

Stericycle Report and Progress on Civil Rights

Background

In August 2022, Stericycle retained a leading law firm to conduct a Civil Rights Audit in response to a proposal approved by our stockholders in May 2022. The audit was completed in Q1 2023 and included: (1) an internal workforce review, which focused on relevant policies and processes that may implicate civil rights issues, including certain workplace policies and procedures, complaint and investigation procedures, initiatives related to diversity, equity, and inclusion (“DEI”), and certain talent management processes; and 2) an environmental justice review, which focused primarily on the Company’s policies and procedures that implicate environmental justice risks and opportunities. See *Attachment A*. The components of the audit have historically been important areas of focus for Stericycle and is inextricably connected with Our Promise, Our Mission, Our Vision, Our Core Values, and Our Commitment to Team Members.

The law firm engaged with the proponent of the shareholder proposal, the International Brotherhood of Teamsters General Fund, regarding the scope of the audit and agreed to share the results in a public report. See [Report on Stericycle Civil Rights Audit](#). As described in more detail below, we have outlined the key recommendations from the report and specific actions we are or already have taken to address them. Stericycle is on track to address these recommendations by Q2 2024.

Summary Recommendations and Progress on Implementation

Internal Workforce Review

The internal workforce review found that Stericycle has publicly embraced commitments to promote DEI in the workplace. For example, on March 1, 2021, Cindy Miller, CEO and President of Stericycle, signed the CEO Action for Diversity and Inclusion pledge to signal that progress in this area is a business imperative to Stericycle. See Stericycle, Inc., *Making the Commitment to Cultivate Diversity and Inclusion in the Workplace* (Mar. 1, 2021), <https://www.stericycle.com/en-us/about-us/our-stories/making-the-commitment-to-cultivate-diversity-and-i>. Since that time, Stericycle has continued to advance DEI in the workplace, with many DEI-focused initiatives planned or in progress. This Civil Rights Audit has allowed Stericycle to gain insights into the current state of DEI within our workforce, identify areas for improvement, and set forth a clear roadmap for positive change.

It further provided the following recommendations as outlined below for tailored initiatives, programs, and policy enhancements, which when implemented will translate into tangible and sustainable advancements, shaping a workplace culture that reflects the values of equality and unity that define Stericycle. We have grouped the recommendations into four main areas: 1) workplace policies and procedures, 2) Human Resources-related complaints and investigations, 3) DEI initiatives and commitments, and 4) talent management.

Workplace Policies and Procedures

Stericycle has a suite of workplace policies and procedures that is both widespread and comprehensive. The Civil Rights Audit proposed updates to our existing policies and procedures to reflect a holistic commitment to reinforce our organizational values and foster an inclusive and equitable workplace environment. We have already implemented these updates. First and foremost, we have embedded our core values directly into our Code of Conduct, ensuring that they serve as a guiding framework for ethical behavior. Additionally, an emphasis on core values throughout our policies underscores our dedication to upholding these principles in every facet of our operations. To address issues of discrimination, we will expand the description of discrimination within our policies, incorporating illustrative examples for greater clarity. Furthermore, enhancements to our Relationship Policy will

further promote positive workplace dynamics and a supportive professional environment. Lastly, we have consolidated and simplified certain policies and guidance for employees in an effort to make these materials accessible and transparent for team members.

Human Resources Complaints and Investigations

Stericycle has robust internal complaint procedures, demonstrating its strong commitment to transparency, accountability, and the well-being of our entire workforce. Several targeted enhancements to our current processes and procedures were recommended and have been completed or are in the process of being completed, including offering comprehensive training, strengthening guidance on the investigations process, and developing a disciplinary framework for substantiated claims. We expect that these enhancements will promote increased fairness and consistency with respect to our workplace investigations.

DEI Initiatives and Commitments

Stericycle already recognized the inherent value of a diverse workforce and continually strives to create an environment where all team members feel respected, valued, and empowered. Based on the Audit recommendations, Stericycle plans to reinforce and elevate our commitment to DEI through a comprehensive plan, including launching an Equity Task Force to spearhead strategic initiatives that further embed DEI principles within our organizational fabric. Simultaneously, Stericycle continues to conduct a thorough assessment of resources dedicated to DEI initiatives to ensure alignment with our objectives. Additionally, our commitment to addressing unconscious bias is being addressed through specialized ongoing training which is designed to ensure that our team members are equipped with the tools needed to create an environment that celebrates diversity and promotes equity and inclusion.

Talent Management

Stericycle is focused on strategic talent management. Our comprehensive approach includes robust succession planning that identifies and nurtures high-potential talent within the organization. Through meticulous evaluation and development initiatives, Stericycle ensures our workforce is not only skilled in their current roles but also well-prepared for potential growth opportunities. In the wake of the Audit, Stericycle is advancing its commitment to inclusive and equitable talent management through a targeted plan. For example, Stericycle has focused its attention on inclusive hiring practices. Moreover, Stericycle is committed to fairness and increased transparency in our compensation review process. Stericycle has also begun to expand its mentorship program to provide more meaningful and inclusive opportunities.

Environmental Justice Review

The Environmental Justice review found that in 2021 Stericycle had begun to initiate actions to integrate environmental justice considerations into its policies, procedures, and community engagement and began scoping a process to identify and manage any environmental justice concerns.

To support this integration in 2022, the company established a cross functional Environmental Justice Task Force with representatives from Government Relations & Public Affairs, ESG, Engineering, Marketing and Corporate Communications, Environment Health & Safety (EHS), Legal, Investor Relations, and Human Resources. The Environmental Justice audit provided recommendations that would further develop and mature the program. We have grouped the recommendations into four main areas: 1) governance and communication, 2) policies and processes, 3) community engagement, and 4) data disclosures and management.

Following is a summary of recommendations and our actions flowing from the audit.

Governance and Communication

The prior establishment of an EJ Task Force provided the foundation to enable Stericycle to ensure sustained focus and accountability on the program, including appropriate oversight, reporting and measuring of progress. Consistent with the Audit recommendations, the EJ Task Force has been formalized and its objectives and progress are being communicated to senior leadership and all Stericycle team members. The Task Force has input on implementation of EJ matters, including internal and external communications.

We have completed a number of important actions as part of enhancing EJ governance and communication. For example, we established and published a corporate Environmental Justice Statement for U.S. operations on our company website - <https://www.stericycle.com/en-us/about-us/policies-positions>. We integrated EJ updates into our ESG Steering Committee and increased reporting to senior leadership on the status of our implementation of the recommendations. We also prepared an employee communications plan to educate employees on environmental justice, beginning with announcing the publication of our EJ statement.

Policies and Processes

The Audit recommended that environmental justice considerations be integrated into existing processes for siting property, permitting of projects and auditing to proactively identify potential environmental justice issues. We have taken concrete steps to address these recommendations. For example, we have implemented regular tracking of state and local EJ regulations and legislation and provide regular updates on developments to the EJ Task Force and other stakeholders within the company. We incorporated an environmental justice review to our site selection zoning process checklist that would include a screen of the location using EPA's EJ Screen and state tools. We integrated EJ considerations into our internal permitting process as we assess new projects and the expansion of existing facilities, including a review of regulations, engagement in public hearings and communications to relevant communities. We also have added environmental justice considerations into our Environmental Health & Safety and Operations audit processes to ensure that our teams communicate internally and respond to complaints from the communities in which we operate.

Community Engagement

The Audit recommended that we develop an engagement strategy tailored to the communities where Stericycle operates to establish meaningful community involvement on environmental justice issues, including by addressing potential complaints, as well as through appropriate communications with regulators. We have implemented multiple actions to address these recommendations, including by integrating EJ considerations into our community engagement plan. We also have established a centralized process for receiving, documenting, addressing, and auditing community complaints, with reporting to executives. We also have developed a protocol for disclosing significant reportable releases to the community.

Data Disclosures and Management

The Audit recommended that we consider publicly disclosing environmental justice screening information and data for our U.S. facilities. We have addressed these recommendations by preparing EJ screening information using the US EPA EJ Screening tool regarding the percentage of low income and people of color in the communities where we operate, which we have published in our Corporate Social Responsibility Report. We also have established a process for conducting and disclosing annual EJ screening updates.

In closing, while there is still more work to be done, the actions we have taken described above demonstrate our commitment to Diversity Equity & Inclusion and Environmental Justice. We appreciate the opportunity to share these results and look forward to continuing to provide updates on these efforts to our internal and external stakeholders.