Stericycle®

We protect what matters.

Investor Presentation

Third Quarter 2023 Results

November 2, 2023

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, SOP pricing volatility or pricing volatility in other commodities, decreases in the volume of regulated wastes or personal and confidential information collected from customers, the ability to complete deployment of 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, inflationary cost pressure in labor, supply chain, energy, and other expenses, 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, reliance on third parties to provide a variety of services, our ability to realize expected financial benefits from our continuous improvement efforts, 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 the investigation by the DEA discussed in our SEC reports and litigation or investigations 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 2022 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.

Stericycle's Key Business Priorities

- Quality of Revenue
- Operational Efficiency, Modernization and Innovation
- ERP Implementation
- Portfolio Optimization
- Debt Reduction and Leverage Improvement

Q3 2023 Key Business Highlights

- Deployed the ERP successfully in U.S. RWCS in Q3
- Grew RWCS organic revenues 4.1% during a period of ERP deployment
- Improved YTD Free Cash Flow [2] $154.0 million
- Divested Netherlands dental recycling operations and the UAE SID joint venture in Q3 and the Romania operations in Q4

($ millions except for EPS)	Three Months Ended September 30, 2023
Revenues	$653.5
Income from Operations	$24.2
Adjusted Income from Operations[1]	$70.3
Adjusted EBITDA[1]	$96.4
Diluted Earnings per Share	$0.02
Adjusted Diluted Earnings per Share[1]	$0.43

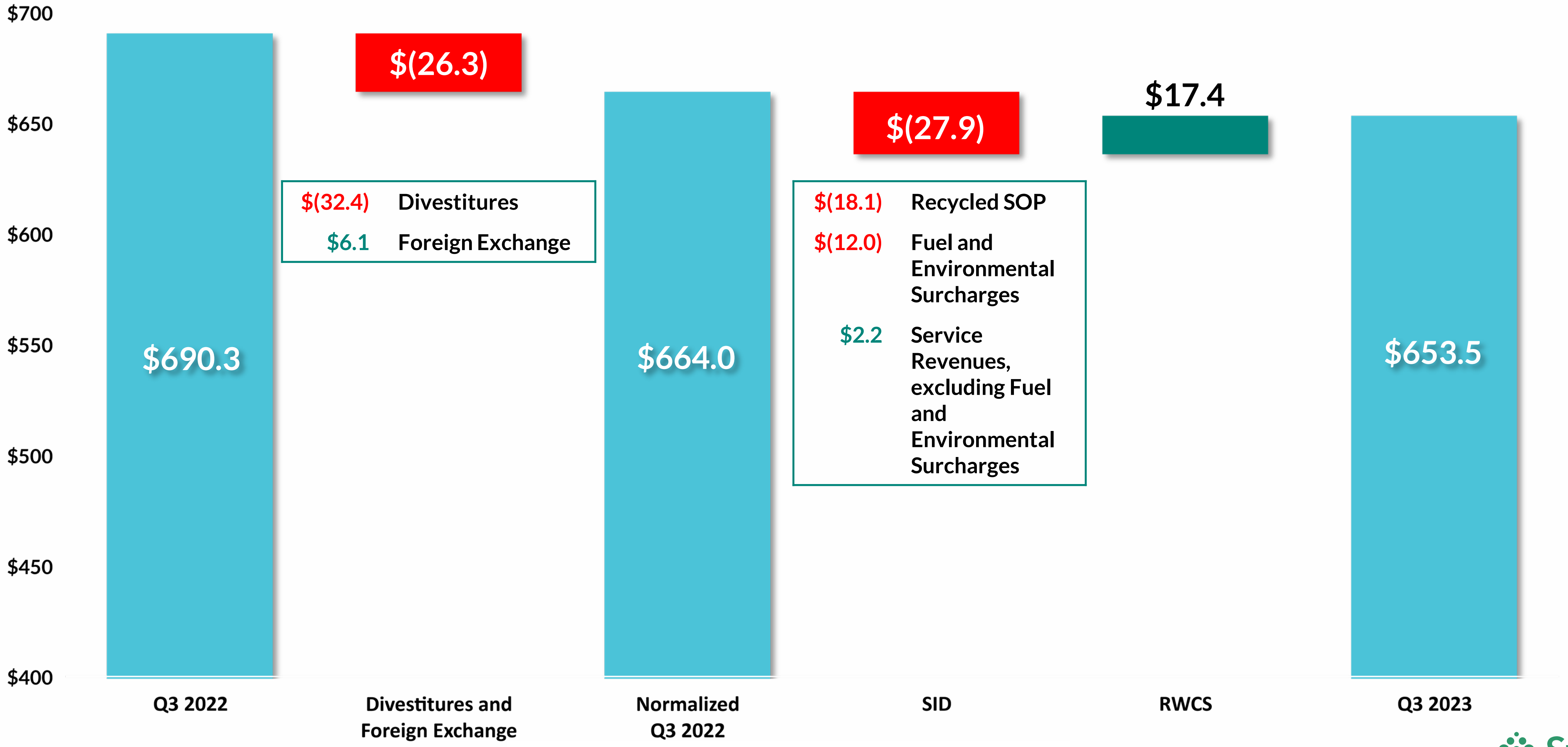
($ millions)	Nine Months Ended September 30, 2023
Net Cash from Operating Activities	$193.3
Free Cash Flow[2]	$91.1

(1) Reconciliation of Adjusted Income from Operations, Adjusted EBITDA and Adjusted Diluted EPS to their respective U.S. GAAP measures can be found in the appendix of this presentation.
(2) Free cash flow is calculated as Net cash from operating activities less Capital expenditures.

Stericycle®
We protect what matters.

Q3 2023 Organic Revenues Bridge

$ millions



Stericycle®
We protect what matters.

Q3 2023 Revenues by Service and Segment Compared to Q3 2022

	Three Months Ended September 30,						
	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	$ 439.9	$ 447.8	$ (7.9)	(1.8)%	4.1%	(6.7)%	1.1%
Secure Information Destruction Services	213.6	242.5	(28.9)	(11.9)%	(11.6)%	(1.0)%	0.5%
Total Revenues	$ 653.5	$ 690.3	$ (36.8)	(5.3)%	(1.6)%	(4.7)%	0.9%
North America							
Regulated Waste and Compliance Services	$ 368.0	$ 369.7	$ (1.7)	(0.5)%	3.9%	(4.1)%	(0.1)%
Secure Information Destruction Services	189.1	215.1	(26.0)	(12.1)%	(11.9)%	-%	(0.2)%
Total North America Segment	$ 557.1	$ 584.8	$ (27.7)	(4.7)%	(2.1)%	(2.6)%	(0.1)%
International							
Regulated Waste and Compliance Services	$ 71.9	$ 78.1	$ (6.2)	(7.9)%	5.4%	(18.9)%	6.6%
Secure Information Destruction Services	24.5	27.4	(2.9)	(10.6)%	(9.2)%	(8.7)%	6.4%
Total International Segment	$ 96.4	$ 105.5	$ (9.1)	(8.6)%	1.3%	(16.2)%	6.6%

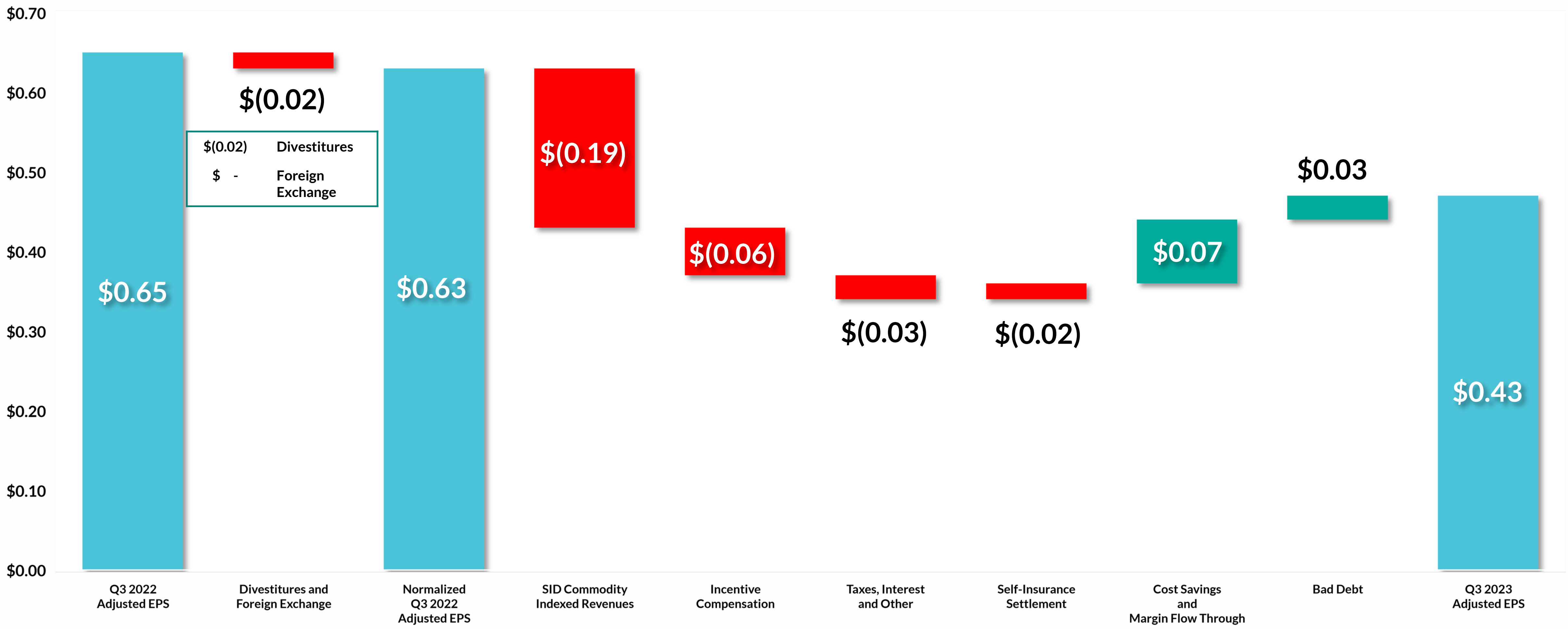
[1] Components of Change (%) in summation may not cross foot to the total Change (%) due to rounding.
[2] Organic growth is the change in revenues which includes SOP (sorted office paper) pricing and volume and excludes the impact of divestitures and foreign exchange.
[3] Foreign Exchange is change in revenues attributed to effects of foreign currency exchange rates.

Q3 2023 Financial Performance

($ millions except for EPS)	Three Months Ended September 30,	
	2023	2022
Revenues	$653.5	$690.3
Income from Operations(1)	$24.2	$50.6
Diluted Earnings per Share	$0.02	$0.30
Adjusted Income from Operations(2)	$70.3	$92.0
Adjusted EBITDA(2)	$96.4	$119.3
Adjusted Diluted Earnings per Share(2)	$0.43	$0.65

(1) Change primarily due to lower commodity indexed revenues and fees and surcharges, including Recycled Paper revenue due to lower RISI rates and lower fuel and environmental surcharges due to lower fuel rates.
(2) Reconciliation of Adjusted Income from Operations, Adjusted EBITDA and Adjusted Diluted EPS to their respective U.S. GAAP measures can be found in the appendix of this presentation.

Q3 2023 Adjusted Diluted EPS Bridge



Reconciliation of Adjusted Diluted EPS to its respective U.S. GAAP measure can be found in the appendix of this presentation.

Generated Free Cash Flow of $91.1 Million through the first Nine Months of 2023, a $154.0 Million Improvement

($ millions)		
Free Cash Flow[1] for the nine months ended September 30, 2022		**$(62.9)**
Changes in Operating Cash Flow:		
Lower FCPA Settlement Payments	72.8	
Accounts Receivable Improvements, net of Deferred Revenues [2]	55.0	
Lower Annual Incentive Payments	22.3	
Other Net Working Capital Changes	8.9	
Lower Cash Generated from Operating Income	(8.8)	
Year-over-year change in Operating Cash Flow		**150.2**
Year-over-year change in Capital Expenditures		**3.8**
Year-over-year change in Free Cash Flow		**154.0**
Free Cash Flow[1] for the nine months ended September 30, 2023		**$91.1**
Q3 Adjusted Litigation Payments		**$13.3**
Free Cash Flow for the nine months ended September 30, 2023, excluding Q3 Adjusted Litigation Payments		**$104.4**

(1) Free Cash Flow is calculated as Net cash from operating activities less Capital expenditures.

(2) Associated with the deployment of the ERP to U.S. RWCS, we advanced certain invoicing for specific Regulated Waste services resulting in the recording of Deferred Revenue and Accounts Receivables in the third quarter. Notwithstanding the recording of Deferred Revenue which resulted in an increase to Accounts Receivables, we collected $55.0 million more Accounts Receivables than the prior year.

Debt Reduction and Leverage Improvement

- Maintained our credit agreement defined debt leverage ratio below 3.0X
- Reduced net debt to $1,283.1 million, down $178.3 million since December 31, 2022

($ millions except leverage ratio)	As of September 30, 2023	As of December 31, 2022
Net Debt[1]	$1,283.1	$1,461.4
Credit Agreement Defined Debt Leverage Ratio[2]	2.84X	3.28X
Unused Portion of the Revolving Credit Facility	$1,095.8	$985.7

(1) Net debt is calculated as total debt less cash and cash equivalents as defined by our credit agreement.
(2) The amended credit agreement allows add backs when calculating the credit agreement defined debt leverage ratio.

For additional information, see Note 4 – Long-Term Debt in the Form 10-Q for the quarter ended September 30, 2023.

Stericycle®
We protect what matters.

2023 Guidance Updated*

We expect the following:

Organic Revenue Growth[1]	2 to 3 percent on a base of $2.60 billion
Adjusted EPS[2][3]	$1.80 to $1.95
Free Cash Flow[4][5]	$170 to $190 million
Capital Expenditures	$135 to $145 million

(1) Organic revenue base of $2.60 billion represents 2022 revenues normalized for revenues from the divestitures of Communication Solutions (December 2022) , Sanypick Plastics (January 2023), Brazil (April 2023), Singapore (May 2023), Australia (May 2023), Republic of Korea (June 2023), dental recycling business in the Netherlands (July 2023) and Romania (October 2023).
(2) Assumes recent foreign exchange rates, SOP recycling revenue per ton market price, reduction from divested businesses, and variable interest rates movement with changing market conditions.
(3) Assumes adjusted effective tax rate remains in the range of 26% to 29%, reflecting more normalized income tax levels in 2023.
(4) Includes final payments of approximately $8 million for the FCPA settlement in April and assumes approximately $5 to $10 million for FCPA monitor costs, which is expected to be reflected in Adjusted Litigation, Settlements and Regulatory Compliance in 2023.
(5) Excludes other adjusted litigation items accrued for in prior years and the first half of 2023, which we anticipate may be paid in the second half of 2023 and would reduce free cash flow by approximately $18 to $25 million, of which we paid approximately $13 million in Q3.

**Forward Looking Statements. Please refer to the Safe Harbor Statement on Slide 2. This guidance is based on currently known items and certain business assumptions, including assumptions with respect to foreign exchange rates and estimates for SOP and other commodity pricing. This guidance also excludes future acquisitions, divestitures and litigation costs. For guidance purposes, it is not possible to predict or provide without unreasonable effort a reconciliation reflecting the impact of future acquisitions, divestitures, certain litigation, settlements and regulatory compliance matters, uncertain tax matters, certain other items, or other unanticipated events, such as a recession or prolonged inflationary environment, which would be included in reported (U.S. GAAP) results and could be material.*

Long-Term Outlook*

With 2023 as the base year, we expect the following through 2027:

Organic Revenue Growth	Five-year compounded annual rate of 3 to 5 percent
Adjusted EBITDA Growth Rate	Generate 13% to 17% average annual Adjusted EBITDA growth rate
Free Cash Flow Conversion[(1)]	Generate 50% to 60% Free Cash Flow Conversion based on Adjusted EBITDA beginning in 2024

[(1)] Free Cash Flow Conversion is calculated as Free Cash Flow as a percentage of Adjusted EBITDA. Free cash flow is calculated as Net cash from operating activities less Capital expenditures.

**Forward Looking Statements. Please refer to the Safe Harbor Statement on Slide 2. This outlook is based on currently known items and certain business assumptions, including assumptions with respect to foreign exchange rates and estimates for SOP and other commodity pricing. This outlook also excludes future acquisitions, divestitures, litigation and FCPA monitor costs. For long-term outlook purposes, it is not possible to predict or provide without unreasonable effort a reconciliation reflecting the impact of future acquisitions, divestitures, certain litigation, settlements and regulatory compliance matters, uncertain tax matters, certain other items, or other unanticipated events, such as a recession or prolonged inflationary environment, which would be included in reported (U.S. GAAP) results and could be material.*

Appendix

Non-GAAP Financial Measures

The Non-GAAP financial measures contained in this document are reconciled to the most comparable measures calculated in accordance with U.S. GAAP. Management believes the Non-GAAP financial measures are useful measures of Stericycle's performance because they provide additional information about Stericycle's operations and exclude certain specified items, allowing better evaluation of underlying business performance and better period-to-period comparability. Additionally, the Company uses such Non-GAAP financial measures in evaluating business unit and management performance. All Non-GAAP financial measures are intended to supplement the applicable U.S. GAAP measures and should not be considered in isolation from, or a replacement for, financial measures prepared in accordance with U.S. GAAP and may not be comparable to or calculated in the same manner as Non-GAAP financial measures published by other companies. Please see Stericycle's Current Report on Form 8-K furnished to the SEC on the date hereof for more information regarding these Non-GAAP financial measures. For guidance purposes, it is not possible to predict or provide without unreasonable effort a reconciliation reflecting the impact of future acquisitions, divestitures, certain litigation, settlements and regulatory compliance matters (including monitoring costs), uncertain tax matters, certain other items or other unanticipated events, which would be included in reported (U.S. GAAP) results and could be material.

Reconciliation of U.S. GAAP to Adjusted Q3 2023 Financial Measures

(In millions, except per share data)	Three Months Ended September 30, 2023				
	Gross Profit	Selling, General and Administrative Expenses	Income from Operations	Net Income Attributable to Common Shareholders	Diluted Earnings Per Share
U.S. GAAP Financial Measures	$ 245.7	$ 217.3	$ 24.2	$ 2.0	$ 0.02
Adjustments:					
ERP and System Modernization	-	(4.8)	4.8	3.9	0.04
Intangible Amortization	-	(27.9)	27.9	21.6	0.24
Portfolio Optimization	-	(0.8)	5.0	4.8	0.05
Litigation, Settlements and Regulatory Compliance	-	(5.3)	5.3	4.2	0.05
Asset Impairments	-	(3.1)	3.1	3.1	0.03
Total Adjustments	-	(41.9)	46.1	37.6	0.41
Adjusted Financial Measures	$ 245.7	$ 175.4	$ 70.3	$ 39.6	$ 0.43
Depreciation			26.1		
Adjusted EBITDA			$ 96.4		

For more details on adjusted items, please see Stericycle's earnings press release for Q3 2023 issued on November 2, 2023.

Reconciliation of U.S. GAAP to Adjusted Q3 2022 Financial Measures

(In millions, except per share data)

	Three Months Ended September 30, 2022				
	Gross Profit	Selling, General and Administrative Expenses	Income from Operations	Net Income Attributable to Common Shareholders	Diluted Earnings Per Share
U.S. GAAP Financial Measures	$ 266.2	$ 215.6	$ 50.6	$ 28.0	$ 0.30
Adjustments:					
ERP and System Modernization	-	(3.9)	3.9	3.0	0.04
Intangible Amortization	-	(31.5)	31.5	24.3	0.26
Portfolio Optimization	-	(1.4)	1.4	1.0	0.01
Litigation, Settlements and Regulatory Compliance	-	(2.6)	2.6	2.0	0.02
Asset Impairments	-	(2.0)	2.0	1.5	0.02
Total Adjustments	-	(41.4)	41.4	31.8	0.35
Adjusted Financial Measures	$ 266.2	$ 174.2	$ 92.0	$ 59.8	$ 0.65
Depreciation			27.3		
Adjusted EBITDA			$ 119.3		

For more details on adjusted items, please see Stericycle's earnings press release for Q3 2023 issued on November 2, 2023.

Stericycle®
We protect what matters.

Contact Us

Stay In Touch With Stericycle Investor Relations

Email
StericycleIR@stericycle.com

Phone Number
1.800.643.0240 ext. 2012 or 847.607.2012

Website
investors.stericycle.com