56.0
Accounts receivable, less allowance for doubtful accounts of $50.2 in 2023 and $53.3 in 2022	419.5	414.5
Prepaid expenses	34.7	33.2
Other current assets	49.5	55.0
Total Current Assets	563.7	558.7
Property, plant and equipment, less accumulated depreciation of $677.1 in 2023 and $657.7 in 2022	713.0	715.7
Operating lease right-of-use assets	414.7	398.9
Goodwill	2,787.8	2,784.9
Intangible assets, less accumulated amortization of $853.1 in 2023 and $823.3 in 2022	784.8	811.1
Other assets	68.0	64.8
Total Assets	$ 5,332.0	$ 5,334.1
LIABILITIES AND EQUITY		
Current Liabilities:		
Current portion of long-term debt	$ 16.2	$ 22.3
Bank overdrafts	2.4	2.9
Accounts payable	195.3	213.5
Accrued liabilities	220.7	244.1
Operating lease liabilities	95.4	91.2
Other current liabilities	50.5	47.9
Total Current Liabilities	580.5	621.9
Long-term debt, net	1,486.5	1,484.0
Long-term operating lease liabilities	340.2	329.0
Deferred income taxes	431.8	427.0
Long-term income taxes payable	11.4	11.8
Other liabilities	35.6	35.9
Total Liabilities	2,886.0	2,909.6
Commitments and contingencies		
EQUITY		
Common stock (par value $0.01 per share, 120.0 shares authorized, 92.4 and 92.2 issued and outstanding in 2023 and 2022, respectively)	0.9	0.9
Additional paid-in capital	1,289.2	1,285.4
Retained earnings	1,422.0	1,410.8
Accumulated other comprehensive loss	(266.7)	(276.9)
Total Stericycle, Inc.'s Equity	2,445.4	2,420.2
Noncontrolling interests	0.6	4.3
Total Equity	2,446.0	2,424.5
Total Liabilities and Equity	$ 5,332.0	$ 5,334.1

See accompanying Notes to Condensed Consolidated Financial Statements.

STERICYCLE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

In millions

	Three Months Ended March 31,	
	2023	**2022**
OPERATING ACTIVITIES:		
Net income (loss)	$ 11.3	$ (14.1)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation	26.6	27.3
Intangible amortization	28.2	32.4
Stock-based compensation expense	6.9	4.8
Deferred income taxes	4.7	0.7
Divestiture losses, net	5.0	—
Asset impairments, (gain) loss on disposal of property plant and equipment and other charges	(0.4)	0.3
Other, net	0.5	0.6
Changes in operating assets and liabilities:		
Accounts receivable	(4.4)	(37.3)
Prepaid expenses	(1.4)	2.9
Accounts payable	(6.3)	(2.1)
Accrued liabilities	(17.4)	(40.9)
Other assets and liabilities	(3.8)	(13.4)
Net cash from operating activities	49.5	(38.8)
INVESTING ACTIVITIES:		
Capital expenditures	(36.4)	(37.5)
Proceeds from divestiture of businesses, net	0.9	—
Other, net	1.0	0.7
Net cash from investing activities	(34.5)	(36.8)
FINANCING ACTIVITIES:		
Repayments of long-term debt and other obligations	(7.8)	(5.6)
Repayments of foreign bank debt	(0.1)	(0.1)
Proceeds from credit facility	286.9	364.4
Repayments of credit facility	(283.0)	(272.5)
Repayment of bank overdrafts	(0.5)	(0.7)
Payments of finance lease obligations	(0.7)	(0.9)
Proceeds from issuance of common stock, net of (payments of) taxes from withheld shares	(4.9)	(5.2)
Payments to noncontrolling interest	(1.5)	—
Net cash from financing activities	(11.6)	79.4
Effect of exchange rate changes on cash and cash equivalents	0.6	0.2
Net change in cash and cash equivalents	4.0	4.0
Cash and cash equivalents at beginning of period	56.0	55.6
Cash and cash equivalents at end of period	$ 60.0	$ 59.6
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid, net of capitalized interest	$ 32.8	$ 28.0
Income taxes paid, net	$ 0.4	$ 1.4
Capital expenditures in Accounts payable	$ 18.8	$ 17.5

See accompanying Notes to Condensed Consolidated Financial Statements.

STERICYCLE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited)

In millions

	Stericycle, Inc. Equity						
	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity
	Shares	Amount					
Balance as of December 31, 2022	92.2	$ 0.9	$ 1,285.4	$ 1,410.8	$ (276.9)	$ 4.3	$ 2,424.5
Net income	—	—	—	11.2	—	0.1	11.3
Currency translation adjustment	—	—	—	—	10.2	(2.3)	7.9
Issuance of common stock for incentive stock programs, net of (payments of) taxes from withheld shares	0.2	—	(3.1)	—	—	—	(3.1)
Stock-based compensation expense	—	—	6.9	—	—	—	6.9
Changes in noncontrolling interest	—	—	—	—	—	(1.5)	(1.5)
Balance as of March 31, 2023	92.4	$ 0.9	$ 1,289.2	$ 1,422.0	$ (266.7)	$ 0.6	$ 2,446.0

In millions

	Stericycle, Inc. Equity						
	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity
	Shares	Amount					
Balance as of December 31, 2021	91.9	$ 0.9	$ 1,261.8	$ 1,354.8	$ (218.8)	$ 4.1	$ 2,402.8
Net (loss) income	—	—	—	(14.2)	—	0.1	(14.1)
Currency translation adjustment	—	—	—	—	(8.6)	(0.3)	(8.9)
Issuance of common stock for incentive stock programs, net of (payments of) taxes from withheld shares	0.2	—	(3.2)	—	—	—	(3.2)
Stock-based compensation expense	—	—	4.8	—	—	—	4.8
Changes in noncontrolling interest	—	—	—	—	—	—	—
Balance as of March 31, 2022	92.1	$ 0.9	$ 1,263.4	$ 1,340.6	$ (227.4)	$ 3.9	$ 2,381.4

See accompanying Notes to Condensed Consolidated Financial Statements.

STERICYCLE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 — BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies

Basis of Presentation: The accompanying unaudited condensed consolidated financial statements include the accounts of Stericycle, Inc. and its subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The Company's condensed consolidated financial statements were prepared in accordance with U.S. GAAP and include the assets, liabilities, revenues, and expenses of all wholly-owned subsidiaries and majority-owned subsidiaries over which the Company exercises control. Outside stockholders' interests in subsidiaries are shown on the condensed consolidated financial statements as “Noncontrolling interests”.

The accompanying unaudited condensed consolidated financial statements as of March 31, 2023 and for the three months ended March 31, 2023 and 2022, have been prepared pursuant to the rules and regulations of the SEC for interim reporting and, therefore, do not include all information and footnote disclosures normally included in audited financial statements prepared in conformity with U.S. GAAP. In the opinion of management, however, all adjustments, consisting of normal recurring adjustments necessary to present fairly the results of operations, financial position and cash flows have been made. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the 2022 Form 10-K. The results of operations for any interim period are not necessarily indicative of the results of operations to be expected for the full year or any other period.

Use of Estimates: The preparation of financial statements in conformity with U.S. GAAP requires the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Some areas where the Company makes estimates include allowance for doubtful accounts, credit memo reserves, contingent liabilities, asset retirement obligations, stock compensation expense, income tax assets and liabilities, accrued employee health and welfare benefits, accrued auto and workers’ compensation self-insured claims, leases, goodwill and held for sale impairment valuations. Such estimates are based on historical trends and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

NOTE 2 — REVENUES FROM CONTRACTS WITH CUSTOMERS

The Company provides RWCS, which provide collection and processing of regulated and specialized waste, including medical, pharmaceutical and hazardous waste, for disposal and compliance programs and SID services, which provide for the collection of personal and confidential information for secure destruction and recycling of shredded paper.

The Company’s customers typically enter into a contract for the provision of services on a regular and scheduled basis, e.g., weekly, monthly or on an as needed basis over the contract term, e.g. one-time service. Under the contract terms, the Company receives fees based on a monthly, quarterly or annual rate and/or fees based on contractual rates depending upon measures including the volume, weight, and type of waste, number and size of containers collected, and weight and type of shredded paper.

Amounts are invoiced based on the terms of the underlying contract either on a regular basis, e.g., monthly or quarterly, or as services are performed and are generally due within a short period of time after invoicing based upon normal terms and conditions for our business type and the geography of the services performed.

Disaggregation of Revenue

The following table presents revenues disaggregated by service and reportable segments:

In millions

	Three Months Ended March 31,	
	2023	**2022**
Revenue by Service		
Regulated Waste and Compliance Services	$ 451.3	$ 452.6
Secure Information Destruction Services	233.0	211.6
Total Revenues	$ 684.3	$ 664.2
North America		
Regulated Waste and Compliance Services	$ 368.7	$ 362.1
Secure Information Destruction Services	204.7	181.6
Total North America Segment	$ 573.4	$ 543.7
International		
Regulated Waste and Compliance Services	$ 82.6	$ 90.5
Secure Information Destruction Services	28.3	30.0
Total International Segment	$ 110.9	$ 120.5

Contract Liabilities

Contract liabilities at March 31, 2023 and December 31, 2022, were $8.7 million and $7.9 million, respectively. Substantially all of the contract liabilities as of March 31, 2023, are expected to be recognized in Revenues, as the amounts are earned, which is anticipated over the next 12 months.

Contract Acquisition Costs

The Company's incremental direct costs of obtaining a contract, which consist primarily of sales incentives, are deferred and amortized to SG&A over a weighted average estimated period of benefit of 6.5 years.

During the three months ended March 31, 2023 and 2022, the Company amortized $4.0 million and $3.4 million, respectively, of deferred sales incentives to SG&A.

Total contract acquisition costs, net of accumulated amortization, were classified as follows:

In millions

	March 31, 2023	**December 31, 2022**
Other current assets	$ 15.0	$ 14.2
Other assets	43.4	40.5
Total contract acquisition costs	$ 58.4	$ 54.7

Allowance for Doubtful Accounts

The Company estimates its allowance for doubtful accounts based on past collection history and specific risks identified among uncollected amounts, as well as management's expectation of future economic conditions. If current or expected future economic trends, events, or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. Past-due receivable balances are written off when the Company's internal collection efforts have been exhausted.

The changes in allowance for doubtful accounts were reported as follows:

In millions

	Three Months Ended March 31,	
	2023	**2022**
Beginning Balance	$ 53.3	$ 43.3
Bad debt expense, net of recoveries	2.2	5.4
Write-offs	(5.8)	(2.5)
Other changes [(1)]	0.5	2.0
Ending Balance	$ 50.2	$ 48.2

(1) Amounts consist primarily of currency translation adjustments.

NOTE 3 — DIVESTITURES

North America Divestiture

On December 1, 2022, the Company completed the sale of our Communication Solutions business for cash proceeds of approximately $45.0 million. The transaction resulted in a divestiture gain of $15.6 million. In connection with the transaction, the Company entered into certain additional ancillary agreements including a TSA, for up to 12 months. The Company allocated and deferred $1.4 million of the proceeds, which will be recognized over the duration of the TSA period offsetting the expenses incurred to deliver TSA services not reimbursed by the buyer.

International Divestiture

On April 20, 2023, the Company entered into an agreement for the sale of its operations in Brazil for cash consideration to the acquirer of approximately $28 million. Revenues of operations in Brazil were approximately 1% of our consolidated annual revenues for 2022. The transaction is expected to result in a second quarter divestiture pre-tax loss of approximately $100 million, of which $72 million relates to the reclassification of non-cash accumulated currency translation adjustments to earnings. As of March 31, 2023, the operations in Brazil did not meet the assets held for sale criteria. In connection with the agreement, the Company entered into a TSA with the acquirer for a period of up to six months. The agreement provides for indemnifications to the acquirer against certain liabilities.

On January 19, 2023, the Company exited its International container manufacturing operations, for cash proceeds of approximately $2.2 million. The transaction resulted in a divestiture loss of $5.0 million. In connection with the transaction, the Company entered into certain additional ancillary agreements, including an exclusive two-year supply agreement for containers.

NOTE 4 — DEBT

The Company's long-term debt consisted of the following:

In millions

	March 31, 2023	December 31, 2022
$1.2 billion Credit Facility, due in 2026	$ 158.4	$ 154.1
$200 million Term Loan, due in 2026	200.0	200.0
$600 million Senior Notes, due in 2024	600.0	600.0
$500 million Senior Notes, due in 2029	500.0	500.0
Promissory notes and deferred consideration weighted average maturity of 3.3 years at 2023 and 3.4 years at 2022	36.8	44.7
Foreign bank debt weighted average maturity 4.7 years at 2023 and 5.0 years at 2022	0.3	0.4
Obligations under finance leases	17.5	18.2
Total debt	1,513.0	1,517.4
Less: current portion of total debt	16.2	22.3
Less: unamortized debt issuance costs	10.3	11.1
Long-term portion of total debt	$ 1,486.5	$ 1,484.0

The estimated fair value of our debt approximated $1.4 billion and $1.4 billion as of March 31, 2023 and December 31, 2022, respectively. These fair value amounts were estimated using an income approach by applying market interest rates for comparable instruments and developed based on inputs classified as Level 2.

The weighted average interest rates on long-term debt, excluding finance leases were as follows:

	Three Months Ended March 31, 2023	Year Ended December 31, 2022
$1.2 billion Credit Facility, due in 2026 (variable rate)	6.24 %	5.92 %
$200 million Term Loan, due in 2026 (variable rate)	5.93 %	5.88 %
$600 million Senior Notes, due in 2024 (fixed rate)	5.38 %	5.38 %
$500 million Senior Notes, due in 2029 (fixed rate)	3.88 %	3.88 %
Promissory notes and deferred consideration (fixed rate)	3.48 %	3.49 %
Foreign bank debt (fixed rate)	9.80 %	9.80 %

The Credit Agreement contains, among other covenants, a financial covenant requiring maintenance of a maximum Credit Agreement Defined Debt Leverage Ratio of 4.00 to 1.00 for any fiscal quarter ending on or after September 30, 2022, which includes, among other provisions, $50.0 million cash add backs to EBITDA and with respect to any four fiscal quarter period ending on or before December 31, 2023. As of March 31, 2023, the Company was in compliance with its financial covenants. The Credit Agreement Defined Debt Leverage Ratio was 3.05 to 1.00, which was below the allowed maximum ratio of 4.00 to 1.00 as set forth in the amended Credit Agreement. If the Company's 2024 Senior Notes are still outstanding 91 days prior to their respective maturity date (the “Springing Maturity Date”), then the Credit Agreement maturity date will be the Springing Maturity Date.

Amounts committed to outstanding letters of credit and the unused portion of the Company's Senior Credit Facility were as follows:

In millions	March 31, 2023	December 31, 2022
Outstanding letters of credit under Credit Facility	$ 60.2	$ 60.1
Unused portion of the Credit Facility	981.4	985.7

NOTE 5 — INCOME TAXES

The Company reported an income tax expense of $8.5 million and $2.9 million for the three months ended March 31, 2023 and 2022, respectively. The effective tax rates for the three months ended March 31, 2023 and 2022, were 42.9% and (25.9)%, respectively. The effective tax rate for the three months ended March 31, 2023, reflects (i) equity-based compensation awards expiring without a tax benefit and (ii) losses in jurisdictions that are not eligible for tax benefits on account of valuation allowances. The effective tax rate for the three months ended March 31, 2022, reflects (i) a nondeductible FCPA Settlement expense increase, (ii) losses in jurisdictions that are not eligible for tax benefits on account of valuation allowances, and (iii) equity-based compensation awards expiring without a tax benefit.

NOTE 6 — EARNINGS (LOSS) PER COMMON SHARE

Basic earnings (loss) per share is computed by dividing Net income (loss) by the number of weighted average common shares outstanding during the reporting period. Diluted earnings per share is calculated to give effect to all potentially dilutive common shares that were outstanding during the reporting period, only in the periods in which such effect is dilutive.

The following table shows the effect of stock-based awards on the weighted average number of shares outstanding used in calculating diluted earnings per share:

In millions of shares	Three Months Ended March 31,	
	2023	2022
Weighted average common shares outstanding - basic	92.3	92.0
Incremental shares outstanding related to stock-based awards (1)	0.4	—
Weighted average common shares outstanding - diluted	92.7	92.0

(1) In periods of net loss, stock-based awards are anti-dilutive and therefore excluded from the loss per share calculation.

Anti-dilutive stock-based awards excluded from the computation of diluted earnings (loss) per share using the treasury stock method includes the following:

In thousands of shares	Three Months Ended March 31,	
	2023	2022
Option awards	815	1,456
RSU awards	1	122

PSUs are offered to key employees and are subject to achievement of specified performance conditions. Contingently issuable shares are excluded from the computation of diluted earnings per share based on current period results. The shares would not be issuable if the end of the quarter were the end of the contingency period. If such goals are not met, no compensation expense is recognized, and any previously recognized compensation expense is reversed.

NOTE 7 — SEGMENT REPORTING

The Company evaluates, oversees, and manages the financial performance of two operating and reportable segments – North America and International.

The following tables show financial information for the Company's reportable segments (see *Note 2 – Revenue from Contracts with Customers* for segment revenues):

In millions

	Three Months Ended March 31,	
	2023	**2022**
Adjusted Income from Operations		
North America	$ 160.3	$ 134.6
International	10.3	11.4
Other Costs	(85.9)	(87.0)
Total Adjusted Income from Operations	$ 84.7	$ 59.0

The following table reconciles the Company's primary measure of segment profitability, Adjusted Income from Operations, to Income from operations:

In millions

	Three Months Ended March 31,	
	2023	**2022**
Total Reportable Segment Adjusted Income from Operations	$ 84.7	$ 59.0
Adjusting Items:		
ERP and System Modernization	(2.7)	(5.6)
Intangible Amortization	(28.2)	(32.4)
Portfolio Optimization	(5.6)	(1.3)
Litigation, Settlements and Regulatory Compliance	(8.2)	(13.8)
Income from operations	$ 40.0	$ 5.9

NOTE 8 — COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company operates in highly regulated industries and responds to regulatory inquiries or investigations from time to time that may be initiated for a variety of reasons. At any given time, the Company has matters at various stages of resolution with the applicable government authorities. The Company is also routinely involved in actual or threatened legal actions, including those involving alleged personal injuries and commercial, employment, environmental, tax, and other issues. The outcomes of these matters are not within the Company’s complete control and may not be known for prolonged periods of time. In some actions, claimants seek damages, as well as other relief, including injunctive relief, that could require significant expenditures or result in lost revenue.

In accordance with applicable accounting standards, the Company establishes an accrued liability for loss contingencies related to legal and regulatory matters when the loss is both probable and reasonably estimable. If the reasonable estimate of a probable loss is a range, and no amount within the range is a better estimate than any other, the minimum amount of the range is accrued. If a loss is not probable or a probable loss is not reasonably estimable, no liability is recorded. When determining the estimated loss or range of loss, significant judgment is required to estimate the amount and timing of a loss to be recorded. These accruals represent management’s best estimate of probable losses and, in such cases, there may be an exposure to loss in excess of the amounts accrued. Estimates of probable losses resulting from litigation and regulatory proceedings are difficult to predict. Legal and regulatory matters inherently involve significant uncertainties based on, among other factors, the jurisdiction and stage of the proceedings, developments in the applicable facts or law, and the unpredictability of the ultimate determination of the merits of any claim, any defenses the Company may assert against that claim, and the amount of any damages that may be awarded. The Company’s accrued liabilities for loss contingencies related to legal and regulatory matters may change in the future as a result of new developments, including, but not limited to, the occurrence of new legal matters, changes in the law or regulatory environment, adverse or favorable rulings, newly discovered facts relevant to the matter, or changes in the strategy for the matter. Regardless of the outcome, litigation can have an adverse impact on the Company because of defense and settlement costs, diversion of management resources and other factors.

Contract Class Action and Opt Out Lawsuits. Beginning on March 12, 2013, the Company was served with several class action complaints filed in federal and state courts in several jurisdictions. These complaints asserted, among other things, that the Company had imposed unauthorized or excessive price increases and other charges on its customers in breach of its contracts and in violation of the Illinois Consumer Fraud and Deceptive Business Practices Act. The complaints sought certification of the lawsuit as a class action and the award to class members of appropriate damages and injunctive relief. These related actions were ultimately transferred to the United States District Court for the Northern District of Illinois for centralized pretrial proceedings.

The parties reached a settlement agreement, as previously disclosed, which obtained court approval on March 8, 2018. Under the terms of the SQ Settlement, the Company admitted no fault or wrongdoing whatsoever, and it entered into the SQ Settlement to avoid the cost and uncertainty of litigation.

Certain class members who have opted out of the SQ Settlement have filed lawsuits against the Company, and the Company has reached a settlement in principle with the plaintiffs in the remaining opt out actions, subject to documentation. The Company has made an accrual in respect of these collective matters consistent with its accrual policies described above, which is not material.

Government Investigations. On June 12, 2017, the SEC issued a subpoena to the Company, requesting documents and information relating to the Company's compliance with the FCPA or other foreign or domestic anti-corruption laws with respect to certain of the Company's operations in Latin America. In addition, the DOJ notified the Company that it was investigating this matter in parallel with the SEC. The Company has cooperated with these agencies and certain foreign authorities.

The Company has concluded settlements of these investigations with the DOJ, SEC, and various authorities in Brazil. In connection with these settlements, the Company entered into a deferred prosecution agreement ("DPA") with the DOJ, under which the DOJ agreed to defer criminal prosecution of the Company for a period of three years for charges of conspiring to violate the anti-bribery and books and records provisions of the FCPA. If the Company remains in compliance with the DPA during its three-year term, the deferred charge against the Company will be dismissed with prejudice. Under the Company's settlement with the SEC, the Company entered into an administrative resolution with the SEC with respect to violations of the anti-bribery, books and records and internal controls provisions of the FCPA. The Company also agreed to pay fines, penalties and disgorgement to the DOJ, SEC and various Brazil authorities in a total amount of approximately $90 million. In April 2023, the last settlement with a foreign authority obtained final approval. In the second and third quarters of 2022, the Company paid $81 million of the settlement amounts to the DOJ, the SEC and the Brazil authorities. In the second quarter of 2023, the Company paid substantially all of the remaining settlement amounts due to the DOJ and Brazil authorities. In addition, under the settlements with the DOJ and with the SEC, the Company has engaged an independent compliance monitor for two years and will undertake compliance with self-reporting obligations for an additional year.

The Company has been informed by the office of the United States Attorney for the Southern District of New York ("SDNY") that it has concluded its investigation into compliance with the False Claims Act ("FCA") and is taking no action against the Company in connection with the FCA. The SDNY is continuing its investigation into the Company's historical compliance with federal environmental statutes, including the Resource Conservation and Recovery Act, in connection with the collection, transportation and disposal of hazardous waste by the Company's former Domestic Environmental Solutions business unit. The Company has also been informed that the State of California Department of Justice has concluded its investigation related to the Company's collection, transportation, and disposal of waste generated by government customers in California and is taking no action against the Company. The Company is continuing to cooperate with the SDNY investigation. The Company has made an accrual in respect of this matter consistent with its accrual policies described above, which is not material.

The Company understands that the SDNY and California DOJ investigations described above related to a qui tam action alleging violations of the FCA, which had been filed under seal in the United States District Court for the Southern District of New York, purportedly on behalf of the United States, California and several other states. The Company has not been served with the Complaint, but the Company understands that the United States, California, and the other states named in the qui tam action have declined to participate. The Company intends to defend itself vigorously if the qui tam relator pursues its action. The Company has not accrued any amounts in respect of this action and cannot estimate the reasonably possible loss or any range of reasonably possible losses that the Company may incur. The Company is unable to make such an estimate because, based on what the Company knows now, in the Company's judgment, the factual and legal issues presented in this matter are sufficiently unique that the Company is unable to identify other circumstances sufficiently comparable to provide guidance in making estimates.

Environmental, Regulatory and Indemnity Matters. The Company is subject to various federal, state and local laws and regulations. In the ordinary course of business, we are routinely involved in government enforcement proceedings, private lawsuits, and other matters alleging non-compliance by the Company with applicable law. The issues involved in these proceedings generally relate to alleged violations of existing permits or other requirements, or alleged liability due to our current operations, pre-existing conditions at the locations where we operate, and/or successor or predecessor liability associated with our portfolio optimization strategy. From time to time, the Company may be subject to fines or penalties in regulatory proceedings relating primarily to waste treatment, storage or disposal facilities.

Harsco Indemnification. Effective April 6, 2020, the Company completed the divestiture of its Domestic Environmental Solutions business to Harsco Corporation. Pursuant to the Purchase Agreement, the Company may have liability under certain indemnification claims for matters relating to the Domestic Environmental Solutions business, including potentially with respect to the investigation by the SDNY described above, the Rancho Cordova, California, and DEA Investigation matters discussed below, and other matters. Consistent with its accrual policies described previously, the Company has made accruals on various of these matters, which are neither individually nor collectively material.

Rancho Cordova, California, NOVs. On June 25 and 26, 2018, the California DTSC conducted a Compliance Enforcement Inspection of the Company's former Domestic Environmental Solutions facility in Rancho Cordova, California. On February 14, 2020, DTSC filed an action in the Superior Court for the State of California, Sacramento County Division, alleging violations of California's Hazardous Waste Control Law and the facility's hazardous waste permit arising from the inspection. That action is ongoing. The Company has made an accrual in respect of this matter consistent with its accrual policies described above, which is not material.

Rancho Cordova, California, Permit Revocation. Separately, on August 15, 2019, the Company received from DTSC a written Intent to Deny Hazardous Waste Facility Permit Application for the Rancho Cordova facility. Following legal challenges, that DTSC action became final as of April 8, 2022, triggering an obligation to execute the closure plan set forth in the facility's permit. Consistent with its accrual policies described previously, the Company has made an accrual in the amount of its estimate of closure costs reasonably likely to be incurred and indemnified to Harsco under the Purchase Agreement, which is not material.

DEA Investigation. On February 11, 2020, the Company received an administrative subpoena from the DEA, which executed a search warrant at the Company's former Domestic Environmental Solutions facility at Rancho Cordova, California and an administrative inspection warrant at the Company's former facility in Indianapolis, Indiana for materials related to the former Domestic Environmental Solutions business of collecting, transporting, and destroying controlled substances from retail customers (the "ESOL Retail Controlled Substances Business"). On that same day, agents from the DTSC executed a separate search warrant at the Rancho Cordova facility. Since that time, the U.S. Attorney's Office for the Eastern District of California ("USAO EDCA") has been overseeing criminal and civil investigations of the ESOL Retail Controlled Substances Business. The USAO EDCA has informed the Company that it may have civil liability under the Controlled Substances Act related to the ESOL Retail Controlled Substances Business. The Company is cooperating with the civil and criminal investigations, which are ongoing.

The Company has not accrued any amounts in respect of these investigations and cannot estimate the reasonably possible loss or any range of reasonably possible losses that the Company may incur. The Company is unable to make such an estimate because, based on what the Company knows now, in the Company's judgment, the factual and legal issues presented in this matter are sufficiently unique that the Company is unable to identify other circumstances sufficiently comparable to provide guidance in making estimates.

European Retrovirus Investigations. In conjunction with Europol, governmental authorities of Spain, Portugal, and Romania have conducted coordinated inspections of a large number of medical waste management facilities, including Stericycle facilities, relating to the transportation, management and disposal of waste that may be infected with the COVID-19 virus, and related matters. The inspections have resulted in proceedings in Spain, in which the Company is vigorously defending itself.

The Company has not accrued any amounts in respect of these investigations, as it cannot estimate the reasonably possible loss or any range of reasonably possible losses that the Company may incur. The Company is unable to make such an estimate because, based on what the Company knows now, in the Company's judgment, the factual and legal issues presented in this matter are sufficiently unique that the Company is unable to identify other circumstances sufficiently comparable to provide guidance in making estimates.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Safe Harbor Statement

This document may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. When we use words such as "believes", "expects", "anticipates", "estimates", "may", "plan", "will", "goal", or similar expressions, we are making forward-looking statements. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of our management about future events and are therefore subject to risks and uncertainties, which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Factors that could cause such differences include, among others, inflationary cost pressure in labor, supply chain, energy, and other expenses, decreases in the volume of regulated wastes or personal and confidential information collected from customers, the ability to implement the remaining phases of our ERP system, and disruptions resulting from deployment of our ERP system, disruptions in our supply chain, disruptions in or attacks on information technology systems, labor shortages, a recession or economic disruption in the U.S. and other countries, SOP pricing volatility or pricing volatility in other commodities, rising interest rates or a downgrade in our credit rating resulting in an increase in interest expense, changing market conditions in the healthcare industry, competition and demand for services in the regulated waste and secure information destruction industries, foreign exchange rate volatility in the jurisdictions in which we operate, changes in governmental regulation of the collection, transportation, treatment and disposal of regulated waste or the proper handling and protection of personal and confidential information, the level of government enforcement of regulations governing regulated waste collection and treatment or the proper handling and protection of personal and confidential information, charges related to portfolio optimization or the failure of acquisitions or divestitures to achieve the desired results, failure to consummate transactions with respect to non-core businesses, the obligations to service substantial indebtedness and comply with the covenants and restrictions contained in our credit agreements and notes, political, economic, and other risks related to our foreign operations, pandemics and the resulting impact on the results of operations, long-term remote work arrangements which may adversely affect our business, supply chain disruptions, disruptions in transportation services, restrictions on the ability of our team members to travel, closures of our facilities or the facilities of our customers and suppliers, changes in the volume of paper processed by our secure information destruction business and the revenue generated from the sale of SOP, weather and environmental changes related to climate change, requirements of customers and investors for net carbon zero emissions strategies, and the introduction of regulations for greenhouse gases, which could negatively affect our costs to operate, the outcome of pending, future or settled litigation or investigations including with respect to the U.S. Foreign Corrupt Practices Act and foreign anti-corruption laws, failure to maintain an effective system of internal control over financial reporting, as well as other factors described in our filings with the SEC, including our Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. As a result, past financial performance should not be considered a reliable indicator of future performance, and investors should not use historical trends to anticipate future results or trends. We disclaim any obligation to update or revise any forward-looking or other statements contained herein other than in accordance with legal and regulatory obligations.

Overview

Stericycle is a global U.S. based business-to-business services company. We provide an array of highly specialized compliance-based solutions that protect people and brands, promote health and well-being, and safeguard the environment. Since our founding in 1989, we have grown from a small start-up in medical waste management into a leader across a range of increasingly complex and highly regulated arenas, serving healthcare organizations and commercial businesses of every size through RWCS and SID.

Key business highlights include:

- Grew revenues by 3.0% in the first quarter of 2023. Grew organic revenues[(1)] 7.2% compared to the first quarter of 2022 with increases in SID of 11.8% and RWCS of 5.0%.
- Improved income from operations to $40.0 million in the first quarter of 2023 compared to $5.9 million in the first quarter of 2022.
- Reduced our Credit Agreement Defined Debt Leverage ratio to 3.05X, down 0.23X since December 31, 2022.
- Divested our Brazil operations in April 2023, which was our last remaining Latin America business, for an investing cash outflow of approximately $28 million.

(1) See Results of Operations, Revenues for a reconciliation between total U.S. GAAP Revenues and Organic Revenues.

Other Developments

During the first quarter of 2023, we continued to experience inflationary cost increases in our underlying expenses, including fleet and facilities. Our quality of revenue initiative has continued to work to create a more flexible pricing model with the necessary levers to adjust to inflationary cost challenges. We have the following pricing levers: (i) we continue to address the standardization of contractual language to build in pricing flexibility, affording us the opportunity to adjust pricing at contract anniversary and renewal, (ii) for all new customers and purchasers of our one-time services, we have the ability to adjust our rates at point of contracting, and (iii) the ability to adjust surcharges and fees that provide inflationary cost protection for commodity and other price volatility (e.g. fuel, SOP, environmental surcharges and service cost recovery fee).

As our customers return to office, we are monitoring SID customer service frequency, number of locations serviced, and resulting paper tonnage.

Key Business Priorities

In 2023, our five key business priorities remain the following:

- ***Quality of revenue*** **–** We have been executing against our foundational initiatives we launched to drive revenue quality and are executing against our next phase: (i) expanding service penetration, (ii) improving customer implementation velocity, and (iii) deepening customer partnerships by developing enhanced customer solutions.
- ***Operational efficiency, modernization, and innovation*** **–** We have been executing against our foundational initiatives we launched to drive operational efficiency, modernization and innovation and are executing against our next phase: (i) infrastructure and system modernization, (ii) fleet replacement and route and long-haul network improvements and (iii) SafeShield container rationalization and modernization.
- ***ERP implementation*** **–** In the second half of 2022, we successfully moved the technical code functionality for RWCS into our North America ERP production environment and completed our pilot deployment for RWCS customers in Puerto Rico. This disciplined deployment approach allows us to mitigate risk and test data and functionality before deploying the ERP across all RWCS North America customers and facilities. Stericycle is currently immersed in testing and readiness preparation and we continue to anticipate deploying in the U.S. in the second half of 2023. We commenced activities for the international system modernization in 2022.
- ***Debt reduction and leverage improvement*** **–** We expect to reduce our debt and improve our debt leverage ratio through continued focus on operating margin expansion, free cash flow generation, and leveraging divestiture proceeds, if applicable. We have reduced total net debt, as defined in the Credit Agreement (total debt, adding back unamortized debt issuance costs, less cash and cash equivalents), to $1.45 billion at March 31, 2023. As of March 31, 2023, our amended Credit Facility defined Debt Leverage Ratio was 3.05 times compared to 3.28 times as of December 31, 2022.

- ***Portfolio optimization -*** We expect to continue evaluating opportunities to further optimize our portfolio through a combination of asset rationalizations and strategic accretive tuck-in acquisitions, which streamlines our portfolio of businesses and allows us to focus more deeply on our core businesses. In the first quarter of 2023, the Company exited its International container manufacturing operations, for cash proceeds of approximately $2.2 million. In April, we divested our Brazil operations, which was our last remaining Latin America business, for an investing cash outflow of approximately $28 million.

Certain Key Priorities and Other Significant Matters

The following table identifies certain key priorities and other significant matters impacting our business and how they are classified in the Condensed Consolidated Statements of Income (Loss):

In millions

	Three Months Ended March 31,	
	2023	**2022**
Included in SG&A		
ERP and System Modernization	$ 2.7	$ 5.6
Intangible Amortization	28.2	32.4
Portfolio Optimization	0.6	1.3
Litigation, Settlements and Regulatory Compliance	8.2	13.8
Total included in SG&A	39.7	53.1
Divestiture losses, net	5.0	—
Total included in Income from operations	$ 44.7	$ 53.1

ERP and System Modernization

For the periods presented of the ERP and System Modernization, we have recognized the following, reported in Other Costs:

In millions

	Three Months Ended March 31,	
	2023	**2022**
North America		
Operating expenditures	$ 2.6	$ 5.6
Capital expenditures	2.9	0.6
Total North America operating and capital expenditures	$ 5.5	$ 6.2
International		
Operating expenditures	$ 0.1	$ —
Capital expenditures	—	—
Total International operating and capital expenditures	$ 0.1	$ —
Total operating expenditures	$ 2.7	$ 5.6
Total capital expenditures	2.9	0.6
Total ERP and System Modernization operating and capital expenditures	$ 5.6	$ 6.2

As we continue to implement and deploy the North America ERP in our RWCS business, we will incur costs to develop and deploy the system, which includes additional capital expenditures as well as operating expenditures. Our international ERP system modernization commenced in 2022, which includes enhancements and upgrades associated with European based RWCS and SID operations. We will continue to incur the current level of costs to maintain the legacy suite of applications also used by our international businesses during the system modernization.

Intangible Amortization

See table above of certain key priorities and other significant matters for intangible amortization expenses from acquisitions for the periods presented and how they are classified in the Condensed Consolidated Statements of Income (Loss). The decrease in amortization expense is a result of the divestiture and certain intangible assets that have reached the end of useful lives.

Portfolio Optimization

See table above of key priorities and other significant matters for portfolio optimization (including Divestiture losses, net) for the periods presented, and how they are classified in the Condensed Consolidated Statements of Income (Loss). Consulting and professional fees are reported in Other Costs, while divestiture losses, net are included in their respective segment.

Divestitures

We evaluate our portfolio of services on an ongoing basis with a country-by-country and service line-by-service line approach to assess long-term potential and identify potential business candidates for divestiture. Divestitures resulting from this evaluation may cause us to record significant charges, including those related to goodwill, other intangible assets, long-lived assets, and cumulative translation adjustments. For additional information see *Part I, Item I. Financial Statements; Note 3 — Divestitures* in the Condensed Consolidated Financial Statements.

Litigation, Settlements and Regulatory Compliance

We operate in highly regulated industries and must address regulatory inquiries or respond to investigations from time to time. We have also been involved in a variety of civil litigation from time to time. Certain of these matters are detailed in *Part I, Item I. Financial Statements; Note 8 — Commitments and Contingencies* in the Condensed Consolidated Financial Statements. Our financial results may also include considerations of non-recurring matters including settlements, environmental remediation, and legal related consulting and professional fees.

See table above of certain key priorities and other significant matters for litigation, settlement and regulatory compliance charges. Among other things, the table reflects consulting and professional fees, contingent liability provisions and settlements, net of insurance recoveries, impacting our business for the periods presented, primarily in Other Costs. The three months ended March 31, 2023 includes a value-added tax reclaim credit of $6.0 million. In the three months ended March 31, 2022, we accrued an additional $9.2 million for the FCPA Settlement, bringing the total cumulative charge to approximately $90 million. In the second and third quarters of 2022, the Company had paid a total of $81.0 million due to the DOJ, SEC, and Brazil authorities in accordance with the FCPA Settlement. In the second quarter of 2023, the Company paid substantially all of the remaining settlement amounts due to the DOJ and Brazil authorities. See *Part I, Item I. Financial Statements; Note 8 — Commitments and Contingencies* in the Condensed Consolidated Financial Statements for additional details.

Results of Operations

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022:

Revenues (including Segment Revenues)

We analyze revenues by revenue service category and reportable segment which were as follows:

	Three Months Ended March 31,						
	In millions				Components of Change (%) [1]		
	2023	2022	Change ($)	Change (%)	Organic Growth [2]	Divestitures	Foreign Exchange[3]
Revenue by Service							
Regulated Waste and Compliance Services	$ 451.3	$ 452.6	$ (1.3)	(0.3)%	5.0 %	(3.7)%	(1.4)%
Secure Information Destruction Services	233.0	211.6	21.4	10.1 %	11.8 %	— %	(1.7)%
Total Revenues	$ 684.3	$ 664.2	$ 20.1	3.0 %	7.2 %	(2.5)%	(1.5)%
North America							
Regulated Waste and Compliance Services	$ 368.7	$ 362.1	$ 6.6	1.8 %	6.5 %	(4.1)%	(0.3)%
Secure Information Destruction Services	204.7	181.6	23.1	12.7 %	13.4 %	— %	(0.7)%
Total North America Segment	$ 573.4	$ 543.7	$ 29.7	5.5 %	8.8 %	(2.7)%	(0.4)%
International							
Regulated Waste and Compliance Services	$ 82.6	$ 90.5	$ (7.9)	(8.8)%	(0.7)%	(1.9)%	(6.2)%
Secure Information Destruction Services	28.3	30.0	(1.7)	(5.6)%	2.1 %	— %	(7.7)%
Total International Segment	$ 110.9	$ 120.5	$ (9.6)	(8.0)%	— %	(1.5)%	(6.5)%

(1) Components of Change % in summation may not crossfoot to the total Change % due to rounding.

(2) Organic growth is change in Revenues which includes SOP pricing and volume and excludes the impact of divestitures and foreign exchange.

(3) The comparisons at constant currency rates (foreign exchange) reflect comparative local currency balances at prior period's foreign exchange rates. We calculated these percentages by taking current period reported Revenues less the respective prior period reported Revenues, divided by the prior period reported Revenues, all at the respective prior period's foreign exchange rates. This measure provides information on the change in Revenues assuming that foreign currency exchange rates have not changed between the prior and the current period. Management believes the use of this measure aids in the understanding of changes in Revenues without the impact of foreign currency.

Revenues for the first quarter of 2023, were $684.3 million, an increase of $20.1 million, or 3.0%, compared to $664.2 million for the first quarter of 2022. Organic revenues grew $46.7 million, or 7.2%. SID organic revenue growth was $24.9 million, or 11.8%, which was mainly due to pricing and higher recycled paper revenues and RWCS organic revenues growth was $21.8 million, or 5.0%, mainly driven by our three pricing levers, which include pricing in existing contracts, new customer pricing and surcharges and fees. The impact of divestitures was $16.6 million, or 2.5%, which includes the divestiture of CRS in the fourth quarter of 2022, and unfavorable foreign exchange rates were $10.0 million, or 1.5%.

North America revenues increased $29.7 million, or 5.5%, for the three months ended March 31, 2023, to $573.4 million from $543.7 million for the three months ended March 31, 2022. Organic revenues increased $46.7 million, or 8.8%, primarily due to SID organic revenue increases due to our pricing levers, including fuel and environmental and recycling recovery surcharges; and higher recycled paper revenues, driven by higher SOP pricing. The RWCS organic revenue increases were mainly driven by our three pricing levers, which include pricing in existing contracts, new customer pricing and surcharges and fees. Additionally, the impact of divestitures was $14.9 million, or 2.7% and unfavorable foreign exchange rates were $2.1 million, or 0.4%.

International revenues decreased $9.6 million, or 8.0%, for the three months ended March 31, 2023, to $110.9 million from $120.5 million for the three months ended March 31, 2022. The decrease was due to the impact of foreign exchange rates of $7.9 million, or 6.5%, the impact of divestitures of $1.8 million, or 1.5%, and lower organic RWCS revenues due to lower waste volumes. SID organic revenues were higher mainly due to our pricing levers, partially offset by reduced volume.

Gross profit:

In millions

	Three Months Ended March 31,					
	2023		2022		Change	
	$	% Revenues	$	% Revenues	$	%
Gross profit	261.0	38.1 %	244.5	36.8 %	16.5	6.7 %

The increase in the three months ended March 31, 2023, compared to the 2022 comparable period, was primarily due to our pricing levers which resulted in revenue flow through, which was partially offset by higher fleet and facility costs, and the impacts of the divestiture and foreign exchange.

SG&A:

In millions

	Three Months Ended March 31,					
	2023		2022		Change	
	$	% Revenues	$	% Revenues	$	%
SG&A	216.0	31.6 %	238.6	35.9 %	(22.6)	(9.5)%

For the three months ended March 31, 2023, compared to the 2022 comparable period, we incurred lower SG&A charges associated with certain key priorities and other significant matters discussed above, primarily due to Litigation, Settlement and Regulatory Compliance matters. Additionally, the remaining change in SG&A was due to impacts of the divestiture, lower bad debt expense, foreign exchange rates, and lower annual incentive compensation expense, partially offset by increased stock based compensation expense.

Divestiture losses, net:

In millions

	Three Months Ended March 31,					
	2023		2022		Change	
	$	% Revenues	$	% Revenues	$	%
Divestiture losses, net	5.0	0.7 %	—	— %	5.0	nm

nm - percentage change not meaningful

For additional information see *Part I, Item I. Financial Statements; Note 3 — Divestitures* in the Condensed Consolidated Financial Statements.

Segment Profitability:

Segment profitability and a reconciliation of the total for segment profitability to income from operations was as follows:

In millions

	Three Months Ended March 31,					
	2023		2022		Change 2023 versus 2022	
	$	% Segment Revenues	$	% Segment Revenues	$	%
Adjusted Income from Operations						
North America	$ 160.3	28.0 %	$ 134.6	24.8 %	$ 25.7	19.1 %
International	10.3	9.3 %	11.4	9.5 %	(1.1)	(9.6)%
Other Costs	(85.9)	nm	(87.0)	nm	1.1	1.3 %
Total	$ 84.7	12.4 %	$ 59.0	8.9 %	$ 25.7	43.6 %
Reconciliation to Income from operations:						
Adjusted Income from Operations	$ 84.7		$ 59.0			
Adjusting Items Total [(1)]	(44.7)		(53.1)			
Income from operations	$ 40.0		$ 5.9			

nm - percentage change not meaningful

(1) See Part I, Item 1. Financial Statements; Note 7 — Segment Reporting in the Condensed Consolidated Financial Statements for more detail.

Adjusted Income from Operations for North America increased for the three months ended March 31, 2023, compared to the 2022 comparable period. Adjusted Income from Operations increased due to gross profit improvement, primarily driven by pricing flow through, and lower bad debt expense. These increases were partially offset by higher fleet and facility costs, and the impact of the divestiture.

Adjusted Income from Operations for International decreased for the three months ended March 31, 2023, compared to the 2022 comparable period. The decrease was primarily driven by lower RWCS revenues and corresponding flow through; higher supply chain and other inflationary costs; and the impact of foreign exchange; these were partially offset by SID pricing levers.

Adjusted Loss from Operations for Other Costs decreased for the three months ended March 31, 2023, compared to the 2022 comparable period. The decrease was primarily driven by lower annual incentive compensation expense, partially offset by increased stock based compensation expense.

Interest expense, net:

In millions

	Three Months Ended March 31,					
	2023		2022		Change	
	$	% Revenues	$	% Revenues	$	%
Interest expense, net	20.4	3.0 %	16.3	2.5 %	4.1	25.2 %

The increase for the three months ended March 31, 2023, as compared to 2022, was due to higher weighted-average interest rates on the variable portion of our debt. The three months ended March 31, 2022, also includes $0.7 million in interest income associated with an IRS refund. For further information see *Part I, Item I. Financial Statements; Note 4 — Debt* in the Condensed Consolidated Financial Statements.

Other income (expense), net:

In millions

	Three Months Ended March 31,					
	2023		2022		Change	
	$	% Revenues	$	% Revenues	$	%
Other income (expense), net	0.2	— %	(0.8)	(0.1)%	1.0	125.0 %

Other income (expense), net is primarily comprised of foreign exchange gains (losses).

Income tax expense:

In millions

	Three Months Ended March 31,					
	2023		2022		Change	
	$	Effective Rate	$	Effective Rate	$	%
Income tax expense	8.5	42.9 %	2.9	(25.9)%	5.6	193.1 %

For further information, see *Part I, Item I. Financial Statements; Note 5 — Income Taxes* in the Condensed Consolidated Financial Statements.

Liquidity and Capital Resources

The Company believes that it has sufficient liquidity to support its ongoing operations and to invest in future growth to create value for its shareholders. Operating cash flows and the Company's $1.2 billion Credit Facility are the Company's primary sources of liquidity and are expected to be used for, among other things, payment of interest and principal on the Company's long-term debt obligations, and capital expenditures necessary to support growth and productivity improvements. As of March 31, 2023, we had approximately $981.4 million of available capacity in the $1.2 billion Credit Facility. If the Company's 2024 Senior Notes are still outstanding 91 days prior to their respective maturity date (the "Springing Maturity Date"), then the Credit Agreement maturity date will be the Springing Maturity Date. To the extent the Company needs to add additional funding options to meet additional liquidity requirements or diversify its funding portfolio, the Company could seek additional financing from alternative sources, including approaching the capital markets. In the second and third quarters of 2022, the Company had paid a total of $81 million of the planned approximately $90 million due to the DOJ, SEC, and Brazil authorities in accordance with the FCPA Settlement. In the second quarter of 2023, the Company paid substantially all of the remaining settlement amounts due to the DOJ and Brazil authorities. For further details concerning these matters see *Part I, Item I. Financial Statements; Note 4 — Debt* and *Note 8 – Commitments and Contingencies* in the Condensed Consolidated Financial Statements.

Cash Flow Summary:

The following table shows cash flow information for the Company by activity:

In millions

	Three Months Ended March 31,	
	2023	**2022**
Net cash from operating activities	$ 49.5	$ (38.8)
Net cash from investing activities	(34.5)	(36.8)
Net cash from financing activities	(11.6)	79.4
Effect of exchange rate changes on cash and cash equivalents	0.6	0.2
Net change in cash and cash equivalents	$ 4.0	$ 4.0

Operating Cash Flows: Net cash provided from operating activities increased $88.3 million in the three months ended March 31, 2023, to an inflow of $49.5 million from an outflow of $38.8 million in the three months ended March 31, 2022. The year-over-year increase of $88.3 million was primarily driven by accounts receivable of $32.9 million, primarily due to an improvement in DSO; higher operating income of $30.8 million; lower annual incentive compensation payments of $22.3 million; and other net working capital improvements of $2.3 million.

DSO as of March 31, 2023, as reported was 56 days, compared to 63 days as of March 31, 2022. The difference was mainly driven by prior year timing of North America SID customer billing and collections.

Investing Cash Flows: Net cash from investing activities outflow decreased $2.3 million in the three months ended March 31, 2023, to $34.5 million from $36.8 million in the three months ended March 31, 2022. Our cash paid for capital expenditures decreased by $1.1 million to $36.4 million from $37.5 million in the three months ended March 31, 2022.

Financing Cash Flows: Net cash from financing activities decreased $91.0 million in the three months ended March 31, 2023, to an outflow of $11.6 million from an inflow of $79.4 million in the three months ended March 31, 2022. Our net borrowings on our Credit Facility and Term Loan were $3.9 million in the three months ended March 31, 2023, compared to net borrowings of $91.9 million in the three months ended March 31, 2022.

Critical Accounting Policies and Estimates

As discussed in our 2022 Form 10-K, the preparation of the Condensed Consolidated Financial Statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the amount of reported assets and liabilities and disclosure of contingent liabilities at the date of the Condensed Consolidated Financial Statements and revenues and expenses during the periods reported. There were no material changes from the information provided therein.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business, we are exposed to market risks, including changes in interest rates, certain commodity prices, including SOP, diesel fuel, utilities and foreign currency rates. We do not specifically hedge our exposure to these risks.

We are subject to market risks arising from changes in interest rates which relate primarily to our financing activities. We performed a sensitivity analysis to determine how market rate changes might affect the fair value of our market risk-sensitive debt instruments (variable rate debt) which in aggregate as of March 31, 2023, are 23.7% of total aggregate debt. Our potential additional interest expense over one year that would result from a hypothetical, instantaneous and unfavorable change of 100 basis points in the interest rate on all of our variable rate debt would be approximately $3.6 million on a pre-tax basis.

We are subject to market risks arising from changes in the prices for commodities such as SOP, diesel fuel, and utilities. For example, historically diesel fuel has been approximately five percent of our Cost of revenues. As the market prices for these commodities increase or decrease, our revenues, operating costs and margins may also increase or decrease. Variability in commodity prices can also impact the margins of our business as certain components of our revenue are structured as a pass through of costs, including fuel surcharges as changes in diesel costs are generally offset in Revenues through our indexed fuel surcharges.

There were no other material changes from the information provided in our 2022 Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as amended (the Exchange Act)) are effective as of March 31, 2023, based on the evaluation of these controls and procedures required by Rule 13a-15(b) or 15d-15(b) of the Exchange Act.

Changes in Internal Control Over Financial Reporting

During the quarter ended March 31, 2023, there were no changes that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Further information pertaining to legal proceedings can be found in *Part I, Item I. Financial Statements; Note 8 — Commitments and Contingencies* in the Notes to the Condensed Consolidated Financial Statements and is incorporated herein by reference.

Item 1A. Risk Factors

In addition to the other information included in this report, you should carefully consider the factors discussed in Part I, Item 1A. "Risk Factors" in the 2022 Form 10-K and subsequent Quarterly Reports on Form 10-Q and the factors identified under "Safe Harbor Statement" at the beginning of Part I, Item 2 of this Quarterly Report on Form 10-Q, which could materially affect our business, financial condition, cash flows, or results of operations. The risks described in the 2022 Form 10-K are not the only risks facing the Company. Additional risks and uncertainties not currently known to the Company or that the Company currently considers immaterial also may materially adversely affect its business, financial condition, and/or operating results. There have been no material changes to the risk factors included in the 2022 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no sales of unregistered equity securities during the three months ended March 31, 2023.

Item 6. Exhibits

The following exhibits are filed or furnished as part of this report:

Exhibit Index

Exhibit Index	Description
3.1	Amended and restated certificate of incorporation (incorporated by reference to Exhibit 3.1 to our registration statement on Form S-1/A declared effective on August 22, 1996)
3.2	First certificate of amendment to amended and restated certificate of incorporation (incorporated by reference to Exhibit 3.1 to our current report on Form 8-K filed November 29, 1999)
3.3	Second certificate of amendment to amended and restated certificate of incorporation (incorporated by reference to Exhibit 3.4 to our annual report on Form 10-K for 2002)
3.4	Third certificate of amendment to amended and restated certificate of incorporation (incorporated by reference to Exhibit 3.4 to our registration statement on Form S-4 declared effective on October 10, 2007)
3.5	Fourth certificate of amendment to amended and restated certificate of incorporation (incorporated by reference to Exhibit 3(i).1 to our quarterly report on Form 10-Q filed August 7, 2014)
3.6	Certificate of Designation setting forth the specific rights, preferences, limitations, restrictions and other terms and conditions of the Series A Convertible Preferred Stock, par value $0.01 per share (incorporated by reference to Exhibit 3.2 to our Current Report on Form 8-K filed November 29, 1999)
3.7	Certificate of Elimination of the Certificate of Designations relating to Series A Convertible Preferred Stock, par value 0.01 per share (incorporated by reference to Exhibit 3.1 and 4.1 to our current report on Form 8-K filed September 15, 2015)
3.8	Certificate of Designations setting forth the specific rights, preferences, limitations, restrictions and other terms and conditions of the Mandatory Convertible Preferred Stock (incorporated by reference to Exhibit 4.1 to our Registration Statement on Form 8-A filed September 15, 2015)
3.9	Certificate of Elimination of the Certificate of Designations relating to 5.25% Series A Mandatory Convertible Preferred Stock (incorporated by reference to Exhibit 3.9 to our Quarterly Report on Form 10-Q filed November 11, 2018)
3.10	Amended and restated bylaws (incorporated by reference to Exhibit 3.2 to our current report on Form 8-K filed December 15, 2022
10.1	Form of Restricted Stock Unit Award Agreement under the 2021 Long-Term Incentive Plan
10.2	Form of Performance Stock Unit Award Agreement under the 2021 Long-Term Incentive Plan
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
32	Section 1350 Certification of Chief Executive Officer and Chief Financial Officer
101	The following information from our Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, formatted in Inline XBRL: (i) Condensed Consolidated Statements of Income (Loss); (ii) Condensed Consolidated Statements of Comprehensive Income (Loss); (iii) Condensed Consolidated Balance Sheets; (iv) Condensed Consolidated Statements of Cash Flows; (v) Condensed Consolidated Statements of Changes in Equity and (vi) Notes to Condensed Consolidated Financial Statements
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* The Company agrees to furnish supplementally a copy of any omitted exhibit or appendix to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 27, 2023

STERICYCLE, INC.
(Registrant)
By: /s/ JANET H. ZELENKA
Janet H. Zelenka
Executive Vice President, Chief Financial Officer & Chief Information Officer

Exhibit 10.1

STERICYCLE, INC.
2021 LONG-TERM INCENTIVE PLAN

Restricted Stock Unit Award Agreement

Stericycle, Inc. (the “Company”), pursuant to its 2021 Long-Term Incentive Plan (the “Plan”), hereby grants an award of Restricted Stock Units to you, the Participant named below. The terms and conditions of this Award are set forth in this Restricted Stock Unit Award Agreement (the “Agreement”), consisting of this cover page and the Terms and Conditions on the following pages, and in the Plan document, a copy of which has been provided to you. Any capitalized term that is used but not defined in this Agreement shall have the meaning assigned to it in the Plan as it currently exists or as it is amended in the future.

Name of Participant: [______________________]	
Number of Restricted Stock Units: [_______]	Grant Date: __________, 20__
Vesting Schedule:	
Scheduled Vesting Dates	Number of Restricted Stock Units that Vest

By signing below or otherwise evidencing your acceptance of this Agreement in a manner approved by the Company, you agree to all of the terms and conditions contained in this Agreement and in the Plan document. You acknowledge that you have received and reviewed these documents and that they set forth the entire agreement between you and the Company regarding this Award of Restricted Stock Units.

This Award shall not become effective until you accept this Award and agree to be bound by an Employee Covenant Agreement. Upon such acceptance and agreement, this Award shall become effective, retroactive to the Grant Date, without the necessity of further action by either the Company or you. If, within 90 days of the Grant Date, you have not accepted this Award and/or if you have not signed the Employee Covenant Agreement and returned it to the Company, this Award may, if so determined by the Company in its discretion, be forfeited and cancelled, in which case you shall have no further rights under or with respect thereto.

PARTICIPANT: STERICYCLE, INC.:

__ By:_____________________________________

Title:____________________________________

STERICYCLE, INC.
2021 Long-Term Incentive Plan
Restricted Stock Unit Award Agreement

Terms and Conditions

1. **Grant of Restricted Stock Units**. The Company hereby confirms the grant to you, as of the Grant Date and subject to the terms and conditions in this Agreement and the Plan, of the number of Restricted Stock Units specified on the cover page of this Agreement (the "Units"). Each Unit represents the right to receive one Share of the Company's common stock, par value $0.01 per Share. Prior to their settlement or forfeiture in accordance with the terms of this Agreement, the Units granted to you will be credited to an account in your name maintained by the Company. This account shall be unfunded and maintained for book-keeping purposes only, with the Units simply representing an unfunded and unsecured contingent obligation of the Company.

2. **Restrictions Applicable to Units**. Neither this Award nor the Units subject to this Award may be sold, assigned, transferred, exchanged or encumbered, voluntarily or involuntarily, other than (i) a transfer upon your death in accordance with your will, by the laws of descent and distribution or pursuant to a beneficiary designation submitted in accordance with Section 6(d) of the Plan, or (ii) pursuant to a domestic relations order. Following any such transfer, this Award shall continue to be subject to the same terms and conditions that were applicable to this Award immediately prior to its transfer. Any attempted transfer in violation of this Section 2 shall be void and without effect. The Units and your right to receive Shares in settlement of the Units under this Agreement shall be subject to forfeiture as provided in Section 5 until satisfaction of the vesting conditions set forth in Section 4.

3. **No Shareholder Rights**. The Units subject to this Award do not entitle you to any rights of a holder of the Company's common stock. You will not have any of the rights of a shareholder of the Company in connection with the grant of Units subject to this Agreement unless and until Shares are issued to you upon settlement of the Units as provided in Section 6.

4. **Vesting of Units**. For purposes of this Agreement, "Vesting Date" means any date, including the Scheduled Vesting Dates specified in the Vesting Schedule on the cover page of this Agreement, on which Units subject to this Agreement vest as provided in this Section 4. Notwithstanding the vesting and subsequent settlement of this Award, it shall remain subject to the provisions of Section 8 of this Agreement.

(a) Scheduled Vesting. If you remain a Service Provider continuously from the Grant Date specified on the cover page of this Agreement, then the Units will vest in the amounts and on the Scheduled Vesting Dates specified in the Vesting Schedule.

(b) Accelerated or Continued Vesting. The vesting of outstanding Units will be accelerated or continued under the circumstances provided below:

(1) *Death or Disability*. If your Service terminates prior to the final Scheduled Vesting Date due to your death or Disability, then all of the unvested Units shall vest as of such termination date.

(2) *Retirement.* If (A) your Service terminates prior to the final Scheduled Vesting Date due to your Retirement, (B) you provided written notice to the Company of your intention to retire at least six months prior to your termination date due to Retirement in the form and manner prescribed by the Committee, and (C) at least six months have elapsed between the Grant Date and your termination date due to Retirement, then the Units will continue to vest in accordance with the Vesting Schedule on the cover page of this Agreement; *provided, however*, that the Employee Covenant Agreement referred to in Section 8(a) of this Agreement shall continue to apply to you following your termination date due to Retirement until this Award is fully vested and settled, and if you violate any provision of the Employee Covenant Agreement during such

period, then Section 8(a) will apply. Units which have vested pursuant to this Subsection 4(b)(2) shall be settled in accordance with Section 6, except that settlement of each vested Unit shall be made no later than the last day of the calendar year in which such Unit vests.

(3) *Change in Control*. If a Change in Control occurs while you continue to be a Service Provider and prior to the final Scheduled Vesting Date, the following provisions shall apply:

(i) If, within 24 months after a Change in Control (A) described in paragraphs (1) or (2) of Section 2(f) of the Plan or (B) that constitutes a Corporate Transaction as defined in paragraph (3) of Section 2(f) of the Plan and in connection with which the surviving or acquiring entity (or its parent entity) has continued, assumed or replaced this Award, you cease to be a Service Provider due either to an involuntary termination for reasons other than Cause or a resignation for Good Reason (including, in either case, if the date you cease to be a Service Provider occurs between the date you provided written notice to the Company of your intention to retire pursuant to Section 4(b)(2) above and your termination date due to Retirement), then all unvested Units shall immediately vest in full.

(ii) If this Award is not continued, assumed or replaced in connection with a Change in Control that constitutes a Corporate Transaction, then all unvested Units shall immediately vest in full immediately prior to the effective time of the Change in Control (including if the Change in Control occurs after you have provided written notice to the Company of your intention to retire pursuant to Section 4(b)(2) above but before your termination date due to Retirement). For the avoidance of doubt, with respect to any Award that is deferred compensation for purposes of Section 409A of the Code in the event that it would be impermissible to accelerate the settlement of any such Award in connection with a Change in Control, no distribution shall be made to you by reason of such Change of Control (although any other modification or enhancement to the Award, such as accelerated vesting, shall still apply) and the value of such Award as determined by the Committee prior to such Change of Control shall be paid to the affected Service Provider on the date the Award would have otherwise been settled without regard to the Change of Control.

(iii) For purposes of this Section 4(b)(3), this Award will be considered assumed or replaced under the circumstances specified in Section 12(b)(1) of the Plan.

5. **Effect of Termination of Service**. Except as otherwise provided in accordance with Section 4(b) above, if you cease to be a Service Provider, you will forfeit all unvested Units.

6. **Settlement of Units**. Subject to Section 8 below, after any Units vest pursuant to Section 4, the Company shall, as soon as practicable (but no later than the 15th day of the third calendar month following the Vesting Date), cause to be issued and delivered to you (or to your personal representative or your designated beneficiary or estate in the event of your death, as applicable) one Share in payment and settlement of each vested Unit. Delivery of the Shares shall be effected by the issuance of a stock certificate to you, by an appropriate entry in the stock register maintained by the Company's transfer agent with a notice of issuance provided to you, or by the electronic delivery of the Shares to a brokerage account designated by the Company, and shall be subject to the tax withholding provisions of Section 7 and compliance with all applicable legal requirements as provided in Section 17(c) of the Plan, and shall be in complete satisfaction and settlement of such vested Units. The Company will pay any original issue or transfer taxes with respect to the issue and transfer of Shares to you pursuant to this Agreement, and all fees and expenses incurred by it in connection therewith. If the Units that vest include a fractional Unit, the Company shall round the number of vested Units down to the nearest whole Unit prior to issuance of Shares as provided herein and shall pay cash to you equal in value to any fractional vested Unit.

7. **Tax Consequences and Withholding**. No Shares will be delivered to you in settlement of vested Units unless you have made arrangements acceptable to the Company for payment of any federal, state, local or foreign withholding taxes that may be due as a result of the delivery of the Shares. You hereby authorize the Company (or any Affiliate) to withhold from payroll or other amounts payable to

you any sums required to satisfy any withholding tax obligations related to the grant, vesting, settlement or otherwise arising out of the Units, and you otherwise agree to satisfy such obligations in accordance with the provisions of Section 14 of the Plan. To the extent that any Shares are eligible for settlement at the time of taxation, unless otherwise determined by the Committee, the Company will withhold a number of Shares that would otherwise be issued to you in settlement of the Units and that have a fair market value equal to the amount of such withholding tax obligations, unless you notify the Company prior to the Vesting Date that you will provide for cash payment to the Company of such withholding tax obligations and you actually make such cash payment to the Company.

8. **Forfeiture of Award and Compensation Recovery**.

(a) Forfeiture Conditions. This Award is subject to forfeiture and automatic cancellation as provided in the Employee Covenant Agreement. In addition, you may be required to repay the Company any cash paid in settlement of the Award, and the net proceeds from the sale of any stock issued in settlement of the Award, as also provided in the Employee Covenant Agreement.

(b) Compensation Recovery Policy. In addition to those provisions in Section 8(a), this Award and any compensation associated therewith is subject to potential forfeiture or recovery in accordance with any compensation recovery policy adopted by the Board or the Committee. This Agreement may be unilaterally amended by the Committee to comply with any such compensation recovery policy.

(c) Remedies. The parties expressly agree that the forfeiture and repayment obligations contained in this Section 8 do not constitute the Company's exclusive remedy for your violation of Section 8. The Company may seek any additional legal or equitable remedy, including injunctive relief, for any such violation.

9. **Notices**. Every notice or other communication relating to this Agreement shall be in writing and shall be mailed to or delivered (including electronically) to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided. Unless and until some other address is so designated, all notices or communications by you to the Company shall be mailed or delivered to the Company, to the attention of its VP, Global Total Rewards, at its office at 2355 Waukegan Road, Bannockburn, IL 60015, USA, or via email at Equityadministration@stericycle.com, and all notices or communications by the Company to you may be given to you personally or may be mailed or, if you are still a Service Provider, emailed to you at the address indicated in the Company's records as your most recent mailing or email address.

10. **Additional Provisions**.

(a) No Right to Continued Service. This Agreement does not give you a right to continued Service with the Company or any Affiliate, and the Company or any such Affiliate may terminate your Service at any time and otherwise deal with you without regard to the effect it may have upon you under this Agreement.

(b) Governing Plan Document. This Agreement and the Award are subject to all the provisions of the Plan, and to all interpretations, rules and regulations which may, from time to time, be adopted and promulgated by the Committee pursuant to the Plan. If there is any conflict between the provisions of this Agreement and the Plan, the provisions of the Plan will govern. The Committee's interpretation of the Plan and this Agreement shall be final and binding.

(c) Governing Law. This Agreement, the parties' performance hereunder, and the relationship between them shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware, without giving effect to the choice of law principles thereof.

(d) Severability. The provisions of this Agreement shall be severable and if any provision of this Agreement is found by any court to be unenforceable, in whole or in part, the remainder of this Agreement shall nevertheless be enforceable and binding on the parties. You also agree that any trier of fact may modify any invalid, overbroad or unenforceable provision of this Agreement so that such provision, as modified, is valid and enforceable under applicable law.

(e) Binding Effect. This Agreement will be binding in all respects on your heirs, representatives, successors and assigns, and on the successors and assigns of the Company.

(f) Section 409A of the Code. The award of Units as provided in this Agreement and any issuance of Shares or payment pursuant to this Agreement are intended to be exempt from or in compliance with Section 409A of the Code and this Agreement and the Plan shall be administered and interpreted in accordance with this intent.

(g) Electronic Delivery and Acceptance. The Company may deliver any documents related to this Restricted Stock Unit Award by electronic means and request your acceptance of this Agreement by electronic means. You hereby consent to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line (and/or voice activated) system established and maintained by the Company or the Company's third-party stock plan administrator.

By signing the cover page of this Agreement or otherwise accepting this Agreement in a manner approved by the Company, you agree to all the terms and conditions described above and in the Plan document.

Exhibit 10.2

STERICYCLE, INC.
2021 LONG-TERM INCENTIVE PLAN

Performance Stock Unit Award Agreement

Stericycle, Inc. (the "Company"), pursuant to its 2021 Long-Term Incentive Plan (the "Plan"), hereby grants an award of Performance Stock Units to you, the Participant named below. The terms and conditions of this Award are set forth in this Performance Stock Unit Award Agreement (the "Agreement"), consisting of this cover page, the Terms and Conditions on the following pages and the attached Exhibit A, and in the Plan document, a copy of which has been provided to you. Any capitalized term that is used but not defined in this Agreement shall have the meaning assigned to it in the Plan as it currently exists or as it is amended in the future.

Name of Participant:	
Target Number of Performance Stock Units:	
Maximum Number of Performance Stock Units:	
Grant Date:	
Performance Period:	January 1, 2023 – December 31, 2025
Vesting Schedule:	The number of Units determined by the Committee to have been achieved (if any) will vest* on the third anniversary of the Grant Date.
Performance Goals:	See Exhibit A
* Assumes your Service has been continuous from the Grant Date to the vesting date, except as otherwise provided in this Agreement.	

By signing below or otherwise evidencing your acceptance of this Agreement in a manner approved by the Company, you agree to all of the terms and conditions contained in this Agreement and in the Plan document. You acknowledge that you have received and reviewed these documents and that they set forth the entire agreement between you and the Company regarding this Award of Performance Stock Units.

This Award shall not become effective until you accept this Award and agree to be bound by an Employee Covenant Agreement. Upon such acceptance and agreement, this Award shall become effective, retroactive to the Grant Date, without the necessity of further action by either the Company or you. If, within 90 days of the Grant Date, you have not accepted this Award and/or if you have not signed the Employee Covenant Agreement and returned it to the Company, this Award may, if so determined by the Company in its discretion, be forfeited and cancelled, in which case you shall have no further rights under or with respect thereto.

PARTICIPANT: STERICYCLE, INC.:

__   By:____________________________________

Title:___________________________________

STERICYCLE, INC.
2021 Long-Term Incentive Plan
Performance Stock Unit Award Agreement

Terms and Conditions

1. **Grant of Performance Stock Units**. The Company hereby confirms the grant to you, as of the Grant Date and subject to the terms and conditions of this Agreement and the Plan, of an award of Performance Stock Units (the "Units") in an amount initially equal to the Target Number of Performance Stock Units specified on the cover page of this Agreement. The number of Units that may actually be achieved and become eligible to vest pursuant to this Award can be between 0% and 200% of the Target Number of Units but may not exceed the Maximum Number of Performance Stock Units specified on the cover page of this Agreement. Each Unit that is achieved as a result of the performance goals having been satisfied and which thereafter vests represents the right to receive one Share of the Company's common stock. Prior to their settlement or forfeiture in accordance with the terms of this Agreement, the Units granted to you will be credited to a performance stock unit account in your name maintained by the Company. This account will be unfunded and maintained for book-keeping purposes only, with the Units simply representing an unfunded and unsecured contingent obligation of the Company.

2. **Restrictions Applicable to Units**. Neither this Award nor the Units subject to this Award may be sold, assigned, transferred, exchanged or encumbered, voluntarily or involuntarily, other than (i) a transfer upon your death in accordance with your will, by the laws of descent and distribution or pursuant to a beneficiary designation submitted in accordance with Section 6(d) of the Plan, or (ii) pursuant to a domestic relations order. Following any such transfer, this Award shall continue to be subject to the same terms and conditions that were applicable to this Award immediately prior to its transfer. Any attempted transfer in violation of this Section 2 shall be void and without effect. The Units and your right to receive Shares in settlement of any Units under this Agreement shall be subject to forfeiture except to the extent the Units have been achieved and thereafter vest as provided in Sections 4 and 5.

3. **No Shareholder Rights**. The Units subject to this Award do not entitle you to any rights of a holder of the Company's common stock. You will not have any of the rights of a shareholder of the Company in connection with any Units granted or achieved pursuant to this Agreement unless and until Shares are issued to you in settlement of achieved and vested Units as provided in Section 6.

4. **Vesting of Units**.

(a) Performance Targets. The Committee has established performance targets ("Performance Targets") for the Performance Period that are set forth in Exhibit A (which is incorporated into and forms a part of this Agreement). The Performance Targets, subject to any modifier(s) set forth in Exhibit A, shall be used to determine the number of Units that will be achieved for the Performance Period and that may become vested as described in subsection (b).

(b) General Vesting Rules. The number of Units that have been achieved during the Performance Period, as determined by the Committee in accordance with Exhibit A, will vest (the "Vested Units") on the third anniversary of the Grant Date (the "Scheduled Vesting Date"). Except as otherwise provided by the Committee or this Agreement, if your Service terminates for any reason prior to the Scheduled Vesting Date, then, as of your termination date, all then unvested Units shall be cancelled and shall be forfeited, none of the unvested Units shall become Vested Units and you shall have no rights under or with respect to any of the unvested Units. All Units that become Vested Units on the Scheduled Vesting Date shall be distributed to you in accordance with Section 6.

(c) Accelerated or Continued Vesting.

(i) *Death or Disability*. Notwithstanding the provisions of subsection 3(b), if your Service terminates prior to the Scheduled Vesting Date on account of your death or Disability, then all of the then outstanding unvested Units shall become Vested Units at the target level of performance, and such termination date shall be the vesting date for such Units for purposes of Section 6.

(ii) *Retirement.* If (A) your Service terminates prior to the Scheduled Vesting Date due to your Retirement, (B) you provided written notice to the Company of your intention to retire at least six months prior to your termination date due to Retirement in the form and manner prescribed by the Committee, and (C) at least six months have elapsed between the Grant Date and your termination date due to Retirement, then the Units will remain outstanding and subject to the general vesting rules set forth in the first sentence of subsection (b) above; *provided, however*, that the Employee Covenant Agreement referred to in Section 8 of this Agreement shall continue to apply to you following your termination date due to Retirement until the Committee determines the Vested Units that actually become achieved and vested and such Vested Units are settled, and if you violate any provision of the Employee Covenant Agreement during such period, then Section 8 below will apply. Units which have been achieved and vested pursuant to this Subsection 4(c)(ii) shall be settled in accordance with Section 6, except that settlement of each vested Unit shall be made no later than December 31, 2026.

(iii) *Change in Control*. If a Change in Control occurs while you continue to be a Service Provider and prior to the Scheduled Vesting Date, the following provisions shall apply:

(A) If the surviving or successor entity (or its parent company) continues, assumes or replaces this Award, then the Performance Targets for the outstanding unvested Units shall be deemed to be achieved as of the date of the Change in Control at the target level of performance without application of modifier(s) (the "Deemed Achieved Units"), and if this Award has been continued or assumed, this Award shall continue with respect to the Deemed Achieved Units, and if this Award has been replaced, this Award shall terminate and the replacement Award shall reflect the equivalent of the Deemed Achieved Units, and the Deemed Achieved Units under this Award or the replacement Award, as the case may be, shall be subject to a continuing service requirement (except as set forth in the remainder of this subsection (A)) until the Scheduled Vesting Date; *provided, however,* that if on or within 24 months following a Change in Control, you cease to be a Service Provider due either to (x) an involuntary termination for reasons other than Cause or (y) a resignation for Good Reason (including, in either case, if the date you cease to be a Service Provider occurs between the date you provided written notice to the Company of your intention to retire pursuant to Section 4(c)(ii) above and your termination date due to Retirement), then all unvested Deemed Achieved Units shall immediately vest in full.

(B) If and to the extent this Award is not continued, assumed or replaced, then all of the Units then outstanding shall become Vested Units at the target level of performance immediately prior to the effective time of the Change in Control (including if the Change in Control occurs after you have provided written notice to the Company of your intention to retire pursuant to Section 4(c)(ii) above but before your termination date due to Retirement). Further, the Committee may provide that this Award shall be canceled at or immediately prior to the effective time of the Change of Control in exchange for a payment in an amount equal to the fair market value (as determined in good faith by the Committee) of the consideration that would otherwise be received in the Change of Control for the number of shares (assuming a target level of performance) subject to this Award, and payment of any such amount shall be made in such form, on such terms and subject to such conditions as the Committee determines in its discretion. For the avoidance of doubt, with respect to any Award that is deferred compensation for purposes of Section 409A of the Code in the event that it would be impermissible to accelerate the settlement of any such Award in connection with a Change in Control, no distribution shall be made to you by reason of such Change of Control (although any other modification or enhancement to the Award, such as accelerated vesting, shall still apply) and the value of such Award as determined by the Committee prior to such Change of Control shall be paid to the affected Service Provider on the date the Award would have otherwise been settled without regard to the Change of Control.

(C) For purposes of this Section 4(b)(3), this Award will be considered assumed or replaced under the circumstances specified in Section 12(b)(1) of the Plan.

5. **Effect of Termination of Service**. Except as otherwise provided in accordance with Section 4(c) above, if you cease to be a Service Provider, you will forfeit all unvested Units.

6. **Settlement of Units**. Subject to Section 8 below, after any Units vest pursuant to Section 4, the Company shall, as soon as practicable (but no later than the 15th day of the third calendar month following the vesting date), cause to be issued and delivered to you (or to your personal representative or your designated beneficiary or estate in the event of your death, as applicable) one Share in payment and settlement of each vested Unit. Delivery of the Shares shall be effected by the issuance of a stock certificate to you, by an appropriate entry in the stock register maintained by the Company's transfer agent with a notice of issuance provided to you, or by the electronic delivery of the Shares to a brokerage account designated by the Company, and shall be subject to the tax withholding provisions of Section 7 and compliance with all applicable legal requirements as provided in Section 17(c) of the Plan, and shall be in complete satisfaction and settlement of such vested Units. The Company will pay any original issue or transfer taxes with respect to the issue and transfer of Shares to you pursuant to this Agreement, and all fees and expenses incurred by it in connection therewith. If the Units that vest include a fractional Unit, the Company shall round the number of vested Units down to the nearest whole Unit prior to issuance of Shares as provided herein and shall pay cash to you equal in value to any fractional vested Unit.

7. **Tax Consequences and Withholding**. No Shares will be delivered to you in settlement of vested Units unless you have made arrangements acceptable to the Company for payment of any federal, state, local or foreign withholding taxes that may be due as a result of the delivery of the Shares. You hereby authorize the Company (or any Affiliate) to withhold from payroll or other amounts payable to you any sums required to satisfy any withholding tax obligations related to the grant, vesting, settlement or otherwise arising out of the Units, and you otherwise agree to satisfy such obligations in accordance with the provisions of Section 14 of the Plan. To the extent that any Shares are eligible for settlement at the time of taxation, unless otherwise determined by the Committee, the Company will withhold a number of Shares that would otherwise be issued to you in settlement of the Units and that have a fair market value equal to the amount of such withholding tax obligations, unless you notify the Company prior to the vesting date that you will provide for cash payment to the Company of such withholding tax obligations and you actually make such cash payment to the Company.

8. **Forfeiture of Award and Compensation Recovery**.

(a) Forfeiture Conditions. This Award is subject to forfeiture and automatic cancellation as provided in the Employee Covenant Agreement. In addition, you may be required to repay the Company any cash paid in settlement of the Award, and the net proceeds from the sale of any stock issued in settlement of the Award, as also provided in the Employee Covenant Agreement.

(b) Compensation Recovery Policy. In addition to those provisions in Section 8(a), this Award and any compensation associated therewith is subject to potential forfeiture or recovery in accordance with any compensation recovery policy adopted by the Board or the Committee. This Agreement may be unilaterally amended by the Committee to comply with any such compensation recovery policy.

(c) Remedies. The parties expressly agree that the forfeiture and repayment obligations contained in Section 8 do not constitute the Company's exclusive remedy for your violation of Section 8. The Company may seek any additional legal or equitable remedy, including injunctive relief, for any such violation.

9. **Notices**. Every notice or other communication relating to this Agreement shall be in writing and shall be mailed to or delivered (including electronically) to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided. Unless and until some other address is so designated, all notices or communications by you to the Company shall be mailed or delivered to the Company, to the attention of its VP, Global Total Rewards, at its office at 2355 Waukegan Road, Bannockburn, IL 60015, USA, or via email at

Equityadministration@stericycle.com, and all notices or communications by the Company to you may be given to you personally or may be mailed or, if you are still a Service Provider, emailed to you at the address indicated in the Company's records as your most recent mailing or email address.

10. **Additional Provisions**.

(a) No Right to Continued Service. This Agreement does not give you a right to continued Service with the Company or any Affiliate, and the Company or any such Affiliate may terminate your Service at any time and otherwise deal with you without regard to the effect it may have upon you under this Agreement.

(b) Governing Plan Document. This Agreement and the Award are subject to all the provisions of the Plan, and to all interpretations, rules and regulations which may, from time to time, be adopted and promulgated by the Committee pursuant to the Plan. If there is any conflict between the provisions of this Agreement and the Plan, the provisions of the Plan will govern. The Committee's interpretation of the Plan and this Agreement shall be final and binding.

(c) Governing Law. This Agreement, the parties' performance hereunder, and the relationship between them shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware, without giving effect to the choice of law principles thereof.

(d) Severability. The provisions of this Agreement shall be severable and if any provision of this Agreement is found by any court to be unenforceable, in whole or in part, the remainder of this Agreement shall nevertheless be enforceable and binding on the parties. You also agree that any trier of fact may modify any invalid, overbroad or unenforceable provision of this Agreement so that such provision, as modified, is valid and enforceable under applicable law.

(e) Binding Effect. This Agreement will be binding in all respects on your heirs, representatives, successors and assigns, and on the successors and assigns of the Company.

(f) Section 409A of the Code. The award of Units as provided in this Agreement and any issuance of Shares or payment pursuant to this Agreement are intended to be exempt from or in compliance with Section 409A of the Code and this Agreement and the Plan shall be administered and interpreted in accordance with this intent.

(g) Electronic Delivery and Acceptance. The Company may deliver any documents related to this Performance Stock Unit Award by electronic means and request your acceptance of this Agreement by electronic means. You hereby consent to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line (and/or voice activated) system established and maintained by the Company or the Company's third-party stock plan administrator.

By signing the cover page of this Agreement or otherwise accepting this Agreement in a manner approved by the Company, you agree to all the terms and conditions described above and in the Plan document.

EXHIBIT A

The PSU Performance Targets for the 2023 grant, which are associated with performance during the fiscal years 2023-2025, are shown below. Each metric is equally weighted at 50%.

Return on Invested Capital (ROIC) is defined as the Company's Net Operating Profit After Taxes over the average invested capital, less goodwill and intangible amortization. The ROIC for such calculations is adjusted to exclude items (see below) that are approved at the time of grant by the Compensation Committee.

Adjusted Earnings Per Share (EPS) Adjusted diluted earnings per share is a Non-GAAP measure and excludes adjusting items as described and reconciled to comparable U.S. GAAP financial measures in the Reconciliation of U.S. GAAP to Non-GAAP Financial Measures within the annual proxy statement. This Adjusted EPS calculation is further modified to exclude items that are approved at the time of grant by the Compensation Committee and may include items like foreign exchange rate impacts, movement in SOP paper prices, and other non-organic elements. The full list of approved adjustments is available upon request to the VP of Global Total Rewards.

The adjustments approved by the Compensation Committee include items such as impairment(s) or accelerated depreciation or amortization related to carrying value of goodwill, intangible assets, and/or long-lived assets and charges, gains/losses or expenses relating to acquisitions and dispositions, and pre-approved system conversions and/or implementations. The full list of approved adjustments is available upon request to the VP of Global Total Rewards at EquityAdministration@Stericycle.com.

2022 – 2024 ROIC Achievement Table (to be replaced)

3-Yr ROIC Target Range	2024 ROIC Target	Attainment %	Payout %
Max Payout	**43.0%**	**137%**	**200%**
	42.0%	134%	192%
	40.9%	130%	183%
	39.9%	127%	175%
	38.9%	124%	167%
	37.9%	121%	158%
	36.9%	118%	150%
	35.9%	115%	142%
	35.0%	112%	133%
	34.1%	109%	125%
	33.2%	106%	117%
	32.3%	103%	108%
2024 target	**31.4%**	**100.0%**	**100%**
	30.5%	97%	92%
	29.7%	95%	83%
	28.8%	92%	75%
	28.0%	89%	67%
	27.2%	87%	58%
Entry Point	**26.4%**	**84%**	**50%**

2024 EPS Achievement Table (to be replaced)

3-Yr Adjusted EPS Target Range	2024 Adjusted EPS Target	Attainment %	Payout %
Max Payout	**$4.28**	**136.1%**	**200%**
	$4.18	133%	192%
	$4.07	130%	183%
	$3.97	126%	175%
	$3.88	123%	167%
	$3.78	120%	158%
	$3.68	117%	150%
	$3.59	114%	142%
	$3.50	111%	133%
	$3.41	108%	125%
	$3.32	106%	117%
	$3.23	103%	108%
2024 target	**$3.15**	**100.0%**	**100%**
	$3.06	97%	92%
	$2.98	95%	83%
	$2.90	92%	75%
	$2.82	90%	67%
	$2.74	87%	58%
Entry Point	**$2.66**	**85%**	**50%**

Vesting

- Vesting (if achieved) occurs at the end of the 3-year period.
- The achievement level for 2023-2025 results is based on the achievement tables above (% of target achieved for each metric will be rounded to the nearest tenth of a percent and the % achieved within each point on the grid shall be interpolated on a linear basis).
- After the Adjusted EPS and ROIC achievement levels are determined based on the tables above, a relative TSR modifier will then be applied, which compares the performance of Stericycle stock over the 2023-2025 period to the performance of the S & P MidCap 400 performance and modifies the EPS/ROIC result by 75% - 125%.
- The achieved award (as determined by the Committee) will then be available for vesting on the 3rd anniversary of the grant date (as long as the award recipient is still employed on that date or is eligible for vesting under another provision described in the agreement, such as an eligible retirement event) and the actual number of vested PSUs will be based on the calculations above.

Exhibit 31.1

Rule 13a-14(a)/15d-14(a) Certification

Cindy J. Miller
Chief Executive Officer

I, Cindy J. Miller, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Stericycle, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 27, 2023

/s/ CINDY J. MILLER

Cindy J. Miller
Chief Executive Officer
Stericycle, Inc.

Exhibit 31.2

Rule 13a-14(a)/15d-14(a) Certification

Janet H. Zelenka
Chief Financial Officer

I, Janet H. Zelenka, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Stericycle, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 27, 2023

/s/ JANET H. ZELENKA

Janet H. Zelenka
Executive Vice President, Chief Financial Officer & Chief Information Officer
Stericycle, Inc.

Exhibit 32

SECTION 1350 CERTIFICATION

In connection with the Quarterly Report of Stericycle, Inc. (the “Company”) on Form 10-Q for the quarter ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”) we, Cindy J. Miller, Chief Executive Officer of the registrant, and Janet H. Zelenka, Chief Financial Officer of the registrant, certify as follows:

(a) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 27, 2023

/s/ CINDY J. MILLER

Cindy J. Miller
Chief Executive Officer
Stericycle, Inc.

/s/ JANET H. ZELENKA

Janet H. Zelenka
Executive Vice President, Chief Financial Officer & Chief Information Officer
Stericycle, Inc.