

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

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2020

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 001-39729



SOTERA HEALTH COMPANY

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

47-3531161

(I.R.S. Employer Identification No.)

9100 South Hills Blvd, Suite 300

Broadview Heights, Ohio

(Address of principal executive offices)

44147

(Zip Code)

(440) 262-1409

(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, \$0.01 par value per share	SHC	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

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, 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report.

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

As of June 30, 2020, the last business day of the registrant's most recent second quarter, there was no established public market for the registrant's equity securities.

As of February 24, 2021, there were 282,899,968 shares of the registrant's common stock, \$0.01 par value per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Definitive Proxy Statement for the registrant's 2021 Annual Meeting of Stockholders are incorporated by reference in Part III of this Annual Report on Form 10-K. The proxy statement will be filed with the Securities and Exchange Commission within 120 days after the end of the registrant's fiscal year ended December 31, 2020.

SOTERA HEALTH COMPANY
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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are often characterized by the use of words such as “believes,” “estimates,” “expects,” “projects,” “may,” “intends,” “plans” or “anticipates,” or by discussions of strategy, plans or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance, achievements, or industry results, to differ materially from historical results or any future results, performance or achievements expressed, suggested or implied by such forward-looking statements. Such risks and uncertainties include but are not limited to:

- any disruption in the availability of, or increases in the price of, ethylene oxide (“EO”), Cobalt-60 (“Co-60”) or our other direct materials, services and supplies, including as a result of current geopolitical instability arising from U.S. relations with Russia and related sanctions;
- adverse changes in industry trends;
- adverse changes in environmental, health and safety regulations;
- accidents resulting from the safety risks associated with the use and disposal of potentially hazardous materials such as EO and Co-60;
- accidents resulting from the safety risks associated with the transportation of potentially hazardous materials such as EO and Co-60;
- liability claims relating to health risks associated with the use of EO and Co-60;
- current and future legal proceedings;
- the intensity of competition we face;
- any market changes that impact our long-term supply contracts with variable price clauses;
- allegations of our failure to properly perform our services and any potential product liability claims, recalls, penalties and reputational harm;
- the regulatory requirements to which we are subject and any failures to receive or maintain, or delays in receiving, required clearance or approvals;
- business continuity hazards and other risks associated with our operations, including our reliance on the use and sale of products and services from a single location;
- the impact of the COVID-19 pandemic;
- our ability to increase capacity at existing facilities and build new facilities in a timely and cost-effective manner;
- our ability to renew the long-term leases for our facilities at the end of their terms;
- the risks of doing business internationally;
- instability in global and regional economic and political conditions;
- our failure to retain key personnel and attract talent;
- the significant regulatory oversight to which our import and export operations are subject, and any failure to comply with applicable regulations;
- any cyber security breaches and data leaks as a result of our dependence on information technology systems;
- the risks of pursuing strategic transactions, including acquisitions, and our ability to find suitable acquisition targets or integrate strategic acquisitions successfully into our business;
- our ability to implement effective internal controls over financial reporting;
- our reliance on intellectual property to maintain our competitive position and the risk of claims from third parties that we infringe or misappropriate their intellectual property rights;
- the data privacy and security laws and regulations to which we are subject, and any ineffective compliance efforts with such laws and regulations;
- our ability to maintain profitability in the future;
- impairment charges on our goodwill and other intangible assets with indefinite lives;
- unionization efforts and labor regulations in certain countries in which we operate;
- the variety of laws involving the cannabis industry to which we are subject, and any failure to comply with those laws;
- the risk of government or private civil antitrust actions;
- adverse changes to our tax positions in U.S. or non-U.S. jurisdictions, the interpretation and application of recent U.S. tax legislation or other changes in U.S. or non-U.S. taxation of our operations;
- our indebtedness could adversely affect our ability to raise additional capital, limit our ability to react to changes in the economy or our industry and prevent us from meeting our obligations under our existing and future indebtedness; and
- our ability to generate sufficient cash flows or access sufficient additional capital to meet our debt obligations or to fund our other liquidity needs.

These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update them publicly in light of new information or future events, except as required by law. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved.

You should carefully consider the above factors, as well as the factors discussed elsewhere in this Annual Report on Form 10-K, including under Item 1A, “Risk Factors” and elsewhere in this Annual Report on Form 10-K. If any of these trends, risks or uncertainties actually occurs or continues, our business, financial condition or operating results could be materially adversely affected, the trading prices of our securities could decline and you could lose all or part of your investment. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

Unless expressly indicated or the context requires otherwise, the terms “Sotera Health,” “Company,” “we,” “us,” and “our” in this document refer to Sotera Health Company, a Delaware corporation, and, where appropriate, its subsidiaries on a consolidated basis.

Part I

Item 1. Business

General Information

We are a leading global provider of mission-critical sterilization, lab testing and advisory services to the medical device and pharmaceutical industries. We are driven by our mission: Safeguarding Global Health®. We provide end-to-end sterilization as well as microbiological and analytical lab testing and advisory services to help ensure that medical, pharmaceutical and food products are safe for healthcare practitioners, patients and consumers in the United States and around the world. Our customers include more than 40 of the top 50 medical device companies and eight of the top ten global pharmaceutical companies (based on revenue). Our services are an essential aspect of our customers' manufacturing process and supply chains, helping to ensure sterilized medical products reach healthcare practitioners and patients. Most of these services are necessary for our customers to satisfy applicable government requirements. We give our customers confidence that their products meet regulatory, safety and effectiveness requirements. With a combined tenure across our businesses of nearly 200 years and our industry-recognized scientific and technological expertise, we help to ensure the safety of millions of patients and healthcare practitioners around the world every year. Across our 64 facilities worldwide, we have nearly 3,000 employees who are dedicated to safety and quality. We are a trusted partner to more than 5,800 customers in over 50 countries.

Sotera Health Company was incorporated in Delaware in November 2017 as the parent company for Sterigenics, Nordion and Nelson Labs. In May 2015, investment funds and entities affiliated with Warburg Pincus LLC ("Warburg Pincus") and GTCR, LLC ("GTCR") acquired a controlling interest in our predecessor through Sterigenics-Nordion Topco Parent LLC, now known as Sotera Health Topco Parent, L.P. ("Topco Parent"). On October 23, 2020, we changed our name from Sotera Health Topco, Inc. to Sotera Health Company. We completed our initial public offering and listed our shares on the Nasdaq Global Select Market ("Nasdaq") in November 2020.

Our Businesses

Sterilization Services

Our sterilization services business is comprised of Sterigenics and Nordion.




Sterigenics

We are a leading global provider of outsourced terminal sterilization services and have provided sterilization services for nearly 90 years. We offer a globally integrated platform for our customers in the medical device and pharmaceutical industries, with facilities strategically located to be convenient to their manufacturing sites or distribution hubs.

Terminal sterilization is the process of sterilizing a product in its final packaging; it is an essential, and often government-mandated, last step in the manufacturing process of healthcare products before they are shipped to end-users. These products include procedure kits and trays, implants, syringes, catheters, wound care products, medical protective barriers, including personal protective equipment ("PPE"), laboratory products and pharmaceuticals.

Sterilization Services

We offer our customers a complete range of terminal sterilization services, primarily using the three major commercial terminal sterilization technologies: gamma irradiation, EO processing and E-beam irradiation. We continue to invest in and develop our capabilities and our current methods of sterilization, as well as explore new alternative modalities and technologies. Our primary terminal sterilization technologies include:

			
Overview	<i>Products are exposed to gamma rays emitted by decaying Co-60. Gamma rays have no mass and therefore can penetrate dense materials to kill microbes</i>	<i>Gas sterilization process where pallets are loaded into a chamber that is then injected with EO gas to penetrate already-packaged products</i>	<i>Products ranging from gemstones to semiconductors are exposed to machine-generated radiation in the form of an electron stream</i>
Product suitability	<ul style="list-style-type: none"> Implants (cardiovascular, orthopedic) Surgical staplers and gloves Stents Cardiac devices Bandages Orthopedic implants Surgical instruments Alcohol wipes 	<ul style="list-style-type: none"> Complex kits Catheters Drapes Gowns Endoscopy instruments Surgical kits Vascular catheters IV tubing 	<ul style="list-style-type: none"> Homogenous products Syringes Labware
Benefits	<ul style="list-style-type: none"> ✓ Quick processing ✓ Penetrates finished products ✓ Precision dosing 	<ul style="list-style-type: none"> ✓ Penetrates pallets of finished products ✓ Wide range of compatible materials 	<ul style="list-style-type: none"> ✓ Quickest processing times ✓ Good for material modification or enhancement
Considerations	<ul style="list-style-type: none"> ✗ Cannot treat radiation-sensitive products ✗ Uses radioactive Co-60 	<ul style="list-style-type: none"> ✗ Longer processing times ✗ Uses hazardous gas 	<ul style="list-style-type: none"> ✗ Cannot treat radiation-sensitive products ✗ Limited product penetration

We provide gamma irradiation services at 23 of our facilities, EO processing services at 17 of our facilities and electron beam (“E-beam”) irradiation services at eight of our facilities.

In addition to the three major technologies, we invest in alternative modalities to serve our customers in niche applications. X-ray irradiation is a process in which products such as medical devices and labware are exposed to machine-generated radiation in the form of X-rays for the purpose of sterilization and decontamination. X-rays are similar in performance to gamma rays and are useful for processing certain materials due to the high penetration capabilities of X-ray. We utilize X-ray irradiation at one of our sterilization facilities for bio-hazard reduction for the United States Postal Service, or USPS. In addition, we are also investing in NO2-based sterilization, which has been effective in the sterilization of prefilled syringes, drug-device combination products and custom implants.

Sterilization Applications

Sterigenics primarily provides sterilization services for medical device manufacturers and the pharmaceutical industry. Sterigenics also provides decontamination services for the food industry. Additionally, Sterigenics provides various advanced applications for other organizations and companies including the USPS and semiconductor manufacturers. Our customers select the sterilization method that meets the needs of their products and requirements of regulators and we deliver sterilization services according to their customer-specific protocols. In most cases, customers are serviced from more than one facility.

- Medical device sterilization. Medical device sterilization is a regulatory requirement in many jurisdictions and an important and last step in the manufacturing of healthcare products such as medical protective barriers, including PPE, procedure kits and trays, implants, syringes, catheters and wound care products. A broad range of single-use, prepackaged medical products, as well as certain consumer products, are required by government regulations to be sterile, or meet certain acceptable microbial levels when sold. These products are not manufactured in a “sterile” or “clean” environment and are thereby inhabited by potentially harmful microbes. Products must be treated as part of the

production process before shipment to customers, either in-house by the manufacturer or by an outsourced sterilization provider, such as Sterigenics.

We have developed a consultative approach with medical device manufacturers that expands our service offerings beyond core product sterilization, as we believe they want value-added solutions from their outsourced sterilization partners that reach beyond the traditional scope of sterilization. We offer customers a comprehensive selection of advisory services in design, testing, production and supply chain management for sterile healthcare products before, during and after the sterilization process to ensure and improve a product's speed to market and compliance with regulatory requirements.

- **Pharmaceuticals.** We provide comprehensive outsourced terminal sterilization solutions to help our customers in the pharmaceutical industry meet regulatory requirements. Our sterilization expertise covers a variety of pharmaceutical drug products, such as active pharmaceutical ingredients, pre-filled syringes, drug components, excipients and primary packaging and components.

In addition, pharmaceutical companies are starting to market disposable delivery devices, such as auto-inject devices for epinephrine, which are combined medical device and pharmaceutical products. As these disposable delivery devices are subject to both medical device regulations and pharmaceutical regulations, we believe these companies are looking to leading outsourced sterilization providers like us for our expertise in sterilizing these complex devices. We believe that the complementary capabilities and expertise in our Nelson Labs business make Sterigenics an attractive sterilization partner to customers in the pharmaceutical industry. We can provide a full suite of services to help them throughout key stages in the lifecycle of these complex products.

- **Food and agricultural products.** We provide microbial reduction and microbial remediation services for food and agricultural products. Generally, in a microbial reduction process, products are exposed to lower levels of treatment than in a sterilization process. This process is not intended to render a product free of viable organisms but rather to reduce their number. In connection with our microbial reduction services, we treat a wide array of products such as spices, herbs, animal feed and food packaging materials to address product liability concerns of our customers related to the health of the consumer or to extend shelf life. We currently irradiate a variety of food and food packaging products, ranging from orange juice to steaks, to guard against harmful bacteria, such as listeria, salmonella, E. coli and other pathogens. Microbial reduction and irradiation offer producers and processors a method to safeguard against bacteria from the time of the packaging of their products to the time they reach consumers. We also provide microbial remediation services that stop the progression of damage to products and help make the products safe for distribution.
- **Commercial, advanced and specialty applications.** We provide a wide range of advanced applications services for industrial materials to customers that use ionizing radiation to modify materials or products. The advanced applications sterilization industry represents over \$1.7 billion of demand, with an outsourced value of approximately \$350 million. It is comprised of a large number of distinct segments that can be addressed using our services for radiation processing. Materials that undergo advanced application processes include products such as power semiconductors, polymers and gemstones. In addition, we utilize our ionizing radiation services to provide bio-security services to the USPS by treating and protecting the mail against unwanted pathogens and biohazards. We believe we are the only provider of this service to the USPS. We also treat commercial products, such as cosmetics, with our microbial reduction services. In Canada and Europe, where recreational cannabis, medical cannabis, or both, are legal, we provide commercial gamma and E-beam irradiation services for decontamination of cannabis.

Sterigenics Customers

Sterigenics serves approximately 2,800 customers. We follow extensive validation procedures with our customers to determine the optimal sterilization method for each product, and to validate that the chosen method will achieve the sterility requirement for that product. Once a sterilization process has been validated, we adhere to our customers' process specifications to treat their product.

Sterilization services are an essential element in our customers' manufacturing processes but generally represent a small fraction of the total end-product cost of medical devices. We believe this means that our customers choose our services based on quality and consistency of service rather than solely on the cost. These deep, tenured customer relationships are supported by multi-year contracts with cost pass-through provisions, which have resulted in recurring revenue streams.

For many products, our customers are required to include the specific facility used to validate a product’s listing in the Food and Drug Administration (“FDA”) (or foreign equivalent) product registration and are typically required to re-register if they switch facilities, making switching locations for a particular product a difficult and expensive process for our customers. This dynamic contributes to low customer churn and long-term relationships within our business.

In addition, Sterigenics has achieved high historical customer retention and renewal rates—Sterigenics has close to 100% renewal rates of its top ten customers over the last five years, and an average tenure of over a decade with its top 25 customers over the last five years—and minimal customer concentration. We have also introduced innovative, advanced processing systems for outsourced sterilization that are designed to enhance operating efficiencies, improve turnaround times and provide for greater processing flexibility without sacrificing quality, consistency or reliability.

Sterigenics Competition

We compete globally with Applied Sterilization Technologies, a segment of STERIS plc, as well as other smaller or regional outsourced sterilization companies. In addition, some manufacturers have invested in in-house sterilization capabilities. We also face competition from other technologies, such as chemical cross-linking of polymers. Our services generally compete on the basis of the quality of technology and services offered, level of expertise in each of the major sterilization methods, level of expertise in the applicable regulatory requirements and proximity to customers.

Sterigenics Suppliers

We primarily purchase our supply of Co-60 sources, the key input into the gamma sterilization process, from Nordion. Our supply of Co-60 sources is at times impacted by the global availability of Co-60. Our supply of EO is sourced from various suppliers around the world. There is more than one supplier of EO in most of the countries in which we operate; however, in the United States, there is a single supplier for EO to our industry. We have not historically experienced any supply disruptions and our U.S. supplier has redundant production facilities to help ensure reliable EO supply. We also have a license in the United States to distribute EO to self-supply should the need arise and we determine to make the necessary investments.

Sterigenics Facilities

With 48 facilities in 13 countries, our global network of sterilization facilities represents a significant competitive advantage. We serve many of our sterilization customers at more than one facility, with more than 80% of Sterigenics’ net revenues attributable to customers using more than one of our facilities and more than 50% of Sterigenics’ net revenues attributable to customers using five or more of our facilities in 2020. Extensive capital, technical expertise and regulatory knowledge are required to build and maintain facilities like ours. We estimate that one new facility can cost over \$30 million to build, on average, and require extensive and complex licensing approval and regulatory compliance processes. We estimate that the cost to replicate the facilities in our network alone could be as high as \$1.5 billion or more, in addition to the technical and regulatory requirements.

Our global facility network, built and expanded over several decades, is strategically located convenient to customers’ manufacturing sites and distribution hubs or routes. For many of our customers, the location of our facilities is important because transportation and logistics costs can be meaningful. We also employ proprietary technology to provide customers with increased visibility into our processes. Sterigenics GPS™ enables customers to monitor the sterilization process in real-time and better manage their supply chain. These features improve the accuracy and visibility of customer order information and quality data, which in turn provide enhanced transparency to regulatory agencies around the world, further enhancing our reputation as a company with regulatory expertise. We are focused on continuing to leverage advanced technology and service offerings to better serve customers, and we believe our capital and resource commitment in this area drives customer loyalty and retention.

By leveraging a global operating system, we drive operational excellence across our network of facilities in order to achieve high levels of safety, quality, operating efficiency and customer satisfaction to provide a uniform customer experience. All facilities are either ISO 13485 certified, ISO 9001 certified, or both, as well as licensed and registered in all necessary jurisdictions to comply with government required regulations.

Nordion

Nordion is the leading global provider of cobalt-60 (“Co-60”) sources and production irradiators, which are the key components in the gamma sterilization process. Co-60 is a radioactive isotope that emits gamma radiation that sterilizes items by killing contaminating micro-organisms. Production irradiators are the units that house the Co-60 sources within a gamma sterilization

facility. We estimate that gamma sterilization, which is a critical component of the global infection control supply chain, represents approximately 30% of single-use medical device sterilization worldwide. Nordion's customers include both outsourced contract sterilizers, including Sterigenics, as well as medical device manufacturers that sterilize their products in-house.

We provide our customers with high quality, reliable, safe and secure Co-60 source supply at each stage of the source's life cycle. We support our customers with handling and processing of Co-60, recycling of depleted sources and global logistics enabled by our licensed container fleet. We also provide regulatory and technical service expertise to improve the risk profiles and enhance effectiveness of gamma processing operations. Without this radioactive material, gamma sterilization would not be possible on the global scale at which it is used today, and we are integral to our customers' operations due to highly coordinated and complex installation processes.

Nordion has a long history of innovation in gamma technologies. Nordion designs, installs and maintains production irradiators. Nordion developed the first Co-60 based tele-therapy unit for cancer treatment in 1951 and the first panoramic irradiator in 1964. In addition to selling Co-60 sources for sterilization purposes, Nordion also sells high specific activity Co-60 ("HSA Co-60" or "medical Co-60") used in stereotactic radiosurgery as a radiation source for oncology applications, specifically in the Gamma Knife® and other similar applications. Today, Co-60 is a critical part of treatment for brain and other cancers because it is noninvasive, reliable, effective and safe to use.

Co-60 Production Process

Nordion's primary product is Co-60 sources. Co-60 is a radioactive isotope used in radiation sterilization that decays naturally at a rate of approximately 12% annually. Co-60 is produced by placing cobalt-59 ("Co-59"), the most common form of cobalt, into a nuclear power reactor to be activated.

The Co-60 production process requires high purity Co-59. Co-59 is produced globally, primarily as a byproduct of nickel and copper mining, and is used in a variety of industrial applications. The Co-59 used for sterilization accounts for a small portion of overall Co-59 demand. Co-59 is compressed into "targets," which are pellets and slugs suitable to be activated into Co-60. These targets are then encapsulated and delivered to be installed in nuclear reactors. Depending on the type of reactor and the location of the Co-59 in the reactor, the conversion process can take between 18 months and five years. Once the conversion to Co-60 is complete, the targets are extracted from the nuclear reactor while the reactor is shut down and shipped to Nordion to be processed into Co-60 sources to be sold to customers. See "Risk Factors—Risks Related to the Company—Safety risks associated with the use and disposal of potentially hazardous materials, such as EO and Co-60, may result in accidents or liabilities that materially affect our results of operations."

Nordion Products

Co-60 is sold to customers by its level of radioactivity, measured in curies. Our customers typically buy low specific activity Co-60 ("LSA Co-60") for industrial sterilization use and HSA Co-60 for medical use. At our Ottawa facility, we receive and process the targets to form the final Co-60 source product with the desired amount of radioactivity for each customer order. The Co-60 sources undergo stringent and sophisticated quality assurance testing at our facility. The final product is then placed in specialized containers, which Nordion uses to transport Co-60 to our customers.

We transport the Co-60 sources via proprietary lead and steel containers that are licensed to meet all applicable international shipping requirements. We believe we have the most extensive expertise in Co-60 logistics. There is a significant regulatory burden in the production, management and transportation of fleets of containers of Co-60 sources. Our transportation routes and carriers are highly controlled, and we provide regular and comprehensive training for employees and carriers who are involved in moving the Co-60 globally.

We also design, install and maintain production irradiators, which include radiation shielding, a series of conveyors and control systems that are designed to expose products to the correct gamma radiation dosage in a safe and efficient manner. A production irradiator is the infrastructure that houses the Co-60 sources and makes up a part of a sterilization and warehousing facility. We have designed and built over 100 of the estimated 290 large scale production irradiators active globally. Our installation, physics and engineering teams are comprised of highly trained professionals who provide fast and ongoing technical support from source installation to emergency response.

We also offer our customers a for-fee spent Co-60 source return service for depleted Co-60 sources that have reached end of their useful life, which is often 20 or more years. We also have a source recycling program that extends the useful life of individual slugs from the decayed product up to an additional 20 years, pairing them with new slugs to make new Co-60 sources.

Nuclear Reactor Operators

Given the timeline required to produce Co-60, forecasting supply and working closely with nuclear power reactor operators to manage the amount and timing of shipments represents an important business capability of Nordion.

The amount of Co-60 supply is ultimately determined by the number of nuclear reactors that are capable of producing Co-60 at a given point in time. Our access to Co-60 tends to vary on a quarterly basis, due primarily to the nuclear reactor maintenance schedule, length of time required to convert Co-59 into Co-60, the limited number of facilities that can generate Co-60 in an economically efficient manner, and the timing of the removal of Co-60 from reactors. While short-term variability in Co-60 supplier delivery timing can result in variability in our financial performance in one or more fiscal quarters, we work with multiple reactor sites that operate on consistent and predictable discharge and harvest schedules over the long-term.

Nordion currently has access to Co-60 supply at multiple nuclear reactors pursuant to multi-year contracts with three operators that cover 13 reactors at five generating stations, that extend to dates between 2024 and 2064, with our largest supplier under contract until 2064. See Item 1A, “Risk Factors—Risks Related to the Company—We depend on a limited number of counterparties that provide the materials and resources we need to operate our business. Any disruption in the availability of, or increases in the price of, EO, Co-60 or our other direct materials, services and supplies, including as a result of current geopolitical instability arising from U.S. relations with Russia and related sanctions, may have a material adverse effect on our operating results.” The substantial majority of our Co-60 material has historically been produced under multi-year contracts with nuclear reactor operators in Canada and Russia. Nordion provides Co-59 targets to its Canadian and Russian reactor suppliers, manufactured to proprietary specifications customized for each supplier. In addition, we also acquire a portion of our Co-60 supply from reactors that produce Co-60 in Russia, China and India.

The vertical integration of Nordion and Sterigenics has allowed us to more confidently make meaningful long-term investments to expand Co-60 supply for the medical products sterilization industry. See Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Trends and Key Factors Affecting Our Results of Operations.” Currently, approximately 9% of nuclear reactors worldwide are the type of reactors that have been capable of producing commercial quantities of Co-60. In December 2018, we acquired patents that may allow us to significantly increase our sourcing options for Co-60 and further expand the market for gamma sterilization. Additionally, in February 2020, we announced a collaboration with Westinghouse Electric Company to further develop the technology to produce Co-60 at reactors in the United States. If successful, we believe this collaboration could further diversify our supply with reliable U.S. domestic partners and encourage the implementation of this patented technology at other reactors.

We continue to work closely with Canada Deuterium Uranium (“CANDU”) reactor operators to monitor refurbishment schedules, and to evaluate opportunities for an increase in Co-60 production from both Russian and CANDU reactors. We are exploring partnerships with other CANDU reactor operators in Canada and Romania that would involve investing in their reactor infrastructure to enable long-term production of Co-60.

We also purchase Co-60 from regional suppliers in China and India, and will continue to explore opportunities for supply in the global market.

Nordion Customers

Nordion supplies products and services to approximately 40 customers, including medical device manufacturers and gamma sterilization service providers. Co-60’s consumable nature results in annual natural decay at an approximately 12% annual rate, which creates stable, recurring demand as customers must purchase incremental supply in order to satisfy ongoing needs. We are integral to our customers’ operations due to highly coordinated and complex installation and service processes that require expertise in handling and shipping radioactive material as well as our deep knowledge of the relevant regulatory and compliance requirements. Customer relationships are typically governed by multi-year supply agreements.

One of Nordion’s customers is Sterigenics, which competes with several of Nordion’s other gamma sterilization service customers. When we acquired Nordion in 2014, we established information barriers between Nordion and Sterigenics with regard to certain customer information, which are still in place today, and we have certain agreements with Nordion’s

customers requiring these barriers. These barriers constrain our ability to manage a pricing strategy across our Sterigenics and Nordion segments with regard to customers.

We are a leading global supplier of HSA Co-60 used in oncology-related stereotactic radiosurgery devices, including the Gamma Knife®, which use directed gamma rays for certain oncology applications. We also supply other medical equipment manufacturers and sub-contractors in the industry who require the concentrated radiation dose capabilities of HSA Co-60.

Nordion Competition

Nordion's two main competitors in the industrial LSA Co-60 sources supply market include a Russian Co-60 sources producer, which currently supplies certain regions in Europe and Asia, and a China-based producer, which currently supplies the domestic Chinese market. In addition, certain regional competitors have the capability to produce Co-60. These competitors could potentially increase their global competition capabilities in the future. Nordion also competes indirectly with other developing modalities of sterilization, such as X-ray technology, that can sterilize similar products as gamma sterilization, which use electricity to generate radiation and therefore do not require Co-60 sources.

Nordion's main competitors in the HSA Co-60 industry include suppliers in China, Sweden and North America that have capability to produce medical Co-60. From 2017 to 2020, growth in our sale of medical Co-60 for the stereotactic radiosurgery device industry benefited from other competitors' supply disruptions and lack of reliability.

Nordion Facilities

Nordion's operations are supported by a facility in Kanata, Canada dedicated to processing and shipping cobalt, as well as a European distribution facility in Milton, United Kingdom.

Lab Testing and Advisory Services

Nelson Labs

Lab testing and advisory services are necessary across the medical device and pharmaceutical product lifecycles to evaluate and ensure a product's safety and effectiveness. We are a global leader in outsourced microbiological and analytical chemistry testing services for the medical device and pharmaceutical industries. In addition to our testing services, our customers often call upon our experts for technical assistance and our advisory services. We go to market leveraging our global footprint and an extensive range of services under our Nelson Labs brand.

We have established ourselves as a critical partner for our customers through our delivery of high quality services, quick testing turnaround times, responsiveness, high-touch support and easy accessibility to our science and service teams. We have an industry-leading brand recognized for the quality and comprehensiveness of service, both of which can take many years to build. Further, we believe that our testing and advisory services offerings and experience across a broad array of products differentiate us from smaller laboratories, as we are able to provide testing and advisory services across the entire lifecycle of our customers' multitude of products. Our scale combined with our global network enable us to undertake significant and time-sensitive projects for our customers that might typically require them to interface with multiple labs. This allows us to simplify complex issues for our customers and streamline communication and execution. Moreover, the integration across our services and facilities enables us to assist our customers in minimizing their business continuity risk by reducing capacity shortages, turnaround time delays and throughput issues.

Our microbiology and analytical chemistry services include over 800 tests. We also provide for-fee advisory services that position us as thought leaders in the industry and increase the demand for our testing offerings. These can be categorized into three broad categories that address different stages of customers' product lifecycle:

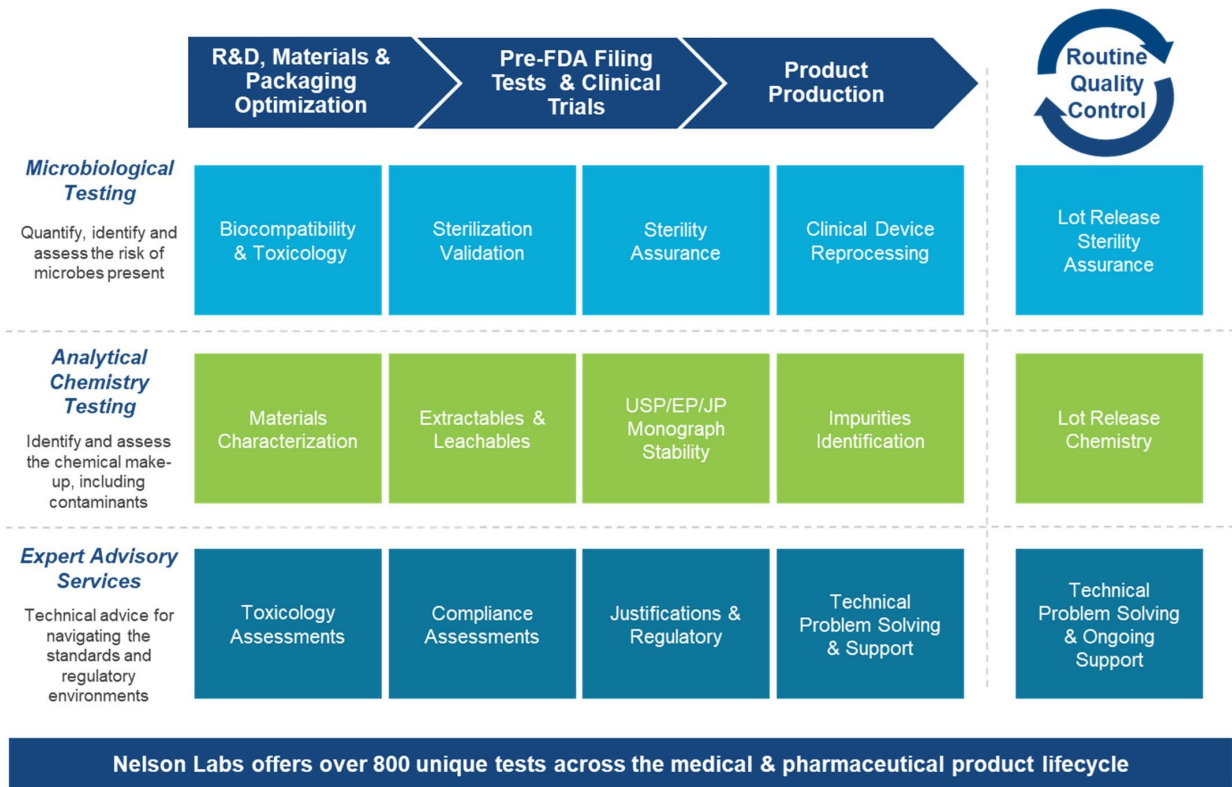
- **Product Development and Validation.** Prior to a new medical product or alteration to an existing product being submitted for regulatory approval, Nelson Labs provides a variety of tests to customers during the research and development stage. These include tests that assist the client in:
 - Product design
 - Material selection
 - Biological safety evaluation
 - Toxicological risk assessment
 - Sterilization modality selection and sterilization validation
 - Cleaning and disinfection validation (for reusable devices)
 - Package barrier properties
 - Distribution simulation
 - Filtration efficiency and physical functionality of PPE (including surgical facemasks, N95 respirators, gowns, drapes and other PPE)

We provide sterilization modality selection and sterilization validation services for a variety of sterilization modalities, including the three major modalities offered by Sterigenics—gamma irradiation, EO processing and E-beam—allowing us to serve our customers in multiple areas.

- **Expert Advisory.** Bringing a medical product or drug to market can be a long and complex process, especially in the context of constantly evolving standards in a changing regulatory environment. Nelson Labs provides expert advisory services to aid customers in navigating the appropriate standards and regulatory environments. These services include:
 - Study design
 - Development and justification of acceptance criteria
 - Onsite facility evaluation and validations
 - Technical troubleshooting and scientific problem solving
 - Regulatory compliance related services, including supporting clients through the regulatory submission process

Our expert advisory services provide additional value and expertise at any stage of the product development life cycle. Nelson Labs offers these services on a standalone basis or as a combined offering with our lab testing services, which creates opportunities for cross-selling with our existing customers for both services. Our expert advisory services are also complemented by our ongoing education offerings conducted through webinars, seminars, tailored onsite education sessions and our website.

- **Routine Sterility and Quality Control Testing.** Once a product has received regulatory approval and is in production, Nelson Labs provides ongoing quality control testing, including production batch verification testing and environmental testing of the client's production systems and facilities, the requirements for which vary based on applicable standards. Nelson Labs performs bacterial endotoxin testing or quarterly dose audits for devices sterilized using irradiation, and biological indicator testing for devices sterilized with EO. Nelson also provides testing for producers of non-sterile products to ensure they are free of objectionable organisms. Often, Nelson Labs provides this ongoing routine quality control testing (based on production lot sizes) for the products for which it performed initial validation testing. These products are often sterilized by Sterigenics.



The testing process commences when Nelson Labs receives samples and a testing request from the customer. Samples are triaged and assigned to specific lab departments, where laboratory analysts and study directors verify orders and interface with customers directly to clarify, adjust or enhance testing as needed to ensure compliance with regulatory standards. Once the sample has been tested, the order is closed out and results are verified by the study director and a technical reviewer prior to electronic delivery of the final customer report via a secure online customer portal.

We operate in an industry that requires significant regulatory and specialized scientific expertise. At a minimum, providers must maintain the proper certifications and accreditations from key regulatory and accreditation bodies, as well as obtain qualification by each customer as a “qualified supplier,” which is often required at the corporate level and at each of the customer’s operating sites. We employ over 500 scientists, technicians and service specialists, creating a substantial competitive advantage in terms of expertise. Our experts serve in predominant roles on a number of standards writing organizations, including the United States Pharmacopeia, AAMI, American Society of Testing and Materials and ISO. We have established credibility and trust with regulators and standards writing organizations which helps us educate customers about the continually-changing testing requirements in a complex and evolving regulatory landscape. Our regulatory and scientific expertise in laboratory testing allows us to serve as thought leaders within the industry and provide high-quality service to our customers. We focus on providing highly-differentiated services that our customers can rely upon to ensure compliance of and enhance their products. For example, over the course of 14 years, we have developed a proprietary, world-class compound database with over 6,000 known elements which enables our extractables and leachables testing. This database allows us to provide analytical data that differentiates our capabilities from our competitors.

We provide microbiological and analytical chemistry laboratory tests across the medical device and pharmaceutical industries. Specifically, our medical device lab testing services include microbiology, biocompatibility and toxicology assessments, material characterization, sterilization validation, sterility assurance, packaging validation and distribution simulation, reprocessing validations, facility and process validation and performance validation and verification of PPE barriers and material. Our pharmaceutical lab testing services include microbiology, biocompatibility and toxicology assessments, extractables and leachables evaluations of pharmaceutical containers, sterilization validation, sterility assurance, packaging validation and distribution simulation and facility and process validation.

Nelson Labs benefits from many of the same underlying growth drivers as our sterilization business, including the global utilization of medical devices and pharmaceutical products and the importance of compliance with continuously evolving global

regulatory requirements. In particular, recent global regulatory changes, such as the enactment of the European Union Medical Device Regulation 2017/745 (MDR) and the FDA's modernization of the premarket notification process under Section 510(k) of the Federal Food, Drug and Cosmetic Act, have increased the requirements for the testing and sterilization of medical devices. The COVID-19 pandemic also increased testing demand due to new FDA Emergency Use Authorizations (EUAs), which define testing criteria necessary for the direct release of masks and respirators to hospitals and clinics without FDA submission. Because we provide product development and validation testing services to clients launching new products or altering existing products, this business benefits from the ongoing technological advances and increasing complexity of medical and pharmaceutical products.

Nelson Labs Customers

Nelson Labs serves over 3,800 customers, including many leading medical device manufacturers and pharmaceutical companies. We have recurring and stable customer relationships and benefit from minimal customer concentration. Our services are an essential component in our customers' research and development and ongoing quality control processes but represent a small portion of end-product cost, which allows us to maintain long-term customer relationships and provide services that are integral to the supply chains of our global customers. We support customers through solutions-focused relationship managers, dedicated service centers and a team-wide service ethic. Nelson Labs has developed a proprietary customer portal that provides our customers quick and convenient access to important product information and customer service. The portal allows our customers to see their tests, status of the tests, estimated completion date and final reports and includes a live chat system connected to our global service center.

Nelson Labs Competition

We primarily compete in the global lab testing services market with a range of providers, from national or international players to other smaller regional or niche laboratories. Our products and services compete on the basis of the quality of services offered, breadth of services, level of expertise in each testing method, delivery time, level of expertise in the applicable regulatory requirements and our reputation with customers and regulators.

Nelson Labs Suppliers

We purchase our lab testing supplies from a number of vendors mainly in the United States and occasionally throughout the world. In many cases we have redundant sources of supplies that minimize our risk of concentration. In addition, some crucial supplies are placed on reserve at specific vendors for our exclusive use.

Nelson Labs Facilities

We operate from a five building campus in Salt Lake City, Utah, with 85 laboratories including metrology, training, media prep labs, five ISO Class V certified clean rooms and customizable lab spaces. We also have facilities in Fairfield, New Jersey; Itasca, Illinois; Leuven, Belgium and nine other laboratories embedded in our Sterigenics sterilization facilities in North America and Asia. We also have one additional lab facility that is under construction in Europe.

Nelson Labs Recent Acquisition

On March 8, 2021, we acquired BioScience Laboratories, LLC ("BioScience") with one location in Bozeman, Montana. BioScience is a provider of outsourced topical antimicrobial product testing in the pharmaceutical, medical device, and consumer industries. BioScience's expertise in analytical testing and clinical trial services will complement Nelson Labs' existing strengths in antimicrobial and virology testing.

Intellectual Property

Our businesses rely on certain proprietary technologies. Most of the proprietary technologies used in our businesses are unpatented. Some of our technologies, including certain processes, methods, algorithms and proprietary databases, are maintained by the business as trade secrets, which we seek to protect through a combination of physical and technological security measures and contractual measures, such as nondisclosure and confidentiality agreements. We also have limited proprietary technologies that are covered by issued patents or patent applications, in particular related to potential new Co-60 supply opportunities for our Nordion business.

The name recognition of our businesses is a valuable asset. Many of our business names are the subject of trademark registrations or applications in the United States or certain other jurisdictions, or part of registered domain names.

Human Capital Resources

As of December 31, 2020, we employed nearly 3,000 employees worldwide. None of our U.S. employees are represented by unions. There are employees outside of the United States that are represented by unions or works councils in Canada, Belgium, Brazil, France, Germany and Mexico. One of our values is People. We value our people who are part of a global team that is diverse, respectful, passionate and collaborative. Our human capital strategy is aligned with our strategy and priorities and focuses on developing and delivering global solutions to attract, develop, engage and retain top talent. On an annual basis, we review our employees to assess performance and leadership potential. We also create succession plans and individual development plans to ensure we have the team needed for the future.

We are committed to providing a safe work environment for our employees and contractors. We have implemented a health and safety program to manage workplace safety hazards and to protect employees. The program encompasses performance, practices and awareness.

We are driven to fulfill our customers' needs with highest quality and care to enable their success.

Governmental Regulation and Environmental Matters

We are subject to environmental, health and safety laws and regulations in the jurisdictions in which we operate, including laws, regulations and permit requirements with respect to our use of Co-60, EO and E-beam. These requirements limit emissions of and the exposure of workers to gamma radiation and EO. Nordion's Kanata facility is licensed as a Class 1B nuclear facility in Canada, regulated by the Canadian Nuclear Safety Commission ("CNSC"), and is audited across various dimensions of this license on an annual basis. In addition to the nuclear aspect of our products, many of the products that we process or manufacture are medical devices directed for human use or products used in the manufacture of medical devices that are directed for human use. Our Nuclear Substance Processing Facility Operating License, CNSC Export license and CNSC Device servicing licenses for our Kanata facility were renewed in October 2015 for a 10-year period. Our facilities hold various International Organization for Standardization's ("ISO") certifications including ISO 9002, 9001, 13485 and 17025. We have device, facility, and specific product registrations with North American (Health Canada and the FDA) and European Drug and Device health regulators. These regulators exert oversight through requirements for a product registration and direct audit of our operations.

Additionally, our operations in the United States and the majority of our facilities outside the United States (to the extent we are processing a product in that facility that will end up in the U.S. market) are regulated by the FDA. We are also regulated by other health regulatory authorities in other countries. Specifically, these operations include some of our sterilization and product testing activities that may constitute "manufacturing" activities and are subject to FDA requirements. These requirements include site, contract drug manufacturer and supplier of active pharmaceutical ingredients registration and listing and manufacturing requirements. Regulations issued by OSHA, the NRC and other agencies also require that equipment used at our facilities be designed and operated in a manner that is safe and with proper safety precautions and practices when handling, monitoring and storing EO and Co-60.

While we strive to comply with these regulatory requirements, we may not at all times be in full compliance and, as a result, could be subject to significant civil and criminal fines and penalties. To reduce the risk of noncompliance, we employ engineering and procedural controls and pollution control equipment, and undertake internal and external regulatory compliance audits at our facilities. We have a proactive environmental health and safety ("EH&S") program and a culture of safety and quality across all business units, and employ a Senior Vice President of Environmental, Health and Safety that reports directly to the Chief Executive Officer and has a team of more than 30 employees.

For additional information, please see Item 1A, "Risk Factors—Risks Related to the Company—We are subject to extensive regulatory requirements and routine regulatory audits in all of our operations. We must receive permits, licenses and/or regulatory clearance or approval for our operations. Failure to comply with all laws and regulations or to receive or maintain permits, licenses, clearances or approvals may hurt our revenues, profitability, financial condition or value" and Item 3, "Legal Proceedings."

EO Regulatory Overview

In addition to general environmental laws and regulations, EO plants and the EO sterilization process are subject to specific regulatory requirements under federal laws in the United States as well as many of the countries in which we operate. Such additional regulations include specific requirements for permissible employee exposure limits, process safety program,

approved EO containers and their transportation, facility security, quality system programs, emission control systems and emission limits and products allowed to be treated with EO. Some state and local governments have additional environmental laws, stricter regulations or other requirements including permitting programs that set forth operational parameters for EO sterilization facilities. In the United States, OSHA regulations limit worker exposure to EO. The use of EO for the reduction of bioburden on or sterilization of an approved list of products, including medical devices, pharmaceutical products, spices, and cosmetics is regulated by the U.S. Environmental Protection Agency (“USEPA”) under the Federal Insecticide, Fungicide and Rodenticide Act (“FIFRA”) and the Clean Air Act (“CAA”). In addition, FDA regulations dictate the acceptable amount of EO residue on different types of EO-processed products. Most other countries in which we operate have similar EH&S and worker exposure regulations.

Our EO sterilization facilities evacuate EO from the sterilization chambers and aeration rooms. Most countries in which we operate have varying emission control requirements for EO emissions from our facilities. We are investing in additional voluntary controls on EO emissions at our facilities to outperform current and expected future regulatory requirements and further reduce facility emissions. For example, we have implemented additional controls to meet new German EH&S standards of stricter EO occupational exposure limitations. In the United States, our supplier maintains FIFRA registrations for EO as a medical device sterilant for users of EO across the United States. The USEPA is in the process of reviewing EO’s FIFRA re-registration eligibility in accordance with the provisions of FIFRA. As a condition of continued registration, the USEPA will likely require enhancements to the processes and equipment for use of EO as a medical device sterilant. The USEPA is also expected to propose updated National Emission Standards for Hazardous Air Pollutants (“NESHAP”) air emission regulations for EO commercial sterilization facilities, which have not yet been published and with which sterilization facilities like ours will be required to comply. In certain U.S. states, including California, additional regulatory requirements and obligations exist, including requirements for the provision of notices regarding the release of or exposure to certain listed substances, including EO and radioactive sources, and bills have been introduced in the U.S. Congress to further regulate EO sterilization activity. Each of our EO sterilization facilities utilizes a variety of control technologies (including wet scrubbers, catalytic oxidizers and dry bed scrubbers) to control these emissions, and we are investing in additional control features to further reduce emissions. For 2021 we expect capital expenditures of more than \$15.0 million related to environmental facility enhancements across all facilities within our business, and we anticipate similar investments in subsequent years. We consistently meet and outperform regulatory emissions control requirements, although we have experienced instances of emissions exceeding applicable standards, none of which we believe were material. We expect to be able to satisfy any changes to applicable regulatory requirements as they evolve.

In addition to government regulation, there are standards, guidelines and requirements established by industry organizations and other non-governmental bodies that may impact our operations such as the ISO’s limit on the permissible levels of residual EO on sterilized medical devices.

Gamma Irradiation Regulatory Overview

In the United States, Sterigenics is subject to U.S. Nuclear Regulatory Commission (the “NRC”) and state regulations that govern operations involving radioactive materials at gamma irradiation plants. These NRC and state regulations specify the requirements for, among other things, maximum radiation doses, system designs, safety features and alarms and employee and area monitoring, testing and reporting. Each of our U.S. plants has a radioactive materials license from the NRC or the state in which it operates. Nordion also has NRC licenses to distribute radioactive material within the United States, which permits Nordion to install and remove Co-60 sources and provide other services to its customers, and a license to export radioactive material from the United States to Canada. The NRC recently implemented new security requirements for our U.S. gamma facilities.

Our Nordion segment operates through our subsidiary Nordion (Canada) Inc. in Canada and REVISS Services in the United Kingdom. Through Nordion, we are subject to additional Canadian regulations, including Transport Canada regulations for the Transportation of Dangerous Goods, Canadian Nuclear Safety Commission (“CNSC”) regulations for the General Nuclear Safety and Controls, Health Canada requirements for drugs and devices and CNSC and Canadian Department of Foreign Affairs and International Trade requirements for import and export.

Outside North America, the European Union and national authorities have developed regulations pertinent to the operation of gamma irradiators that are similar to those of the NRC. While some specific requirements are different in the various other nations as compared to the United States, the fundamental concepts are consistent among the countries, since all are signatories to the International Atomic Energy Agency (“IAEA”) conventions and have adopted safety standards from the IAEA and recommendations from the International Commission on Radiological Protection (“ICRP”).

E-beam and X-ray Irradiation Regulatory Overview

In the United States, irradiators that use accelerators are regulated by the individual state in which a facility resides. While there is some variability in the content of regulations among states, all are patterned after the general regulations of the NRC. These regulations typically specify the requirements for radiation shielding, system designs, safety features and alarms and employee and area monitoring, testing and reporting.

Outside of the United States, accelerator regulations are similar among various nations. These regulations are based on the IAEA standards and ICRP recommendations, much like those for gamma irradiators.

Available Information

Our Annual Report, future quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are made available free of charge through the Investor Relations page of our internet website at www.investors.soterahealth.com, as soon as reasonably practicable after such documents are electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC"). The SEC maintains an Internet site, www.sec.gov, that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

Item 1A. Risk Factors

We describe below certain risks that could adversely affect our business, prospects, financial condition or results of operations. These risk factors may change from time to time and may be amended, supplemented or superseded by updates to the risk factors contained in our future periodic reports on Form 10-Q and reports on other forms we file with the SEC. All forward-looking statements about our future results of operations or other matters made by us in this Annual Report as well as our consolidated financial statements and notes, and in our subsequently filed reports to the SEC, as well as in our press releases and other public communications, are qualified by the risks described below.

Risk Factor Summary

Our business operations are subject to numerous risks, factors and uncertainties, including those outside of our control, that could cause our actual results to be harmed, including risks regarding the following:

- disruption in the availability of, or increases in the price of, EO, Co-60 or our direct materials, services and supplies, including as a result of geopolitical instability arising from U.S. relations with Russia and related sanctions;
- changes in industry trends, environmental, health and safety regulations or preferences and general economic, social and business conditions;
- health and safety risks associated with the use, transportation and disposal of potentially hazardous materials such as EO and Co-60;
- the impact and outcome of current and future legal proceedings and liability claims, including lawsuits alleging personal injury, property devaluation and other injuries by purported exposure to emissions of EO from our facilities in Willowbrook, Atlanta and Santa Teresa, and the possibility that other claims will be made in the future relating to these or other facilities and any inadequacy of our insurance coverage to pay any judgments rendered against us, including that our per occurrence limit for claims relating to Willowbrook's EO emissions has been reached;
- compliance with regulatory requirements to which we are subject and the related costs, and any failures to receive or maintain, or delays in receiving, required clearance or approvals;
- competition we face;
- business continuity hazards and other risks associated with our operations;
- our ability to increase capacity at existing facilities, renew leases for our facilities and build new facilities in a timely and cost-effective manner;
- the risks of doing business internationally;
- cyber security breaches and data leaks, and our dependence on information technology systems;
- any inability to pursue strategic transactions, including to find suitable acquisition targets, and our failure to integrate strategic acquisitions successfully into our existing business or realize anticipated cost savings or synergies;

- any inability to implement effective internal controls over financial reporting;
- our history of net operating losses, including a net loss attributable to Sotera Health Company of \$38.6 million and \$20.9 million for the years ended December 31, 2020 and 2019, and the risk that we may not achieve or maintain profitability in the future;
- our substantial leverage could adversely affect our ability to raise additional capital, limit our ability to react to changes in the economy or our industry, limit our flexibility in operating our business through restrictions contained in our debt agreements and prevent us from meeting our obligations under our existing and future indebtedness. As of December 31, 2020, our indebtedness totaled approximately \$1,863.6 million, and our debt service obligations (principal and interest) represented approximately 68% of our net cash flows from operating activities (before giving effect to the payment of interest);
- certain investment funds and entities affiliated with Warburg Pincus and GTCR, which we refer to collectively as the “Sponsors,” continue to have substantial control over us, which could limit stockholders’ ability to influence the outcome of key transactions, including a change of control; and
- the fact that we may be considered a “controlled company” within the meaning of the Nasdaq corporate governance standards and would qualify for exemptions from certain corporate governance requirements, which means that our stockholders may not have the same protections afforded to stockholders of companies that are subject to such requirements.

Risks Related to the Company

We depend on a limited number of counterparties that provide the materials and resources we need to operate our business. Any disruption in the availability of, or increases in the price of, EO, Co-60 or our other direct materials, services and supplies, including as a result of current geopolitical instability arising from U.S. relations with Russia and related sanctions, may have a material adverse effect on our operating results.

We purchase certain direct materials, equipment and services necessary for the provision of our specialized products and services from a sole or limited number of suppliers and subcontractors, and purchase large quantities of product from an individual supplier in certain cases. If one or more of our significant suppliers or service providers were unable to meet their obligations under present arrangements, direct materials or equipment were to become unavailable within the geographic area from which they are now sourced, or supplies were otherwise constrained or disrupted for any reason (including as a result of a natural disaster or other adverse occurrence), we may incur increased costs for our direct materials or equipment and may be unable to accommodate new business or meet our current customer commitments. For example, in the United States there is a single supplier of EO for our sterilization business. Further, our reliance on a single or limited number of suppliers may limit our negotiating power, particularly during times of rising direct material costs.

We source a substantial portion of our Co-60 supply from three nuclear reactor operators in Canada and Russia under contracts that extend to between 2024 and 2064. See Item 1, “Business—Our Businesses—Nordion—Nuclear Reactor Operators.” If there were a decrease in output or disruption at any of these reactors (including as a result of a natural disaster or other adverse occurrence), the counterparties failed to perform under their agreements with us or declined to enter into renewal contracts with us for our future supply needs and we are unable to obtain supply from other sources, or if such sources begin to compete with us in one or more geographies, this could have a material adverse effect on our business. In addition, a number of reactors that have the capacity to generate Co-60 are government owned. Priorities of governments can change. Any repurposing of a government-owned reactor that generates Co-60 for an alternative use has in the past and could in the future lead to a decrease in Co-60 availability, which could have a material adverse effect on our business, prospects, financial condition or results of operations.

Further, approximately 20% of our supply of Co-60 currently is generated by Russian nuclear reactors. Over the next few years, we expect that there will be periods when, due to planned or unplanned outages and variability in supply from individual reactors, the proportion of our supply from Russian reactors may increase to as much as 50% for a given year. The United States, Canada and the European Union have imposed sanctions against Russian officials and certain Russian companies and individuals. Russia has responded with countermeasures, including limiting the import of certain goods from the United States and other countries. Expanded sanctions could target government-owned operations, including Russian nuclear reactor operators, and could prevent us from doing business with them. The U.S. government has also implemented certain sanctions targeting non-U.S. persons for activities conducted outside the United States that involve specific sanctions targets or certain activities related to sanctioned countries, any of which could prohibit us from conducting routine commercial transactions with Russian entities that are engaged in certain transactions related to sanctioned countries or sanctioned parties. If the U.S.

government significantly broadens the scope of, or Canada or the European Union imposes, sanctions against Russia and prevents the importation of Russian-sourced Co-60 or the Russian government responds with further countersanctions, it may make it generally more difficult to do business with Russian entities. Any sanctions or countermeasures could have a material adverse effect on our business, prospects, financial condition or results of operations.

Any interruptions that we experience with our key suppliers, regarding the availability of Co-60, changes in regulatory requirements regarding the use of Co-60 or unavailability or short-supply of raw materials or services, may disrupt or cause a shutdown of portions of our operations, materially increase our costs or have other adverse consequences on our business, prospects, financial condition or results of operations.

Industry trends could impact the demand for our products and services and could have a material adverse effect on our business.

Industry trends that affect medical device, pharmaceutical or biotechnology companies affect our business. The medical device industry is characterized by frequent product development and technological advances, which may reduce demand for our sterilizing and testing services if our existing services no longer meet our customers' requirements. Any significant decrease in life science research and development expenditures by medical device, pharmaceutical and biotechnology companies, including as a result of a general economic slowdown, could in turn impact the volumes of medical products that require sterilization or lab testing services. Future demand for Co-60 or our sterilization services could also be adversely impacted by changes to preferred sterilization modalities. Our ability to adapt our business to meet evolving customer needs depends upon the development and successful commercialization of new services, new or improved technologies and additional applications of our technology for our customers' new products. We can give no assurance that any such new services will be successful or that they will be accepted in the marketplace. Any failure to develop or commercialize new services and technologies and any decrease in demand for our products or services could have a material adverse effect on our business, prospects, financial condition or results of operations.

If changes in healthcare regulations or other developments in the healthcare industry, including concerns around single-use medical devices, were to lead to a material reduction in medical procedures or use of medical devices, demand for our services could be adversely affected. Demand for our products and services may also be affected by changes from time to time in the laws and regulations that govern our operations and industry, including the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, which in turn impact industry trends. New regulatory requirements could lead to changes in the medical device industry and the behavior of our customers that are difficult to predict but could have a material adverse effect on our business, prospects, financial condition or results of operations. Further, if any significant disposal restrictions or requirements are imposed that materially increase the cost or administrative burden of the disposal process for single-use medical devices, hospitals and other end-users of such devices might decrease their use of such devices in favor of reusable medical products, which would decrease the demand for our services, which could in turn have a material adverse effect on our business, prospects, financial condition or results of operations.

Changes in environmental, health and safety regulations or preferences may negatively impact our business.

Federal, state and international authorities regulate the operation of our gamma irradiation and EO processing plants, as well as the operations of our customers. If any of the regulators that govern our operations or the operations of our customers were to institute severely restrictive policies or regulations that increase our costs or change the preferences or requirements of our customers, demand for our products and services may be materially affected. Additionally, certain regulators, including the FDA, have started initiatives to encourage development of sterilization alternatives to EO processing. We have taken part in some of these initiatives. We have made proactive, voluntary investments to enhance emissions controls. However, new regulations or changes to existing or expected regulations may require additional investments in new emissions control technology or otherwise increase the cost of our gamma irradiation or EO processing. See related risk factor "—We are subject to extensive regulatory requirements and routine regulatory audits in our operations. We must receive permits, licenses and/or regulatory clearance or approval for our operations. Compliance with these regulations is costly, and failure to comply with all laws and regulations or to receive or maintain permits, licenses, clearances or approvals may negatively impact our revenues, profitability, financial condition or value." Reconfiguring a gamma irradiation or EO processing plant so that it is suitable for a different sterilization technology, in response to changes in demand or other factors, would require significant capital

investment and require us to suspend operations at the affected facility during the conversion. Any of the foregoing could have a material adverse effect on our business, prospects, financial condition or results of operations.

Safety risks associated with the use and disposal of potentially hazardous materials, such as EO and Co-60, may result in accidents or liabilities that materially affect our results of operations.

EO is flammable and potentially explosive. An explosion or fire could occur at the sterilization facilities at which we use EO, including due to an accidental ignition of EO in an uncontrolled environment. Particular care must be exercised in order to avoid inadvertently causing an explosion or fire, which could interrupt our normal operations at or cause a shut-down of the affected facility while repairs are made. Any EO explosion or similar incident could result in the closure of our facilities, workplace injuries, property damage or otherwise adversely affect our business.

Because Co-60 is radioactive, its containment is very important in preventing contamination or improper exposure. If the double-encapsulated Co-60 pencils were to become damaged or corroded, Co-60 sources could develop a source leak, leading to radioactive contamination requiring comprehensive clean-up of the storage pool. Similarly, physical damage to the protective stainless-steel covering during the process of adding or removing Co-60 rods from an irradiator could also result in a source leak and contamination incident. Clean-up and disposal costs for damaged Co-60 rods and radioactive contamination could be significant. If any liability claims are made against us in the future, we could be liable for damages that are alleged to have resulted from such exposure or contamination.

Potentially hazardous materials must be handled and disposed of properly. Accidents involving disposal or handling of these substances, including accidents resulting from employees failing to follow safety protocols, could result in injury to property, the environment and human health, as well as possible disruptions, restrictions or delays in production, and have in the past and could in the future result in claims relating to such events. For example, members of our workforce in the past have been injured in our facilities. Any injuries or damage to persons, equipment or property or other disruption in the disposal, production, processing or distribution of products could result in a significant decrease in operating revenue, a significant increase in costs to replace or repair and insure our assets and substantial reputational harm, which could materially adversely affect our business, prospects, financial condition or results of operations, and could have legal consequences that affect our ability to continue to operate the affected facility. Our customers served by an affected facility could choose to switch to an alternative sterilization service provider.

Any incident at any of our EO or gamma facilities that causes harm to workers or others or the interruption of normal operations at such facility could result in substantial liability to us. We are currently the subject of lawsuits alleging that purported EO emissions from certain of our current and former facilities have resulted in toxicological or health-related impacts on the environment, the communities that surround our facility and a customer's employees. We deny these allegations and intend to vigorously defend against these claims. We have also from time to time been involved with workers' compensation claims relating to potentially hazardous materials. We may be subject to similar claims in the future, and one or more adverse judgments could result in significant liability for us and have a material adverse effect on our business, financial condition and results of operations. See related Risk Factors "—We are currently defending certain litigation, and we are likely to be subject to additional litigation in the future" and "—Potential health risks associated with the use of EO and Co-60 may subject us to future liability claims."

Nordion contracts for the activation of Co-59 "targets" (cobalt pellets and slugs) into Co-60 in certain nuclear reactors in Canada and Russia. Our Co-59 targets (and in Canada, our adjuster rods provided to us by a supplier) function as part of the reactors' reactivity control systems. While national laws or international conventions generally channel liability for nuclear incidents exclusively to reactor operators, equipment suppliers could be subject to lawsuits for damage to the nuclear installation or damages allegedly intentionally caused. While we make efforts to protect our interests through contractual provisions, quality assurance programs and the nature of our commercial relationships, there is no assurance that any of these measures will prove effective in shielding us from liability, and any such liability or consequences could have a material adverse impact on our business, results of operation and financial condition.

We currently carry pollution liability insurance for all our facilities and related operations and liability insurance, including from third party bodily injury or property damage allegedly arising from the storage, use, transportation or accident involving EO and Co-60 sources throughout our operations. However, such insurance may not cover all risks associated with the potential hazards of our business and is subject to limitations, including deductibles and maximum liabilities covered. We may incur losses beyond the limits, or outside the coverage, of our insurance policies. Additionally, our ability to increase pollution liability insurance limits or replace any policies upon their expiration without exclusions for claims related to alleged EO exposure may be adversely impacted by claims against us, including current claims alleging that purported EO emissions from

certain of our facilities have resulted in toxicological or health-related impact on the environment, the communities that surround our facility and a customer's employees. We deny these allegations and are vigorously defending against these claims. To the extent any pollution liability is not covered by our insurance or able to be recovered from other parties, our business, financial condition or results of operations could be materially adversely affected.

Safety risks associated with the transportation of potentially hazardous materials, such as EO and Co-60, may result in accidents or liabilities that materially affect our results of operations.

Our products, supplies and by-products are transported through a combination of ground, sea and air transport. Co-60 and EO are radioactive and potentially combustible, respectively, and must be handled carefully and in accordance with applicable laws and regulations. An incident in the transportation of our raw materials, products and by-products or our failure to comply with laws and regulations applicable to the transfer of such products could lead to human injuries or significant property damage, regulatory repercussions or could make it difficult to fulfill our obligations to our customers, any of which could have a material adverse effect on our business, prospects, financial condition or results of operations.

Our EO and Co-60 raw materials are potentially hazardous and could make our facilities and transportation vehicles targets for terrorists, which could have a material adverse effect on our operations. We are subject to stringent requirements regarding how we secure these materials. If our failure to adequately secure these materials leads to their being stolen or materially damaged, our licenses to operate could be suspended resulting in a material adverse effect to our business, prospects, financial condition or results of operations. Any such incident could also have legal consequences, such as violations of regulatory requirements and/or lawsuits for personal injuries, property damage or diminution, and similar claims could result in substantial liability to us. Additionally, loss of control of Co-60 sources by a customer could result in contamination and significant public health consequences.

Potential health risks associated with the use of EO may subject us to future liability claims and other adverse effects.

Potential health risks associated with exposure to EO under certain conditions subject us to the risk of liability claims being made against us by workers, contractors and others, including individuals who reside or have resided near our EO sterilization facilities and employees of our customers. Assessments of the potential health risks of exposure to EO have evolved over time. For example, although EO is present in the environment from a variety of sources and naturally produced by the human body, the U.S. Environmental Protection Agency ("USEPA") has identified a potential for increased risk of certain cancers from exposure to EO. In 2016, the USEPA published its Integrated Risk Information System toxicity assessment of EO (the "IRIS Assessment"), and in 2018, the USEPA published its most recent National Air Toxics Assessment, which utilized the IRIS Assessment and data collected in 2014, identifying EO as a potential cancer concern in several areas across the country, including areas surrounding our Willowbrook facility and our facilities in Atlanta and Santa Teresa, New Mexico. Another organization has disagreed with aspects of the IRIS Assessment on the carcinogenic potency of EO, and we expect risk assessments related to EO will continue to evolve and be examined. We can give no assurance as to their impact on our business, prospects, financial condition or results of operations.

We are currently the subject of tort lawsuits alleging personal injury by purported exposure to emissions and releases of EO from our facilities in Willowbrook and Atlanta. Additionally, we are defendants in a lawsuit by certain employees of a contract sterilization customer in Georgia who allege personal injury by workplace exposure to EO. We are also defendants in lawsuits alleging that our Atlanta facility has devalued and harmed plaintiffs' use of real properties they own in Smyrna, Georgia and caused other damages. Additional personal injury and property devaluation claims have been threatened. We are also defendants in a lawsuit brought by the State of New Mexico, ex rel. Hector Balderas, Attorney General alleging that emissions of EO from our Santa Teresa facility constitute a public nuisance, have materially contributed to increased health risks suffered by residents in the area, and that injunctive relief should be awarded requiring us to cease any and all uncontrolled emissions or releases of EO from the Santa Teresa facility, including by making certain modifications to sterilization processes at the facility. We deny the allegations and are vigorously defending these claims. See related Risk Factors "—We are currently defending certain litigation, and we are likely to be subject to additional litigation in the future," Item 3, "Legal Proceedings" and Note 20, "Commitments and Contingencies" to our consolidated financial statements. It is likely that we will be subject to other claims by or on behalf of similar groups of plaintiffs in the future relating to any of our current or former facilities. In addition, we have encountered and will likely continue to encounter resistance, protests or other actions in communities where our existing facilities are located or where we seek to establish or expand facilities based on the perceptions of the risk associated with exposure to EO held by some residents and officials of these communities. This publicity may also have other adverse impacts, including damage to our reputation and public pressure against our facilities that may affect our ability to conduct our business.

Our liability insurance coverage may not be adequate to cover any liabilities arising out of such allegations or remain available to us at acceptable costs. A successful claim brought against us in excess of the insurance coverage then available to us could have a material adverse effect on our business, prospects, financial condition or results of operations.

We are currently defending certain litigation, and we are likely to be subject to additional litigation in the future.

Our business exposes us to significant potential risk from lawsuits, investigations and other legal proceedings. We are currently pursuing and defending various proceedings and will likely be subject to additional proceedings in the future, including potential litigation regarding the products and services we provide or which we or our predecessors have provided.

We are currently the subject of tort lawsuits alleging personal injury by purported exposure to emissions and releases of EO from our facilities in Willowbrook and Atlanta. Additionally, we are defendants in a lawsuit by certain employees of a contract sterilization customer in Georgia who allege personal injury by purported workplace exposure to EO. We are also defendants in lawsuits alleging that our Atlanta facility has devalued and harmed plaintiffs' use of real properties they own in Smyrna, Georgia and caused other damages. Additional personal injury and property devaluation claims have been threatened. We are also defendants in a lawsuit brought by the State of New Mexico, ex rel. Hector Balderas, Attorney General alleging that emissions of EO from our Santa Teresa facility constitute a public nuisance, have materially contributed to increased health risks suffered by residents in the area, and that injunctive relief should be awarded requiring us to cease any and all uncontrolled emissions or releases of EO from the Santa Teresa facility, including by making certain modifications to sterilization processes at the facility. We deny the allegations and are vigorously defending against the claims. However, one or more adverse judgments could result in significant liability for us and have a material adverse effect on our business, financial condition and results of operations. In addition, we have been involved in litigation in Georgia against local officials to allow us to resume operations at our Atlanta facility that had been suspended while we installed enhancements to our EO emissions control systems, as well as to challenge local officials' unsupported claims of loss of neighboring residential property values in tax assessments. See Item 3, "Legal Proceedings" and Note 20, "Commitments and Contingencies" to our consolidated financial statements for more detail on our pending litigation.

In litigation, including those described above, plaintiffs may seek various remedies, including without limitation declaratory and/or injunctive relief; compensatory or punitive damages; restitution, disgorgement, civil penalties, abatement, attorneys' fees, costs and/or other relief. Settlement demands may seek significant monetary and other remedies, or otherwise be on terms that we do not consider reasonable under the circumstances. In some instances, even if we comply with applicable laws and regulations, including those relating to emission standards, an adverse judgment or outcome may occur based on other applicable laws or principles of common law, including negligence and strict liability, and result in significant liability and reputational damage for us. It is likely that we will be subject to other claims in addition to those described above by or on behalf of similar groups of plaintiffs in the future relating to any of our current or former facilities or activities. In addition, awards against and settlements by our competitors or publicity associated with our current litigation could incentivize parties to bring additional claims against us.

Any claim brought against us, regardless of its merits, could be costly to defend and could result in an increase of our insurance premiums and exhaust our available insurance coverage. The financial impact of litigation, particularly class action and mass action lawsuits, is difficult to assess or quantify. Some claims brought against us might not be covered by our insurance policies or might exhaust our available insurance coverage for such occurrences. Furthermore, an insurer might refuse coverage, and even where the claim should be covered by insurance, we have significant self-insured retention amounts, which we would have to pay in full before obtaining any insurance proceeds. To the extent our insurance coverage is inadequate and we are not successful in identifying or purchasing additional coverage for such claims, we would have to pay the amount of any settlement or judgment that is in excess of policy limits. We have reached the per occurrence limit of our insurance coverage for claims related to Willowbrook's EO emissions due to legal costs associated with such claims and have not yet been and likely will not be successful in identifying or purchasing additional coverage for such claims. If any judgments are rendered against us and are upheld on appeal, we would not have insurance coverage to cover such judgment. Claims against us that result in entry of a judgment or we settle that are not covered or not sufficiently covered by insurance policies, or which fall within retained liability under our policies, could have a material adverse impact on our business, prospects, financial condition or results of operations.

Our business is highly competitive, and if we fail to compete successfully, our business, prospects, financial condition or results of operations may be adversely affected.

We face competition from other providers of outsourced sterilization and lab services. In addition, some manufacturers have in-house sterilization and lab testing and related capabilities, and further consolidation within our industry and within our customers' industries could impact our ability to compete. Further, our competitors and potential competitors are attempting to

develop alternate technologies, in particular improved x-ray sterilization technology, which would not be reliant on the availability of Co-60. If any of our competitors significantly expand their sterilization or lab testing facility capacity, including as a result of these alternative technologies, it could lead to price fluctuations and competitive pricing pressure, diminish our profitability or lead to changes in our customer relationships across our business segments. We generally compete on the basis of quality, reputation, the cost of sterilization services, the cost of transportation to and from the sterilization facility and processing turnaround time. If our services, supply, support, distribution or cost structure do not enable us to compete successfully, including against alternative technologies, or we are unable to successfully develop and adopt alternative technologies ourselves, our business, prospects, financial condition or results of operations could be materially adversely affected. The expansion of alternative sterilization technologies may require us to build new facilities, which can be time-consuming and costly.

If Co-60 source suppliers in other countries, including China, India or Russia, significantly increase their involvement in the global Co-60 sources market, it could have a material adverse effect on our business, prospects, financial condition or results of operations. Additionally, several customers of our Nordion business are themselves providers of sterilization services and therefore are competitors of our Sterigenics business. If these customers were to shift to a different source for their supply of Co-60 sources, because they prefer to use a supplier not affiliated with us or for any other reason, it could materially adversely affect our business, prospects, financial condition or results of operations. Further, if a Nordion customer were to lose market share to a competitor using an alternative sterilization provider, we would similarly lose sales volumes, which may have a material adverse effect on our business, prospects, financial condition or results of operations.

Additionally, Nelson Labs faces a wide variety of competitors, including small, specialized niche players, large, broad multinational corporations and internal laboratories that can perform the services that we provide. Shifts in the market that diminish our customers' preference for outsourcing their testing and large, well-funded competitors entering more directly into the specialized lab services that we provide may adversely affect our business.

Certain of our long-term contracts include variable price clauses and are subject to market changes, which could have a material adverse effect on our business.

The aggregate cost of our direct materials and energy represents a significant portion of our cost of revenues. The prices of the direct materials we utilize vary with market conditions and may be highly volatile. Additionally, the cost of energy for some of our facilities is regulated, and we are required to work with the local utility provider, which prevents us from contracting for a lower rate or seeking an alternate supplier. Although we have attempted, and will continue to attempt, to match increases in the prices of direct materials or energy with corresponding increases in prices for our products and services, our ability to pass through increases in the cost of direct materials or energy to customers is highly dependent upon market conditions and we may not be able to immediately raise such prices, if at all. Most of our customer contracts for sterilization services allow us to pass through our direct material costs, but we may not be able to immediately or completely implement increases in the prices of our products and services. Specifically, there is a risk that raising prices charged to our customers could result in a loss of sales volume. Reactions by our customers and competitors to our price increases could cause us to reevaluate and possibly reverse or reduce such price increases. Any increase in the price of one of these materials or energy could have a material adverse effect on our business, prospects, financial condition or results of operations.

Allegations of our failure to properly perform our services may expose us to potential product liability claims, recalls, penalties and reputational harm or could otherwise cause a material adverse effect on our business.

We face the risk of financial exposure to product and other liability claims alleging that our failure to adequately perform our services resulted in adverse effects, including product recalls or seizures, adverse publicity and safety alerts. In our Sterigenics business, for example, while our customers are generally responsible for determining the cycle parameters (the levels of temperature, humidity and EO concentration to which products are exposed during the sterilization process and the duration of such exposure) or dosage specifications (the amount of gamma or E-beam irradiation to which products are exposed) for their products, we are required to certify that such cycle or dosage parameters were achieved. If we fail to process a customer's product in accordance with the cycle parameters, dosage specifications or testing requirements prescribed by the customer, our standard contract requires us to inform our customer of the nonconformance, to reprocess or retest the product if that is a feasible alternative and to reimburse the customer (subject to a maximum) for the cost of any such product which is damaged as a result of the nonconformance. We could be held liable in the future for personal injury, contractual or other damages that are alleged to result from improper or incorrect processing, cycle parameters or dosage specifications, testing or product damage. Even where processing occurred within cycle parameters, we have faced in the past and may face in the future claims of personal injury resulting from processing. In our Nelson Labs business, if we fail to perform our services in accordance with regulatory requirements for medical products, regulatory authorities may take action against us or our customers. Regulatory

authorities may disqualify certain analyses from consideration in connection with marketing authorizations, which could result in our customers not being able to rely on our services in connection with their submissions, may subject our customers to additional studies or testing and delays in the development or authorization process, and may lead our customers to take actions such as terminating their contracts with us. We could also face claims that we performed erroneous or out-of-specification testing or data integrity complaints, which could require retesting, and which could result in claims of economic or other loss or which could result in personal injury. To the extent we engage in clinical trials or studies in the future, we will be subject to additional regulatory requirements, including those relating to human subject protection, good clinical practices and data privacy. Any actual or perceived failure to meet such requirements may result in regulatory authorities taking action against us or our customers, and we may face claims or be held liable for harm caused to human subjects. We derive limited revenue from government customers and our government contracts may contain additional requirements that may increase our costs of doing business, subject us to additional government scrutiny and expose us to liability for failure to comply with contractual requirements. In our Nordion business, our processing and sale of medical-grade Co-60 used for radiation therapy involve an inherent risk of exposure to product liability claims, product recalls and product seizures. In addition, our installation of irradiators for our customers could expose us to design defect product liability claims, whether or not such claims are valid. A product liability judgment against us could also result in substantial and unexpected costs, affect customer confidence in our products, damage our reputation and divert management's attention from other responsibilities.

Although we maintain product and professional liability insurance coverage in amounts we believe are customary, there can be no assurance that this level of coverage is adequate or that we will be able to continue to maintain our existing insurance or obtain comparable insurance at a reasonable cost, if at all. Our product and professional liability insurance also does not cover matters related to EO emissions. A product recall or seizure or a partially or completely uninsured judgment against us could have a material adverse effect on our business, prospects, financial condition or results of operations.

We are subject to extensive regulatory requirements and routine regulatory audits in our operations. We must receive permits, licenses and/or regulatory clearance or approval for our operations. Compliance with these regulations is costly, and failure to comply with all laws and regulations or to receive or maintain permits, licenses, clearances or approvals may hurt our revenues, profitability, financial condition or value.

Our industry is characterized by evolving regulations, and our operations are subject to extensive regulation in the United States and other countries where we do business. We are regulated by national and local agencies with jurisdiction over a number of areas directly or indirectly related to our businesses, including environmental, nuclear safety, homeland or national security, worker safety and health, food, drug and device manufacturing, research, and marketing, transportation, drug enforcement (governing the handling of controlled substances) and agriculture, fish and wildlife. These laws and regulations regulate our use of potentially hazardous materials, such as EO and Co-60, and can require us to carefully manage, control emissions of or limit human exposure to, these materials. For example, Occupational Safety and Health Administration ("OSHA") regulations and similar laws in other jurisdictions limit worker exposure to EO. In addition, FDA regulations dictate the acceptable amount of EO residue on different types of sterilized products. In most jurisdictions, we are required to maintain and operate pollution control equipment to minimize emissions and releases of EO. Regulations issued by OSHA, the U.S. Nuclear Regulatory Commission (the "NRC") and other agencies also require that equipment used at our facilities be designed and operated in a manner that is safe. The use of EO for medical device sterilization is regulated by the USEPA under the Federal Insecticide, Fungicide and Rodenticide Act ("FIFRA") and the Clean Air Act (the "CAA"). Our supplier maintains a FIFRA registration for the EO they sell in the United States that is used to sterilize or reduce the viable microorganisms on a listed group of products, including medical devices, pharmaceutical products, cosmetics and spice products. The USEPA is in the process of reviewing EO's FIFRA re-registration eligibility in accordance with the provisions of FIFRA. In November 2020, the USEPA released a draft risk assessment for public comment regarding the re-registration review, stating that mitigation measures are necessary to protect the health of workers at facilities that use EO and surrounding communities. The next step in the FIFRA re-registration process would be to issue a proposed interim decision, which is used to outline the potential risk management options to address any potential risks of concern. As a condition of continued registration, the USEPA is likely to require enhancements to the processes and equipment for use of EO used for the listed applications. The USEPA is also expected to propose updated National Emission Standards for Hazardous Air Pollutants ("NESHAP") air emission regulations for commercial EO sterilization facilities, which have not yet been published and with which sterilization facilities like ours will be required to comply. We expect to incur capital costs for enhancements to our equipment and to implement process automation and emission control enhancements to comply with these and other changing requirements. If the future regulations differ from our current expectation, they may require additional modifications and capital costs beyond what we have budgeted for, which could be material. Any future failure of the USEPA to allow reregistration of EO would have a material adverse effect on our business, prospects, financial condition or results of operations.

In the United States, our gamma irradiation facilities are heavily regulated, including by the NRC and state regulations. These laws and regulations specify the requirements for, among other things, maximum radiation doses, system designs, safety

features and alarms and employee monitoring, testing and reporting. While some specific requirements are different in the various jurisdictions other than the United States, the fundamental concepts are consistent, since all are signatories to the International Atomic Energy Agency (“IAEA”) conventions and have adopted safety standards from the IAEA and recommendations from the International Commission on Radiological Protection. The design, construction and operation of sterilization and lab testing facilities are highly regulated and require government licenses, including environmental approvals and permits, and may be subject to the imposition of related conditions that vary by jurisdiction. In some cases, these approvals and permits entail periodic review. We cannot predict whether all licenses required for a new facility will be granted or whether the conditions associated with such licenses will be achievable. Changes in these laws and regulations have the potential to increase our costs.

Additionally, our operations in the United States and the majority of our facilities outside the United States (to the extent we are processing a product in that facility that will end up in the U.S. market) are regulated by the FDA. We are also regulated by other health regulatory authorities in other countries. Specifically, these operations include some of our sterilization and product testing activities that may constitute “manufacturing” activities and are subject to FDA requirements. The FDA may issue Form 483 findings or warning letters or take other administrative or enforcement actions for noncompliance with FDA laws and regulations and the issues raised by such warning letters require significant resources and time to correct. Failure to comply with regulatory requirements could have a material adverse effect on our business.

To the extent Nordion in the future ceases to operate its facility in Kanata, Canada, Nordion will be responsible for the radiological decommissioning of such facility, including in respect of the portion leased by BWX Technologies, Inc. (“BWXT”) in connection with its acquisition of the Medical Isotopes business to the extent any contamination precedes such transaction. In addition, if Sterigenics in the future ceases to operate any of its irradiation facilities, it will be responsible for decommissioning costs in respect of such facilities. We currently provide financial assurance for approximately \$50 million of such decommissioning liabilities in the aggregate in the form of letters of credit, surety bonds or other surety. Such potential decommissioning liabilities may be greater than currently estimated if additional irradiation facilities are licensed, unexpected radioactive contamination of those facilities occur, regulatory requirements change, waste volume increases, or decommissioning cost factors such as waste disposal costs increase.

See Item 1, “Business—Government Regulation and Environmental Matters” for more information on the regulatory requirements of our businesses.

Compliance with these regulations, as well as our own voluntary programs that relate to maintaining the safety of our employees and facilities as well as the environment, may be difficult, burdensome or expensive. Any change in these regulations, the interpretation of such regulations as well as our customers’ perception of such changes will require us to make adaptations that may subject us to additional costs, and ultimate costs and the timing of such costs may be difficult to accurately predict and could be material. Regulatory agencies may refuse to grant approval or clearance or may require the provision of additional data, and regulatory processes may be time consuming and costly, and their outcome may be uncertain in certain of the countries in which we operate. Failure to secure renewal of permits or tightening of restrictions within our existing permits could have a material adverse effect on our business or cause us to incur material expenses. Regulatory agencies may also change policies, adopt additional regulations or revise existing regulations, each of which could impact our ability to provide our services or increase our costs. Additionally, local regulatory authorities may change the way in which they interpret and apply local regulations in response to negative public pressure about our facilities. For example, officials stopped operations at one of our facilities purportedly to review our fire and building code status and certificate of occupancy.

Our failure to comply with the regulatory requirements of these agencies may subject us to administratively or judicially imposed sanctions. These sanctions include, among others, warning letters, fines, civil penalties, criminal penalties, injunctions, debarment, product seizure or detention and total or partial suspension of operations, sale and/or promotion. While we strive to comply with these regulatory requirements, we have not always been and may not always be in compliance and, as a result, can be subject to significant civil and criminal fines and penalties, including the shutdown of our operations or the suspension of our licenses, permits or registrations. See Item 3. “Legal Proceedings,” Note 20. Commitments and Contingencies to our consolidated financial statements and related Risk Factor “—Potential health risks associated with the use of EO may subject us to future liability claims and other adverse effects.” The failure to receive or maintain, or delays in the receipt of, relevant U.S. or international regulatory qualifications could have a material adverse effect on our business, prospects, financial condition or results of operations.

Our operations are subject to a variety of business continuity hazards and risks, including our reliance on the use and sale of products and services from single locations, any of which could interrupt production or operations or otherwise adversely affect our performance, results or value.

In addition to the other risks described, our operations are subject to business continuity hazards and risks that include explosions, fires, earthquakes, inclement weather and other natural disasters; utility or other mechanical failures; unscheduled downtime; labor difficulties; disruption of communications; terrorist, security breach or other workplace violence event; changes in the use of government-owned reactors, including repurposing nuclear facilities; and pandemics or other public health crises.

It can be costly to ship products long distances for the purpose of sterilization; therefore, our ability to offer a full range of sterilization services close to our customers' manufacturing and distribution centers worldwide is critical for our business. An adverse occurrence at one of our facilities or the facilities of a supplier or customer could damage our business. While other facilities in our network may have the capacity to service our customers that had been served by an affected facility, we may not be able to transfer all interrupted services. The stringent regulations and requirements we are subject to regarding the manufacture of our products and provision of services and the complexities involved with processing of Co-60 may prevent or delay us from establishing additional or replacement sources for our production facilities. Any event, including those listed above or other circumstances that results in a prolonged business disruption or shutdown to one or more of our facilities, could create conditions that prevent, or significantly and adversely affect, our receiving, processing, manufacturing or shipping products at existing levels, or at all. Such events could adversely affect our sales, increase our expenses, create potential liabilities and/or damage our reputation, any of which could have a material adverse effect on our business, prospects, financial condition or results of operations.

In addition, since we obtain Co-60 from a limited number of reactors, if any of their facilities were to be seriously damaged or have their production materially decrease due to a natural disaster or other adverse occurrence, our access to Co-60 would be materially affected and we may be unable to meet all the needs of our customers. See related Risk Factor "—We depend on a limited number of counterparties that provide the materials and resources we need to operate our business. Any disruption in the availability of, or increases in the price of, EO, Co-60 or our other direct materials, services and supplies, including as a result of current geopolitical instability arising from U.S. relations with Russia and related sanctions, may have a material adverse effect on our operating results."

Further, governmental action may disrupt the operations of our facilities that process potentially hazardous materials. For example, in February 2019 the Illinois Environmental Protection Agency ("IEPA") issued a seal order temporarily shutting down our sterilization activities at our Willowbrook facility, and in October 2019, county officials ordered our Atlanta facility, the operations of which we had voluntarily suspended at the time, remain closed until county approval is obtained. Although our Atlanta facility was allowed to resume operations under a Temporary Restraining Order imposed on county officials in April 2020, our facility could be forced to close again upon the resolution of related litigation. The occurrence of any of these or other events might disrupt or shut down operations or otherwise adversely impact the production or profitability of a particular facility or our operations as a whole.

While we maintain insurance policies covering, among other things, physical damage, business interruptions and liability resulting from our services in amounts that we believe are customary for our industries, our insurance coverage may be inadequate or unavailable and we could incur uninsured losses and liabilities arising from such events.

The COVID-19 pandemic has had and could continue to have adverse effects on our business, financial condition and results of operations, which could be material.

The global impact of the COVID-19 pandemic, including the governmental responses, has had a negative effect on the global economy, disrupting the financial markets and creating increasing volatility, and has disrupted our operations. For example, during the pandemic, there has been an increase in deferred elective procedures, which negatively impacts demand for some of our products and services as a result of a decrease in the need for sterilized medical devices used in these procedures. Further, although our operations are considered "essential" in all locations where we operate, we have experienced, and may experience in the future, temporary facility closures while awaiting appropriate government approvals in certain jurisdictions or delays in delivering products or services to customers. The extent to which our operations will be impacted by the outbreak will largely depend on future developments, which are highly uncertain and cannot be accurately predicted, including mandatory closures of our facilities imposed by government authorities, work-from-home orders and social distancing protocols or other currently unforeseen restrictions that could adversely affect our ability to adequately staff and maintain our operations, and those effects could be material. For example, we experienced delayed deliveries at certain locations as a result of governmental travel restrictions enacted in response to the COVID-19 pandemic. We have implemented business continuity planning, including to transition staff off-site to decrease exposure risk and to manage supply chain risk for critical materials, but we cannot guarantee that these measures will be successful. If the COVID-19 outbreak disrupts our supply chain, it could adversely impact our ability to secure supplies for our facilities, which could adversely affect our operations, and those effects could be material. The

pandemic and the response thereto, including vaccination efforts, continue to evolve, and we cannot at this time forecast its ultimate duration, severity or impact to our business, our customers or our supply chain. This negative impact could continue for an extended period of time or more severely impact our financial condition and results of operations, and continued weak or worsening economic conditions could negatively impact consumer demand for our products and services. Future pandemics and public crises could impact our business in a similar or worse manner. See related Risk Factor “—Our operations are subject to a variety of business continuity hazards and risks, including our reliance on the use and sale of products and services from single locations, any of which could interrupt production or operations or otherwise adversely affect our performance, results or value.”

If we are unable to increase capacity at existing facilities and build new facilities in a timely and cost-effective manner, we may not achieve our expected revenue growth or profitability or such revenue growth and profitability, if any, could be delayed.

Our growth strategy depends on expanding capacity in Europe, the Americas and Asia, which may include building new facilities and expanding existing facilities. The construction or expansion of modern and safe sterilization facilities requires significant expenditures. Delay in the review and licensing process for a new facility could impair or delay our ability to develop that facility or increase the cost so substantially that the facility becomes unattractive to us. Any failure to procure and maintain the necessary licenses would adversely affect ongoing development, construction and continuing operation of our facilities. Additionally, even when we maintain the necessary licenses and are in compliance with applicable regulations, we may be unable to maintain or expand our operations at existing facilities, or otherwise execute on our growth strategy, due to negative publicity or community resistance. Suspensions and closures of our facilities have in the past and may continue to impact our results of operations, and the effects could be material. Those new facilities that are constructed and begin operations may not meet our return expectations due to schedule delays, cost overruns or revenue shortfalls, or they may not generate the capacity that we anticipate or result in the receipt of revenue in the originally anticipated time period or at all. We may not maintain revenue growth or profitability, or such growth, if any, could be delayed if we are not successful in continuing to expand capacity. Additionally, if future demand trends warrant capacity in geographic areas that we have not targeted for new growth, we may be unable to capitalize on opportunities in a timely manner.

We occupy many of our facilities under long-term leases, and we may be unable to renew our leases at the end of their terms.

Many of our facilities, including many of our EO facilities and some of our gamma facilities, are located on leased premises. The terms of leases for our facilities vary in length and expire over a period ranging from 2021 to 2040, most with options to renew for specified periods of time. At the end of the lease term and any renewal period for a facility, we may be unable to renew the lease without substantial additional cost, if at all. For example, in September 2019, we were unable to reach an agreement to renew the lease on our EO processing facility in Willowbrook, following community pressure resulting from negative publicity surrounding our Willowbrook facility. If we are unable to renew our facility leases, we may be required to relocate or close a facility. Relocating a facility involves significant expense in connection with the movement and installation of specialized equipment and any necessary recertification or licensing with regulatory authorities. Closing a facility, even briefly to relocate, would reduce the sales that such facility would have contributed to our revenues and could negatively impact our customer relations. Any such relocation or closure could have a material adverse effect on our business, prospects, financial condition or results of operations.

We conduct sales and distribution operations on a worldwide basis and are subject to a variety of risks associated with doing business outside the United States.

We maintain significant international operations, including operations in China, Brazil, Canada, Mexico, Costa Rica and other countries in Europe and Asia. As a result, we are subject to a number of risks and complications associated with international sales, services and other operations, as well as risks associated with U.S. foreign policy. These include:

- difficulties associated with compliance with numerous, potentially conflicting and frequently complex and changing laws in multiple jurisdictions, e.g., with respect to environmental matters, intellectual property, privacy and data protection, corrupt practices, embargoes, trade sanctions, competition, employment and licensing;
- general economic, social and political conditions in countries where we operate, including international and U.S. trade policies and currency exchange rate fluctuations;
- tax and other laws that restrict our ability to use tax credits, offset gains or repatriate funds;

- currency restrictions, transfer pricing regulations and adverse tax consequences, which may affect our ability to transfer capital and profits;
- inflation, deflation and stagflation in any country in which we have a manufacturing facility;
- foreign customers with longer payment cycles than customers in the United States; and
- imposition of or increases in customs duties and other tariffs.

We operate in a number of countries throughout the world, including in countries that do not have as strong a commitment to anti-corruption and ethical behavior that is required by U.S. laws or by our corporate policies. Based on the nature of our products, these activities involve potential interaction with government agencies, public officials or state-owned enterprises. We are subject to the risk that we, our U.S. employees or our employees located in other jurisdictions or any third party that we engage to do work on our behalf may take action determined to be in violation of anti-corruption laws in any jurisdiction in which we conduct business. The U.S. Foreign Corrupt Practices Act (the “FCPA”) and the Canadian Corruption of Foreign Public Officials Act (the “CFPOA”) prohibit corruptly providing anything of value to foreign officials for the purposes of obtaining or retaining business or securing any improper business advantage. We may deal with both governments and government-owned business enterprises, the employees of which are considered foreign officials for purposes of the FCPA and other applicable anti-corruption laws. The provisions of the Bribery Act extend beyond bribery of foreign public officials and are more onerous than the FCPA in a number of other respects. Any violation of the FCPA, the CFPOA, the U.K. Bribery Act of 2010 (the “Bribery Act”) or any similar anti-corruption law or regulation could result in substantial fines, sanctions or civil and/or criminal penalties, debarment from business dealings with certain governments or government agencies or restrictions on the marketing of our products in certain countries, which could harm our business, financial condition or results of operations. If these anticorruption laws or our internal policies were to be violated, our reputation and operations could also be substantially harmed. Further, detecting, investigating and resolving actual or alleged violations is expensive and can consume significant time and attention of our senior management.

Compliance with multiple, and potentially conflicting, international laws and regulations, including anticorruption laws and exchange controls may be difficult, burdensome or expensive. While our employees and agents are required to comply with these laws, our internal policies and procedures may not always prevent violations. Further, in connection with past and future acquisitions by us, there is a risk of successor liability relating to such laws in connection with prior actions or alleged actions of an acquired company. Such matters or allegations related to such matters could adversely affect our reputation and the burden and cost associated with defending or resolving such matters could adversely affect our business, prospects, financial condition or results of operations.

Further, as a result of our global operations, we generate a significant portion of our revenue and incur a significant portion of our expenses in currencies other than the U.S. dollar, including the euro, the Brazilian real, the British pound sterling, the Chinese yuan, the Thai baht, the Mexican peso, the Danish krone, the Costa Rica colon and the Canadian dollar. Our results of operations are impacted by currency exchange rate fluctuations to the extent that we are unable to match net revenues received in foreign currencies with expenses incurred in the same currency. For example, where we have significantly more expenses than net revenues generated in a foreign currency, our profit from operations in that location would be adversely affected in the event that the U.S. dollar depreciates against that foreign currency.

We may be adversely affected by global and regional economic and political instability.

We may be adversely affected by global and regional economic and political conditions. The uncertainty or deterioration of the global economic and political environment could adversely affect us. Customers may modify, delay or cancel plans to purchase our products and services and suppliers may significantly and rapidly increase their prices or reduce their output because of cash flow problems. Any inability of current or potential customers to purchase or pay for our products due to, among other things, declining economic conditions as a result of inflation, rising interest rates, changes in spending patterns at medical device, pharmaceutical and biotechnology companies and the effects of governmental initiatives to manage economic conditions may have a negative impact on our business, prospects, financial condition or results of operations. Overall demand for our products could be reduced as a result of a global economic recession or political unrest, especially in such areas as the medical device, pharmaceutical, food safety and other end markets that we serve.

We depend upon our key personnel, the loss of whom could adversely affect our operations. If we fail to attract and retain the talent required for our business, our business could be materially harmed.

We depend to a significant degree on our ability to hire and retain highly qualified personnel with expertise in our industries. The loss of services from any of our key personnel may significantly delay or prevent the achievement of our business

objectives. Competition for qualified employees in the industries in which we operate is intense. We may not be able to attract and retain these individuals on acceptable terms or at all, and our inability to do so could have a material adverse effect on our business, prospects, financial condition or results of operations.

We are subject to significant regulatory oversight of our import and export operations due to the nature of some of our product offerings.

Our products are subject to U.S. laws and regulations that may limit, restrict or require a license to import or export (or re-export from other countries). We are also subject to the export and import laws of those foreign jurisdictions in which we operate, sell our products into and from which we source our materials, including Co-60. In addition, if we introduce new products, we may need to obtain licenses or approvals from the United States and other governments to ship them into foreign countries. Because of increasing security controls and regulations regarding the shipment of materials including Co-60, it is likely that we may encounter additional regulations affecting the transportation, storage, sale and import/export of radioactive materials. Further, any delay or inability to obtain these permits and licenses could delay or prevent us from fulfilling our obligations to our customers, which could harm our business, financial condition or results of operations.

Additionally, the U.S. Department of the Treasury's Office of Foreign Assets Control and other relevant agencies of the U.S. government administer certain laws and regulations that restrict U.S. persons and, in some instances, non-U.S. persons, from conducting activities, transacting business with or making investments in certain countries, or with governments, entities and individuals subject to U.S. economic sanctions. Our international operations subject us to these laws and regulations, which are complex, restrict our business dealings with certain countries, governments, entities and individuals and are constantly changing. Penalties for non-compliance with these complex laws and regulations can be significant and include substantial fines, sanctions or civil and/or criminal penalties and violations can result in adverse publicity, which could harm our business, financial condition or results of operations.

Our business may be subject to system interruptions, cyber security breaches and unauthorized data disclosures.

We increasingly rely upon technology systems and infrastructure. Our technology systems and infrastructure are potentially vulnerable to breakdowns or other interruptions by fire, power loss, system malfunction, unauthorized access and other events. Likewise, data privacy breaches by employees and others with both permitted and unauthorized access to our systems may pose a risk that sensitive data may be exposed to unauthorized persons or to the public, rendered inaccessible or permanently lost. The increasing use and evolution of technology creates additional opportunities for the unintentional dissemination or intentional destruction of confidential or proprietary information stored in our systems or portable media or storage devices. We could also experience a business interruption, information theft or reputational damage from industrial espionage attacks, ransomware, other malware or other cyber incidents or data breaches, which may compromise our system infrastructure or lead to data breaches, either internally or at our third-party providers or other business partners. Such incidents could compromise our trade secrets or other confidential information and result in such information being disclosed to third parties and becoming less valuable. Additionally, in response to the COVID-19 pandemic, a majority of our office employees are working remotely, which may increase the risk of cyber incidents or data breaches. Breaches in security, system interruptions and unauthorized disclosure of data, whether perceived or actual, could adversely affect our businesses, assets, revenues, brands and reputation and result in fines, litigation, regulatory proceedings and investigations, increased insurance premiums, remediation efforts, indemnification expenditures, lost revenues and other potential liabilities. We have taken steps to protect the security and integrity of the information we collect and have policies and procedures in place dealing with data privacy and security, but there can be no assurance that our efforts will prevent breakdowns, system failures, breaches in our systems or other cyber incidents or otherwise be fully effective. Any such breakdown, breach or incident could adversely affect our business, prospects, financial condition or results of operations, and our cyber insurance may not cover such risks or may be insufficient to compensate us for losses that may occur.

Part of our growth strategy is to pursue strategic transactions, including acquisitions, which subjects us to risks that could harm our business and we may not be able to find suitable acquisition targets or integrate strategic acquisitions successfully into our existing business.

As part of our strategy, we have in the past and may in the future seek to grow our business through acquisitions, and any such acquisition may be significant. Any future growth through acquisitions will depend in part upon the continued availability of suitable acquisition candidates at favorable prices and upon advantageous terms and conditions, which may not be available to us, as well as sufficient funds from our cash on hand, cash flow from operations, existing debt facilities and additional indebtedness to fund these acquisitions.

Not only is the identification of such suitable acquisition candidates difficult and competitive, but these transactions, including the acquisitions completed in recent years also involve numerous risks, including the diversion of management's attention and their ability to:

- successfully integrate acquired facilities, companies, products, systems or personnel into our existing business, especially with respect to businesses or operations that are outside of the United States;
- minimize any potential interruption to our ongoing business;
- successfully enter categories and markets in which we may have limited or no prior experience, and ensure compliance with the regulatory requirements for such categories and markets;
- achieve expected synergies and obtain the desired financial or strategic benefits;
- detect and address any financial or control deficiencies of the acquired company;
- retain key relationships with employees, customers, partners and suppliers of acquired companies as well as our own employees, customers, partners and suppliers; and
- maintain uniform compliance standards, controls, procedures and policies throughout acquired companies.

Companies, businesses or operations acquired or joint ventures created may not be profitable or may not achieve revenue and profitability levels that would justify the investments made. Recent and future acquisitions could also result in the incurrence of indebtedness, subject to the restrictions contained in the documents governing our then-existing indebtedness. See related Risk Factor "—Our substantial leverage could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, expose us to interest rate risk to the extent the interest rate on variable rate debt increases and prevent us from meeting our obligations under our existing and future indebtedness."

Recent and future acquisitions could also result in the assumption of contingent liabilities, material expenses related to certain intangible assets, increased operating expenses and compliance issues under international laws and regulations, including antitrust laws, anti-corruption laws, the FCPA and similar anti-bribery laws, which could adversely affect our business, prospects, financial condition or results of operations. In addition, to the extent that the economic benefits associated with any of our acquisitions diminish in the future, we may be required to record additional write-downs of goodwill, intangible assets or other assets associated with such acquisitions, which could adversely affect our business, prospects, financial condition or results of operations.

Certain of the acquisition agreements by which we have acquired companies require the former owners to indemnify us against certain liabilities related to the operation of the company before we acquired it. In most of these agreements, however, the liability of the former owners is limited, and certain former owners may be unable to meet their indemnification responsibilities. We cannot assure you that these indemnification provisions will protect us fully or at all, and as a result we may face unexpected liabilities that adversely affect our business, prospects, financial condition or results of operations.

In particular, as part of the acquisition by BWXT of our Medical Isotopes business, we lease one of our Canadian facilities to BWXT through July 2038, and BWXT operates under our Canadian Nuclear Safety Commission ("CNSC") license in an arrangement we expect to continue through 2021. If BWXT fails to comply with CNSC regulations, we could be liable, and although we are indemnified by BWXT for any such failures, such indemnification may be insufficient to cover any liabilities.

Our ability to realize the benefits we anticipate from our strategic transactions, including acquisition activities, anticipated cost savings and additional sales opportunities, will depend in large part upon whether we are able to integrate such businesses efficiently and effectively. If we are unable to successfully integrate the operations of acquired businesses into our business or on the timeline we expect, we may be unable to realize the sales growth, cost synergies and other anticipated benefits we expect to achieve as a result of such transactions and our business, prospects, financial condition or results of operations could be adversely affected.

Our internal controls over financial reporting may not be effective and our independent registered public accounting firm may not be able to certify as to their effectiveness, which could have a significant and adverse effect on our business and reputation.

Pursuant to the Sarbanes-Oxley Act, we will be required to furnish a report by our management on the effectiveness of our internal control over financial reporting beginning with our filing of an Annual Report on Form 10-K with the SEC for the year ending December 31, 2021. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. It is expected that our independent registered public accounting

firm will attest to the effectiveness of our internal controls for our annual report for the year ending December 31, 2021. At such time, if we then have a material weakness, we could receive an adverse opinion regarding our internal control over financial reporting from our independent registered accounting firm.

We have begun the process to identify and implement actions to improve the effectiveness of our internal control over financial reporting and disclosure controls and procedures. The process of reviewing and improving our internal controls is both costly and challenging. We will need to (i) continue to dedicate internal resources, including through hiring additional financial and accounting personnel, (ii) potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, (iii) continue steps to improve control processes as appropriate, (iv) validate through testing that controls are functioning as documented and (v) implement a continuous reporting and improvement process for internal control over financial reporting. This process may also require substantial attention from our management team, which may negatively impact other matters that are important to our business.

If we identify a material weakness in connection with this ongoing assessment and we fail to remediate these identified material weaknesses within the prescribed period, we will be unable to assert that our internal controls over financial reporting are effective. We cannot be assured that there will not be material weaknesses or significant deficiencies in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition or results of operations. In addition, we may be required to incur costs in improving our internal control system and the hiring of additional personnel. If we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have a material weakness or significant deficiency in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, the market price of shares of our common stock could decline and we could be subject to sanctions or investigations by the Nasdaq, the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

We rely on intellectual property rights to maintain our competitive position and third parties may claim that we infringe or misappropriate their intellectual property rights.

We rely on proprietary technology and are dependent on our ability to protect such technology. We rely primarily on trade secrets and non-disclosure and confidentiality arrangements to protect our intellectual property rights, including such rights that relate to our Nelson Labs business and its lab testing services. The efforts we have taken to protect our intellectual property and proprietary technology may not be sufficient or effective. Third parties, including current or former employees, consultants, contractors, customers or partners, who have access to our confidential information (including our trade secrets and know-how), may unintentionally or willfully disclose our confidential information to others, and there can be no assurance that our trade secret rights and non-disclosure and confidentiality arrangements will provide meaningful protection of our proprietary technology. There can also be no assurance that others will not independently develop similar or superior technologies or duplicate any technology developed by us. Effective protection of intellectual property rights may not be available in every jurisdiction in which our products and services are made available, and monitoring unauthorized use and disclosures of our proprietary technology or confidential information can be difficult and expensive. Actions to enforce our intellectual property rights could lead to disputes with third parties, including our customers, and could impact our future ability to gain business. Furthermore, legal proceedings to protect or enforce our intellectual property rights could result in narrowing the scope of our intellectual property rights or substantial cost to us, and they may be time consuming and divert resources and the attention of management and key personnel, and the outcomes of such actions may be unpredictable.

Additionally, we cannot be certain that the conduct of our business does not and will not infringe or misappropriate intellectual property rights of others. From time to time, we may become subject to claims, allegations and legal proceedings, including by means of counterclaims, that we infringe or misappropriate intellectual property or other proprietary rights of third parties. Such legal proceedings involving intellectual property rights are highly uncertain, can involve complex legal and scientific questions and may divert resources and the attention of management and key personnel. Our failure to prevail against infringement or misappropriation claims brought against us could also result in judgments awarding substantial damages against us, including possible treble damages and attorneys' fees, and could result in reputational harm. Judgments that result in equitable or injunctive relief could cause us to delay or cease selling or providing certain products or services or otherwise harm our operations. We also may have to seek third party licenses to intellectual property, which may be unavailable, require payment of significant royalties or be available only at commercially unreasonable, unfavorable or otherwise unacceptable terms.

If we are unable to adequately protect, establish, maintain or enforce our intellectual property rights or if we are subject to any infringement or misappropriation claims, our business, prospects, financial condition or results of operations may be adversely affected.

We are subject to complex and rapidly evolving data privacy and security laws and regulations and any ineffective compliance efforts with such laws and regulations may adversely impact our business.

We must comply with laws and regulations in federal and state governments in multiple jurisdictions governing the collection, dissemination, retention, access, use, protection, security and disposal of personal data, which mostly consists of our employees' data. The interpretation and application of many existing or recently enacted privacy and data protection laws and regulations in the United States, the European Union and elsewhere are uncertain and fluid, and it is possible that such laws and regulations may be interpreted or applied in a manner that is inconsistent with our existing practices. Companies are under increased regulatory scrutiny relating to data privacy and security. Any actual or perceived breach of such laws or regulations may subject us to claims and may lead to administrative, civil or criminal liability, as well as reputational harm. Moreover, these laws are evolving and are generally becoming stricter. For example, activities conducted from our EU facilities or related to products and services that we may offer to EU users or customers are subject to the General Data Protection Regulation (Regulation (EU) 2016/679) ("GDPR"), which provides for enhanced data privacy obligations and fines of up to the higher of 4% of annual worldwide revenues or €20 million. The GDPR was transposed into United Kingdom domestic law following the United Kingdom's exit from the EU. This is known as the UK GDPR and it supplements the United Kingdom's Data Protection Act of 2018. The UK GDPR mirrors the compliance requirements and fine structure of the GDPR. Outside of the United States, United Kingdom and the European Union, many jurisdictions have adopted or are adopting new data privacy laws that impose further onerous compliance requirements, such as data localization, which prohibit companies from storing outside the jurisdiction data relating to resident individuals. The proliferation of such laws may result in conflicting and contradictory requirements and there can be no assurance that the measures we have taken will be sufficient for compliance with such various laws and regulations. Complying with these various laws is an ongoing commitment and could cause us to incur substantial costs or require us to change our business practices in a manner adverse to our business. Privacy-related claims or lawsuits initiated by governmental bodies, employees, customers or third parties, whether meritorious or not, could adversely affect our businesses, assets, revenues, brands and reputation and result in fines, litigation, regulatory proceedings, regulatory investigations, increased insurance premiums, remediation efforts, indemnification expenditures, lost revenues and other potential liabilities. We take steps to comply with applicable data privacy and security laws, regulations and standards and applicable privacy policies, but there can be no assurance that our compliance efforts will be effective. Any such failure to comply could adversely affect our business, prospects, financial condition or results of operations.

We have a history of net losses and may not achieve or maintain profitability in the future.

We have a history of net operating losses, including a net loss attributable to Sotera Health Company of \$38.6 million and \$20.9 million for the years ended December 31, 2020 and 2019, respectively. We may not be able to achieve or maintain profitability for the current or any future fiscal year. Our ability to achieve and maintain profitability depends on a number of factors, including the growth rate of the sterilization and lab services industries, the price of our products and services, the cost to provide our products and services and the competitiveness of our products and services. We may incur significant losses in the future for a number of reasons, including due to principal and interest expense related to our indebtedness and the other risks described herein, and we may encounter unforeseen expenses, difficulties, complications and delays and other unknown events. As a result, our operations may not achieve profitability in the future and, even if we do achieve profitability, we may not be able to maintain or increase it.

We may incur impairment charges on our goodwill and other intangible assets with indefinite lives, which could negatively impact our business, financial condition or results of operations.

We are subject to Accounting Standards Codification Topic 350, Intangibles—Goodwill and Other, which requires that goodwill and other intangible assets that have an indefinite useful life be evaluated at least annually for impairment. Goodwill and other intangible assets with indefinite lives must also be evaluated for impairment between the annual tests if an event or change in circumstance occurs that would more likely than not reduce the fair value of the asset below its carrying amount. We have substantial goodwill and other intangible assets. If in the future, we determine that there has been an impairment, our financial results for the relevant period would be reduced by the amount of the non-cash impairment charge, net of any income tax effects, which could have an adverse effect on our financial condition or results of operations.

Unionization efforts and labor regulations in certain countries in which we operate could materially increase our costs or limit our flexibility.

Certain of our employees in non-U.S. markets are represented by works councils or labor unions and work under collective bargaining or similar agreements, some of which are subject to periodic renegotiation. Efforts have been made from time to time to unionize portions of our workforce in the United States. Unionization efforts, new collective bargaining agreements or work stoppages could materially increase our costs, reduce our net revenues or limit our flexibility. Certain legal obligations in these markets require us to contribute amounts to retirement funds and pension plans and restrict our ability to dismiss employees. Future regulations or court interpretations established in the countries in which we conduct our operations could increase our costs and materially adversely affect our business, financial condition or results of operations. Both of the collective bargaining agreements applicable to Brazilian employees were finalized and certified by the Ministry of Labor in 2017. The collective bargaining agreement applicable to Canadian employees located in Kanata expired on March 31, 2020. Negotiations were postponed during the COVID-19 pandemic and began in December 2020. Failure to renew the agreements on similar terms could result in labor disruptions and/or increased labor costs, which could negatively affect our business and operations.

Our business is subject to a variety of laws involving the cannabis industry, many of which are unsettled and still developing and which could subject us to claims or otherwise harm our business.

We provide bioburden reduction irradiation services for the processing of cannabis, primarily in Canada and certain European countries. The commercial recreational cannabis industry is a relatively new industry in Canada, and in Canada, the Cannabis Regulations is a regime that has only been in effect in its current form since October 2018. Likewise, laws and regulations governing cannabis in European countries have evolved rapidly over recent years. In the United States, marijuana (all parts of the cannabis plant other than those parts that are exempt) is a Schedule I controlled substance under federal law. Our activity related to marijuana in the United States is de minimis and has been limited to the irradiation of marijuana for clinical research under Drug Enforcement Administration authorization in compliance with applicable U.S. federal law. In other countries in which the cultivation and use of marijuana is legalized, most notably in Canada, our operations include irradiation services for recreational and medical marijuana. As laws in the United States, Canada, Europe and other jurisdictions evolve, our activities in these spaces may face additional regulations that may be costly or burdensome to be in compliance.

Government or private civil antitrust actions could harm our business, results of operations, financial condition and cash flows.

The antitrust laws prohibit, among other things, any joint conduct among competitors that would lessen competition in the marketplace. We believe that we are in compliance with the legal requirements imposed by the antitrust laws. However, a governmental or private civil action alleging the improper exchange of information, or unlawful participation in price maintenance or other unlawful or anticompetitive activity, even if unfounded, could be costly to defend and could harm our business, prospects, financial condition or results of operations.

We may have greater than anticipated tax liabilities, which could harm our business, revenue and financial results.

We operate in a number of tax jurisdictions globally, including in the United States at the federal, state and local levels, and in many other countries, and we therefore are subject to review and potential audit by tax authorities in these various jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities, and tax authorities may disagree with tax positions we take and challenge our tax positions. Successful unilateral or multi-jurisdictional actions by various tax authorities, including in the context of our current or future corporate operating structure and third-party and intercompany arrangements, may increase our worldwide effective tax rate, result in additional taxes or other costs or have other material consequences, which could harm our business, revenue and financial results.

Our effective tax rate may also change from year to year or vary materially from our expectations based on changes or uncertainties in the mix of activities and income allocated or earned among various jurisdictions, changes in tax laws and the applicable tax rates in these jurisdictions (including future tax laws that may become material), tax treaties between countries, our eligibility for benefits under those tax treaties and the valuation of deferred tax assets and liabilities. Such changes could result in an increase in the effective tax rate applicable to all or a portion of our income, impose new limitations on deductions, credits or other tax benefits or make other changes that may adversely affect our business, cash flows or financial performance. For example, if we are unable to fully realize the benefit of interest expense incurred in future periods as a result of recent tax law changes (as discussed below), we may need to recognize a valuation allowance on any related deferred tax assets, which would impact our annual effective income tax rate.

In particular, certain changes established by the Tax Cuts & Jobs Act (“TCJA”), enacted on December 22, 2017, increased our effective tax rate in prior years, including a new income inclusion item for global intangible low-taxed income (“GILTI”) and the transition tax on deemed repatriated earnings of foreign subsidiaries.

Additionally, the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), enacted on March 27, 2020, in response to the outbreak of COVID-19 and its consequences, introduced substantial changes to the U.S. tax code, the overall impact of which on our business is uncertain. For example, among other changes, the CARES Act increased interest expense deductibility limitations and waived certain limitations on the use of net operating losses, in each case, for certain years prior to 2021.

Finally, on July 23, 2020, final regulations were published that exempt certain income subject to a high rate of foreign tax from inclusion under GILTI for tax years beginning after December 31, 2017.

The cumulative impact of these and other changes in tax law is uncertain and our business and financial condition could be adversely affected.

Risks Related to Our Indebtedness and Liquidity

Our significant leverage could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, expose us to interest rate risk to the extent the interest rate on our variable rate debt increases and prevent us from meeting our obligations under our existing and future indebtedness.

As of December 31, 2020, our total indebtedness was approximately \$1,863.6 million, all of which is indebtedness of Sotera Health Holdings, LLC (“SHH”) that is guaranteed by the Company and certain of our other subsidiaries. We also had an additional \$347.5 million of unutilized capacity under our Revolving Credit Facility (as defined herein) at that date (without giving effect to \$63.9 million of letters of credit that were outstanding). See “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources.”

Our estimated debt service obligations for the next 12 months are \$67.4 million, based on the outstanding principal amount of indebtedness of \$1,863.6 million as of December 31, 2020. For the year ended December 31, 2020, our cash flow used for debt service totaled \$227.2 million, which includes principal payments of the Term Loan (as defined herein) of \$15.9 million and interest payments on our debt of \$211.3 million. In November and December 2020, we repaid \$341.0 million aggregate principal amount of the Term Loan and redeemed in full all of the \$770.0 million aggregate principal amount of outstanding senior secured second-lien notes (“Second Lien Notes”) of SHH. In connection with the redemption of the Second Lien Notes, we paid a \$15.4 million early redemption premium. For the year ended December 31, 2020, our cash flows from operating activities totaled \$120.6 million, which includes interest paid of \$211.3 million. As such, our cash flows from operating activities (before giving effect to the payment of interest) amounted to \$331.9 million. For the year ended December 31, 2020, cash payments used to service our debt represented approximately 68% of our net cash flows from operating activities (before giving effect to the payment of interest).

Our high degree of leverage could have important consequences, including:

- making it more difficult for us to satisfy our obligations;
- increasing our vulnerability to general economic and industry conditions;
- requiring a substantial portion of cash flow from operations to be used to pay off principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund our operations, capital expenditures and future business opportunities;
- exposing us to the risk of increased interest rates as our indebtedness is at variable interest rates;
- restricting us from making strategic acquisitions or causing us to make non-strategic divestitures;
- limiting our ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes;
- limiting our ability to adjust to changing market conditions and placing us at a disadvantage compared to our competitors that are less highly leveraged; and
- causing us to pay higher rates if we need to refinance our indebtedness at a time when prevailing market interest rates are unfavorable.

We and our subsidiaries may obtain substantial additional indebtedness in the future, subject to the restrictions contained in SHH's senior secured credit facilities (the "Senior Secured Credit Facilities") and the indenture governing SHH's senior secured first-lien notes (the "First Lien Notes"). If new indebtedness is added to our current debt levels, the related risks that we now face could intensify.

Because we are exposed to interest rate risk through our variable-rate borrowings, we have entered into and may, in the future, enter into additional interest rate swaps that involve the exchange of floating for fixed rate interest payments in order to reduce interest rate volatility and interest rate cap agreements. However, we may not maintain interest rate swaps with respect to any of our variable rate indebtedness, and any swaps we enter into may not fully mitigate our interest rate risk. Further, current interest rates are relatively low. If interest rates increase, our debt service obligations on any variable rate indebtedness will increase even if the amount borrowed remains the same, and our net income (loss) and cash flows, including cash available for servicing our indebtedness, will correspondingly decrease. Based on our indebtedness outstanding as of December 31, 2020 and the interest rate under our Term Loan that went into effect on January 21, 2021, a 1% increase in the London Interbank Offering Rate ("LIBOR") benchmark interest rate would result in an approximately \$2.9 million increase in total annual interest expense under our outstanding debt obligations. Refer to Note 10, "Long-Term Debt" to our consolidated financial statements.

Our debt agreements contain restrictions that limit our flexibility in operating our business.

The Senior Secured Credit Facilities and the indentures governing the First Lien Notes contain various covenants that limit our ability to engage in specified types of transactions. These covenants limit our ability and our restricted subsidiaries' ability to, among other things:

- incur additional indebtedness or issue certain shares of preferred stock;
- pay dividends on, repurchase or make distributions in respect of our capital stock or make other restricted payments;
- make certain investments and acquisitions;
- sell or transfer assets;
- grant liens on our assets;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and
- enter into certain transactions with our affiliates.

In addition, under certain circumstances we are required to satisfy and maintain specified financial ratios and other financial condition tests under certain covenants in our Senior Secured Credit Facilities and indenture governing the First Lien Notes. See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources." Our ability to meet those financial ratios and tests can be affected by events beyond our control, including prevailing economic, financial market and industry conditions, and we cannot give assurance that we will be able to satisfy such ratios and tests when required.

A breach of any of these covenants could result in a default under each of our Senior Secured Credit Facilities and/or the indenture governing the First Lien Notes. Upon the occurrence of an event of default, the lenders and/or noteholders, as applicable, could elect to declare all amounts outstanding under the Senior Secured Credit Facilities and the First Lien Notes to be immediately due and payable and terminate all commitments to extend further credit. If we were unable to repay those amounts, the lenders under the Senior Secured Credit Facilities or the indentures governing the First Lien Notes could foreclose on the collateral granted to them to secure each such indebtedness. We have pledged substantially all of our assets as collateral under the Senior Secured Credit Facilities and the indentures governing the First Lien Notes.

Our cash flows may not be sufficient to service our indebtedness, and if we are unable to satisfy our obligations under our indebtedness, we may be required to seek other financing alternatives, which may not be successful.

Our ability to make timely payments of principal and interest on our debt obligations, including our obligations under the Senior Secured Credit Facilities and the First Lien Notes, depends on our ability to generate positive cash flows from operations, which is subject to general economic conditions, competitive pressures and certain financial, business and other factors beyond our control. If our cash flows and capital resources are insufficient to make these payments, we may be required to seek additional financing sources, reduce or delay capital expenditures, sell assets or operations or refinance our indebtedness. These actions could have a material adverse effect on our business, financial conditions and results of operations. In addition, we may not be able to take any of these actions, and even if successful, these actions may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our existing indebtedness will depend on, among

other things, the condition of the capital markets and our financial condition at the time. We may not be able to restructure or refinance any of our indebtedness on commercially reasonable terms or at all. If we cannot make scheduled payments on our debt, we will be in default and the outstanding principal and interest on our debt could be declared to be due and payable, in which case we could be forced into bankruptcy or liquidation or required to substantially restructure or alter our business operations or debt obligations.

A lowering or withdrawal of the ratings assigned to our debt by rating agencies may increase our future borrowing costs and reduce our access to capital.

Any rating assigned to our debt by a rating agency could be lowered or withdrawn entirely if, in that rating agency's judgment, future circumstances relating to the basis of the rating, such as adverse changes to our ability to service our debt obligations or our general financial condition, so warrant. Any future lowering of our ratings likely would make it more difficult or more expensive for us to obtain additional debt financing. Additionally, we enter into various forms of hedging arrangements against currency, interest rates or commodity price fluctuations. Financial strength and credit ratings are also important to the availability and pricing of any hedging activities we decide to undertake, and a downgrade of our credit ratings may make it more costly for us to engage in these activities.

LIBOR and certain other interest "benchmarks" may be subject to regulatory guidance and/or reform that could cause interest rates under our current or future debt agreements to perform differently than in the past or cause other unanticipated consequences.

Because our Senior Secured Credit Facilities and First Lien Notes bear interest at variable interest rates, based on the London Interbank Offered Rate ("LIBOR") and certain other benchmarks, fluctuations in interest rates could have a material effect on our business. We currently utilize, and may in the future utilize, derivative financial instruments such as interest rate swaps or interest rate caps to hedge some of our exposure to interest rate fluctuations, but such instruments may not be effective in reducing our exposure to interest fluctuations, and we may discontinue utilizing them at any time. As a result, we may incur higher interest costs if interest rates increase. These higher interest costs could have a material adverse impact on our financial condition and the levels of cash we maintain for working capital.

In addition, LIBOR and certain other interest "benchmarks" may be subject to regulatory guidance and/or reform that could cause interest rates under our current or future debt agreements to perform differently than in the past or cause other unanticipated consequences. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced that it intends to stop encouraging or requiring banks to submit LIBOR rates after 2021, and it is unclear if LIBOR will cease to exist or if new methods of calculating LIBOR will evolve. However, the ICE Benchmark Administration, in its capacity as administrator of LIBOR, has published a consultation regarding its intention to continue publication of certain LIBOR tenors by 18 months to June 2023. Notwithstanding this possible extension, a joint statement by key regulatory authorities called on banks to cease entering into new contracts that use LIBOR as a reference rate by no later than December 31, 2021, and it is impossible to predict whether LIBOR rates will continue to be published or supported after the end of 2021. If LIBOR ceases to exist or if the methods of calculating LIBOR change from their current form, interest rates on our current or future debt obligations may be adversely affected.

If a published U.S. dollar LIBOR rate is unavailable, we may be required to substitute an alternative reference rate, such as a different benchmark interest rate or the Secured Overnight Financing Rate ("SOFR"), in lieu of LIBOR under our Senior Secured Credit Facilities and First Lien Notes. The Alternative Reference Rates Committee has proposed SOFR as its recommended alternative to LIBOR, and the Federal Reserve Bank of New York began publishing SOFR rates in April 2018. SOFR is intended to be a broad measure of the cost of borrowing cash overnight that is collateralized by U.S. Treasury securities. However, because SOFR is a broad U.S. Treasury repo financing rate that represents overnight secured funding transactions, it differs fundamentally from LIBOR. For example, SOFR is a secured overnight rate, while LIBOR is an unsecured rate that represents interbank funding over different maturities. In addition, because SOFR is a transaction-based rate, it is backward-looking, whereas LIBOR is forward-looking. Because of these and other differences, there is no assurance that SOFR will perform in the same way as LIBOR would have performed at any time, and there is no guarantee that it is a comparable substitute for LIBOR. SOFR may fail to gain market acceptance. As of January 2021, we amended our Senior Secured Credit Facilities to provide that, under certain circumstances, our benchmark interest rate will automatically shift to be calculated based on SOFR. The interest rates on our First Lien Notes indexed to LIBOR will be determined in a manner that gives due consideration to the then prevailing market convention for determining a rate of interest for high yield notes in the United States at such time. A change from LIBOR to any of the proposed alternative reference rates could result in interest obligations that are more than or that do not otherwise correlate over time with the payments that would have been made on this debt if U.S. dollar LIBOR were available in its current form. Any of these proposals or consequences could have a material

adverse effect on our financing costs. Moreover, the phaseout of LIBOR may adversely affect our assessment of effectiveness or measurement of ineffectiveness for accounting purposes of any future interest rate hedging agreements indexed to LIBOR.

Sotera Health Holdings, LLC is a holding company, and therefore its ability to make any required payment on our credit agreements depends upon the ability of its subsidiaries to pay it dividends or to advance it funds.

SHH, the borrower under our Senior Secured Credit Facilities and the issuer of our First Lien Notes, has no direct operations and no significant assets other than the equity interests of its subsidiaries. Because it conducts its operations through its operating subsidiaries, SHH depends on those entities to generate the funds necessary to meet its financial obligations, including its required obligations under our Senior Secured Credit Facilities and our First Lien Notes. The ability of our subsidiaries to make transfers and other distributions to SHH will be subject to, among other things, the terms of any debt instruments of such subsidiaries then in effect and applicable law. If transfers or other distributions from our subsidiaries to SHH were eliminated, delayed, reduced or otherwise impaired, our ability to make payments on the obligations under our credit agreements would be substantially impaired.

Risks Related to Ownership of Our Common Stock

The market and trading volume of our common stock may be volatile, and you could lose all or part of your investment.

The market price of our common stock may fluctuate or decline significantly in the future. Some of the factors that could negatively affect our share price or result in fluctuations in the price or trading volume of our common stock include those listed in the related Risk Factor “—Risks Related to the Company,” “—Risks Related to Our Indebtedness and Liquidity” and the following, some of which are beyond our control:

- volatility or economic downturns in the markets in which we, our suppliers or our customers are located caused by pandemics, including the COVID-19 pandemic, and related policies and restrictions undertaken to contain the spread of such pandemics or potential pandemics;
- developments in our litigation matters and governmental investigations or additional significant lawsuits or governmental investigations relating to our services or facilities;
- regulatory or legal developments in the jurisdictions in which we operate;
- adverse publicity about us or the industries in which we participate;
- variations in our quarterly or annual results of operations, or in those of our competitors or of companies in the medical device and pharmaceutical industries;
- the financial projections we may provide to the public, any changes in these projections or our failure to meet these projections;
- sales of our common stock by us or our stockholders in the future or the perception that such sales may occur;
- publication of research reports about the industries in which we participate;
- changes in analysts’ estimates, investors’ perceptions, recommendations by securities analysts, our failure to achieve analysts’ estimates or failure of analysts to maintain coverage of us;
- volatility in the trading prices and trading volumes of companies similar to us;
- changes in operating performance and stock market valuations of companies in our industry;
- changes in accounting principles, policies, guidance, interpretations or standards; and
- general market conditions and other factors unrelated to our operating performance or the operating performance of our competitors.

Certain broad market and industry factors may decrease the market price of our common stock, regardless of our actual operating performance. The stock market in general has from time to time experienced extreme price and volume fluctuations, including in recent months. In addition, in the past, following periods of volatility in the overall market and the market price of a company’s securities, securities class action litigation has often been instituted against these companies. This litigation, if instituted against us, could result in substantial costs and a diversion of our management’s attention and resources.

If securities or industry analysts do not publish research or reports about our business, or publish negative reports about our business, our share price and trading volume could decline.

The trading market for our common stock depends in part on the research and reports that securities or industry analysts publish about us or our business, our market and our competitors. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our shares or change their opinion of our business, our share price would likely decline. If one or more of these analysts cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline.

The future issuance of additional common stock in connection with our incentive plans, acquisitions or otherwise will dilute all other stockholdings.

As of February 24, 2021, we had an aggregate of 886,109,800 shares of common stock that are not currently reserved for issuance under our 2020 Omnibus Incentive Plan (“2020 Plan”), as well as 3,090,232 treasury shares. We may issue all of these shares of common stock without any action or approval by our stockholders, subject to certain exceptions. We also intend to continue to evaluate acquisition opportunities and may issue common stock in connection with these acquisitions. Any common stock issued in connection with our incentive plans, acquisitions or otherwise would dilute the percentage ownership held by the investors who own our common stock.

Future offerings of debt or equity securities by us may adversely affect the market price of our common stock.

In the future, we may attempt to obtain financing or to further increase our capital resources by issuing additional shares of our common stock or offering debt or other equity securities. Future acquisitions could require substantial additional capital in excess of cash from operations. We would expect to finance any future acquisitions through a combination of additional issuances of equity, corporate indebtedness, asset-backed acquisition financing and/or cash from operations.

Issuing additional shares of our common stock or other equity securities or securities convertible into equity may dilute the economic and voting rights of our existing stockholders or reduce the market price of our common stock or both. Upon liquidation, holders of such debt securities and preferred shares, if issued, and lenders with respect to other borrowings would receive a distribution of our available assets prior to the holders of our common stock. Debt securities convertible into equity could be subject to adjustments in the conversion ratio pursuant to which certain events may increase the number of equity securities issuable upon conversion. Preferred shares, if issued, could have a preference with respect to liquidating distributions or a preference with respect to dividend payments that could limit our ability to pay dividends to the holders of our common stock. Our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, which may adversely affect the amount, timing or nature of our future offerings. Thus, holders of our common stock bear the risk that our future offerings may reduce the market price of our common stock and dilute their stockholdings in us.

A sale of a substantial number of shares of our common stock, or the perception that such sales might occur, may cause the price of our common stock to decline.

Future sales of substantial amounts of our common stock in the public market after the waiver of the lock-up agreements with the underwriters of our IPO and other legal or contractual restrictions on resale discussed herein, or the perception that such sales might occur, could cause the trading price of our common stock to decline. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

In connection with our IPO, we entered into a stockholders’ agreement with certain holders of our common stock, including investment funds and entities affiliated with either Warburg Pincus or GTCR and members of our management team, which we refer to as the “Stockholders’ Agreement.” Under the Stockholders’ Agreement, stockholders party to the agreement (other than the Sponsors and their affiliates) are subject to contractual restrictions on transfer of shares of our common stock. Those restrictions, however, may be waived at any time by a majority of the members of the compensation committee of the board of directors. See Item 13, “Certain Relationships and Related Transactions, and Director Independence—Stockholders’ Agreement.”

As of February 24, 2021, we had 282,899,968 shares of common stock outstanding. Of these shares, the 53,590,000 shares sold in our IPO are freely tradable, without restriction, in the public market without restriction or further registration under the Securities Act, except for any shares held by our affiliates, as that term is defined under Rule 144 of the Securities Act (“Rule 144”), including our directors, executive officers and other affiliates (including the Sponsors).

As of February 24, 2021, holders of 223,005,772 shares of our common stock, including each of our directors and officers, have entered into lock-up agreements with the underwriters of our IPO that restrict their ability to sell or transfer their shares. The lock-up agreements will expire on May 18, 2021. J.P. Morgan Securities LLC, however, may, in its sole discretion, waive the contractual lock-up prior to the expiration of the lock-up agreements. Therefore, after the lock-up agreements expire, an additional 223,005,772 shares of common stock will be eligible for sale in the public market, of which 24,789,278 are subject to vesting requirements and the transfer restrictions contained in the Stockholders' Agreement, unless such transfer restrictions are waived by a majority of the members of the compensation committee of the board of directors, as described below. In addition to the 24,789,278 shares, an additional 6,304,196 shares of our outstanding common stock as of February 24, 2021 are not subject to lock-up agreements but are subject to vesting requirements and contractual restrictions on transfer under the terms of our Stockholders' Agreement.

Further, as of February 24, 2021, 207,079,165 shares of our outstanding common stock are held by directors, executive officers and other affiliates and are subject to volume limitations under Rule 144 under the Securities Act. All of such holders have rights to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or our stockholders.

We have filed a registration statement on Form S-8 under the Securities Act to register all of the shares of common stock issued or issuable under our 2020 Plan. The shares covered by this registration statement will be eligible for sale in the public markets, subject to Rule 144 limitations applicable to affiliates and any applicable contractual restrictions described above.

Any sales of securities by any of our stockholders described above could have a material adverse effect on the market price of our common stock.

In the future, we may also issue securities in connection with investments or acquisitions. In particular, the number of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock. Any such issuance of additional securities in the future may result in additional dilution to you or may adversely impact the price of our common stock.

Although we do not currently rely on the “controlled company” exemption, if we are a “controlled company” within the meaning of the Nasdaq corporate governance standards we would qualify for exemptions from certain corporate governance requirements.

Because the Sponsors own a majority of our outstanding common stock, we may be considered a “controlled company” as that term is set forth in the Nasdaq corporate governance standards. Under these rules, a company of which more than 50% of the voting power is held by another person or group of persons acting together is a “controlled company” and may elect not to comply with certain corporate governance requirements, including:

- the requirement that a majority of our board of directors consist of independent directors;
- the requirement that our director nominations be made, or recommended to the full board of directors, by our independent directors or by a nominations committee that is comprised entirely of independent directors with a written charter addressing the committee's purpose and responsibilities;
- the requirement that our compensation committee be composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- the requirement that we conduct an annual performance evaluation of the nominating and corporate governance and compensation committees.

These requirements would not apply to us as long as we remain a “controlled company.” Although we may qualify as a “controlled company”, we are not currently relying on this exemption and intend to fully comply with all corporate governance requirements under the Nasdaq corporate governance standards. However, if we were to utilize some or all of these exemptions, our stockholders may not have the same protections afforded to stockholders of companies that are subject to all of the Nasdaq corporate governance requirements. The Sponsors' significant ownership interest could adversely affect investors' perceptions of our corporate governance.

If the ownership of our common stock continues to be highly concentrated, it may prevent minority stockholders from influencing significant corporate decisions and may result in conflicts of interest.

As of February 24, 2021, the Sponsors own approximately 70.1% of our outstanding common stock. As a result, the Sponsors own shares sufficient for the majority vote over all matters requiring a stockholder vote. Our Stockholders' Agreement contains agreements among the parties with respect to certain matters, including the election of directors; mergers, consolidations and acquisitions; the sale of all or substantially all of our assets and other decisions affecting our capital structure; the amendment of our amended and restated certificate of incorporation and our amended and restated bylaws; the termination of our chief executive officer or designation of a new chief executive officer; changes in the composition of committees of our board of directors; entry into or changes to certain compensation agreements; and the issuance of additional shares of our common stock. This concentration of ownership, together with the Sponsors' rights under our Stockholders' Agreement, may delay, deter or prevent acts that would be favored by our other stockholders. The interests of the Sponsors may not always coincide with our interests or the interests of our other stockholders. For example, because the Sponsors purchased their shares at prices substantially below the price at which shares were sold to the public in our IPO and have held their shares for a longer period, they may be more interested in selling our Company to an acquirer than other investors or may want us to pursue strategies that deviate from the interests of other stockholders. In addition, under the Stockholders' Agreement we have agreed, subject to certain exceptions, to indemnify the Sponsors, and various affiliated persons and indirect equity holders of the Sponsors from certain losses arising out of any threatened or actual litigation by reason of the fact that the indemnified persons is or was a holder of our common stock or of equity interests in Sotera Health Company. Public stockholders will not benefit from this indemnification provision.

This concentration of ownership, together with the Sponsors' rights under our Stockholders' Agreement, may also have the effect of delaying, preventing or deterring a change in control. As a result, the market price of our common stock could decline or stockholders might not receive a premium over the then-current market price of our common stock upon a change in control. In addition, this concentration of ownership, together with the Sponsors' rights under our Stockholders' Agreement, may adversely affect the trading price of our common stock because investors may perceive disadvantages in owning shares in a company with significant stockholders.

Certain of our stockholders have the right to engage or invest in the same or similar businesses as us.

The Sponsors have other investments and business activities in addition to their ownership of us. The Sponsors have the right, and have no duty to abstain from exercising such right, to engage or invest in the same or similar businesses as us, do business with any of our customers or suppliers or employ or otherwise engage any of our officers, directors or employees. If the Sponsors or any of their officers, directors or employees acquire knowledge of a potential transaction that could be a corporate opportunity, they have no duty, to the fullest extent permitted by law, to offer such corporate opportunity to us, our stockholders or our affiliates. This right could adversely impact our business, prospects, financial condition or results of operations if attractive business opportunities are procured by the Sponsors or another party for their own benefit rather than for ours.

In the event that any of our directors and officers who is also a director, officer or employee of any Sponsor acquires knowledge of a corporate opportunity or is offered a corporate opportunity, such person is deemed to have fully satisfied such person's fiduciary duties owed to us and is not liable to us, to the fullest extent permitted by law, if such Sponsor pursues or acquires the corporate opportunity or does not present the corporate opportunity to us, provided that this knowledge was not acquired solely in such person's capacity as our director or officer and such person acts in good faith.

The requirements of being a public company, including compliance with the reporting requirements of the Exchange Act and the requirements of the Sarbanes-Oxley Act have increased and are expected to continue to increase our costs and occupy management, and we may be unable to comply with these requirements in a timely or cost-effective manner.

As a public company with shares listed on a U.S. exchange, we need to comply with new laws, regulations and requirements, certain corporate governance provisions of the Sarbanes-Oxley Act, the Dodd-Frank Act, related regulations of the SEC, the requirements of the Nasdaq and other applicable rules and regulations, with which we were not required to comply with as a private company. Complying with these statutes, regulations and requirements will occupy a significant amount of time of our board of directors and management and will significantly increase our legal and financial compliance costs and expenses. We have or are in the process of:

- instituting a more comprehensive compliance function;
- complying with rules promulgated by the Nasdaq;
- preparing and distributing periodic public reports in compliance with our obligations under the federal securities laws;

- establishing new internal policies, such as those relating to insider trading; and
- involving and retaining, to a greater degree, outside counsel and accountants in the above activities.

The reduced disclosure requirements applicable to us as an “emerging growth company” under the JOBS Act may make our common stock less attractive to investors.

We are an “emerging growth company,” as defined in the JOBS Act and may remain an emerging growth company until the earliest of (a) the last day of the fiscal year during which we had total annual gross revenues of \$1.07 billion or more, (b) the last day of our fiscal year following the fifth anniversary of this offering, (c) the date on which we have issued more than \$1.0 billion in non-convertible debt during the previous three-year period or (d) the date on which we are deemed a “large accelerated filer” as defined under the federal securities laws. For as long as we remain an “emerging growth company,” we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies, including, but not limited to, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a nonbinding advisory vote on certain executive compensation matters, such as “say on pay” and “say on frequency” and stockholder approval of any golden parachute payments not previously approved. As a result, our stockholders may not have access to certain information that they may deem important.

We cannot predict if investors will find our common stock less attractive as a result of our taking advantage of these exemptions. If they do, there may be a less active trading market for our common stock and our stock price may be more volatile.

Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We chose to take advantage of this extended transition period and, as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for private companies or at which time we conclude it is appropriate to avail ourselves of early adoption provisions of applicable standards. Accordingly, our financial statements may not be comparable to companies that comply with public company effective dates, and our stockholders and potential investors may have difficulty in analyzing our operating results by comparing us to such companies.

Anti-takeover provisions in our amended and restated certificate of incorporation, amended and restated bylaws and our Stockholders’ Agreement, as well as Delaware law, could discourage a change in control of our company or a change in our management.

Our amended and restated certificate of incorporation and amended and restated bylaws, our Stockholders’ Agreement and Delaware law contain provisions that might discourage, delay or prevent a merger, acquisition, or other change in control that stockholders may consider favorable, including transactions in which our stockholders might otherwise receive a premium for shares of our common stock. These provisions may also prevent or frustrate attempts by our stockholders to replace or remove our management. These provisions include:

- limiting the liability of, and providing indemnification to, our directors and officers;
- establishing a classified board of directors with three-year staggered terms, which could delay the ability of stockholders to change the membership of a majority of our board of directors;
- providing that directors may be removed only for cause by the affirmative vote of the holders of at least 75% of the voting power of our outstanding common stock; provided that so long as investment funds and entities affiliated with either Warburg Pincus or GTCR, collectively, hold at least 50% of the outstanding shares of our common stock, a director designated by investment funds and entities affiliated with either Warburg Pincus or GTCR, respectively, may be removed with or without cause by the affirmative vote of the holders of at least a majority of the votes that all the stockholders would be entitled to cast in any annual election of directors or class of directors and with the consent of Warburg Pincus or GTCR, respectively;
- limiting the determination of the number of directors on our board of directors and the filling of vacancies or newly created seats on the board to our board of directors then in office; provided that for so long as investment funds and entities affiliated with either Warburg Pincus or GTCR have the right to designate at least one director for election to our board of directors, (i) any vacancies will be filled in accordance with the designation provisions set forth in the Stockholders’ Agreement and (ii) the number of directors shall not exceed eleven without the consent of Warburg Pincus or GTCR;

- advance notice requirements applicable to stockholders for matters to be brought before a meeting of stockholders and requirements as to the form and content of a stockholders' notice; provided that no advance notice shall be required for nominations of candidates for election to our board of directors pursuant to the Stockholders' Agreement;
- requiring the affirmative vote of at least 66 2/3% of the voting power of our outstanding common stock to amend certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws; provided that so long as investment funds and entities affiliated with either Warburg Pincus or GTCR, collectively, hold at least a majority of our outstanding capital stock, only a majority stockholder vote requirement would apply to such matters;
- providing that for so long as investment funds and entities affiliated with either Warburg Pincus or GTCR have the right (individually) to designate at least three directors for election to our board of directors, certain board approvals, including amendments to our amended and restated certificate of incorporation or amended and restated bylaws and certain specified corporate transactions, including certain acquisitions, mergers, other business combination transactions and dispositions, may be effected only with the affirmative vote of 75% of our board of directors, in addition to any other vote required by applicable law;
- providing that for so long as investment funds and entities affiliated with Warburg Pincus have the right to designate at least one director for election to our board of directors and for so long as investment funds and entities affiliated with GTCR have the right to designate one director for election to our board of directors, in each case, a quorum of our board of directors (and committees of the board of directors on which a director designated by Warburg Pincus or GTCR will serve) will not exist without at least one director designee of each of Warburg Pincus and GTCR present at such meeting; provided that if a meeting of our board of directors (or a committee of the board of directors) fails to achieve a quorum due to the absence of a director designee of Warburg Pincus or GTCR, as applicable, the presence of a director designee of Warburg Pincus or GTCR, as applicable, will not be required in order for a quorum to exist at the next duly noticed meeting of our board of directors (or a committee thereof);
- the right to issue blank check preferred stock without stockholder approval, which could be used to dilute the stock ownership of a potential hostile acquirer or adopt a stockholder rights plan;
- a requirement that our stockholders may only take action at annual or special meetings of our stockholders and may not act by written consent; provided that, for so long as investment funds and entities affiliated with either Warburg Pincus or GTCR, collectively, beneficially own a majority of our outstanding capital stock, a meeting and vote of stockholders may be dispensed with, and the action may be taken without prior notice and without such meeting and vote if a written consent is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at the meeting of stockholders;
- limiting the ability of stockholders to call and bring business before special meetings; provided that for so long as investment funds and entities affiliated with either Warburg Pincus or GTCR, collectively, beneficially own a majority of our outstanding capital stock, special meetings of our stockholders may be called by the affirmative vote of the holders of a majority of our outstanding voting stock; and
- limiting the forum to Delaware or Federal Court for certain litigation against us.

In addition, our amended and restated certificate of incorporation contains a provision that provides us with protections similar to Section 203 of the Delaware General Corporation Law ("DGCL"), and prevents us from engaging in a business combination with a person (excluding the Sponsors and any of their respective direct or indirect transferees and any group as to which such persons are a party) who acquires at least 15% of our common stock for a period of three years from the date such person acquired such common stock, unless board or shareholder approval is obtained prior to the acquisition.

These provisions might discourage, delay or prevent a change in control of our company or a change in our management. For example, because investment funds and entities affiliated with either Warburg Pincus or GTCR together own a majority of the voting power of our common stock, they could prevent a third party from acquiring us, even if the third party's offer may be considered beneficial by many of our stockholders. The existence of these provisions could adversely affect the voting power of holders of common stock and limit the price that investors might be willing to pay in the future for shares of our common stock.

Our amended and restated certificate of incorporation designates specific courts as the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' abilities to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum, to the fullest extent permitted by law, for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our current or

former directors, officers or other employees or stockholders to us or our stockholders, (3) any action asserting a claim against us or any of our directors or officers or other employees or stockholders arising pursuant to, any action to interpret, apply, enforce any right, obligation or remedy under, any provision of the DGCL our amended and restated certificate of incorporation or amended and restated bylaws, (4) any action asserting a claim that is governed by the internal affairs doctrine, or (5) any other action asserting an “internal corporate claim” under the DGCL shall be the Court of Chancery of the State of Delaware (or any state or federal court located within the State of Delaware if the Court of Chancery does not have jurisdiction) (the “Delaware Forum Provision”). Notwithstanding the foregoing, our amended and restated certificate of incorporation provides that the Delaware Forum Provision will not apply to suits brought to enforce a duty or liability created by the Exchange Act. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder. Our amended and restated certificate of incorporation further provides that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act (the “Federal Forum Provision”).

The Delaware Forum Provision and the Federal Forum Provision may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the Delaware Forum Provision or the Federal Forum Provision to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, financial condition or results of operations. Any person or entity purchasing or otherwise acquiring any interest in our shares of capital stock shall be deemed to have notice of and consented to the Delaware Forum Provision and the Federal Forum Provision, but will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

We do not anticipate paying any dividends on our common stock in the foreseeable future, and, consequently, stockholders’ ability to achieve a return on their investment will depend on appreciation in the price of our common stock.

We do not expect to declare or pay dividends on our common stock in the foreseeable future. We currently expect to use any cash flow generated by operations to pay for our operations, repay existing indebtedness and grow our business. Any decisions to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions, restrictions imposed by applicable law and other factors that our board of directors may deem relevant. Our ability to pay dividends on our common stock is limited by the terms of the Senior Secured Credit Facilities and the First Lien Notes. As a result, capital appreciation, if any, of our common stock will be the sole source of potential gain for the foreseeable future, and stockholders will have to sell some or all of their common stock holdings to generate cash flow from their investment.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

Our corporate headquarters is in Broadview Heights, Ohio, our Sterigenics headquarters is in Oakbrook, Illinois, our Nordion headquarters is in Kanata, Ontario and our Nelson Labs headquarters is in Taylorsville, Utah. As of December 31, 2020, we operated 63 facilities in North America, South America, Europe and Asia. The following table identified the number of owned and leased facilities, other than our headquarters listed above. We believe that our facilities are adequate for our current needs and that suitable additional or substitute space will be available as needed to accommodate planned expansion of our operations.

<u>Segment⁽¹⁾</u>	<u>Owned Facilities</u>	<u>Owned/Leased Facilities⁽²⁾</u>	<u>Leased Facilities</u>
Sterigenics	27	4	17
Nelson Labs	5	1	7
Nordion	1	—	1

- (1) Eight of our Sterigenics and Nelson Labs facilities are located at the same address but are considered separate facilities because they require separate infrastructure. Two of our Sterigenics facilities are located at the same address but are considered separate facilities because they provide different sterilization modalities and require separate infrastructure.
- (2) Owned/leased facilities are comprised of multiple buildings, with some leased and some owned.

Item 3. Legal Proceedings

From time to time, we may be subject to various legal proceedings arising in the ordinary course of our business, including claims relating to personal injury, property damage, workers' compensation and employee safety. In addition, from time to time, we receive communications from government or regulatory agencies concerning investigations or allegations of noncompliance with laws or regulations in jurisdictions in which we operate. At this time, and except as is noted herein, we are unable to predict the outcome of, and cannot reasonably estimate the impact of, any pending litigation matters, matters concerning allegations of non-compliance with laws or regulations and matters concerning other allegations of other improprieties, or the incidence of any such matters in the future. Information regarding our legal proceedings is included below.

FM Global Business Interruption Claim (NRU Outage)

Nordion, due to the shutdown of AECL's NRU reactor in 2009, suffered a cessation of supply of radioisotopes and business interruption loss. Nordion, by Statement of Claim dated October 22, 2010, issued in Ontario Superior Court an action against the insurer, Factory Mutual Insurance Company (FM Global), claiming \$25.0 million USD in losses resulting from the shutdown of AECL's reactor and its inability to supply radioisotopes through the specified period of approximately 15 months. FM Global objected to Nordion's claim.

Trial commenced in March 2019 and was completed in September 2019. On March 30, 2020, Nordion received a favorable judgment in the amount of \$25.0 million USD, plus pre-judgment interest, for a total judgment value of \$39.8 million USD, or \$56.4 million CAD based on exchange rates approved by the trial court. In addition, costs and disbursements have been assessed and awarded by the trial court in favor of Nordion in the approximate amount of \$1.1 million CAD (\$0.8 million USD) and \$161,863 CAD (\$0.1 million USD), respectively. On April 27, 2020, FM Global appealed the judgment. In January 2021, The Insurance Bureau of Canada was granted leave to intervene in the appeal. Hearing before the Court of Appeal is scheduled for April 15, 2021. Pending a favorable judgment in the appellate court, any final proceeds would be subject to post judgment interest, a contingent fee owed to legal counsel and applicable taxes. As the judgment is considered a contingent gain, any favorable outcome will be recognized in a future period when all appeals are exhausted. It is anticipated that the overall appeal process could take a year or more to complete.

Willowbrook, Illinois – Government Litigation

On October 30, 2018, the Illinois Attorney General and the State's Attorney of DuPage County, Illinois, sued Sterigenics U.S., LLC (the "IAG Action"), alleging that authorized EO air emissions from a commercial sterilization facility Sterigenics formerly operated in Willowbrook, Illinois "cause, threaten, or allow air pollution" in violation of the Illinois Environmental Protection Act. The IAG Action did not assert that Sterigenics violated its permit from the Illinois Environmental Protection Agency ("IEPA") authorizing Sterigenics' release of regulated levels of EO at the Willowbrook facility.

On February 15, 2019, the acting IEPA director, John Kim, issued a "Seal Order" effectively precluding Sterigenics' operations at the Willowbrook facility based on many of the same allegations asserted in the IAG Action. Sterigenics disputed those allegations and opposed the IEPA's Seal Order. The Seal Order was resolved by a Consent Order entered on September 6, 2019. The Consent Order provided that Sterigenics did not admit the allegations of the IAG Action, provided for the removal of the Seal Order and allowed the Willowbrook facility to reopen upon implementation of supplemental emissions control measures consistent with a new law that became effective in Illinois in June 2019 and an IEPA permit, which the IEPA approved in September 2019. Following entry of the Consent Order, the Seal Order was withdrawn.

On September 30, 2019, Sterigenics announced the closure of the Willowbrook facility due to the inability to reach an agreement with its landlord to renew the facility's lease and the unstable legislative and regulatory landscape in Illinois. Sterigenics is in the process of decommissioning the facility and completing the work required by the terms of its lease to return the property to the landlord.

On October 20, 2020 Sterigenics, the Illinois Attorney General and the State's Attorney of DuPage County filed a Joint Motion to Terminate Consent Order, stating that the community projects which Sterigenics voluntarily agreed to fund have been completed and funded as required by the Consent Order, and that Sterigenics has permanently ceased operations and surrendered all permits for its operations in Willowbrook, Illinois. On October 27, 2020 the DuPage County Circuit Court entered the Agreed Order Terminating Consent Order.

Ethylene Oxide Tort Litigation - Illinois

Since September 2018, tort lawsuits on behalf of approximately 835 personal injury plaintiffs (which are further described in the following paragraphs) have been filed in Illinois state courts against Sotera Health LLC, Sterigenics U.S., LLC, GTCR, LLC and other parties related to Sterigenics' Willowbrook, Illinois operations. Specifically, those plaintiffs allege that they suffered personal injuries including cancer and other diseases, or wrongful death, resulting from purported emissions and releases of EO from the Willowbrook facility. Additional derivative claims are alleged on behalf of other individuals related to these personal injury plaintiffs. Plaintiffs seek damages in an amount to be determined by the trier of fact. Sterigenics denies these allegations and intends to vigorously defend against these claims. Plaintiffs have voluntarily dismissed without prejudice a number of cases since September 2018, including certain individual cases alleging personal injuries and two class actions seeking damages for alleged diminution of property values.

Sterigenics sought consolidation of the cases for pretrial purposes, and in October 2019 obtained an order consolidating the then-pending cases and related cases filed in the future before Judge Lawler in the Cook County Circuit Court, Illinois (the "Consolidated Case"). All plaintiffs in the Consolidated Case filed a single Master Complaint on October 24, 2019 by which Sotera Health LLC was added as a co-defendant, followed by a First Amended Master Complaint on January 31, 2020. On April 28, 2020, the defendants filed motions to dismiss the claims in the First Amended Master Complaint. On August 17, 2020, the Court entered an order largely denying the motions to dismiss, and the same day plaintiffs filed a Second Amended Master Complaint.

Having been granted leave of Court on August 17, 2020 to add as defendants Griffith Foods Group, Inc., Griffith Foods, Inc., Griffith Foods International, Inc. and Griffith Foods Worldwide Inc., plaintiffs filed a Third Amended Master Complaint, adding those defendants, on October 30, 2020. Defendants' responses to the Third Amended Master Complaint were filed on or about December 1, 2020. Each plaintiff in the Consolidated Case has filed an individual short form complaint, the last of which were filed on February 1, 2021 and defendants' deadline for response will be 90-days after entry of an order setting the individual case for trial.

Written and deposition fact discovery is on-going in the Consolidated Case. Currently, there are no dates set for the close of fact discovery, for expert discovery or for dispositive motion practice. Plaintiffs have not yet made any specific damages claims.

A May 3, 2021 trial date has been set for *Kamuda v. Sterigenics*, the first-filed of the individual cases now included in the Consolidated Case, which is the first scheduled trial in these proceedings, but a General Administrative Order by the Presiding Judge of the Law Division, Cook County Circuit Court appears to have postponed that trial date. Four additional cases now included in the Consolidated Case were scheduled for trials starting in June, August, September and November 2021 but it appears that at least the first of those trials will be postponed in light of the General Administrative Order. We anticipate that additional trials will be scheduled after 2021 in roughly the order in which the individual cases were filed.

Additional personal injury and property devaluation lawsuits may be filed in the future against Sotera Health LLC and Sterigenics U.S., LLC relating to Sterigenics' Willowbrook facility or other EO sterilization facilities. Sotera Health LLC and Sterigenics U.S., LLC intend to defend themselves vigorously in all such EO tort litigation.

Ethylene Oxide Tort Litigation – Georgia

On May 19, 2020, a lawsuit against Sotera Health LLC, Sterigenics U.S., LLC and other parties was filed in the State Court of Cobb County, Georgia by 53 employees of a contract sterilization customer of Sterigenics. In the operative complaint, Plaintiffs claim personal injuries resulting from alleged exposure to residual EO while working at the customer's distribution center in Lithia Springs, Georgia, allege they were unaware that they were being exposed to EO in their workplace and seek damages in an amount to be determined by the trier of fact. The deadline for defendants to respond to the operative Second Amended Complaint is March 31, 2021. All defendants are being defended and indemnified by Sterigenics' contract sterilization customer (plaintiffs' employer and a co-defendant in the lawsuit).

In May 2020, the Cobb County, Georgia Board of Tax Assessors reduced certain residential property value assessments around the Sterigenics Atlanta facility by 10% citing an "Epd-identified environmental issue," without supporting market data. On August 14, 2020, Sterigenics U.S., LLC filed a lawsuit against members of the Cobb County Board of Tax Assessors in the U.S. District Court for the Northern District of Georgia, seeking a declaration that the reduction in property value assessments is arbitrary and unlawful and is causing Sterigenics reputational and imminent economic harm. On February 5, 2021 the Court issued an order finding that Sterigenics lacks standing to obtain the relief sought and dismissed the case. Sterigenics has appealed that decision to the 11th Circuit Court of Appeals.

Since August 17, 2020, six lawsuits against Sotera Health LLC, Sterigenics U.S., LLC and other parties have been filed by plaintiffs in the State Court of Cobb County, Georgia and the State Court of Gwinnett County, Georgia in which plaintiffs allege that they suffered personal injuries and loss of consortium resulting from emissions and releases of EO from Sterigenics' Atlanta facility. We are also defendants in lawsuits alleging that our Atlanta facility has devalued and harmed plaintiffs' use of real properties they own in Smyrna, Georgia and caused other damages. Plaintiffs in these cases seek various forms of relief including damages in amounts to be determined by the trier of fact. Sotera Health LLC filed motions to dismiss in all cases on personal jurisdiction grounds. Those motions remain pending. Sterigenics U.S., LLC and Sotera Health LLC filed a motion to dismiss the strict liability claim in each case. That motion was denied in one case pending in the State Court of Gwinnett County and the other motions remain pending.

Additional personal injury and property devaluation lawsuits may be filed in the future against Sotera Health LLC and Sterigenics U.S., LLC relating to Sterigenics' Atlanta facility or other EO sterilization facilities. Sotera Health LLC and Sterigenics U.S., LLC intend to defend themselves vigorously in all such EO tort litigation.

Suspension of Georgia Facility Operations & Related Litigation

On August 7, 2019, Sterigenics U.S., LLC entered into a voluntary Consent Order with the Georgia Environmental Protection Division ("EPD") under which Sterigenics agreed to install emissions reduction enhancements at its Atlanta facility to further reduce the facility's EO emissions below already permitted levels. Sterigenics voluntarily suspended operations at the facility in early September 2019 to expedite completion of the enhancements. Installation of these enhancements is complete, and Sterigenics successfully tested the enhanced emissions controls in cooperation with EPD during the second quarter of 2020 while the facility was in operation.

In October 2019, while Sterigenics had voluntarily suspended the facility's operations, Cobb County, Georgia officials asserted that the facility had an incorrect "certificate of occupancy" and could not resume operations without obtaining a new certificate of occupancy after a third-party code compliance review they required.

After the Cobb County officials would not allow Sterigenics to resume operations, on March 30, 2020, Sterigenics U.S., LLC filed a lawsuit in the United States District Court for the Northern District of Georgia against Cobb County, Georgia and Cobb County officials Nicholas Dawe and Kevin Gobble. In the lawsuit, Sterigenics sought immediate injunctive relief and permanent declaratory relief to resume normal operations of the Atlanta facility in the interest of public health and on the basis that the positions asserted by Cobb County were unfounded. On April 1, 2020 the Court entered a Temporary Restraining Order prohibiting Cobb County officials from precluding or interfering with the facility's normal operations. On April 8, 2020, the Court entered a Consent Order extending the Temporary Restraining Order and allowing the facility to continue normal operations until entry of a final judgment in the case. On June 24, 2020 Sterigenics filed an amended complaint, and on July 22, 2020 defendants filed a motion to dismiss the claims. On November 9, 2020, the Court held a hearing and denied the motion to dismiss. Fact discovery is on-going. The court has entered a case management schedule including an April 23, 2021 date for the close of fact discovery, June 11, 2021 date for the close of expert discovery, and an August 27, 2021 date for the close of summary judgment briefing. A settlement conference is scheduled on June 25, 2021.

Ethylene Oxide Litigation – New Mexico

On December 22, 2020 the New Mexico Attorney General filed a lawsuit in the Third Judicial District Court, Doña Ana County, New Mexico against the Company, Sterigenics U.S., LLC and other subsidiaries alleging that emissions of EO from Sterigenics U.S., LLC's sterilization facility in Santa Teresa, New Mexico constitute a public nuisance and have deteriorated the air quality in Santa Teresa and surrounding communities and materially contributed to increased health risks suffered by residents of those communities. The Complaint asserts claims for public nuisance, negligence, strict liability, violations of New Mexico's Public Nuisance Statute and Unfair Practices Act and a request for a temporary restraining order and preliminary injunctive relief. On December 28, 2020 Sterigenics U.S., LLC removed the case to the United States District Court for the District of New Mexico. Plaintiff's December 30, 2020 motion to remand the case to state court is fully briefed and awaiting ruling.

An unsigned Emergency Motion for Temporary Restraining Order and Injunctive Relief was also filed in state court on December 22, 2020 ("Emergency Motion"), which has been opposed by Sterigenics U.S., LLC. The Emergency Motion does not demand facility closure but seeks an order requiring Defendants to cease any and all uncontrolled emissions or releases of EO from the Santa Teresa facility, including by making certain modifications to sterilization processes at the facility.

Additional personal injury and property devaluation lawsuits may be filed in the future against the Company, Sterigenics U.S., LLC or other subsidiaries relating to Sterigenics' Santa Teresa facility or other EO sterilization facilities. The Company, Sterigenics U.S., LLC and other subsidiaries intend to defend themselves vigorously in all such EO tort litigation.

* * *

We carry insurance for alleged environmental liabilities (including personal injury litigation like that pending in Illinois and Georgia described above), with limits of \$10.0 million per occurrence and \$20.0 million in the aggregate. The per occurrence limit related to the Willowbrook government and EO tort litigation was fully utilized by June 30, 2020. We have not provided for a contingency reserve in connection with these claims.

While we intend to vigorously defend the Illinois, Georgia and New Mexico proceedings described above and any other claims relating to our EO sterilization facilities, we are not able to predict the outcome of any litigation and there can be no assurance that we will be successful. We are unable to predict the incidence or outcome of such litigation or to reasonably estimate the possible range of any losses that could be incurred. An adverse outcome in one or more of these proceedings could have a material adverse effect on our business, financial condition and results of operations.

Zoetermeer, Holland Criminal Proceedings and Criminal Financial Investigation

In early 2010, the Dutch Public Prosecution Service started criminal proceedings against DEROSS Holding B.V. ("DEROSS B.V."), formerly known as Sterigenics Holland B.V., in relation to certain EO emissions and alleged environmental permit violations in the period from 2004 to 2009 at its Zoetermeer processing facility. On the basis of the final indictment issued in April 2017, assuming a rarely applied increasing mechanism is not applied in this case, fines in the amount of €0.8 million (US\$1.0 million) may be imposed.

In November 2010, the Public Prosecution Service also started a criminal financial investigation against DEROSS B.V. to determine whether it has obtained illegal advantages by committing the alleged criminal offenses noted above. Any illegally obtained advantage could then be recovered from DEROSS B.V. in subsequent confiscation proceedings. According to the October 2013 report of this criminal financial investigation, the Public Prosecution Service estimates the illegally obtained advantage by DEROSS B.V. to be in the amount of €0.6 million (US\$0.7 million).

In January 2018, the trial in first instance took place in the criminal case against DEROSS B.V., and in February 2018, the court discharged DEROSS B.V. from further prosecution on one of the two counts asserted and acquitted DEROSS B.V. on the other count. In March 2018, the public prosecutor filed an appeal against the favorable judgment in first instance for DEROSS B.V., as well as the favorable judgments in first instance for the two individuals overseeing environmental compliance during the time period of the alleged claims and the municipality of Zoetermeer. The appeal procedure is pending.

DEROSS B.V. has agreed to defend and indemnify the two individuals overseeing environmental compliance during the time period of the alleged claims by the Public Prosecutor. Assuming a rarely applied increasing mechanism is not applied in this case, the possible monetary penalties relating to the individuals currently are estimated at a maximum of €0.2 million (US\$0.2 million).

In 2011, former shareholders established an escrow account to satisfy indemnity claims for losses resulting from governmental claims related to this matter, including those relating to environmental law violations, financial advantage claims, as well as criminal and civil fines and penalties. The balance of the special escrow at December 31, 2020, was approximately \$2.1 million and the cash collateral held by ABN Amro to provide security for the claims against us was approximately €2.4 million (US\$2.9 million) as of December 31, 2020. These amounts are available to satisfy claims relating to the ongoing matter through its anticipated resolution. At this time, we expect that the appeal of this matter will likely take several years to resolve, barring unforeseen delays. However, we believe the indemnification receivable continues to be recoverable and plan to ensure escrow funds remain in place to cover outcomes of an appeal.

It is possible that individuals living in the vicinity of our former Zoetermeer facility may file civil claims at some time in the future. While we have received letters from a small number of individuals claiming to live or work in the vicinity of the Zoetermeer facility, no civil claims have been filed against DEROSS B.V. or us. We have not provided for a contingency reserve in connection with any civil claims as we are unable to determine the likelihood of an unfavorable outcome and no reasonable estimate of a loss or range of losses, if any, can be made.

Item 4. Mine Safety Disclosures

Not applicable.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

The following table sets forth information about our executive officers as of March 1, 2021:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Michael B. Petras, Jr.	53	Chairman and Chief Executive Officer
Scott J. Leffler	46	Chief Financial Officer and Treasurer
Michael (Mike) P. Rutz	49	President of Sterigenics
Matthew J. Klaben	51	Senior Vice President, General Counsel and Secretary

Set forth below is a brief description of the business experience of our executive officers.

Michael B. Petras, Jr. has served as our Chief Executive Officer since June 2016, as the Chairman of our board of directors since October 2020, as the Chairman of the board of managers of Sotera Health Topco, L.P. (“Topco Parent”) since January 2019 and as a member of Topco Parent’s board of managers since June 2016. Prior to joining Sotera Health, Mr. Petras served as chief executive officer of Post-Acute Solutions at Cardinal Health, Inc., a multinational healthcare services company, from 2015 to 2016 and chief executive officer of Cardinal Health at-Home at Cardinal Health, Inc. from 2013 to 2015. From 2011 to 2013, he was the chief executive officer for AssuraMed Holdings, Inc., a medical products supplier owned by the Clayton, Dubilier & Rice and Goldman Sachs private equity firms, which was sold to Cardinal Health, Inc. in 2013. From 2008 to 2011, Mr. Petras was president and chief executive officer at GE Lighting, a General Electric Company (“GE”) business unit. During his over 20 year career at GE, he held several management positions in multiple disciplines. Mr. Petras holds a B.S.B.A. in finance from John Carroll University and an M.B.A. in marketing from Case Western Reserve University. He was selected to serve on our board of directors because of his perspective as our Chief Executive Officer as well as his extensive commercial, financial and general management experience across many global industries.

Scott J. Leffler has served as our Chief Financial Officer and Treasurer since April 2017. Prior to joining Sotera Health, Mr. Leffler served as chief financial officer at Exal Corporation (now known as Trivium Packaging), a specialty manufacturer of aluminum containers, from September 2016 to March 2017. From September 2008 to September 2016, he held various positions including vice president and treasurer at PolyOne Corporation (now known as Avient), a formulator of specialty chemicals. Prior to that, he served in corporate treasury at Novelis Incorporated, a manufacturer of rolled aluminum. Mr. Leffler holds a B.A. in economics and history from Yale University and an M.B.A. from Emory University. He is a certified public accountant (inactive) and a certified treasury professional (inactive).

Michael (Mike) P. Rutz has served as President of Sterigenics since October 2020. Prior to that, Mr. Rutz was Chief Operating Officer of Sterigenics from May 2020 to October 2020. Prior to joining Sotera Health, he was senior vice president and general manager of the Semiconductor Business Unit at Littlefuse, Inc., a multinational electronic manufacturing company, where he was responsible for leading sales, marketing, product development, operations and business development for power and protection based semiconductor products. Mr. Rutz joined Littlefuse in 2014 as senior vice president of global operations, overseeing the company’s manufacturing, procurement, planning, quality, and operational excellence initiatives. Prior to joining Littlefuse, Mr. Rutz served as senior vice president global supply chain at WMS Gaming, a Chicago-based manufacturer of equipment and software for the gaming industry. Mr. Rutz also spent 16 years with Motorola in the paging, cellular and networking groups, most recently as vice president, networks supply chain. Mr. Rutz holds a Bachelor’s degree in mechanical engineering from the University of Michigan and Master’s degrees in mechanical engineering and management from the Massachusetts Institute of Technology.

Matthew J. Klaben has served as our Senior Vice President, General Counsel and Secretary since November 2016. Prior to joining Sotera Health, he was the vice president, general counsel and secretary of Chart Industries, Inc., a diversified global manufacturer of highly engineered equipment servicing multiple market applications in energy and industrial gas in Cleveland, Ohio from 2006 to 2016. Prior to that, he was a partner at Calfee, Halter & Griswold LLP, a law firm in Cleveland, Ohio. Mr. Klaben holds a B.A. in international relations and German from Canisius College, a Fulbright Certificate from the University of Bonn (Germany) and a J.D. from Cornell Law School.

Part II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information for Common Stock

The Company’s common stock is listed on the Nasdaq under the ticker symbol “SHC.”

Holders

As of February 24, 2021, we had approximately 72 holders of record of our common stock. This does not include the number of stockholders who hold shares of our common stock through banks, brokers or other financial institutions.

Dividends

We do not currently expect to pay any dividends on our common stock. Instead, we intend to use any future earnings for the operation and growth of our business and the repayment of indebtedness.

Future cash dividends, if any, will be at the discretion of our board of directors and will depend upon, among other things, our financial condition, earnings, capital requirements, level of indebtedness, statutory and contractual restrictions applicable to the payment of dividends and other considerations that our board of directors deems relevant. The timing and amount of future dividend payments will be at the discretion of our board of directors.

Because we are a holding company and have no direct operations, we will only be able to pay dividends from our available cash on hand and any funds we receive from our subsidiaries. The agreements governing our existing indebtedness contain negative covenants that limit, among other things, our ability to pay cash dividends on our common stock, and the terms of any future loan agreement into which we may enter or any additional debt securities we may issue are likely to contain similar restrictions on the payment of dividends. In addition, Delaware law may impose requirements that may restrict our ability to pay dividends.

Unregistered Sales of Equity Securities

On November 18, 2020, we effected a forward stock split to reclassify all 3,000 shares of our common stock outstanding as 232,400,200 shares.

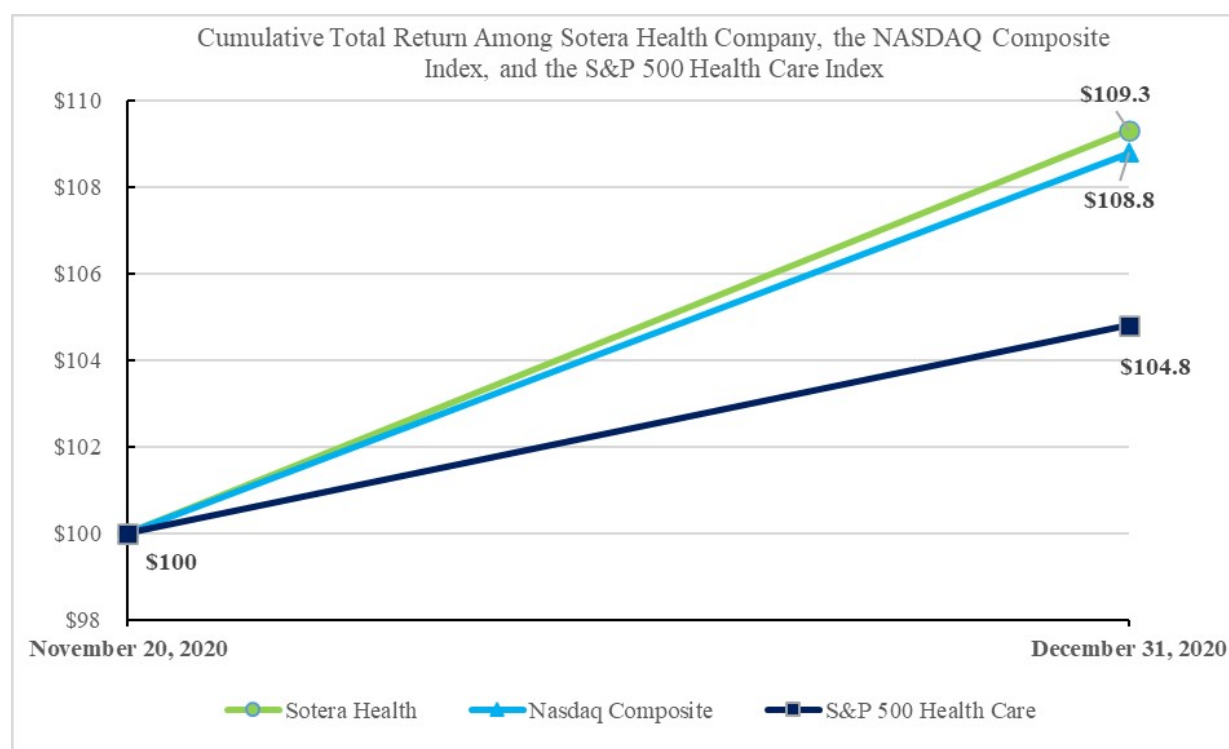
The issuance of these shares of common stock was deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, as a transaction by an issuer not involving any public offering. The foregoing transaction did not involve any underwriters, underwriting discounts or commissions or any public offering.

Purchase of Equity Securities by the Issuer

We entered agreements with certain executive officers to repurchase shares of our common stock beneficially owned by them in private transactions at a purchase price per share equal to the initial public offering price per share of our common stock less the underwriting discounts and commissions payable thereon. The total number of shares repurchased on November 24, 2020 was 1,568,445.

Stock Performance Graph

The following graph compares the cumulative total return to stockholders on our common stock relative to the cumulative total returns of the NASDAQ Composite Index and the Standard and Poors (“S&P”) 500 Global Health Care Index. An investment of \$100 (with reinvestment of all dividends) is assumed to have been made in our common stock and in each index on November 20, 2020, the date our common stock began trading on the Nasdaq, and its relative performance is tracked through December 31, 2020. The returns shown are based on historical results and are not intended to suggest future performance.



The graph and other information furnished under this Part II Item 5 of this annual report on Form 10-K shall not be deemed to be “soliciting material” or to be “filed” with the SEC or subject to Regulation 14A or 14C under, or to the liabilities of Section 18 of, the Exchange Act.

Use of Proceeds from Public Offering of Common Stock

On November 24, 2020, we closed our initial public offering (“IPO”), in which we sold 53,590,000 shares of our common stock at a price of \$23.00 per share, including the full exercise by the underwriters of their option to purchase up to an additional 6,990,000 shares of common stock. The offer and sale of these shares in the IPO were registered under the Securities Act pursuant to an effective registration statement on Form S-1 (File No. 333-249648). We raised approximately \$1.2 billion in net proceeds after deducting underwriters’ discounts and commissions of approximately \$70.9 million and before deducting offering costs of approximately \$5.7 million. We used the net proceeds received by us from the IPO to (i) redeem \$770.0 million in aggregate principal amount of our Second Lien Notes, plus accrued and unpaid interest thereon and \$15.4 million of redemption premium, (ii) repurchase 1,568,445 shares of our common stock from certain of our executive officers at a purchase price per share equal to the initial public offering price per share of our common stock less an amount equal to the underwriting discounts and commissions payable thereon and (iii) repay \$341.0 million of the outstanding indebtedness under our Term Loan, plus accrued and unpaid interest thereon. The representatives of the underwriters of our IPO were J.P Morgan Securities LLC, Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and Jefferies LLC.

Item 6. Selected Financial Data

The following tables present our summary historical consolidated statements of operations data and statements of cash flows data for the years ended December 31, 2020, 2019 and 2018, and the summary historical balance sheet data as of December 31, 2020, 2019 and 2018 derived from our audited consolidated financial statements.

The following summary consolidated financial data should be read in conjunction with the information contained in Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and related notes thereto.

Statement of Operations Data:
(in thousands, except per share amounts)

	Year Ended December 31,		
	2020	2019	2018
Total net revenues	\$ 818,158	\$ 778,327	\$ 746,149
Gross profit	443,572	395,431	357,252
Operating income	206,018	183,597	80,847
Net loss	(37,491)	(20,425)	(5,876)
Loss per share:			
Basic and diluted	\$ (0.16)	\$ (0.09)	\$ (0.03)
Weighted-average number of shares outstanding ^(a) :			
Basic and diluted	237,696	232,400	232,400
Selected cash flow data:			
Net cash provided by operating activities	\$ 120,585	\$ 149,041	\$ 119,563
Net cash provided by (used in) investing activities ^(b)	(158,694)	(57,257)	96,638
Net cash provided by (used in) financing activities	73,432	(126,030)	(191,857)

(a) Share amounts and per share data give retroactive effect to the forward stock split as described in Note 17, "Earnings (Loss) Per Share".

(b) Includes purchases of property, plant and equipment of \$53,507, \$57,257 and \$72,613, respectively (which includes Co-60 held at gamma irradiation sites).

Balance Sheet Data:
(in thousands)

	As of December 31,		
	2020	2019	2018
Working capital ^(c)	\$ 174,417	\$ 128,364	\$ 169,488
Total assets	2,761,279	2,580,674	2,708,584
Total long-term debt (including current portion, less unamortized debt issuance costs and debt discounts)	1,824,789	2,817,204	2,204,906
Total liabilities	2,306,705	3,221,806	2,663,093
Total equity (deficit)	454,574	(641,132)	45,491

(c) Working capital represents current assets less current liabilities.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis in conjunction with our consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K. This discussion and analysis contains forward-looking statements that are based on management's current expectations, estimates and projections about our business and operations. Our actual results may differ materially from those currently anticipated and expressed in such forward-looking statements as a result of various factors, including the factors we describe in Item 1A, "Risk Factors" and elsewhere in this Annual Report on Form 10-K.

OVERVIEW

We are a leading global provider of mission-critical sterilization and lab testing and advisory services to the medical device and pharmaceutical industries. We are driven by our mission: Safeguarding Global Health®. We provide end-to-end sterilization as well as microbiological and analytical lab testing and advisory services to help ensure that medical, pharmaceutical and food products are safe for healthcare practitioners, patients and consumers in the United States and around the world. Our customers include more than 40 of the top 50 medical device companies and eight of the top ten global pharmaceutical companies (based on revenue). Our services are an essential aspect of our customers' manufacturing process and supply chains, helping to ensure sterilized medical products reach healthcare practitioners and patients. Most of these services are necessary for our customers to satisfy applicable government requirements. We give our customers confidence that their products meet regulatory, safety and effectiveness requirements. With a combined tenure across our businesses of nearly 200 years and our industry-recognized scientific and technological expertise, we help to ensure the safety of millions of patients and healthcare practitioners around the

world every year. Across our 64 facilities worldwide, we have nearly 3,000 employees who are dedicated to safety and quality. We are a trusted partner to more than 5,800 customers in over 50 countries.

We serve our customers throughout their product lifecycles, from product design to manufacturing and delivery, helping to ensure the sterility, effectiveness and safety of their products for the end user. We operate across two core businesses: sterilization services and lab services. Each of our businesses has a longstanding record and is a leader in its respective market, supported and connected by our core capabilities including deep end market, regulatory, technical and logistics expertise. The combination of Sterigenics, our terminal sterilization business, and Nordion, our Co-60 supply business, makes us the only vertically integrated global gamma sterilization provider in the sterilization industry. This provides us with additional insights and allows us to better serve our customers. For financial reporting purposes, our sterilization services business consists of two reportable segments, Sterigenics and Nordion, and our lab services business consists of one reportable segment, Nelson Labs.

For the year ended December 31, 2020, we recorded net revenues of \$818.2 million, net loss of \$37.5 million, Adjusted Net Income of \$99.1 million and Adjusted EBITDA of \$419.9 million. For the definition of Adjusted Net Income and Adjusted EBITDA and the reconciliation of these non-GAAP measures from net income (loss), please see “Non-GAAP Financial Measures.” More than 90% of our sterilization services revenues for year ended December 31, 2020 were from customers under multi-year contracts.

TRENDS AND KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We expect that our performance and financial condition will continue to be driven by the key trends impacting our industries, customers and their end markets as outlined in Item 1, “Business”. In addition, we believe the following trends and key factors have underpinned our recent operating results and may continue to affect our performance and financial condition in future periods.

- **Continue to drive organic growth.** We drive organic growth through increasing utilization of our existing capacity and expanding our capacity and service offerings. In our Sterigenics business, we are investing in additional capacity at existing facilities and building new facilities. In our Nordion business, we are developing further supply relationships and expanding our capabilities to source Co-60 from additional reactors. In our Nelson Labs business, we are investing to expand our geographic reach, technical expertise and regulatory know-how to stay ahead of the dynamic and increasingly stringent regulatory landscape in the healthcare industry, and drive growth in our advisory services offering.
- **Disciplined and strategic M&A activity.** We have completed several strategic transactions that have expanded our addressable market and enhanced our global capabilities and footprint. In 2017, we acquired Toxikon Europe NV (now known as Nelson Laboratories Europe), a lab services business with extractable and leachables testing services. In 2018, we acquired Gibraltar Laboratories, Inc. (now known as Nelson Laboratories Fairfield, Inc.) (“Nelson Fairfield”), a provider of microbiological and analytical chemistry testing. In July 2020, we acquired Iotron Industries Canada, Inc. (“Iotron”), an E-beam processing services and equipment provider. In March 2021, we acquired BioScience Laboratories, LLC based in Bozeman, Montana, for approximately \$15 million, bringing expertise in antimicrobial and virology testing to our Nelson Labs segment. We also completed the sale of our former Medical Isotopes business to a subsidiary of BWX Technologies, Inc. in 2018 to monetize a noncore asset, the proceeds from which we reinvested in our core businesses. We are continuing to pursue strategic acquisitions to grow our footprint and expand our capabilities.
- **Business optimization and cost savings initiatives.** We have conducted several business optimization and cost savings projects in connection with the integrations of Nordion and Nelson Labs and the creation of the Sotera Health “One Company” platform. These projects included consolidation of certain back office functions into a shared service model, optimization and harmonization of certain systems, insurance lines and benefits programs and rebranding the company under the name Sotera Health. Additionally, we have realigned our operating structure and made enhancements to certain processes. These projects have resulted in more efficient operations, working capital improvement and a more integrated and robust control and governance environment. For the years ended December 31, 2020 and 2019 we incurred \$2.5 million and \$4.2 million, respectively, in connection with implementing these projects. These measures have contributed in part to our 1.6% operating margin improvement and 2.5% of Adjusted EBITDA margin improvement in 2020, and our 12.8% operating margin improvement and 3.2% of Adjusted EBITDA margin improvement in 2019. For the definition of Adjusted EBITDA and the reconciliation of these measures from net income (loss), please see “Non-GAAP Financial Measures.”
- **Exit activities and litigation costs.** We are currently the subject of a series of tort lawsuits alleging personal injury by purported exposure to EO emitted by our facility in Willowbrook, Illinois. We are also the subject of tort lawsuits

alleging personal injury and property devaluation by purported exposure to EO emitted by our facility in Atlanta, Georgia. We deny these allegations and are vigorously defending against these claims. In addition, we have been involved in litigation with local officials related to claims of loss of neighboring property value. We have resumed operations at our Atlanta facility that had been temporarily suspended to facilitate enhancements to our EO emissions control equipment. We are also defendants in a lawsuit brought by the State of New Mexico Attorney General alleging that emissions of EO from our Santa Teresa facility constitute a public nuisance, have materially contributed to increased health risks suffered by residents in the area, and that injunctive relief should be awarded requiring us to cease any and all uncontrolled emissions or releases of EO from the Santa Teresa facility, including by making certain modifications to sterilization processes at the facility. We expect that our litigation costs will increase during the pendency of these cases, particularly as the per occurrence limit of our environmental liability insurance was reached for the Willowbrook litigation in the second quarter of 2020 and as we prepare for the commencement of the first personal injury trials for the Willowbrook litigation currently scheduled to occur in 2021. See Item 3, “Legal Proceedings” and Note 20, “Commitments and Contingencies” to our consolidated financial statements. For the years ended December 31, 2020 and December 31, 2019, we recorded costs of \$36.7 million and \$11.2 million, respectively, relating to legal and other professional service costs associated with the Willowbrook, Atlanta, and Santa Teresa facilities. On September 30, 2019, we announced plans to exit our EO sterilization operations in Willowbrook and recorded a fixed asset impairment and have continued to incur certain transitional costs during the closure process including lease costs, payroll and utility expenses. For the years ended December 31, 2020 and December 31, 2019, we recorded costs of \$2.6 million and \$1.7 million, respectively, relating to the closure of our Willowbrook facility.

- **Impacts of our IPO.** We completed the initial public offering of our common stock in November 2020. The IPO generated net proceeds of \$1.2 billion after deducting underwriting discounts, commissions and other offering costs. In conjunction with the IPO, we recognized \$4.9 million of share based compensation expense as further described in Note 16, “Share-Based Compensation” to our consolidated financial statements. As a newly public company we will incur significant expenses on an ongoing basis that we did not incur as a private company. Those costs include additional board fees and director and officer liability insurance expenses, as well as third-party and internal resources related to accounting, auditing, Sarbanes-Oxley Act compliance, legal, and investor and public relations expenses. These costs will generally be classified as Selling, General & Administrative (“SG&A”) expenses. Additionally, in connection with our IPO, we implemented the 2020 Plan (as previously defined in Item 1A, “Risk Factors”), a long-term equity incentive plan to align our equity compensation program with public company plans and practices.
- **Borrowings, financing costs and financial leverage.** In December 2019, SHH entered into new Senior Secured Credit Facilities (which consist of a senior secured first lien term loan and senior secured first lien revolving credit facility). The Senior Secured Credit Facilities were subsequently amended on December 17, 2020 to include a revolving commitment increase and additional letter of credit sublimits. In July 2020, SHH also issued \$100.0 million of senior secured first lien notes to finance, in part, the Iotron acquisition. A portion of the net proceeds from our IPO were used to redeem all of the outstanding \$770.0 million Second Lien Notes and to repay a portion of the outstanding indebtedness under our Term Loan. For these two transactions combined, we wrote off \$28.9 million of debt issuance and discount costs and recognized \$15.4 million in premiums paid. The majority of our long-term debt, all of which is prepayable, is not due until 2026 or later. In January 2021, we closed on an amendment repricing our Term Loan which resulted in an effective reduction in current interest rates of 2.25% and expected cash interest savings of approximately \$40.0 million per year. Interest savings will be partially offset by cash and non-cash charges incurred in the first quarter of 2021 associated with the repricing amendment. Going forward, absent any changes in interest rates, we expect a decrease in cash interest expense in future periods due to a combination of lower outstanding debt and reduced pricing.
- **Impact of U.S. tax reform.** On December 22, 2017, the Tax Cuts & Jobs Act (“TCJA”) was signed into law. The legislation significantly changed U.S. tax law by, among other things, lowering corporate income tax rates to 21%, implementing an inclusion item for global intangible low-taxed income (“GILTI”) and limiting interest expense deductions to 30% of U.S. adjusted taxable income. The CARES Act was signed into law on March 27, 2020 and temporarily increases the interest expense deduction limitation to 50% of U.S. adjusted taxable income for both 2019 and 2020. On July 23, 2020, 951A final regulations were published that exempt income subject to a high rate of foreign tax from inclusion under GILTI for tax years beginning after December 31, 2017.

In 2020 and 2019, we recognized GILTI current tax expense of \$2.6 million and \$10.3 million, respectively, as a result of final 951A regulations. The TCJA limits the deductibility of interest expense in any given year and any amounts not currently deductible may be carried forward indefinitely. At December 31, 2020 and 2019, we had \$68.0 million and \$41.5 million, respectively, of deferred tax assets relating to interest expense from 2020 and prior years that was not deductible in the originating period. Although the CARES Act provides for an increased interest expense deductibility limitation, the reduction in Adjusted Taxable Income (“ATI”) realized as a result of the final 951A regulations resulted

in a \$43.8 million valuation allowance recorded in the year ended December 31, 2020 compared to \$23.0 million for the year ended December 31, 2019. We do not expect to fully realize the benefit of interest expense incurred in future periods and therefore may recognize a valuation allowance on any related deferred tax assets generated in those future periods that will impact our annual effective income tax rate.

- **Foreign currency exchange rates.** As a result of our global operations, we generate a significant portion of our revenue and incur a significant portion of our expenses in currencies other than the U.S. dollar. We translate the assets, liabilities, net revenues and expenses of all of our operations into U.S. dollars at applicable exchange rates, and therefore we experience gains and losses related to exchange rate fluctuations. See Item 7A. “Quantitative and Qualitative Disclosures About Market Risk—Foreign Currency Risk.” From time to time, as and when we determine it is appropriate and advisable to do so, we may seek to mitigate the cash effect of exchange rate fluctuations through the use of derivative financial instruments. In the fourth quarter of 2020 we entered into foreign currency forward contracts to manage foreign currency exchange rate risk of our intercompany loans in certain of our European and Canadian subsidiaries. The foreign currency forward contracts expired ratably on a monthly basis. The fair value of the outstanding foreign currency forward contracts was zero as of December 31, 2020 or 2019.
- **Impact of COVID-19 pandemic.** The global impact of the COVID-19 pandemic, including the governmental responses, has affected our operations beginning in the first quarter of 2020. There has been an increase in deferred elective procedures, which has negatively impacted demand for some of our products and services as a result of a decrease in the need for sterilized medical devices used in these procedures. There has also been reduced demand for some of our lab testing services and impacts to Sterigenics processing volumes where employee availability has been temporarily reduced. Although our operations are considered “essential” in all locations where we operate, we have experienced, and may experience in the future, temporary facility closures while awaiting appropriate government approvals in certain jurisdictions or delays in delivering products or services to customers. We have experienced delayed deliveries, primarily in our Nordion business, at certain locations as a result of governmental travel restrictions enacted in response to the COVID-19 pandemic. The extent to which our operations will continue to be impacted by the pandemic will largely depend on future developments, which are highly uncertain and cannot be predicted.

COMPONENTS OF OUR RESULTS OF OPERATIONS

Net Revenues

Service revenues consist of revenue generated from contract sterilization and lab testing and advisory services within our Sterigenics and Nelson Labs segments, respectively. Service revenues also consist of Co-60 installation and disposal revenues and production irradiator refurbishments and installation services within our Nordion segment. Product revenues consist of revenues generated from sales of Co-60 radiation sources and production irradiators. Provisions for discounts, rebates to customers, and other adjustments are provided for as reductions in net revenues. Refunds, returns, warranties and other related obligations are not material to any of our business units, nor do we incur material incremental costs to secure customer contracts.

Cost of Revenues

Our cost of revenues consists primarily of direct materials, utilities, labor and related benefit costs, and depreciation and amortization. Although the cost of utilities and direct materials can fluctuate, the remaining components of cost of revenues are generally more stable. Direct material costs relating to service revenues primarily includes EO gas, nitrogen gas and Co-60. The physical decay of Co-60 assets is included within depreciation expense as a cost of revenue. Direct material costs relating to product revenues also include the costs associated with acquiring Co-60 in finished or semi-finished form, acquiring Co-59 in a form ready for insertion into reactors for conversion into Co-60, the reactor time and associated services to convert Co-59 into Co-60, and parts and equipment associated with building and maintaining production irradiators.

Operating Expenses

SG&A Expenses

SG&A primarily consists of compensation and benefits costs and general operating and administrative expenses, including professional service fees (which include finance and legal costs), travel and entertainment expenses, and other general and administrative expenses. Share-based compensation expense is also included in SG&A. At December 31, 2020, unvested awards have remaining unrecognized share-based compensation expense of \$46.2 million consisting of the following: 1) \$9.3 million related to pre-IPO time vesting awards, and 2) stock options and restricted stock unit awards granted in connection with the November 2020 initial public offering totaling \$19.9 million and \$17.0 million, respectively. The compensation expense for pre-IPO awards will be recognized over a weighted average period of 2.7 years, and the IPO-related stock options and restricted

stock unit awards will be recognized over a weighted average period of 3.9 years and 3.7 years, respectively. We recognized \$11.0 million and \$6.9 million of total non-cash share-based compensation expense for the years ended December 31, 2020 and 2019, respectively. For the year ended December 31, 2020, \$4.9 million of this expense related to pre-IPO performance vesting awards and was recognized in conjunction with the IPO as the market condition was considered probable. However, as of December 31, 2020, the performance vesting conditions were not yet met.

Amortization of Intangible Assets

Amortization of intangible assets primarily consists of expense associated with customer relationship intangibles, the majority of which relate to the fair values attributed to these assets upon the recapitalization of the Company in connection with the acquisition by the Sponsors in 2015. These customer relationship intangibles were initially assigned a useful life of ten years and have a remaining useful life of approximately five years. These customer relationship intangible assets account for \$49.8 million of our current annual amortization expense and are expected to be fully amortized in 2025. Amortization expense fluctuates when we have an acquisition, disposition, impairment charge, or as their useful lives expire. We expect intangible assets related to future acquisitions and the associated amortization expense will increase over time as we execute on our strategy to pursue acquisition targets that are complementary to our businesses.

Impairment

We review tangible and intangible assets for impairment on a regular basis. Impairment charges in 2019 were incurred primarily in connection with the closure of the Willowbrook facility.

Operating Income

Operating income represents gross profit, less SG&A, amortization of intangible assets and impairment charges.

Interest Expense, Net

Interest expense, net, represents interest paid or accruing on our outstanding indebtedness and the amortization of debt discount and debt issuance costs. Interest expense is affected by changes in average outstanding indebtedness (including capital lease obligations) and variable interest rates. We present interest expense net of interest income, which primarily consists of interest earned on cash on hand.

Other Income, Net

Other income, net primarily consists of changes in the fair value of the embedded derivatives in Nordion's contracts, the net impact of pension related benefits and income related to deferred income on a lease associated with the divestiture of the Medical Isotopes business.

Provision (Benefit) for Income Taxes

Provision (benefit) for income taxes consists primarily of income taxes in foreign jurisdictions and U.S. federal and state income taxes.

Net Income (Loss) Attributable to Noncontrolling Interests

We conduct our operations through our subsidiaries. As of December 31, 2020, our subsidiaries were wholly owned by us, except for outstanding noncontrolling interests of 15% and 33% at our two China subsidiaries, respectively. In addition, a 15% noncontrolling interest remains related to the acquisition of Nelson Fairfield. Pursuant to the terms of the transaction, we acquired 85% of the equity interests of Nelson Fairfield and are required to acquire the 15% noncontrolling interest within three years from the date of the acquisition (August 2021). For accounting purposes, we consolidate the results of operations of these subsidiaries with our results of operations and reflect the noncontrolling interests of our two China subsidiaries on our consolidated statements of operations and comprehensive income (loss) as net income (loss) attributable to noncontrolling interests. Because the purchase obligation for the remaining 15% ownership of Nelson Fairfield is mandatory (valued at \$13.6 million as of December 31, 2020), none of its earnings are allocated to noncontrolling interests.

In the first quarter of 2021, we entered into binding agreements to purchase the outstanding noncontrolling interests of 15% and 33% of our two China subsidiaries, respectively. The purchase transactions are expected to close no later than the second quarter of 2021.

In July 2020, we acquired a 60% equity ownership interest in a joint venture to construct an E-beam facility in Alberta, Canada in connection with our acquisition of Iotron. Refer to Note 4, "Acquisitions and Dispositions" of our consolidated financial

statements for additional information. We have determined this to be an investment in a variable interest entity (“VIE”). The investment is not consolidated as the Company has concluded that we are not the primary beneficiary of the VIE. The Company accounts for the joint venture using the equity method. The investment is reflected within “Investment in unconsolidated affiliate” on the Consolidated Balance Sheets within our consolidated financial statements.

Constant Currency Sales Growth

“Constant currency” is a non-GAAP financial measure we use to assess performance excluding the impact of foreign currency exchange rate changes. Constant currency sales growth is calculated by translating prior year sales in local currency at the average exchange rates applicable for the current period. The translated results are then used to determine year-over-year percentage increases or decreases. We generally refer to such amounts calculated on a constant currency basis as excluding the impact of foreign currency exchange rates. These results should be considered in addition to, not as a substitute for, results reported in accordance with U.S. GAAP. Results on a constant currency basis, as we present them, may not be comparable to similarly titled measures used by other companies and are not measures of performance presented in accordance with U.S. GAAP.

Adjusted Net Income and Adjusted EBITDA (Non-GAAP)

We use Adjusted Net Income and Adjusted EBITDA, non-GAAP financial measures, as the principal measures of our operating performance. Management believes Adjusted Net Income and Adjusted EBITDA are useful because they allow management to more effectively evaluate our operating performance and compare the results of our operations from period to period without the impact of certain non-cash items and non-routine items that we do not expect to continue at the same level in the future and other items that are not core to our operations. We believe that these measures are useful to our investors because they provide a more complete understanding of the factors and trends affecting our business than could be obtained absent this disclosure. In addition, we believe Adjusted Net Income and Adjusted EBITDA will assist investors in making comparisons to our historical operating results and analyzing the underlying performance of our operations for the periods presented. Our management also uses Adjusted Net Income and Adjusted EBITDA in their financial analysis and operational decision-making and Adjusted EBITDA serves as the metric for attainment of our primary annual incentive program. Adjusted Net Income and Adjusted EBITDA may be calculated differently from, and therefore may not be comparable to, a similarly titled measure used by other companies.

For more information regarding our definition and calculation of Adjusted Net Income and Adjusted EBITDA, including information about its limitations as a tool for analysis and reconciliation to the most directly comparable financial measures calculated in accordance with GAAP, please see “Non-GAAP Financial Measures” within this Item.

Segment Income

Segment income is the primary earnings measure we use to evaluate the performance of our reportable segments, as disclosed in Note 22, “Segment and Geographic Information” to our consolidated financial statements. Costs associated with support functions that are not directly associated with one of the three reportable segments, such as corporate operating expenses for executive management, accounting, information technology, legal, human resources, treasury, corporate development, tax, purchasing, and marketing, are allocated to the segments based on net revenue. Segment income excludes certain items which are included in “Provision (benefit) for income taxes” as determined in our Consolidated Statements of Operations and Comprehensive Income (Loss).

CONSOLIDATED RESULTS OF OPERATIONS

Year Ended December 31, 2020 as compared to Year Ended December 31, 2019

The following table sets forth the components of our results of operations for the years ended December 31, 2020 and 2019.

<i>(thousands of U.S. dollars)</i>	2020	2019	\$ Change	% Change
Total net revenues	\$ 818,158	\$ 778,327	\$ 39,831	5.1 %
Total cost of revenues	374,586	382,896	(8,310)	(2.2)%
Total operating expenses	237,554	211,834	25,720	12.1 %
Operating income	206,018	183,597	22,421	12.2 %
Net loss	(37,491)	(20,425)	(17,066)	83.6 %
Adjusted Net Income⁽¹⁾	99,124	100,386	(1,262)	(1.3)%
Adjusted EBITDA⁽¹⁾	419,859	379,932	39,927	10.5 %

⁽¹⁾ Adjusted Net Income and Adjusted EBITDA are non-GAAP financial measures. For more information regarding our calculation of Adjusted Net Income and Adjusted EBITDA, including information about their limitations as tools for analysis and a reconciliation of net loss, the most directly comparable financial measure calculated and presented in accordance with GAAP, to Adjusted Net Income and Adjusted EBITDA, please see the reconciliation included below in "Non-GAAP Financial Measures."

Total Net Revenues

The following table compares our revenues by type for the year ended December 31, 2020 to the year ended December 31, 2019. Results from Iotron are included in the Sterigenics segment for the post-acquisition period beginning July 31, 2020.

<i>(thousands of U.S. dollars)</i>	2020	2019	\$ Change	% Change
Net revenues for the year ended December 31,				
Service	\$ 713,520	\$ 673,037	\$ 40,483	6.0 %
Product	104,638	105,290	(652)	(0.6)%
Total net revenues	\$ 818,158	\$ 778,327	\$ 39,831	5.1 %

Net revenues were \$818.2 million in the year ended December 31, 2020, an increase of \$39.8 million, or 5.1%, as compared with the prior year. Excluding the impact of foreign currency exchange rates, net revenues in the year ended December 31, 2020 increased approximately 5.0% compared with the same period in 2019.

Service revenues

Service revenues increased \$40.5 million, or 6.0%, to \$713.5 million in 2020 as compared to \$673.0 million in 2019. The increase in net service revenues reflected a \$18.4 million favorable impact from pricing in our Sterigenics segment, \$16.3 million of increased demand for services related primarily to testing of personal protective equipment used to provide protection against COVID-19 in our Nelson Labs segment, and a \$9.9 million increase in revenues from the July 31, 2020 acquisition of Iotron. These factors were partially offset by a \$5.4 million unfavorable impact due to the temporary suspension of operations at our Atlanta facility and the permanent closure of the Willowbrook facility and reduced demand for some Nelson Labs testing services as a result of the COVID-19 pandemic.

Product revenues

Product revenues decreased \$0.7 million, or 0.6%, to \$104.6 million in the year ended December 31, 2020 as compared to \$105.3 million in the year ended December 31, 2019. The decrease in product revenues was primarily attributable to a \$5.2 million decrease in volume relating to the deferral of medical use Co-60 sales due to COVID-19 disruptions coupled with a \$1.1 million unfavorable impact from the weakening of the Canadian dollar compared to the U.S. dollar in 2020 as compared to the prior year, partially offset by the impact from favorable pricing of \$5.7 million.

Total Cost of Revenues

The following table compares our cost of revenues by type for the year ended December 31, 2020 to the year ended December 31, 2019.

(thousands of U.S. dollars)

Cost of revenues for the year ended December 31,	2020	2019	\$ Change	% Change
Service	\$ 333,359	\$ 333,290	\$ 69	— %
Product	41,227	49,606	(8,379)	(16.9)%
Total cost of revenues	\$ 374,586	\$ 382,896	\$ (8,310)	(2.2)%

Total cost of revenues accounted for approximately 45.8% and 49.2% of our consolidated net revenues for the year ended December 31, 2020 and 2019, respectively.

Cost of service revenues

Cost of service revenues increased \$0.1 million for the year ended December 31, 2020 as compared to the prior year. The increase was primarily attributable to \$1.7 million of incremental labor and other costs to support the increased demand for services related primarily to testing of personal protective equipment as well as an increase of approximately \$2.4 million associated with the Iotron acquisition. This increase was partially offset by a \$5.3 million reduction in costs as a result of the closure of the Willowbrook facility.

Cost of product revenues

Cost of product revenues decreased \$8.4 million, or 16.9%, for the year ended December 31, 2020 as compared to the prior year. The decrease was primarily a result of reduced sales volumes of medical-use Co-60 as referenced above coupled with a favorable mix of Co-60 suppliers of \$2.3 million.

Operating Expenses

The following table compares our operating expenses for the year ended December 31, 2020 to the year ended December 31, 2019:

(thousands of U.S. dollars)

Operating expenses for the Year Ended December 31,	2020	2019	\$ Change	% Change
Selling, general and administrative expenses	\$ 178,525	\$ 147,480	\$ 31,045	21.1 %
Amortization of intangible assets	59,029	58,562	467	0.8 %
Impairment of long-lived assets	—	5,792	(5,792)	(100.0 %)
Total operating expenses	\$ 237,554	\$ 211,834	\$ 25,720	12.1 %

Operating expenses accounted for approximately 29.0% and 27.2% of our consolidated net revenues for the year ended December 31, 2020 and 2019, respectively.

SG&A

SG&A increased \$31.0 million, or 21.1%, for the year ended December 31, 2020 as compared to the prior year. The increase was driven primarily by the following:

- a \$26.7 million increase in third party professional fees, including \$25.5 million of legal and other professional services expenses, associated with EO litigation; the majority of these expenses were recorded in the second half of 2020, as the per occurrence limit of our environmental liability insurance had been reached for the Willowbrook litigation in the second quarter of 2020;
- \$3.0 million in professional fees associated with the July 2020 acquisition of Iotron; and

- \$2.7 million in costs directly associated with the COVID-19 pandemic in the current year, including donations to related charitable causes and special bonuses for front-line personnel working on-site during lockdown periods.

Partially offsetting the above increases was a \$3.0 million decrease in travel expenses due to the COVID-19 pandemic in the current year.

Amortization of intangible assets

Amortization of intangible assets was \$59.0 million for the year ended December 31, 2020, or 0.8% above the prior year. The change was insignificant as there were only five months of amortization on newly acquired intangible assets related to the Iotron acquisition.

Asset impairments

In 2019, we recorded long-lived asset impairment expenses due to the closure of our Willowbrook facility citing the unstable legislative and regulatory landscape in Illinois, as well as the expiration of the primary Willowbrook facility lease.

Interest Expense, Net

Interest expense, net increased \$57.5 million, or 36.5%, for the year ended December 31, 2020 as compared to the prior year. The increase was largely due to a higher outstanding debt balance for most of 2020 prior to the paydown of \$341.0 million and \$770.0 million aggregate principal amount of the Term Loan and Second Lien Notes, respectively, with IPO proceeds in the fourth quarter of 2020. The higher debt balance was a direct result of the December 2019 refinancing, a \$50.0 million borrowing on the Revolving Credit Facility during the first quarter of 2020 (which was subsequently repaid in the second quarter of 2020), and the issuance of \$100.0 million of First Lien Notes in July 2020 to fund the Iotron acquisition. The weighted average interest rate was 5.58% and 6.08% at December 31, 2020 and 2019, respectively.

Foreign Exchange (Gain) Loss

Foreign exchange (gain) loss increased \$9.1 million to a gain of \$5.2 million for the year ended December 31, 2020 as compared to a loss of \$3.9 million in the prior year period. Foreign exchange (gain) loss relates primarily to U.S. dollar denominated intercompany indebtedness with certain of our European and Canadian subsidiaries. In the third quarter of 2020, we identified an immaterial error in previously issued financial statements as a result of incorrectly recording the foreign exchange (gain) loss on a U.S. dollar denominated loan between a U.S. subsidiary and European subsidiary. We reflected the correction of this immaterial error within our consolidated financial statements, the effect of which increased foreign exchange gain by \$2.2 million. The remainder of the variance is primarily due to a 9.4% change in the U.S. dollar to Euro exchange rate between December 2019 to December 2020. Beginning in the fourth quarter of 2020, the Company entered into U.S. dollar-denominated foreign currency forward contracts to manage foreign currency exchange rate risk.

Other Income, Net

Other income, net was \$9.4 million for the year ended December 31, 2020 and \$7.2 million for the year ended December 31, 2019. The fluctuation was primarily driven by changes in the fair value of the embedded derivatives in Nordion's contracts. We recorded an unrealized gain on embedded derivatives of \$3.1 million for the year ended December 31, 2020 as compared to an unrealized gain on embedded derivatives of \$1.2 million for the year ended December 31, 2019.

Provision (Benefit) for Income Taxes

Provision for income tax expense decreased \$20.9 million, or 107.0 %, to a net benefit of \$1.4 million for the year ended December 31, 2020 as compared to a \$19.5 million provision in the prior year primarily due to the impact of the CARES Act and final 951A regulations.

Benefit for income taxes for the year ended December 31, 2020 differed from the statutory rate of 21% primarily due to the impact of the CARES Act and final 951A regulations, the partial valuation allowance against our excess interest expense carryforward balance, the foreign rate differential, state tax benefits and the removal of valuation allowances against certain foreign net operating loss carryforward balances. Provision for income taxes for the year ended December 31, 2019 differed from the statutory rate of 21% primarily due to the foreign rate differential, the partial valuation allowance against our excess interest expense carryforward balance, GILTI expense, and non-deductible expenses.

Net Loss, Adjusted Net Income and Adjusted EBITDA

Net loss for the year ended December 31, 2020 was \$37.5 million, as compared to \$20.4 million for the year ended December 31, 2019 primarily due to the increase in interest expense. Adjusted Net Income was \$99.1 million for the year ended December 31, 2020, as compared to \$100.4 million for the year ended December 31, 2019, due to the factors described above. Adjusted EBITDA was \$419.9 million for the year ended December 31, 2020, as compared to \$379.9 million for the year ended December 31, 2019, due to the factors described above. Please see “Non-GAAP Financial Measures” below for a reconciliation of Adjusted Net Income and Adjusted EBITDA to their most directly comparable financial measure calculated and presented in accordance with GAAP.

NON-GAAP FINANCIAL MEASURES

To supplement our consolidated financial statements presented in accordance with Generally Accepted Accounting Principles (“GAAP”), we consider Adjusted Net Income and Adjusted EBITDA, financial measures that are not based on any standardized methodology prescribed by GAAP.

We define Adjusted Net Income as net income (loss) before amortization and certain other adjustments that we do not consider in our evaluation of our ongoing operating performance from period to period as discussed further below. We define Adjusted EBITDA as Adjusted Net Income before interest expense, depreciation (including depreciation of Co-60 used in our operations) and income tax provision applicable to Adjusted Net Income.

We use Adjusted Net Income and Adjusted EBITDA, non-GAAP financial measures, as the principal measures of our operating performance. Management believes Adjusted Net Income and Adjusted EBITDA are useful because they allow management to more effectively evaluate our operating performance and compare the results of our operations from period to period without the impact of certain non-cash items and non-routine items that we do not expect to continue at the same level in the future and other items that are not core to our operations. We believe that these measures are useful to our investors because they provide a more complete understanding of the factors and trends affecting our business than could be obtained absent this disclosure. In addition, we believe Adjusted Net Income and Adjusted EBITDA will assist investors in making comparisons to our historical operating results and analyzing the underlying performance of our operations for the periods presented. Our management also uses Adjusted Net Income and Adjusted EBITDA in their financial analysis and operational decision-making and Adjusted EBITDA serves as the metric for attainment of our primary annual incentive program. Adjusted Net Income and Adjusted EBITDA may be calculated differently from, and therefore may not be comparable to, a similarly titled measure used by other companies.

Adjusted Net Income and Adjusted EBITDA should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. There are a number of limitations related to the use of Adjusted Net Income and Adjusted EBITDA rather than net income (loss), the nearest GAAP equivalent. For example, Adjusted Net Income and Adjusted EBITDA exclude:

- certain recurring non-cash charges such as depreciation of fixed assets, although these assets may have to be replaced in the future, as well as amortization of acquired intangible assets and asset retirement obligations;
- costs of acquiring and integrating businesses, which will continue to be a part of our growth strategy;
- non-cash gains or losses from fluctuations in foreign currency exchange rates, primarily related to remeasurement of intercompany loans denominated in currencies other than subsidiaries’ functional currencies, and the mark-to-fair value of embedded derivatives relating to certain customer and supply contracts at Nordion;
- impairment charges on long-lived assets and intangible assets;
- expenses and charges related to the litigation and other activities associated with our ethylene oxide sterilization facilities in Willowbrook, Illinois, Atlanta, Georgia and Santa Teresa, New Mexico, even though that litigation remains ongoing;
- in the case of Adjusted EBITDA, interest expense or the cash requirements necessary to service interest or principal payments on our indebtedness; and
- share-based compensation expense, which has been, and will continue to be for the foreseeable future, a significant recurring expense and an important part of our compensation strategy.

In evaluating Adjusted Net Income and Adjusted EBITDA, you should be aware that in the future, we will incur expenses similar to the adjustments in this presentation. Our presentations of Adjusted Net Income and Adjusted EBITDA should not be

construed as suggesting that our future results will be unaffected by these expenses or any unusual or non-recurring items. When evaluating our performance, you should consider Adjusted Net Income and Adjusted EBITDA alongside other financial performance measures, including our net income (loss) and other GAAP measures.

The following table presents a reconciliation of net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP to Adjusted Net Income and Adjusted EBITDA, for each of the periods indicated:

	Year Ended December 31,	
	2020	2019
<i>(in thousands)</i>		
Net income (loss)	\$ (37,491)	\$ (20,425)
Amortization	80,255	80,048
Impairment of long-lived assets and intangible assets ^(a)	—	5,792
Share-based compensation ^(b)	10,987	16,882
Capital restructuring bonuses ^(c)	2,702	2,040
(Gain) loss on foreign currency and embedded derivatives ^(d)	(8,454)	2,662
Acquisition and divestiture related charges, net ^(e)	3,932	(318)
Business optimization project expenses ^(f)	2,524	4,195
Plant closure expenses ^(g)	2,649	1,712
Loss on extinguishment of debt ^(h)	44,262	30,168
Professional services relating to EO sterilization facilities ⁽ⁱ⁾	36,671	11,216
Accretion of asset retirement obligation ^(j)	1,946	2,051
COVID-19 expenses ^(k)	2,677	—
Income tax benefit associated with pre-tax adjustments ^(l)	(43,536)	(35,637)
Adjusted Net Income	99,124	100,386
Interest expense, net	215,259	157,729
Depreciation ^(m)	63,309	66,671
Income tax provision applicable to Adjusted Net Income ⁽ⁿ⁾	42,167	55,146
Adjusted EBITDA	\$ 419,859	\$ 379,932

- (a) Represents impairment charges related to the decision to not reopen the Willowbrook, Illinois facility in September 2019
- (b) Includes non-cash share-based compensation expense. 2019 also includes \$10.0 million of one-time cash share-based compensation expense related to the pre-IPO Class C Units, which vested in the third quarter of 2019. See Note 16, “Share-Based Compensation” for further information.
- (c) Represents cash bonuses for members of management relating to the November 2020 IPO and the December 2019 refinancing.
- (d) Represents the effects of (i) fluctuations in foreign currency exchange rates, primarily related to remeasurement of intercompany loans denominated in currencies other than subsidiaries’ functional currencies, and (ii) non-cash mark-to-fair value of embedded derivatives relating to certain customer and supply contracts at Nordion.
- (e) Represents (i) certain direct and incremental costs related to the acquisitions of Gibraltar Laboratories, Inc. (“Nelson Fairfield”) in 2018 and Iotron Industries Canada, Inc. in July 2020, and certain related integration efforts as a result of those acquisitions, (ii) the earnings impact of fair value adjustments (excluding those recognized within amortization expense) resulting from the businesses acquired, and (iii) transition services income and non-cash deferred lease income associated with the terms of the divestiture of the Medical Isotopes business in 2018.
- (f) Represents professional fees, contract termination and exit costs, severance and other payroll costs, and other costs associated with business optimization and cost savings projects relating to the integration of Nelson Labs, the Sotera Health rebranding, operating structure realignment and other process enhancement projects.
- (g) Represents professional fees, severance and other payroll costs, and other costs including ongoing lease and utility expenses associated with the closure of the Willowbrook, Illinois facility.
- (h) Represents expenses incurred in connection with the refinancing of our debt capital structure in December 2019 and paydown of debt following the November 2020 IPO, including accelerated amortization of prior debt issuance and discount costs, premiums paid in connection with early extinguishment and debt issuance and discount costs incurred for the new debt.
- (i) Represents professional fees related to litigation associated with our EO sterilization facilities and other related professional fees. See Note 20, “Commitments and Contingencies”.
- (j) Represents non-cash accretion of asset retirement obligations related to Co-60 and gamma processing facilities, which are based on estimated site remediation costs for any future decommissioning of these facilities (without regard for

whether the decommissioning services would be performed by employees of Nordion, instead of by a third party) and are accreted over the life of the asset.

- (k) Represents non-recurring costs associated with the COVID-19 pandemic, including donations to related charitable causes and special bonuses for front-line personnel working on-site during lockdown periods.
- (l) Represents the tax benefit or provision associated with the reconciling items between net income (loss) and Adjusted Net Income. To determine the aggregate tax effect of the reconciling items, we utilized statutory income tax rates ranging from 0% to 35%, depending upon the applicable jurisdictions of each adjustment.
- (m) Includes depreciation of Co-60 held at gamma irradiation sites.
- (n) Represents the difference between income tax expense or benefit as determined under U.S. GAAP and the income tax benefit associated with pre-tax adjustments described in footnote (l).

SEGMENT RESULTS OF OPERATIONS

We have three reportable segments: Sterigenics, Nordion and Nelson Labs. Our chief operating decision maker evaluates performance and allocates resources within our business based on segment income, which excludes certain items which are included in income (loss) before tax as determined in our consolidated statement of operations and comprehensive income (loss). The accounting policies for our reportable segments are the same as those for the consolidated Company.

Our Segments

Sterigenics

Our Sterigenics business provides outsourced terminal sterilization and irradiation services for the medical device, pharmaceutical, food safety and advanced applications markets using three major technologies: gamma irradiation, EO processing and E-beam irradiation.

Nordion

Our Nordion business is a global provider of Co-60 and gamma irradiators, which are the key components to the gamma sterilization process.

As a result of the time required to meet regulatory and logistics requirements for delivery of radioactive products, combined with accommodations made to our customers to minimize disruptions to their operations during the installation of Co-60, Nordion sales patterns can often vary significantly from one quarter to the next. However, timing-related impacts on our sales performance tend to be resolved within several quarters, resulting in more consistent performance over longer periods of time. In addition, sales of production irradiators occur infrequently and tend to be for larger amounts.

Results for our Nordion segment are also impacted by Co-60 mix, harvest schedules and product and service mix.

Nelson Labs

Our Nelson Labs business provides outsourced microbiological and analytical chemistry testing and advisory services for the medical device and pharmaceutical industries.

For more information regarding our reportable segments please refer to Item 1. "Business" and Note 22, "Segment and Geographic Information" to our consolidated financial statements.

Segment Results for the years ended December 31, 2020 and 2019

The following tables compare segment net revenue and segment income for the year ended December 31, 2020 to the year ended December 31, 2019:

(in thousands)	Year Ended December 31,		\$ Change	% Change
	2020	2019		
Net Revenues				
Sterigenics	\$ 498,773	\$ 471,708	\$ 27,065	5.7 %
Nordion	114,745	116,165	(1,420)	(1.2 %)
Nelson Labs	204,640	190,454	14,186	7.4 %
Segment Income				
Sterigenics	\$ 266,639	\$ 244,904	\$ 21,735	8.9 %
Nordion	66,803	62,196	4,607	7.4 %
Nelson Labs	86,417	72,832	13,585	18.7 %
Segment Income Margin				
Sterigenics	53.5 %	51.9 %		
Nordion	58.2 %	53.5 %		
Nelson Labs	42.2 %	38.2 %		

Net Revenues

Sterigenics net revenues were \$498.8 million for the year ended December 31, 2020, an increase of \$27.1 million, or 5.7%, as compared to the prior year. The increase reflects favorable impact from pricing of 3.9%, a 1.8% increase due to organic volume growth, and a 2.1% increase in revenues from the July 31, 2020 acquisition of Iotron. This was partially offset by a 1.2% headwind associated with the temporary suspension of operations at our Atlanta facility and the permanent closure of the Willowbrook facility. Net revenues were also slightly negatively impacted by unfavorable foreign exchange rates.

Nordion net revenues were \$114.7 million for the year ended December 31, 2020, a decrease of \$1.4 million, or 1.2%, as compared to the prior year. The decrease reflects a 5.1% impact from lower volumes primarily related to delays in medical-use Co-60 due to COVID-19 and a 1.0% impact from the weakening of the Canadian dollar compared to the U.S. dollar in 2020 as compared to the prior year, partially offset by a 4.9% impact from favorable pricing.

Nelson Labs net revenues were \$204.6 million for the year ended December 31, 2020, an increase of \$14.2 million, or 7.4%, as compared to the prior year. The increase is primarily driven by an 8.6% increase in demand for testing services related to personal protective equipment used to provide protection against COVID-19, partially offset by a reduction in other lab testing volumes.

Segment Income

Sterigenics segment income was \$266.6 million for the year ended December 31, 2020, an increase of \$21.7 million, or 8.9%, as compared to the prior year. The 1.5% increase in segment income was primarily a result of favorable pricing as referenced above.

Nordion segment income was \$66.8 million for the year ended December 31, 2020, an increase of \$4.6 million, or 7.4%, as compared to the prior year. The increase in segment income was primarily due to favorable customer pricing of \$5.7 million referenced above and favorable mix of Co-60 suppliers of \$2.3 million. This was partially offset by \$3.5 million related to lower sales of medical use Co-60 attributed to COVID-19 disruptions.

Nelson Labs segment income was \$86.4 million for the year ended December 31, 2020, an increase of \$13.6 million, or 18.7%, as compared to the prior year, primarily due to the increase in sales relating to testing of personal protective equipment.

LIQUIDITY AND CAPITAL RESOURCES

The primary sources of liquidity for our business are cash flows from operations and borrowings under our credit facilities. We expect that our primary liquidity requirements will be to service our debt, to invest in fixed assets to build and/or expand existing facilities, to fund selective business acquisitions, make capital expenditures and for other general corporate purposes.

As of December 31, 2020, we had \$102.4 million of cash and cash equivalents. This is an increase of \$39.4 million from the balance at December 31, 2019. Our foreign subsidiaries held cash of approximately \$88.8 million at December 31, 2020 and \$43.4 million at December 31, 2019, to meet their liquidity needs. No material restrictions exist to accessing cash held by our foreign subsidiaries notwithstanding any potential tax consequences.

Our capital expenditure program is a component of our long-term strategy. This program includes, among other things, investments in new and existing facilities, business expansion projects, Co-60 used by Sterigenics at its gamma irradiation facilities and information technology enhancements. During the year ended December 31, 2020, our capital expenditures amounted to \$53.5 million, compared to \$57.3 million in 2019. This amount includes approximately \$6.9 million related to environmental facility enhancements at all facilities within our business. Our capital expenditures for the year ended December 31, 2020 were lower than initially planned as a result of deferrals due largely to the COVID-19 pandemic.

In 2021, we expect to continue to invest in facility expansions, ongoing routine maintenance for existing facilities, and acquisition of Co-60 for use by our Sterigenics segment in its gamma irradiation facilities. In addition, we expect to invest in special projects related to development of new Co-60 supply sources and facility enhancements at our EO sterilization facilities. We currently expect our capital expenditures to be higher in 2021 than in recent years and remain elevated over the next several years as we execute on those special projects in addition to our normal growth and maintenance related investments. For 2021, considering our typical growth and maintenance projects, along with the special projects, we expect capital expenditures to exceed \$100.0 million, more than \$15.0 million and \$21.0 million of which relates to environmental facility enhancements across all facilities within our business and cobalt development projects, respectively. We expect similar investments in environmental facility enhancements and cobalt development projects in subsequent years.

We may choose to temporarily defer planned capital expenditures due to fluctuations in demand for our products and services resulting from the COVID-19 pandemic and the needs of our customers.

We expect that cash on hand, operating cash flows and amounts available under our credit facilities will provide sufficient working capital to operate our business, make expected capital expenditures, meet litigation costs and meet foreseeable liquidity requirements, including debt service on our long-term debt, for at least the next twelve months. On December 17, 2020, we increased the capacity of our Revolving Credit Facility from \$190.0 million to \$347.5 million. As of December 31, 2020, there were no outstanding borrowings on the Revolving Credit Facility. We expect to use cash provided by operations in excess of amounts needed for capital expenditures, to fund potential acquisitions, or for other general corporate purposes. Our ability to meet future working capital, capital expenditures and debt service requirements will depend on our future financial performance, which will be affected by a range of macroeconomic, competitive and business factors, particularly interest rates and changes in our industry, many of which are outside of our control.

Cash Flow Information

Year Ended December 31, 2020 compared to the Year Ended December 31, 2019

(thousands of U.S. dollars)

	2020	2019
Net Cash Provided by (Used in):		
Operating activities	\$ 120,585	\$ 149,041
Investing activities	(158,694)	(57,257)
Financing activities	73,432	(126,030)
Effect of foreign currency exchange rate changes on cash and cash equivalents	4,106	485
Net increase (decrease) in cash and cash equivalents, including restricted cash, during the period	<u>\$ 39,429</u>	<u>\$ (33,761)</u>

Operating activities

Cash flows provided by operating activities decreased \$28.5 million to net cash provided of \$120.6 million in the year ended December 31, 2020 compared to \$149.0 million for the prior year. Lower cash flows from operating activities in 2020 compared to the prior year was driven primarily by an increase in cash paid for interest of \$60.3 million offset by a \$22.4 million increase in operating income and a decrease in cash paid for income taxes of \$20.6 million.

Investing activities

Cash used by investing activities increased \$101.4 million to net cash used of \$158.7 million in the year ended December 31, 2020 compared to \$57.3 million for the prior year. The change was attributable to the acquisition of Iotron on July 31, 2020 for a net purchase price of approximately \$105.2 million offset by a decrease in cash paid for capital expenditures of \$3.8 million.

Financing activities

For the year ended December 31, 2020, net cash provided by financing activities increased \$199.5 million to net cash provided of \$73.4 million for the year ended December 31, 2020 compared to net cash used of \$126.0 million for the year ended December 31, 2019. The primary source of cash from investing activities was the issuance of common shares from our November 2020 initial public offering, which provided net proceeds of approximately \$1,156.0 million and the proceeds from the issuance of the \$100.0 million senior secured first lien notes due 2026 (see “Debt Facilities” below). This was offset by the redemption of the \$770.0 million senior secured second lien notes due 2027 and partial paydown of \$341.0 million of our Term Loan. In addition, in November 2020, the Company paid \$34.0 million to repurchase common shares from certain executive officers in connection with our IPO.

Debt Facilities

Senior Secured Credit Facilities

On December 13, 2019, SHH, our wholly owned subsidiary, entered into the “Senior Secured Credit Facilities” and settled its previously outstanding term loan and senior notes.

The Senior Secured Credit Facilities consist of both a senior secured first lien term Loan (“Term Loan”) and a senior secured first lien revolving credit facility (the “Revolving Credit Facility”). The Term Loan matures on December 13, 2026, and the Revolving Credit Facility matures on December 13, 2024. On December 17, 2020, we increased the capacity of our Revolving Credit Facility from \$190.0 million to \$347.5 million. The Senior Secured Credit Facilities also provide SHH the right at any time and under certain conditions to request incremental term loans or incremental revolving credit commitments based on a formula defined in the Senior Secured Credit Facilities. As of December 31, 2020, total borrowings under the Term Loan were \$1,763.1 million and the Revolving Credit Facility remained unutilized. The Term Loan may bear interest at LIBOR or an alternate base rate (“ABR”) subject to a 1.00% floor plus, an incremental margin of 4.50% in the case of LIBOR loans and 3.50% in the case of ABR loans.

Beginning on June 30, 2020, the Term Loan was paid in equal quarterly installments in aggregate annual amounts equal to 1.0% of the Term Loan original principal amount, while the remaining balance matures on December 13, 2026. The weighted average interest rate on borrowings under the Term Loan for the year ended December 31, 2020 was 5.7%.

As of December 31, 2020, capitalized debt issuance costs and debt discounts totaled \$3.4 million and \$31.6 million, respectively, related to the Senior Secured Credit Facilities. Such costs are recorded as a reduction of debt on our consolidated balance sheets and amortized as a component of interest expense over the term of the debt agreement.

Borrowings under the Revolving Credit Facility bear interest at a rate per annum equal to an applicable margin, plus, at our option, either (a) an ABR or (b) a LIBOR rate. The applicable margin under the Revolving Credit Facility may be reduced by reference to a leverage-based pricing grid with step-downs of 0.25% at a specified senior secured first lien net leverage ratios. In addition to paying interest on any outstanding borrowings under the Revolving Credit Facility, SHH is required to pay a commitment fee to the lenders under the Revolving Credit Facility in respect of the unutilized commitments thereunder and customary letter of credit fees. The Revolving Credit Facility contains a maximum senior secured first lien net leverage ratio covenant of 9.00 to 1.00, tested on the last day of each fiscal quarter if, on the last day of such fiscal quarter, the sum of (i) the aggregate principal amount of the revolving loans then outstanding under the Revolving Credit Facility, plus (ii) the aggregate amount of letter of credit (“LC”) disbursements that have not been reimbursed within two business days following the end of

the fiscal quarter, exceeds the greater of \$139.0 million and 40.0% of the aggregate principal amount of the revolving commitments then in effect.

The Senior Secured Credit Facilities contain additional covenants that, among other things, restrict, subject to certain exceptions, our ability and the ability of our restricted subsidiaries to engage in certain activities, such as incur indebtedness or permit to exist any lien on any property or asset now owned or hereafter acquired, as specified in the Senior Secured Credit Facilities. The Senior Secured Credit Facilities also contain certain customary affirmative covenants and events of default, including upon a change of control. As of December 31, 2020, we were in compliance with all the Senior Secured Credit Facilities covenants.

As of December 31, 2020, there were no borrowings on the Revolving Credit Facility. SHH borrowed \$50.0 million on the Revolving Credit Facility during the first quarter of 2020 which was repaid in the second quarter of 2020. The interest rate on the borrowings under the Revolving Credit Facility during 2020 averaged approximately 5.0%.

All of SHH's obligations under the Senior Secured Credit Facilities are unconditionally guaranteed by the Company and each existing and subsequently acquired or organized direct or indirect wholly-owned domestic restricted subsidiary of the Company, with customary exceptions including, among other things, where providing such guarantees is not permitted by law, regulation or contract or would result in material adverse tax consequences. All obligations under the Senior Secured Credit Facilities, and the guarantees of such obligations, are secured by substantially all assets of the borrower and guarantors, subject to permitted liens and other exceptions and exclusions, as outlined in the Senior Secured Credit Facilities.

Outstanding letters of credit are collateralized by encumbrances against the Revolving Credit Facility and the collateral pledged thereunder, or by cash placed on deposit with the issuing bank. As of December 31, 2020, the Company had \$63.9 million of letters of credit issued against the Revolving Credit Facility, resulting in total availability under the Revolving Credit Facility of \$283.6 million.

In January 2021, we closed on an amendment repricing our Term Loan. The interest rate spread over LIBOR on the facility was reduced from 450 basis points to 275 basis points, and the facility's LIBOR floor was reduced from 100 basis points to 50 basis points. The changes result in an effective reduction in current interest rates of 2.25%. As a result of the repricing, we expect cash interest savings of approximately \$40.0 million per year based on the outstanding principal balance as of December 31, 2020. Interest savings in 2021 will be offset by cash and non-cash charges associated with the repricing amendment.

First Lien Notes

On July 31, 2020, SHH issued \$100.0 million aggregate principal amount of senior secured first lien notes due 2026 (the "First Lien Notes"), which mature on December 13, 2026. The First Lien Notes bear interest at a rate equal to LIBOR subject to a 1.00% floor plus 6.00% per annum. Interest is payable on a quarterly basis with no principal due until maturity. The weighted average interest rate on the First Lien Notes for the year ended December 31, 2020 was 7.00%.

SHH is entitled to redeem all or a portion of the First Lien Notes, at any time and from time to time, subject to certain premiums depending on the date of redemption: any time on or prior to July 31, 2021, a customary make-whole premium applies and, thereafter, specified premiums that decline to zero apply (in each case as described in the indenture governing the First Lien Notes).

All of SHH's obligations under the First Lien Notes are unconditionally guaranteed by the Company and each existing and subsequently acquired or organized direct or indirect wholly-owned domestic restricted subsidiary of SHH, with customary exceptions including, among other things, where providing such guarantees is not permitted by law, regulation or contract or would result in material adverse tax consequences. All obligations under the First Lien Notes, and the guarantees of such obligations, are secured by substantially all of the assets of the borrower and guarantors, subject to permitted liens and other exceptions and exclusions, as outlined in the First Lien Notes. Such collateral is substantially the same collateral that secures the Senior Secured Credit Facilities. Such collateral securing the First Lien Notes ranks *pari passu* with that of the Senior Secured Credit Facilities.

At December 31, 2020, capitalized debt issuance costs were \$0.9 million and debt discounts were \$2.8 million, respectively, related to the First Lien Notes, which are recorded as a reduction of debt on our consolidated balance sheets and amortized into interest expense over the term of the debt agreement.

Second Lien Notes

On December 13, 2019, SHH issued \$770.0 million of Second Lien Senior Secured Notes (the “Second Lien Notes”), which had a maturity date of December 13, 2027. The Second Lien Notes bore interest at a rate equal to LIBOR subject to a 1.00% floor plus 8.00% per annum. The weighted average interest rate on the Second Lien Notes through the redemption date of December 14, 2020 (as described below in “2020 Debt Repayments”) was 9.35%.

SHH was entitled to redeem all or a portion of the Second Lien Notes, at any time and from time to time, subject to certain premiums depending on the date of redemption. Any time prior to December 13, 2020, a customary make-whole premium applied and, thereafter, specified premiums that declined to zero applied (in each case as described in the indenture governing the Second Lien Notes). In addition, under certain circumstances, such as an initial public offering or certain changes of control, SHH had certain additional redemption rights (as described in the indenture governing the First Lien Notes).

All of SHH’s obligations under the Second Lien Notes were unconditionally guaranteed by the Company and each existing and subsequently acquired or organized direct or indirect wholly-owned domestic restricted subsidiary of the Company, with customary exceptions including, among other things, where providing such guarantees is not permitted by law, regulation or contract or would result in material adverse tax consequences. All obligations under the Second Lien Notes, and the guarantees of such obligations, were secured by substantially all of the assets of the borrower and guarantors, subject to permitted liens and other exceptions and exclusions, as outlined in the Second Lien Notes. Such collateral was substantially the same collateral that secures the Senior Secured Credit Facilities, and any security interest or lien on shared collateral securing the Senior Secured Credit Facilities had priority over any security interest or lien on shared collateral securing the Second Lien Notes.

2020 Debt Repayments

Almost all of the net proceeds of the Company’s IPO were used to redeem all of the outstanding aggregate principal amount of the Second Lien Notes and to repay a portion of the outstanding indebtedness under our Term Loan. In November 2020, the Company repaid \$341.0 million aggregate principal amount of the Term Loan. In December 2020 the Company redeemed in full all of the \$770.0 million aggregate principal amount of its then outstanding Second Lien Notes. For these two transactions combined, we wrote off \$28.9 million of debt issuance and discount costs and recognized \$15.4 million in premiums paid in connection with the early extinguishment of the Second Lien Notes. We recognized these costs within the loss on extinguishment of debt in our Consolidated Statements of Operations and Comprehensive Income (Loss).

2019 Refinancing

In conjunction with the December 2019 refinancing, the Company redeemed, in full, the previously outstanding \$1,659.0 million aggregate Term Loan due 2022, its \$450.0 million Senior Notes due 2023 (“Senior Notes”) and \$425.0 million Senior PIK (“paid in kind”) Toggle Notes due 2021. In total, we wrote off \$13.5 million of debt issuance and discount costs and recognized \$14.6 million representing premiums paid in connection with the early extinguishment of the Senior Notes. In connection with the refinancing, we also recognized an additional \$2.1 million of expense related to debt issuance and discount costs. We recognized these costs within the loss on extinguishment of debt in our Consolidated Statements of Operations and Comprehensive Income (Loss). Any additional proceeds were used to fund a dividend to shareholders of \$275.0 million.

CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

The following table describes our significant contractual cash obligations as of December 31, 2020:

<i>(thousands of U.S. dollars)</i>	Payments due by period				
	Total	Less than 1 Year	2-3 Years	4-5 Years	More than 5 Years
Long-term debt ^(a)	\$ 2,275,479	\$ 67,402	\$ 130,489	\$ 140,452	\$ 1,937,136
Lease obligations:					
Finance ^(b)	57,192	3,524	6,777	6,970	39,921
Operating ^(c)	59,452	12,127	19,887	10,705	16,733
Supply and service obligations ^(d)	1,669,610	48,102	66,730	71,691	1,483,087
Direct material costs ^(e)	124,856	11,925	24,377	24,074	64,480
Total	\$ 4,186,589	\$ 143,080	\$ 248,260	\$ 253,892	\$ 3,541,357

- (a) Represents principal and interest payments on the Senior Secured Credit Facilities and First Lien Notes. We have calculated the interest payments on the Senior Secured Credit Facilities at an average of 5.5% (LIBOR plus 4.50% subject to a LIBOR floor of 1.00%) through January 20, 2021 and 3.25% (LIBOR floor plus 2.75% subject to a LIBOR floor of 0.50%) thereafter. The incremental margin on the Senior Secured Credit Facilities was amended on January 20, 2021. Refer to Note 10, “Long-Term Debt” of our consolidated financial statements. We calculated the interest payments on the First Lien Notes at an average of 7.00% (the 1.00% LIBOR floor plus 6.00%).
- (b) Consists of payments, net of interest, under our finance leases for various equipment and facilities.
- (c) Represents minimum lease payments under our operating leases for several of our facilities and other property and equipment, net of sublease payments. We elected to early adopt Accounting Standard Update (“ASU”) 2016-02 Leases as of January 1, 2020, resulting in the recognition of right-of-use assets and lease liabilities of \$47.4 million and \$48.9 million, respectively on our consolidated balance sheet.
- (d) Consists of our best estimate of our obligations under various supply and service agreements, primarily Co-60, that are enforceable and legally binding on us.
- (e) Consists of our best estimate of our obligations to purchase EO gas under commitments that are enforceable and legally binding on us. We have excluded contracts to purchase energy and other supplies, which generally have terms of one year or less. Our contract to purchase EO gas in the U.S. requires us to purchase all our requirements from our supplier, and our contracts to purchase EO gas outside the U.S. generally require that we purchase a specified percentage of our requirements for our operations in the countries covered by those contracts. Although our EO gas contracts generally do not contain fixed minimum purchase volumes, we have calculated the amounts set forth in the table above based on the percentage of our requirements specified in the contracts and our budgeted purchase volumes for those periods.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any relationships with unconsolidated entities or financial partnerships, such as entities referred to as structured finance or special purpose entities, which are established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity or capital expenditures or capital resources that are material to investors.

At December 31, 2020 and 2019, we had \$94.0 million and \$92.9 million, respectively, of standby letters of credit, surety bonds and other bank guarantees outstanding, primarily in favor of local and state licensing authorities for future decommissioning costs, and to support the unfunded portion of our pension obligation. We are obligated to provide financial assurance to local and state licensing authorities for possible future decommissioning costs associated with the various facilities that hold Co-60. At December 31, 2020 and 2019, \$49.5 million and \$49.3 million, respectively, of the standby letters of credit and surety bonds referenced above were outstanding in favor of the various local and state licensing authorities in the event we defaulted on our decommissioning obligation.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The following subsections describe our most critical accounting policies, estimates, and assumptions. Our discussion of critical accounting policies and estimates is intended to supplement, not duplicate, our summary of significant accounting policies so that readers will have greater insight into the uncertainties involved in these areas. Our accounting policies are more fully described in Note 1, “Significant Accounting Policies” to our consolidated financial statements.

The preparation of consolidated financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make judgments, estimates and assumptions at a specific point in time and in certain circumstances that affect amounts reported in the accompanying consolidated financial statements. In preparing these consolidated financial statements, management has made its best estimates and judgments of certain amounts, giving due consideration to materiality. The application of accounting policies involves the exercise of judgment and use of assumptions as to future uncertainties and, as a result, actual results could differ from these estimates.

Under the Jumpstart Our Business Startups Act of 2012, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. As an emerging growth company, we have elected to take advantage of the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies or at which time we conclude it is appropriate to avail ourselves of early adoption provisions of applicable standards. As a result, our results of operations and financial statements may not be comparable to the results of operations and financial statements of other companies who have adopted the new or revised accounting standards.

Revenue Recognition. The majority of our sales agreements contain performance obligations satisfied at a point in time when control of promised goods or services have transferred to our customers. For agreements with multiple performance obligations, judgment is required to determine whether performance obligations specified in these agreements are distinct and should be accounted for as separate revenue transactions for recognition purposes. In these types of agreements, we generally allocate sales price to each distinct obligation based on the relative price of each item sold in stand-alone transactions. Revenues recognized over time are generally accounted for using an input measure to determine progress completed as of the end of the period.

Refunds, returns, warranties and other related obligations are not material to any of our business units, nor do we incur material incremental costs to secure customer contracts.

The Sterigenics segment provides outsourced terminal sterilization and irradiation services for the medical device, pharmaceutical, food safety and advanced applications markets. We typically have multi-year service contracts with our significant customers, and these sales contracts are primarily based on a customer's purchase order. Given the relatively short turnaround times, performance obligations are generally satisfied at a point-in-time upon the completion of sterilization or irradiation processing once approved by our quality assurance process, at which time the service is complete.

The Nordion segment is a provider of Co-60 and gamma irradiators, which are key components to the gamma sterilization process. Revenue from the sale of Co-60 radiation sources is recognized at a point-in-time upon satisfaction of our performance obligations for delivery/installation and disposal of existing sources. Revenue from the sale of production irradiators in our Nordion segment is recognized over time using an input measure of costs incurred and is immaterial to the overall business.

The Nelson Labs segment provides outsourced microbiological and analytical chemistry testing and advisory services for the medical device and pharmaceutical industries. We provide our customers mission-critical lab testing services, which assess the product quality, effectiveness, patient safety and end-to-end sterility of products. These services are necessary for our customers' regulatory approvals, product releases and ongoing product performance evaluations. Nelson Labs services are generally provided on a fee-for-service or project basis, and we recognize revenues over time using an input measure of time incurred to determine progress completed at the end of the period.

We do not capitalize sales commissions as substantially all of our sales commission programs have an amortization period of one year or less. Furthermore, costs to fulfill a contract are not material.

Provisions for discounts, rebates to customers, and other adjustments are provided for as reductions in net revenues in the period the related sale was recorded. Shipping and handling charges billed to customers are included in net revenues, and the related shipping and handling costs are included in cost of net revenues on the Consolidated Statements of Operations and Comprehensive Income (Loss). Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by us from a customer, are excluded from net revenue.

Payment terms vary by the type and location of the customer and the products or services offered. Generally, the time between when revenue is recognized and when payment is due is not significant. We do not evaluate whether the selling price contains a financing component for contracts that have a duration of less than one year.

Long-Lived Assets Other than Goodwill. We review long-lived assets, including finite-lived intangibles for impairment whenever events or circumstances indicate that the carrying amount of the assets may be impaired. Events or circumstances which would result in an impairment assessment include operating losses, a significant change in the use of an asset, or the planned disposal or sale of the asset. When we evaluate assets for impairment, we make certain judgments and estimates, including interpreting current economic indicators and market valuations, evaluating our strategic plans with regards to operations, historical and anticipated performance of operations, and other factors. If we incorrectly anticipate these factors, or unexpected events occur, our operating results could be materially affected. The asset or asset group would be considered impaired when the future net undiscounted cash flows generated by the asset or asset group are less than its carrying value.

An impairment loss would be recognized based on the amount by which the carrying value of the asset or asset group exceeds its estimated fair value. We provide additional information about our long-lived assets other than goodwill in Notes 7, "Property, Plant and Equipment" and 8, "Goodwill and Other Intangible Assets" to our consolidated financial statements.

Goodwill and Other Indefinite-Lived Intangibles. Assets and liabilities of a business acquired are accounted for at their estimated fair values as of the acquisition date. Any excess of the cost of the acquisition over the fair value of the net tangible and intangible assets acquired is recorded as goodwill. We generally supplement management expertise with valuation

specialists in performing appraisals to assist us in determining the fair values of assets acquired and liabilities assumed. These valuations require us to make estimates and assumptions, especially with respect to intangible assets. We generally amortize our intangible assets over their useful lives with the exception of indefinite lived intangible assets. We do not amortize goodwill, but we evaluate it annually for impairment. Therefore, the allocation of the purchase price to intangible assets and goodwill has a significant impact on future operating results.

Goodwill and other indefinite-lived intangible assets, primarily certain regulatory licenses and trade names, are tested for impairment annually as of October 1. If circumstances change during interim periods between annual tests that would indicate that the carrying amount of such assets may not be recoverable, the company would test such assets at an interim date for impairment. Factors which would necessitate an interim impairment assessment include prolonged negative industry or economic trends and significant underperformance relative to historical or projected future operating results.

We performed a quantitative assessment of all reporting units (Sterigenics, Nordion and Nelson Labs) as of October 1, 2020. The fair value of each reporting unit was calculated using a discounted cash flow analysis which was dependent on subjective market participant assumptions determined by management. Assumptions used in the analyses included discount rates and projected operating cash flows. Estimates of future cash flows are based upon relevant data at a point-in-time, are subject to change, and could vary from actual results. The estimated fair value of each reporting unit exceeded its carrying amount (including goodwill) by a minimum of 50% as of October 1, 2020. No factors were identified that would result in the potential impairment to the indefinite-lived intangible assets. In addition, there have been no significant events or circumstances that occurred since the annual assessment date of October 1 that would change the conclusions reached above. We provide additional information about our goodwill and other indefinite-lived intangible assets in Note 8, "Goodwill and Other Intangible Assets" to our consolidated financial statements.

Asset Retirement Obligations ("ARO"). ARO are legal obligations associated with the retirement of long-lived assets or the exit of a leased facility. We lease various facilities where sterilization and ionization services are performed. Under the lease agreements, we are required to return the facilities to their original condition and to perform decommissioning activities. In addition, certain of our owned facilities are required to be decommissioned when we vacate the facility. The decommissioning costs are paid in the period the expenditure is incurred. We recognize an initial liability for ARO's at fair value, and the associated asset retirement costs are then capitalized as part of the carrying amount of the long-lived asset. Accounting for the ARO at inception and in subsequent periods includes the determination of the present value of the ARO liability and offsetting long-lived asset, the subsequent accretion of the ARO liability and depletion of the long-lived asset, and a periodic review of the ARO liability estimates and associated discount rates used in the analysis. We provide additional information about our ARO in Note 19, "Asset Retirement Obligations ("ARO")" to our consolidated financial statements.

Income Taxes. We use the liability method of accounting for income taxes whereby we recognize deferred tax assets and liabilities for the future tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts in the consolidated financial statements. We periodically review our deferred tax assets for recoverability and establish a valuation allowance based on historical taxable income, projected future taxable income, expected timing of reversals of existing temporary timing differences and the implementation of tax planning strategies. Deferred tax assets will be reduced by a valuation allowance if, based on management's estimate, it is more likely than not that a portion of the deferred tax assets will not be realized in a future period. The estimates used in the recognition of deferred tax assets are subject to revision in future periods based on new facts and circumstances. If we are unable to generate sufficient future taxable income in certain tax jurisdictions, or if there is a material change in the effective income tax rates or time period within which the underlying temporary differences become taxable or deductible, we could be required to increase our valuation allowance, which would increase our effective income tax rate and could result in an adverse impact on our consolidated financial position or results of operations.

We determine whether it is more likely than not that a tax position will be sustained upon examination, including resolution of related appeals or litigation processes, based on the technical merits of the position. In evaluating whether a tax position has met the more likely-than-not recognition threshold, we presume that the position will be examined by the appropriate taxing authority and that the taxing authority will have full knowledge of all relevant information. A tax position that meets the more likely-than-not recognition threshold is measured at the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. Determining what constitutes an individual tax position and whether the more likely-than-not recognition threshold is met for a tax position are matters of judgment based on the individual facts and circumstances of that position evaluated in light of all available evidence. We review and adjust tax estimates periodically because of ongoing examinations by, and settlements with, the various taxing authorities, as well as changes in tax laws, regulations, and precedent.

We are subject to taxation from federal, state and local, and foreign jurisdictions. Tax positions are settled primarily through the completion of audits within each individual tax jurisdiction or the closing of a statute of limitation. Changes in applicable tax law or other events may also require us to revise past estimates. The United States Internal Revenue Service routinely conducts audits of our federal income tax returns. Additional information regarding income taxes is included in Note 11, "Income Taxes" to our consolidated financial statements.

Commitments and Contingencies. We are, and will likely continue to be, involved in a number of legal proceedings, government investigations and claims, which we believe generally arise in the course of our business, given our size, history, complexity and the nature of our business, products, customers, regulatory environment and industries in which we participate. These legal proceedings, investigations and claims generally involve a variety of legal theories and allegations, including, without limitation, personal injury (e.g., slip and falls, burns, vehicle accidents, mass tort), regulation (e.g., failure to meet specification or failure to comply with regulatory requirements), commercial claims (e.g., breach of contract, economic loss, misrepresentation), financial (e.g., taxes, reporting), employment (e.g., wrongful termination, discrimination, benefits matters) and other claims for damage and relief.

We record a liability for such contingencies to the extent we conclude that their occurrence is both probable and estimable. We consider many factors in making these assessments, including the professional judgment of experienced members of management and our legal counsel. We have made estimates as to the likelihood of unfavorable outcomes and the amounts of such potential losses. In our opinion, the ultimate outcome of these proceedings and claims is not anticipated to have a material adverse effect on our consolidated financial position, results of operations, or cash flows. However, the ultimate outcome of proceedings, government investigations and claims is unpredictable and actual results could be materially different from our estimates. We record gain contingencies when realized, and expected recoveries under applicable insurance contracts when we are assured of recovery. Refer to Note 20, "Commitments and Contingencies" to our consolidated financial statements.

NEW ACCOUNTING PRONOUNCEMENTS

For a description of recent accounting pronouncements applicable to our business, see Note 2, "Recent Accounting Standards" to our consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks, primarily from changes in commodity prices, interest rates and foreign currency exchange, in the ordinary course of business.

Commodity Price Risk

We purchase our supply of EO gas from various suppliers around the world, but in the United States there is a sole supplier for EO gas used for applications relevant to our business. We are exposed to market risk based on fluctuations in the price of EO gas.

We actively seek to manage the risk of fluctuating prices through long-term supply and service contracts. Most of our Sterigenics customer contracts contain provisions that permit us to pass all or a portion of our supply price increases to our customers, though some of our contracts do not contain these provisions. Even for contracts that do contain these provisions, there could be at least a brief lag between when we incur increased costs for supplies and when we can pass through these costs to our customers. In addition, even when we are contractually permitted to pass on price increases, we may decide not to do so to preserve our sales volumes.

Regulatory Risk

We are subject to extensive regulatory requirements and routine regulatory audits, and we must receive permits, licenses, and/or regulatory clearance or approval for our operations. Regulatory agencies may refuse to grant approval or clearance or may require the provision of additional data, and regulatory processes may be time consuming and costly, and their outcome may be uncertain in certain of the countries in which we operate. Regulatory agencies may also change policies, adopt additional regulations or revise existing regulations, each of which could impact our ability to provide our services. Our failure to comply with the regulatory requirements of these agencies may subject us to administratively or judicially imposed sanctions. These sanctions include, among others, warning letters, fines, civil penalties, criminal penalties, injunctions, debarment, product seizure or detention and total or partial suspension of operations. The failure to receive or maintain, or delays in the receipt of,

relevant U.S. or international regulatory qualifications could have a material adverse effect on our business, prospects, financial condition or results of operations.

Interest Rate Risk

We are subject to interest rate risk on borrowings that bear interest at floating rates. In October 2017, the company entered into two interest rate cap agreements with a total notional amount of \$400.0 million for a total option premium of \$0.6 million. The interest rate cap agreements terminated on September 30, 2020.

In June 2020, we entered into two interest rate cap agreements with notional amounts of \$1,000.0 million and \$500.0 million, respectively, for a total option premium of \$0.3 million. These terminate on August 31, 2021 and February 28, 2022, respectively. The interest rate caps limit our cash flow exposure related to the LIBOR base rate under a portion of our variable rate borrowings to 1.0%. In February 2021, we amended the two interest rate cap agreements referenced above to reduce the strike rate from 1.0% to 0.5%, and extend the termination date of the \$1,000.0 million notional cap to September 30, 2021. Premiums paid to amend the interest rate caps were immaterial. We also entered into two additional interest rate cap agreements in February 2021 with a combined notional amount of \$1,000.0 million, for a total option premium of \$0.4 million. These instruments are effective September 30, 2021, and will terminate on December 31, 2022. The amended and new interest rate caps limit our cash flow exposure related to the LIBOR base rate under a portion of our variable rate borrowings to 0.5%.

After applying the effects of interest rate caps referenced above, a 1.0% increase in the interest rate under our outstanding obligations as of December 31, 2020, of \$1,863.6 million, would increase interest expense by approximately \$2.9 million per year.

See Note 21, "Financial Instruments and Financial Risk" to our consolidated financial statements for a summary of the activity of the interest rate caps for the periods presented.

Foreign Currency Risk

We are exposed to market risk from fluctuations in foreign currencies. We present our consolidated financial statements in U.S. dollars. Consequently, increases or decreases in the value of the U.S. dollar relative to the non-U.S. dollar functional currencies of the countries in which we operate may affect the value of these in our consolidated financial statements, even if their value has not changed in their local currency. We translate the financial statements of subsidiaries whose local currency is their functional currency to their U.S. dollar equivalents at end-of-period exchange rates for assets and liabilities and at average exchange rates for revenues and expenses. These translations could significantly affect the comparability of our results between financial periods and/or result in significant changes to the carrying value of our assets and liabilities. Translation adjustments are recorded as a component of accumulated other comprehensive income (loss) within equity.

Our results of operations are impacted by currency exchange rate fluctuations to the extent that we are unable to match net revenues received in foreign currencies with expenses incurred in the same currency. Transaction gains and losses arising from fluctuations in currency exchange rates on transactions denominated in currencies other than the functional currency are recognized in the Consolidated Statements of Operations and Comprehensive Income (Loss) as foreign exchange (gain) loss.

Approximately 40.0% of our revenues and 46.9% of our consolidated total assets as of December 31, 2020 are derived from operations outside the United States. Holding other variables constant (such as interest rates and debt levels), if the U.S. dollar had appreciated by 10% against the foreign currencies used by our operations in the year ended December 31, 2020, revenues would have been reduced by approximately \$32.8 million and gross profit by approximately \$16.1 million.

Item 8. Financial Statements and Supplementary Data

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Sotera Health Company

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Sotera Health Company (the Company) as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income (loss), equity (deficit) and cash flows for the years then ended, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2019.

Akron, Ohio
March 9, 2021

Sotera Health Company
Consolidated Balance Sheets
(in thousands)

	As of December 31,	
	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 102,447	\$ 62,863
Restricted cash short-term	7	162
Accounts receivable, net of allowance for uncollectible accounts of \$708 in 2020 and \$787 in 2019	91,735	88,644
Inventories, net	34,093	37,396
Prepaid expenses and other current assets	64,964	52,644
Income taxes receivable	21,769	10,645
Total current assets	315,015	252,354
Property, plant, and equipment, net	609,814	581,954
Operating lease assets	45,963	—
Deferred income taxes	8,424	2,252
Investment in unconsolidated affiliate	13,457	—
Other assets	9,304	12,243
Other intangible assets, net	643,366	696,006
Goodwill	1,115,936	1,035,865
Total assets	\$ 2,761,279	\$ 2,580,674
Liabilities and equity		
Current liabilities:		
Accounts payable	\$ 52,400	\$ 42,004
Accrued liabilities	60,518	58,536
Deferred revenue	6,056	3,631
Current portion of long-term debt	—	16,331
Current portion of finance lease obligations	1,173	1,288
Current portion of operating lease obligations	9,383	—
Current portion of asset retirement obligations	620	2,200
Income taxes payable	10,448	—
Total current liabilities	140,598	123,990
Long-term debt, less current portion	1,824,789	2,800,873
Finance lease obligations, less current portion	34,939	29,883
Operating lease obligations, less current portion	38,941	—
Noncurrent asset retirement obligations	45,013	42,996
Deferred lease income	21,255	21,375
Post-retirement obligations	48,223	31,266
Mandatorily redeemable noncontrolling interest	13,625	13,625
Noncurrent liabilities	17,506	20,563
Deferred income taxes	121,816	137,235
Total liabilities	2,306,705	3,221,806
See Commitments and contingencies note		
Equity:		
Common stock, with \$0.01 par value, 1,200,000 and 232,400 shares authorized; 285,990 and 232,400 shares issued at December 31, 2020 and 2019, respectively	2,860	2,324
Preferred stock, with \$0.01 par value, 120,000 and no shares authorized, respectively; no shares issued	—	—
Treasury stock, at cost (2,742 and no shares at December 31, 2020 and 2019, respectively)	(34,000)	—
Additional paid-in capital	1,166,412	—
Retained deficit	(589,128)	(550,511)
Accumulated other comprehensive loss	(93,842)	(94,387)
Total equity (deficit) attributable to Sotera Health Company	452,302	(642,574)
Noncontrolling interests	2,272	1,442
Total equity (deficit)	454,574	(641,132)
Total liabilities and equity	\$ 2,761,279	\$ 2,580,674

See notes to consolidated financial statements.

Sotera Health Company
Consolidated Statements of Operations and Comprehensive Income (Loss)
(in thousands, except per share amounts)

	Year Ended December 31,	
	2020	2019
Revenues:		
Service	\$ 713,520	\$ 673,037
Product	104,638	105,290
Total net revenues	818,158	778,327
Cost of revenues:		
Service	333,359	333,290
Product	41,227	49,606
Total cost of revenues	374,586	382,896
Gross profit	443,572	395,431
Operating expenses:		
Selling, general and administrative expenses	178,525	147,480
Amortization of intangible assets	59,029	58,562
Impairment of long-lived assets	—	5,792
Total operating expenses	237,554	211,834
Operating income	206,018	183,597
Interest expense, net	215,259	157,729
Loss on extinguishment of debt	44,262	30,168
Foreign exchange (gain) loss	(5,230)	3,862
Other income, net	(9,413)	(7,246)
Loss before income taxes	(38,860)	(916)
Provision (benefit) for income taxes	(1,369)	19,509
Net loss	(37,491)	(20,425)
Less: Net income attributable to noncontrolling interests	1,126	425
Net loss attributable to Sotera Health Company	\$ (38,617)	\$ (20,850)
Other comprehensive (loss) income net of tax:		
Pension and post-retirement benefits (net of taxes of \$5,737 and \$4,085, respectively)	\$ (17,030)	\$ (12,126)
Interest rate swaps (net of taxes of (\$63) and \$63, respectively)	(179)	179
Foreign currency translation	17,458	27,402
Comprehensive income (loss)	(37,242)	(4,970)
Less: comprehensive income (loss) attributable to noncontrolling interests	830	310
Comprehensive loss attributable to Sotera Health Company	\$ (38,072)	\$ (5,280)
Loss per share:		
Basic and diluted	\$ (0.16)	\$ (0.09)
Weighted average number of shares outstanding:		
Basic and diluted	237,696	232,400

See notes to consolidated financial statements.

Sotera Health Company
Consolidated Statements of Cash Flows
(in thousands)

	Year Ended December 31,	
	2020	2019
Operating activities:		
Net loss	\$ (37,491)	\$ (20,425)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	63,309	66,671
Amortization of intangible assets	80,254	80,048
Impairment of long-lived assets	—	5,792
Loss on extinguishment of debt	44,262	30,168
Deferred income taxes	(23,360)	(18,993)
Share-based non-cash compensation expense	10,987	6,882
Accretion of asset retirement obligations	1,997	2,051
Unrealized foreign exchange (gains) / losses	(10,596)	3,325
Unrealized (gain) / loss on embedded derivative instruments	(3,073)	(1,200)
Amortization of debt issuance costs	11,624	8,291
Other	(5,535)	(5,218)
Changes in operating assets and liabilities:		
Accounts receivable	1,942	11,764
Inventories	3,784	(282)
Other current assets	(7,770)	15,322
Accounts payable	(6,022)	(8,968)
Accrued liabilities	3,248	(18,405)
Income taxes payable / receivable	(8,140)	(7,771)
Other liabilities	(657)	724
Other long-term assets	1,822	(735)
Net cash provided by operating activities	120,585	149,041
Investing activities:		
Purchases of property, plant and equipment	(53,507)	(57,257)
Purchase of Iotron Industries Canada, Inc., net of cash acquired	(105,187)	—
Net cash used in investing activities	(158,694)	(57,257)
Financing activities:		
Proceeds from issuance of common stock, net of underwriting discounts and issuance costs	1,155,961	—
Proceeds from revolving credit facility and long-term borrowings	150,000	3,144,600
Dividends and distributions to shareholders	—	(691,170)
Repurchase of common shares	(34,000)	—
Payments of debt issuance costs and prepayment premium	(19,746)	(17,034)
Payments on revolving credit facility and long-term borrowings	(1,177,325)	(2,561,084)
Other	(1,458)	(1,342)
Net cash used in (provided by) financing activities	73,432	(126,030)
Effect of exchange rate changes on cash and cash equivalents	4,106	485
Net increase (decrease) in cash and cash equivalents, including restricted cash	39,429	(33,761)
Cash and cash equivalents, including restricted cash, at beginning of period	63,025	96,786
Cash and cash equivalents, including restricted cash, at end of period	\$ 102,454	\$ 63,025
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest	\$ 211,276	\$ 151,005
Cash paid during the period for income taxes, net of tax refunds received	23,988	44,614
Equipment purchases included in accounts payable	14,288	5,197

See notes to consolidated financial statements.

Sotera Health Company
Consolidated Statements of Equity (Deficit)
(in thousands)

	Shares	Amount	Amount		Retained Earnings / (Accumulated Deficit)	Accumulated Other Comprehensive (Loss) Income	Noncontrolling Interests	Total Equity
	Common Stock	Common Stock	Treasury Stock	Additional Paid-In Capital				
Balance at December 31, 2018	232,400	\$ 2,324	\$ —	\$ 162,409	\$ (10,417)	\$ (109,957)	\$ 1,132	\$ 45,491
Cumulative-effect adjustment upon adoption of ASU 2014-09 (Note 1)	—	—	—	—	2,635	—	—	2,635
Dividends and distributions to shareholders	—	—	—	(169,291)	(521,879)	—	—	(691,170)
Share-based compensation plans	—	—	—	6,882	—	—	—	6,882
Comprehensive income (loss):	—	—	—	—	—	—	—	—
Pension and post-retirement plan adjustments, net of tax	—	—	—	—	—	(12,126)	—	(12,126)
Foreign currency translation	—	—	—	—	—	27,517	(115)	27,402
Interest rate swaps	—	—	—	—	—	179	—	179
Net income (loss)	—	—	—	—	(20,850)	—	425	(20,425)
Balance at December 31, 2019	232,400	2,324	—	—	(550,511)	(94,387)	1,442	(641,132)
Issuance of shares	53,590	536	—	1,155,425	—	—	—	1,155,961
Repurchase of shares	(1,568)	—	(34,000)	—	—	—	—	(34,000)
Share-based compensation plans	(1,174)	—	—	10,987	—	—	—	10,987
Comprehensive income (loss):	—	—	—	—	—	—	—	—
Pension and post-retirement plan adjustments, net of tax	—	—	—	—	—	(17,030)	—	(17,030)
Foreign currency translation	—	—	—	—	—	17,754	(296)	17,458
Interest rate swaps	—	—	—	—	—	(179)	—	(179)
Net income (loss)	—	—	—	—	(38,617)	—	1,126	(37,491)
Balance at December 31, 2020	283,248	\$ 2,860	\$ (34,000)	\$ 1,166,412	\$ (589,128)	\$ (93,842)	\$ 2,272	\$ 454,574

See notes to consolidated financial statements.

Sotera Health Company
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1. Significant Accounting Policies

Principles of Consolidation – Sotera Health Company (also referred to herein as the “Company,” “we,” “our,” “us” or “its”), is a global provider of mission-critical sterilization and lab testing and advisory services to the medical device and pharmaceutical industries with operations primarily in the Americas, Europe and Asia.

The accompanying consolidated financial statements include the assets, liabilities, operating results, and cash flows of the Company and its wholly owned subsidiaries prepared in accordance with U.S. generally accepted accounting principles (“GAAP”).

We operate and report in three segments, Sterigenics, Nordion and Nelson Labs. We describe our reportable segments in Note 22, “Segment and Geographic Information”. All significant intercompany balances and transactions have been eliminated in consolidation.

Noncontrolling interests represents the noncontrolling stockholders’ proportionate share of the total equity in the Company’s consolidated subsidiaries. As of December 31, 2020, our subsidiaries were wholly owned by us, except for noncontrolling interests of 15% and 33% in our two China subsidiaries. In addition, a 15% mandatorily redeemable noncontrolling interest remains from the August 2018 acquisition of Gibraltar Laboratories, Inc. (now known as Nelson Laboratories Fairfield, Inc.). We consolidate the results of operations of these subsidiaries with our results of operations and reflect the noncontrolling interests in our two China subsidiaries on our Consolidated Statements of Operations and Comprehensive Income (Loss) as “Net income attributable to noncontrolling interests.” The Nelson Laboratories Fairfield noncontrolling interest is mandatorily redeemable, therefore there are no earnings allocated to this noncontrolling interest.

In the first quarter of 2021, we entered into binding agreements to purchase the outstanding noncontrolling interests of 15% and 33% of our two China subsidiaries, respectively. The purchase transactions are expected to close no later than the second quarter of 2021.

In July 2020, we acquired a 60% equity ownership interest in a joint venture to construct an E-beam facility in Alberta, Canada in connection with our acquisition of Iotron. Refer to Note 4, “Acquisitions and Dispositions” for additional information. We have determined this to be an investment in a variable interest entity (“VIE”). The investment is not consolidated as the Company has concluded that we are not the primary beneficiary of the VIE. The Company accounts for the joint venture using the equity method. The investment is reflected within “Investment in unconsolidated affiliates” on the Consolidated Balance Sheets.

Use of Estimates – In preparing our consolidated financial statements in conformity with GAAP, we make estimates and assumptions that affect the amounts reported and the accompanying notes. We regularly evaluate the estimates and assumptions used and revise them as new information becomes available. Actual results may vary from those estimates.

Cash and Cash Equivalents – We consider all highly liquid investments purchased with an original maturity of three months or less from the date of purchase to be cash equivalents. Cash and cash equivalents may include various deposit accounts and money market funds.

Accounts Receivable - Accounts receivable consists of amounts billed and currently due from customers. The amounts due are stated net of the allowance for uncollectible accounts. The Company maintains an allowance for uncollectible receivables to provide for the estimated amount of receivables that will not be collected.

Allowance for Uncollectible Accounts Receivable – We maintain an allowance for uncollectible accounts receivable for estimated losses in the collection of amounts owed to us by customers. We estimate the allowance based on analyzing a number of factors, including amounts written off historically, customer payment practices, and general economic conditions. We also analyze significant customer accounts on a regular basis and record a specific allowance when we become aware of a specific customer’s inability to pay. We generally do not charge interest on accounts receivable or require collateral from our customers. We record write-offs against the allowance for uncollectible accounts receivable when all reasonable efforts for collection have been exhausted. As a result, the related accounts receivable are reduced to an amount that we reasonably believe is collectible.

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These analyses require judgment. If the financial condition of our customers worsens, or economic conditions change, we may be required to make changes to our allowance for uncollectible accounts receivable.

Inventories – Inventories as of December 31, 2020 and 2019 are primarily held at Nordion. Finished goods and work-in-process include the cost of material, labor, and certain manufacturing overhead such as insurance, repairs and maintenance, and property taxes, and are recorded on a weighted average cost basis at the lower of cost or net realizable value. We review inventory on an ongoing basis, considering factors such as deterioration and obsolescence. We record a reserve for excess and obsolete inventory, which was immaterial at December 31, 2020 and 2019, when the facts and circumstances indicate that particular inventories will not be usable. If future market conditions vary from those projected, and our estimates prove to be inaccurate, we may be required to write-down inventory values and record an adjustment to cost of revenues.

Property, Plant, and Equipment – Property, plant, and equipment is carried at cost, or initially at fair value if acquired in an acquisition, less accumulated depreciation and amortization. Except for Cobalt 60 (“Co-60”), a radioactive isotope used in gamma radiation sterilization, all property, plant, and equipment depreciation is computed using the straight-line method over estimated useful lives. Leasehold improvements are amortized over their estimated useful lives or the term of the related lease, whichever is shorter. Co-60 is amortized using an accelerated method, which relates to the natural radioactive decay of the isotope over its estimated useful life which is approximately twenty years. Amortization of Co-60 is included within depreciation expense as a cost of revenue. Expenditures for major software purchases and software developed for internal use are capitalized and depreciated using the straight-line method over the estimated useful lives of the related assets, which are generally three to five years. For software obtained or developed for internal use, all external direct costs for materials and services and certain personnel costs incurred to develop the software during the application development stage are capitalized. At December 31, 2020 and 2019, we had undepreciated software costs of \$3.8 million and \$4.7 million, respectively, included in property, plant, and equipment, net. We recognized \$2.4 million and \$3.0 million, of depreciation expense related to software costs for the years ending December 31, 2020 and 2019, respectively.

Depreciation is computed using the assets’ estimated useful lives as presented below:

Buildings and building improvements	15–44 years
Machinery and equipment	3–30 years
Leasehold improvements	2–20 years
Furniture and fixtures	3–10 years
Computer hardware and software	2–7 years

From time to time, we build or expand facilities. The cost of construction of these facilities is reflected as construction-in-progress until the asset is ready for its intended use, at which time the costs are reclassified to the appropriate depreciable category of property, plant, and equipment and depreciation commences. Fixed asset projects requiring one or more years to complete construction qualify for capitalization of interest costs in accordance with our policy. Interest related to property, plant and equipment projects with a construction period of less than one year are not capitalized and are immaterial. Repairs and maintenance costs that do not extend the useful life of an asset are expensed as incurred.

Upon sale or retirement of assets, the cost and related accumulated depreciation is removed from the consolidated balance sheet, and the resulting gain or loss is reflected as a component of operating income.

Long-Lived Assets Other than Goodwill – We review long-lived assets, including finite-lived intangibles for impairment whenever events or circumstances indicate that the carrying amount of the asset or asset group may be impaired. Events or circumstances which would result in an impairment assessment include operating losses, a significant change in the use of an asset or asset group, or the planned disposal or sale of the asset or asset group. The asset or asset group would be considered impaired when the future net undiscounted cash flows generated by the asset or asset group are less than its carrying value. An impairment loss would be recognized based on the amount by which the carrying value of the asset or asset group exceeds its estimated fair value.

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Amortization of intangible assets is computed using the asset's estimated useful lives as presented below:

Land-use rights	41 years
Customer contracts and related relationships	10–20 years
Proprietary technology	8–20 years
Trade name/trademark	8–15 years
Sealed source and supply agreements	7–20 years

Goodwill and Other Indefinite-Lived Intangibles – Goodwill and other indefinite-lived intangible assets, primarily certain regulatory licenses and tradenames, are tested for impairment annually as of October 1. If circumstances change during interim periods between annual tests that would indicate that the carrying amount of such assets may not be recoverable, the Company would test such assets at an interim date for impairment. Factors which would necessitate an interim impairment assessment include prolonged negative industry or economic trends and significant underperformance relative to historical or projected future operating results.

We performed a quantitative assessment of all reporting units (Sterigenics, Nordion and Nelson Labs) as of October 1, 2020. The fair value of each reporting unit was calculated using a discounted cash flow analysis which was dependent on subjective market participant assumptions determined by management. We further corroborated such discounted cash flow analyses utilizing a market approach to determine the estimated enterprise fair value. Assumptions used in the analyses included discount rates and projected operating cash flows. Estimates of future cash flows are based upon relevant data at a point-in-time, are subject to change, and could vary from actual results. The estimated fair value of each reporting unit exceeded its carrying amount (including goodwill) by a minimum of 50% as of October 1, 2020. We performed a qualitative impairment assessment to evaluate any potential impairment to the indefinite-lived intangible assets. We considered significant events and circumstances that could affect the significant inputs used to determine the estimated fair value of the indefinite-lived intangible assets, and determined, after considering the totality of evidence that it is not more likely than not that the indefinite-lived intangible assets are impaired. In addition, there have been no significant events or circumstances that occurred since the annual assessment date of October 1 that would change the conclusions reached above.

Derivative Instruments – We may enter into derivative instruments and hedging activities to manage, where possible and economically efficient, commodity price risk, foreign currency exchange rate risk and interest rate risk related to borrowings. We also have identified embedded derivatives in certain supply and customer contracts. Certain interest rate swaps were designated as cash flow hedges allowing for changes in fair value to be recorded through comprehensive income (loss). Amounts in accumulated other comprehensive income (loss) will be reclassified into earnings in the same periods during which the hedged transaction affects earnings and are presented in “Interest expense, net” within the Consolidated Statements of Operations and Comprehensive Income (Loss). With the exception of aforementioned interest rate swaps, we currently do not designate any other contracts as hedges for accounting purposes. Derivatives not designated as hedges are recorded at fair value on the consolidated balance sheets, with any changes in the value being recorded in the Consolidated Statements of Operations and Comprehensive Income (Loss) in the same line item as the corresponding hedged item. We classify cash flows from derivative instruments and hedging activities as cash flows from operating activities in the consolidated statements of cash flows. To the extent derivative arrangements are with the same counterparty and contractual right of offset exists under applicable master agreements, we offset assets and liabilities for reporting on the consolidated balance sheets.

Pension, Post-Retirement and Other Post-Employment Benefit Plans – We sponsor a defined-contribution retirement plan that covers substantially all U.S. employees. We also sponsor various post-employment benefit plans at our Nordion business in Canada including defined benefit and defined contribution pension plans, retirement compensation arrangements and plans that provide extended health care coverage to retired employees. In addition, we provide other benefit plans at our foreign subsidiaries including a supplemental retirement arrangement, a retirement and termination allowance and post-retirement benefit plans, which include contributory healthcare benefits and contributory life insurance coverage. All non-pension post-employment benefit plans are unfunded.

These costs and obligations are affected by assumptions including the discount rate, expected long-term rate of return on plan assets, the annual rate of change in compensation for eligible employees, estimated changes in costs of healthcare benefits, and other demographic and economic factors. We review the assumptions used on an annual basis.

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We recognize the over/under funded status of defined benefit pension and post-retirement benefits plans in our consolidated balance sheets. This amount is measured as the difference between the fair value of plan assets and the projected benefit obligation. Changes in the funded status of the plans are recorded in other comprehensive income (loss) in the year they occur. We measure plan assets and obligations as of the balance sheet date. We provide additional information about our pension and other post-retirement benefits plans in the *Employee Benefits* note.

Asset Retirement Obligations (“ARO”) – ARO are legal obligations associated with the retirement of long-lived assets or the exit of a leased facility. We recognize a liability for an ARO in the period in which it is incurred if a reasonable estimate of fair value can be made, and the associated asset retirement costs are then capitalized as part of the carrying amount of the long-lived asset. We lease various facilities where sterilization and ionization services are performed. Under the lease agreements, we are required to return the facilities to their original condition and to perform decommissioning activities. In addition, certain of our owned facilities are required to be decommissioned when we vacate the facility. Accretion expense is recognized in cost of revenues in the Consolidated Statements of Operations and Comprehensive Income (Loss) over time as the discounted liability is accreted to its expected settlement value.

Debt Issuance Costs, Premiums and Discounts – We have incurred costs in connection with obtaining financing as well as premiums and discounts associated with our long-term debt. The portion of these fees that are capitalized are recorded as a reduction of debt on the consolidated balance sheets and amortized into interest expense over the term of the debt agreement. Debt issuance costs associated with the Company’s revolving credit facilities are classified as assets unless there are outstanding borrowings under such arrangements.

Concentration of Credit Risk, Other Risks and Uncertainties – We maintain cash and cash equivalents in the form of demand deposits in accounts with major financial institutions in the U.S. and in countries where our subsidiaries operate. Deposits in these institutions may exceed amounts of insurance provided on such accounts. We have not experienced any losses on our deposits of cash and cash equivalents.

Our net revenues and accounts receivable are derived from customers located primarily in North America and Europe.

No customer accounted for 10% or more of accounts receivable at December 31, 2020 and 2019, or 10% or more of net revenues for the years ended December 31, 2020 and 2019.

Income Taxes – We use the liability method of accounting for income taxes whereby we recognize deferred tax assets and liabilities for the future tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts in the consolidated financial statements. Deferred tax assets will be reduced by a valuation allowance if, based on management’s estimate, it is more likely than not that a portion of the deferred tax assets will not be realized in a future period. The estimates used in the recognition of deferred tax assets are subject to revision in future periods based on new facts and circumstances.

We determine whether it is more likely than not that a tax position will be sustained upon examination, including resolution of related appeals or litigation processes, based on the technical merits of the position. In evaluating whether a tax position has met the more-likely-than-not recognition threshold, we presume that the position will be examined by the appropriate taxing authority and that the taxing authority will have full knowledge of all relevant information. A tax position that meets the more-likely-than-not recognition threshold is measured at the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. Determining what constitutes an individual tax position and whether the more-likely-than-not recognition threshold is met for a tax position are matters of judgment based on the individual facts and circumstances of that position evaluated in light of all available evidence. We review and adjust tax estimates periodically because of ongoing examinations by, and settlements with, the various taxing authorities, as well as changes in tax laws, regulations, and precedent.

Our policy is to recognize interest and penalties related to income tax matters as a component of the provision for income taxes in our Consolidated Statements of Operations and Comprehensive Income (Loss).

Foreign Currency Translation – The functional currency of our foreign subsidiaries is generally the local currency. Accordingly, assets and liabilities are generally translated into U.S. dollars at the current rates of exchange as of the balance sheet date, and revenues and expenses are translated using weighted-average rates prevailing during the period. Adjustments

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from foreign currency translation are included as a separate component of accumulated other comprehensive income (loss). The Foreign exchange (gain) loss in our Consolidated Statements of Operations and Comprehensive Income (Loss) relates primarily to U.S. denominated intercompany indebtedness in certain of our European and Canadian subsidiaries.

Revenue Recognition – Revenue is recognized when control of promised goods or services is transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Effective January 1, 2019, we adopted Accounting Standards Update (“ASU”) 2014-09, *Revenue from Contracts with Customers*, and all related amendments. The impact of the adoption of the new revenue requirements resulted in a cumulative-effect adjustment to retained earnings of \$2.6 million upon adoption on January 1, 2019. The majority of our sales agreements contain performance obligations satisfied at a point-in-time when control of promised goods or services have transferred to our customers. For agreements with multiple performance obligations, judgment is required to determine whether performance obligations specified in these agreements are distinct and should be accounted for as separate revenue transactions for recognition purposes. In these types of agreements, we generally allocate the sales price to each distinct obligation based on the relative price of each item sold in stand-alone transactions. Sales recognized over time are generally accounted for using an input measure to determine progress completed as of the end of the period.

Refunds, returns, warranties and other related obligations are not material to any of our segments, nor do we incur material incremental costs to secure customer contracts.

Our Sterigenics segment provides outsourced terminal sterilization and irradiation services for the medical device, pharmaceutical, food safety and advanced applications markets. We typically have multiyear service contracts with our significant customers, and these sales contracts are primarily based on a customer’s purchase order. Given the relatively short turnaround times, performance obligations are generally satisfied at a point-in-time upon the completion of sterilization or irradiation processing once approved by our quality assurance process at which time the service is complete. Sterigenics segment revenues are included in service revenues in our Consolidated Statements of Operations and Comprehensive Income (Loss).

Our Nordion segment is a global provider of Co-60 and gamma irradiators, which are key components to the gamma sterilization process. Revenue from the sale of Co-60 sources is recognized as product revenue at a point-in-time upon satisfaction of our performance obligations for delivery of existing sources. Revenue from the sale of production irradiators is recognized as product revenue over time using an input measure of costs incurred and is immaterial to the overall business. Revenues from Co-60 installation and disposal and production irradiator refurbishments and installations are recognized as service revenue.

Our Nelson Labs segment provides outsourced microbiological and analytical chemistry testing and advisory services for the medical device and pharmaceutical industries. We provide our customers mission-critical lab testing services, which assess the product quality, effectiveness, patient safety and end-to-end sterility of products. These services are necessary for our customers’ regulatory approvals, product releases and ongoing product performance evaluations. Nelson Labs services are generally provided on a fee-for-service or project basis, and we recognize revenues over time using an input measure of time incurred to determine progress completed at the end of the period. Nelson Labs segment revenues are included in service revenues in our Consolidated Statements of Operations and Comprehensive Income (Loss).

We do not capitalize sales commissions as substantially all of our sales commission programs have an amortization period of one year or less. Furthermore, costs to fulfill a contract are not material.

Provisions for discounts, rebates to customers, and other adjustments are provided for as reductions in net revenues in the period the related sale is recorded. Shipping and handling charges billed to customers are included in net revenues, and the related shipping and handling costs are included in cost of net revenues on the Consolidated Statements of Operations and Comprehensive Income (Loss). Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by us from a customer, are excluded from net revenue.

Payment terms vary by the type and location of the customer and the products or services offered. Generally, the time between when revenue is recognized and when payment is due is not significant. We do not evaluate whether the selling price contains a financing component for contracts that have a duration of less than one year.

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Share-Based Compensation – Equity-based awards issued to employees under the Sotera Health Company 2020 Plan include restricted stock units (“RSUs”) and stock options, which vest over time. Prior to our initial public offering (the “IPO” as described in Note 15, “Stockholders’ Equity (Deficit)”), equity-based awards were issued to service providers (including employees and directors) in the form of partnership interests in Topco Parent which vested based on either time (“time vesting awards”) or the achievement of certain performance and market conditions (“performance awards” and, together with the time vesting awards, the “pre-IPO awards”). In connection with the IPO, Topco Parent made in-kind distributions of restricted shares of our common stock to holders of pre-IPO awards as described in Note 15, “Stockholders’ Equity (Deficit)”. The restricted shares of our common stock distributed in respect of pre-IPO time vesting awards vest through June 2025; expense related to these unvested awards will be recognized over the remaining vesting period. Share-based compensation expense is recognized in the Consolidated Statements of Operations and Comprehensive Income (Loss), primarily within “Selling, general and administrative expenses” at the grant date fair value over the requisite service period (typically four years for awards granted under the 2020 Omnibus Plan and five years for time vesting pre-IPO awards on a straight-line basis for time vested awards). Fair value of the pre-IPO awards was estimated on the date of grant using a simulation-based option valuation model incorporating multiple and variable assumptions over time, including assumptions such as employee forfeitures, unit price volatility and dividend assumptions. We use the Black-Scholes option pricing model to measure the grant date fair value of post-IPO stock options using certain valuation assumptions. Share-based compensation expense for all awards recognizes forfeitures as they occur.

Earnings (Loss) Per Share – Basic earnings (loss) per common share is computed by dividing net income (loss) attributable to Sotera Health Company by the weighted average number of common shares outstanding during the period. Diluted income (loss) per common share incorporates the dilutive effect of common stock equivalents on an average basis during the period. The potential dilutive effect of common stock equivalents is calculated using the treasury stock method.

Treasury Stock – The Company records repurchases of its own common stock at cost. Repurchased common stock is presented as a reduction of stockholders’ equity in the Consolidated Balance Sheets. The difference between the repurchase and resale price of the Company’s own stock is added to or deducted from additional paid-in capital. The cost of Treasury Stock resold is calculated using a weighted average cost method.

Commitments and Contingencies – Certain conditions may exist as of the date of the consolidated financial statements which may result in a loss to the Company but will only be resolved when one or more future events occur or fail to occur. Such liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties, and other sources, are recorded when management assesses that it is probable that a future liability has been incurred and the amount can be reasonably estimated. Recoveries of costs from third parties, which management assesses as being probable of realization, are recorded to the extent related contingent liabilities are accrued. Legal costs incurred in connection with matters relating to contingencies are expensed in the period incurred. We record gain contingencies when realized.

Correction of Immaterial Error - In the third quarter of 2020, we identified an immaterial error in previously issued financial statements as a result of incorrectly recording the foreign exchange (gain)/loss in a U.S. dollar denominated loan between a U.S. subsidiary and European subsidiary. We have evaluated this error and concluded it to be immaterial in consideration of the financial statements for the year ended December 31, 2020 and previously issued financial statements, based on an analysis of quantitative and qualitative factors affecting each prior reporting period. We reflected the correction of this immaterial error within these financial statements for the year ended December 31, 2020, the effect of which increased foreign exchange (gain)/loss and net income (loss) by \$2.2 million.

2. Recent Accounting Standards

Adoption of Accounting Standard Updates

Effective January 1, 2020, we adopted ASU No. 2016-02, *Leases (“Topic 842”)* which was issued by the Financial Accounting Standards Board (“FASB”) in 2016. The new standard requires substantially all leases to be reported on the balance sheet as right-of-use assets and lease obligations. It also increases disclosure of key information about leasing arrangements. We adopted the new guidance using the optional transition method, which required application of the new guidance to only leases that existed at the date of adoption. We also elected the “package of practical expedients,” which permitted us to not reassess under the new standard our prior conclusions about lease identification, lease classification and initial direct costs. The adoption

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of the new standard resulted in the recognition of right-of-use assets and lease liabilities of \$47.4 million and \$48.9 million as of January 1, 2020, respectively. The standard did not have a material impact on our Consolidated Statements of Operations and Comprehensive Income (Loss) or on our Consolidated Statements of Cash Flows.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This ASU provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting due to the cessation of the London Interbank Offered Rate (“LIBOR”). The amendments in this update are effective for the Company as of March 12, 2020 through December 31, 2022. The Company adopted this standard effective March 12, 2020. The adoption of this standard had no effect in the year ended December 31, 2020, and its future impact will depend on the manner in which the Company and its lenders ultimately address the removal of LIBOR as it relates to the long-term debt arrangements described in Note 10, “Long-Term Debt” .

ASU’s Issued But Not Yet Adopted

Under the Jumpstart Our Business Startups Act of 2012, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. As an emerging growth company, we have elected to take advantage of the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies or at which time we conclude it is appropriate to avail ourselves of early adoption provisions of applicable standards. As a result, our results of operations and financial statements may not be comparable to the results of operations and financial statements of other companies who have adopted the new or revised accounting standards.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (“ASU 2016-13”): Measurement of Credit Losses on Financial Instruments*, and subsequently issued additional guidance that modified ASU 2016-13. The standard requires an entity to change its accounting approach in determining impairment of certain financial instruments, including trade receivables, from an “incurred loss” to a “current expected credit loss” model. The standard will be effective for private companies for fiscal years beginning after December 15, 2022, including interim periods within such fiscal years. In the event the Company no longer retains emerging growth company status as of December 31, 2021, the standard will be effective for the Company as of January 1, 2022. Early adoption is permitted. We are currently assessing the effect that ASU 2016-13 will have on our financial position, results of operations, and disclosures.

In December 2019, the FASB issued ASU 2019-12 - *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. The standard simplifies the accounting for income taxes and makes a number of changes meant to add or clarify guidance on accounting for income taxes. This update is effective for annual financial statement periods beginning after December 15, 2021 and interim periods beginning after December 15, 2022, with early adoption permitted in any interim period for which financial statements have not yet been filed. We are currently assessing the effect that ASU 2019-12 will have on our financial position, results of operations, and disclosures.

3. Revenue Recognition

The following table shows disaggregated net revenues from contracts with external customers by timing of revenue and by segment for the years ended December 31, 2020 and 2019:

	Year Ended December 31, 2020			
	Sterigenics	Nordion	Nelson Labs	Consolidated
Point in time	\$ 498,773	\$ 114,745	\$ —	\$ 613,518
Over time	—	—	204,640	204,640
Total	\$ 498,773	\$ 114,745	\$ 204,640	\$ 818,158

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	Year Ended December 31, 2019			
	Sterigenics	Nordion	Nelson Labs	Consolidated
Point in time	\$ 471,708	\$ 116,165	\$ —	\$ 587,873
Over time	—	—	190,454	190,454
Total	\$ 471,708	\$ 116,165	\$ 190,454	\$ 778,327

Contract Balances

As of December 31, 2020, and 2019, contract assets included in prepaid expenses and other current assets on the consolidated balance sheet totaled approximately \$12.7 million and \$8.5 million, respectively, resulting from revenue recognized over time in excess of the amount billed to the customer.

When we receive consideration from a customer prior to transferring goods or services under the terms of a sales contract, we record deferred revenue, which represents a contract liability. Deferred revenue totaled \$6.1 million and \$3.6 million at December 31, 2020 and 2019, respectively. We recognize deferred revenue after we have transferred control of the goods or services to the customer and all revenue recognition criteria are met.

4. Acquisitions and Dispositions

Acquisition of Iotron Industries Canada, Inc.

On July 31, 2020, we acquired Iotron Industries Canada, Inc. (“Iotron”) for approximately \$105.2 million. Iotron is an independent contact sterilizer with two North American locations in Vancouver, Canada, and Columbia City, Indiana. Each location uses proprietary high energy electron beam technology to process products for orthopedic, medical device, plastics, and agricultural businesses. As part of this acquisition, we also acquired Iotron’s 60% equity ownership interest in a joint venture to construct an E-beam facility in Alberta, Canada. The E-beam facility is under construction and is not expected to be operating until mid-2021. The joint venture is accounted for using the equity method. The acquisition was financed by the issuance of \$100.0 million of First Lien Notes due 2026. Refer to Note 10, “Long-Term Debt” for additional details.

The opening balance sheet for the Iotron acquisition reflects the net tangible and intangible assets acquired and liabilities assumed at their preliminary estimated fair values at the acquisition date.

The preliminary estimated fair value of the underlying acquired assets and assumed liabilities at July 31, 2020, the date of the Iotron acquisition, was as follows:

(thousands of U.S. dollars)

Allocation of purchase price to the fair value of net assets acquired (net of cash acquired):	Amount recognized as of July 31, 2020	Measurement Period Adjustments	Amount recognized as of December 31, 2020
Goodwill	\$ 64,235	\$ 4,811	\$ 69,046
Intangibles	16,427	—	16,427
Property, plant, and equipment	13,799	13	13,812
Working capital, net	1,105	10	1,115
Investment in unconsolidated affiliate	12,881	—	12,881
Assumed long-term liabilities	(1,270)	(978)	(2,248)
Other assets/liabilities, net	(897)	(4,949)	(5,846)
Total estimated purchase price	\$ 106,280	\$ (1,093)	\$ 105,187

The fair value of all the above assets acquired and liabilities assumed are preliminary in nature since the fair value analyses are not yet complete, including obtaining third party appraisals and analyzing the tax attributes of the fair value adjustments. Changes to the allocation of the purchase price may occur as these analyses are completed.

Approximately \$69.0 million of goodwill was recorded related to the Iotron acquisition, representing the excess of the purchase price over preliminary estimated fair values of all the assets acquired and liabilities assumed. The fair value allocated to

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goodwill and tangible and intangible assets are deductible for tax purposes. The qualitative elements of goodwill primarily represent the expanded future growth opportunities for the combined company and the addition of Iotron's highly skilled workforce. A preliminary valuation was recorded of approximately \$14.0 million, \$0.9 million, and \$1.5 million for intangible assets as part of the acquisition related to customer relationships, proprietary technology, and employee non-compete agreements, respectively. The estimated useful lives of the identifiable finite-lived intangible assets range from 5 to 15 years.

Iotron's results of operations are included in our consolidated financial statements from the date of the transaction within the Sterigenics segment. The unaudited pro forma consolidated results for the year ended December 31, 2020 and 2019, are reflected in the pro forma table below had the transaction occurred on January 1, 2019. The following unaudited supplemental pro forma financial information is based on our historical consolidated financial statements and Iotron's historical consolidated financial statements, as adjusted for amortization of acquired intangible assets, an increase in interest expense resulting from interest on the First Lien Notes to finance the acquisition, and to reflect the change in the estimated income tax rate for federal and state purposes.

(thousands of U.S. dollars)

Year Ended December 31,

	2020	2019
Net revenues	\$ 832,989	\$ 798,098
Net loss	(34,687)	(21,963)

Net revenues and net income from the Iotron acquisition included in the Company's results since July 31, 2020, the date of the acquisition, were \$9.9 million and \$3.1 million, respectively.

In connection with the Iotron acquisition, we incurred approximately \$3.1 million in transaction costs for the year ended December 31, 2020, which were included in selling, general and administrative expenses in the Consolidated Statements of Operations and Comprehensive Income (Loss).

5. Inventories

Inventories consisted primarily of the following:

(thousands of U.S. dollars)

As of December 31,

	2020	2019
Raw materials and supplies	\$ 29,114	\$ 29,640
Work-in-process	846	1,961
Finished goods	4,256	5,892
	<u>34,216</u>	<u>37,493</u>
Reserve for excess and obsolete inventory	(123)	(97)
Inventories	<u>\$ 34,093</u>	<u>\$ 37,396</u>

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6. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted primarily of the following:

(thousands of U.S. dollars)

As of December 31,	2020	2019
Prepaid taxes	\$ 22,883	\$ 18,614
Prepaid business insurance	10,403	3,422
Prepaid rent	1,170	1,088
Customer contract assets	12,670	8,508
Insurance and indemnification receivables	2,751	2,751
Current deposits	673	5,060
Prepaid maintenance contracts	404	397
Value added tax receivable	2,094	1,034
Prepaid software licensing	1,181	1,089
Stock supplies	2,715	2,263
Other	8,020	8,418
Prepaid expenses and other current assets	<u>\$ 64,964</u>	<u>\$ 52,644</u>

The increase in prepaid business insurance in 2020 relates to higher cost public company director and officer liability insurance.

7. Property, Plant and Equipment

Property, plant, and equipment, net, consisted of the following:

(thousands of U.S. dollars)

As of December 31,	2020	2019
Land and buildings	\$ 289,692	\$ 279,913
Leasehold improvements	51,398	44,808
Machinery, equipment, including Co-60	480,276	459,728
Furniture and fixtures	6,887	6,984
Computer hardware and software	40,706	38,602
Asset retirement costs	3,914	4,313
Construction-in-progress	78,491	42,168
	<u>951,364</u>	<u>876,516</u>
Less accumulated depreciation	<u>(341,550)</u>	<u>(294,562)</u>
Property, plant and equipment, net	<u>\$ 609,814</u>	<u>\$ 581,954</u>

Depreciation and amortization expense for property, plant, and equipment, including property under finance leases, was \$63.3 million and \$66.7 million for the year ended December 31, 2020 and 2019, respectively. Capitalized interest totaled \$0.7 million and \$0.1 million for the year ended December 31, 2020 and 2019, respectively, and was recorded as a reduction in "Interest expense, net" in the Consolidated Statements of Operations and Comprehensive Income (Loss).

As discussed in Note 20, "Commitments and Contingencies", we have been involved in litigation related to our ethylene oxide sterilization operations in Willowbrook, Illinois. On September 30, 2019, we announced plans to exit our operations in Willowbrook citing the unstable legislative and regulatory landscape in Illinois as well as the expiration of the primary Willowbrook facility lease. Prior to this decision, we had approximately \$9.8 million in net book value of fixed assets at the Willowbrook facilities, including \$1.8 million of construction in process. Based on our initial estimate of fixed assets that can be transferred to other Sterigenics' facilities, we recorded a fixed asset impairment of approximately \$5.8 million as recognized in "Impairment of long-lived assets" in the Consolidated Statements of Operations and Comprehensive Income (Loss) for the year ended December 31, 2019. Further, in conjunction with the decision not to reopen our Willowbrook facilities, we incurred

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certain restructuring costs consisting of employee termination benefits totaling \$1.1 million in the year ended December 31, 2019. These costs represent all termination benefits costs expected to be incurred in connection with the Willowbrook closure, and are included in “Cost of revenues” on the Consolidated Statements of Operations and Comprehensive Income (Loss) and are included in our Sterigenics segment. Decommissioning of the Willowbrook facilities began in October 2019 and is nearing completion. At December 31, 2020 and 2019, we had an ARO of approximately \$0.6 million and \$2.2 million, respectively, representing our estimate of the costs to decommission the Willowbrook operations. This liability is included in “Current portion of asset retirement obligations” within the Consolidated Balance Sheets.

8. Goodwill and Other Intangible Assets

Changes to goodwill during the years ended December 31, 2020 and 2019 were as follows:

<i>(thousands of U.S. dollars)</i>	Sterigenics	Nordion	Nelson Labs	Other	Total
Goodwill at January 1, 2019	\$ 613,637	\$ 269,272	\$ 140,405	\$ —	\$ 1,023,314
Gibraltar Laboratories ⁽¹⁾ acquisition measurement period adjustments	—	—	1,589	—	1,589
Changes due to foreign currency exchange rates	(948)	12,618	(708)	—	10,962
Goodwill at December 31, 2019	612,689	281,890	141,286	—	1,035,865
Iotron acquisition measurement period adjustments	69,046	—	—	—	69,046
Changes due to foreign currency exchange rates	1,746	6,042	3,237	—	11,025
Goodwill at December 31, 2020	\$ 683,481	\$ 287,932	\$ 144,523	\$ —	\$ 1,115,936

⁽¹⁾ Gibraltar Laboratories is now known as Nelson Laboratories Fairfield, Inc.

Other intangible assets consisted of the following:

<i>(thousands of U.S. dollars)</i>	Gross Carrying Amount	Accumulated Amortization
As of December 31, 2020		
Finite-lived intangible assets		
Customer relationships	\$ 634,454	\$ 309,428
Proprietary technology	90,964	38,075
Trade names	156	105
Land-use rights	9,489	1,311
Sealed source and supply agreements	240,791	92,953
Other	1,937	519
Total finite-lived intangible assets	977,791	442,391
Indefinite-lived intangible assets		
Regulatory licenses and other ^(a)	81,832	—
Trade names / trademarks	26,134	—
Total indefinite-lived intangible assets	107,966	—
Total	\$ 1,085,757	\$ 442,391

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As of December 31, 2019	Gross Carrying Amount	Accumulated Amortization
Finite-lived intangible assets		
Customer relationships	\$ 612,068	\$ 248,931
Proprietary technology	87,971	30,224
Trade names	7,201	1,860
Land-use rights	8,896	1,011
Sealed source and supply agreements	235,706	74,825
Other	336	243
Total finite-lived intangible assets	952,178	357,094
Indefinite-lived intangible assets		
Regulatory licenses and other ^(a)	80,103	—
Trade names / trademarks	20,819	—
Total indefinite-lived intangible assets	100,922	—
Total	\$ 1,053,100	\$ 357,094

^(a) Includes certain transportation certifications, a class 1B nuclear license and other intangibles related to obtaining such licensure. These assets are considered indefinite-lived as the decision for renewal by the Canadian Nuclear Safety Commission is highly based on a licensee's previous assessments, reported incidents, and annual compliance and inspection results. New applications for license can take a significant amount of time and cost; whereas an existing licensee with a historical record of compliance and current operating conditions more than likely ensures renewal for another 10 years license period as Nordion has demonstrated over its 70 years of history.

Of the gross balances outstanding as of December 31, 2019, \$490.8 million, \$69.1 million and \$235.7 million of customer relationships, proprietary technology, and sealed source and supply agreements, respectively, were initially recorded upon the recapitalization of the Company in connection with the acquisition by the Sponsors in 2015. We recorded additional customer relationship and proprietary technology intangibles of \$121.3 million and \$18.9 million, respectively, in conjunction with acquisitions in the period from 2015 through 2019, the majority of which related to the 2016 acquisition of Nelson Laboratories.

Amounts include the impact of foreign currency translation. Fully amortized amounts are written off.

Amortization expense for other intangible assets was \$80.3 million (\$21.3 million is included in "Cost of revenues" and \$59.0 million in "Selling, general and administrative expenses" in the Consolidated Statements of Operations and Comprehensive Income (Loss)) and \$80.0 million (\$21.5 million is included in "Cost of revenues" and \$58.5 million in "Selling, general and administrative expenses" in the Consolidated Statements of Operations and Comprehensive Income (Loss)) for the years ended December 31, 2020 and 2019, respectively.

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The estimated aggregate amortization expense for finite-lived intangible assets for each of the next five years and thereafter is as follows:

(thousands of U.S. dollars)

2021	\$	82,552
2022		78,537
2023		78,530
2024		77,753
2025		39,824
Thereafter		178,204
Total	\$	535,400

The weighted-average remaining useful life of the finite-lived intangible assets was approximately 10 years as of December 31, 2020.

9. Accrued Liabilities

Accrued liabilities consisted of the following:

(thousands of U.S. dollars)

As of December 31,

	2020	2019
Accrued employee compensation	\$ 34,760	\$ 28,912
Legal reserves	2,751	2,751
Accrued interest expense	186	10,648
Embedded derivatives	670	3,478
Professional fees	12,686	4,329
Accrued utilities	1,864	1,135
Insurance accrual	1,255	1,241
Accrued taxes	2,599	2,363
Other	3,747	3,679
Accrued liabilities	\$ 60,518	\$ 58,536

10. Long-Term Debt

Long-term debt consisted of the following:

(thousands of U.S. dollars)

As of December 31,

	2020	2019
Term loan, due 2026	\$ 1,763,100	\$ 2,120,000
Senior notes, due 2026	100,000	—
Senior notes, due 2027	—	770,000
Other long-term debt	450	881
Total long-term debt	1,863,550	2,890,881
Less current portion	—	(16,331)
Less unamortized debt issuance costs and debt discounts	(38,761)	(73,677)
Total long-term debt, less current portion and debt issuance costs and debt discounts	\$ 1,824,789	\$ 2,800,873

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Debt Facilities

Senior Secured Credit Facilities

On December 13, 2019, SHH, our wholly owned subsidiary, entered into the Senior Secured Credit Facilities and settled its previously outstanding term loan and senior notes.

The Senior Secured Credit Facilities consist of both a senior secured first lien term Loan (“Term Loan”) and a senior secured first lien revolving credit facility (the “Revolving Credit Facility”). The Term Loan matures on December 13, 2026, and the Revolving Credit Facility matures on December 13, 2024. On December 17, 2020, we increased the capacity of our Revolving Credit Facility from \$190.0 million to \$347.5 million. The Senior Secured Credit Facilities also provide SHH the right at any time and under certain conditions to request incremental term loans or incremental revolving credit commitments based on a formula defined in the Senior Secured Credit Facilities. As of December 31, 2020, total borrowings under the Term Loan were \$1,763.1 million and the Revolving Credit Facility remained unutilized. The Term Loan may bear interest at LIBOR or an alternate base rate (“ABR”) subject to a 1.00% floor plus, an incremental margin of 4.50% in the case of LIBOR loans and 3.50% in the case of ABR loans.

Beginning on June 30, 2020, the Term Loan was paid in equal quarterly installments in aggregate annual amounts equal to 1.0% of the Term Loan original principal amount, while the remaining balance matures on December 13, 2026. The weighted average interest rate on borrowings under the Term Loan for the year ended December 31, 2020 was 5.67%.

As of December 31, 2020, capitalized debt issuance costs and debt discounts totaled \$3.4 million and \$31.6 million, respectively, related to the Senior Secured Credit Facilities. Such costs are recorded as a reduction of debt on our consolidated balance sheets and amortized as a component of interest expense over the term of the debt agreement.

Borrowings under the Revolving Credit Facility bear interest at a rate per annum equal to an applicable margin, plus, at our option, either (a) an ABR or (b) a LIBOR rate. The applicable margin under the Revolving Credit Facility may be reduced by reference to a leverage-based pricing grid with step-downs of 0.25% at a specified senior secured first lien net leverage ratios. In addition to paying interest on any outstanding borrowings under the Revolving Credit Facility, SHH is required to pay a commitment fee to the lenders under the Revolving Credit Facility in respect of the unutilized commitments thereunder and customary letter of credit fees. The Revolving Credit Facility contains a maximum senior secured first lien net leverage ratio covenant of 9.00 to 1.00, tested on the last day of each fiscal quarter if, on the last day of such fiscal quarter, the sum of (i) the aggregate principal amount of the revolving loans then outstanding under the Revolving Credit Facility, plus (ii) the aggregate amount of letter of credit (“LC”) disbursements that have not been reimbursed within two business days following the end of the fiscal quarter, exceeds the greater of \$139.0 million and 40.0% of the aggregate principal amount of the revolving commitments then in effect.

The Senior Secured Credit Facilities contain additional covenants that, among other things, restrict, subject to certain exceptions, our ability and the ability of our restricted subsidiaries to engage in certain activities, such as incur indebtedness or permit to exist any lien on any property or asset now owned or hereafter acquired, as specified in the Senior Secured Credit Facilities. The Senior Secured Credit Facilities also contain certain customary affirmative covenants and events of default, including upon a change of control. As of December 31, 2020, we were in compliance with all the Senior Secured Credit Facilities covenants.

As of December 31, 2020, there were no borrowings on the Revolving Credit Facility. SHH borrowed \$50.0 million on the Revolving Credit Facility during the first quarter of 2020 which was repaid in the second quarter of 2020. The interest rate on the borrowings under the Revolving Credit Facility during 2020 averaged approximately 5.0%.

All of SHH’s obligations under the Senior Secured Credit Facilities are unconditionally guaranteed by the Company and each existing and subsequently acquired or organized direct or indirect wholly-owned domestic restricted subsidiary of the Company, with customary exceptions including, among other things, where providing such guarantees is not permitted by law, regulation or contract or would result in material adverse tax consequences. All obligations under the Senior Secured Credit Facilities, and the guarantees of such obligations, are secured by substantially all assets of the borrower and guarantors, subject to permitted liens and other exceptions and exclusions, as outlined in the Senior Secured Credit Facilities.

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Outstanding letters of credit are collateralized by encumbrances against the Revolving Credit Facility and the collateral pledged thereunder, or by cash placed on deposit with the issuing bank. As of December 31, 2020, the Company had \$63.9 million of letters of credit issued against the Revolving Credit Facility, resulting in total availability under the Revolving Credit Facility of \$283.6 million.

In October 2017, SHH entered into two interest rate cap agreements with a total notional amount of \$400.0 million for a total premium of \$0.6 million. The interest rate caps limited the Company's cash flow exposure related to the LIBOR base rate under the variable rate term loan borrowings to 3.0%. The interest rate cap agreements terminated on September 30, 2020. The interest rate caps were not designated as hedges and were recorded at fair value on the consolidated balance sheets, with any changes in the value being recorded in the Consolidated Statements of Operations and Comprehensive Income (Loss). See Note 21, "Financial Instruments and Financial Risk" for a summary of the activity of the interest rate caps for the periods presented.

During the third quarter of 2019, SHH entered into two interest rate swap agreements to hedge exposure to interest rate movements and to manage interest expense related to outstanding variable-rate debt. These swaps were designated as hedges against the changes in cash flows attributable to changes in LIBOR, the benchmark interest rate being hedged. We receive interest at one-month LIBOR and pay a fixed interest rate under the terms of the swap agreement. The swap agreements terminated on August 31, 2020. The notional amount of the interest rate swap agreements totals \$1,000.0 million. See Note 21, "Financial Instruments and Financial Risk" for a summary of the activity of the interest rate swaps for the periods presented.

In January 2021, we closed on an amendment repricing our Term Loan. The interest rate spread over LIBOR on the facility was reduced from 450 basis points to 275 basis points, and the facility's LIBOR floor was reduced from 100 basis points to 50 basis points. The changes result in an effective reduction in current interest rates of 2.25%. As a result of the repricing, we expect cash interest savings of approximately \$40.0 million per year based on the outstanding principal balance as of December 31, 2020. Interest savings in 2021 will be offset by cash and non-cash charges associated with the repricing amendment.

First Lien Notes

On July 31, 2020, SHH issued \$100.0 million aggregate principal amount of senior secured first lien notes due 2026 (the "First Lien Notes"), which mature on December 13, 2026. The First Lien Notes bear interest at a rate equal to LIBOR subject to a 1.00% floor plus 6.00% per annum. Interest is payable on a quarterly basis with no principal due until maturity. The weighted average interest rate on the First Lien Notes for the year ended December 31, 2020 was 7.00%.

SHH is entitled to redeem all or a portion of the First Lien Notes, at any time and from time to time, subject to certain premiums depending on the date of redemption: any time on or prior to July 31, 2021, a customary make-whole premium applies and, thereafter, specified premiums that decline to zero apply (in each case as described in the indenture governing the First Lien Notes).

All of SHH's obligations under the First Lien Notes are unconditionally guaranteed by the Company and each existing and subsequently acquired or organized direct or indirect wholly-owned domestic restricted subsidiary of SHH, with customary exceptions including, among other things, where providing such guarantees is not permitted by law, regulation or contract or would result in material adverse tax consequences. All obligations under the First Lien Notes, and the guarantees of such obligations, are secured by substantially all of the assets of the borrower and guarantors, subject to permitted liens and other exceptions and exclusions, as outlined in the First Lien Notes. Such collateral is substantially the same collateral that secures the Senior Secured Credit Facilities. Such collateral securing the First Lien Notes ranks *pari passu* with that of the Senior Secured Credit Facilities.

At December 31, 2020, capitalized debt issuance costs were \$0.9 million and debt discounts were \$2.8 million, respectively, related to the First Lien Notes, which are recorded as a reduction of debt on our consolidated balance sheets and amortized into interest expense over the term of the debt agreement.

Second Lien Notes

On December 13, 2019, SHH issued \$770.0 million of Second Lien Senior Secured Notes (the "Second Lien Notes"), which had a maturity date of December 13, 2027. The Second Lien Notes bore interest at a rate equal to LIBOR subject to a 1.00%

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floor plus 8.00% per annum. The weighted average interest rate on the Second Lien Notes through the redemption date of December 14, 2020 (as described below in “2020 Debt Repayments”) was 9.35%.

SHH was entitled to redeem all or a portion of the Second Lien Notes, at any time and from time to time, subject to certain premiums depending on the date of redemption. Any time prior to December 13, 2020, a customary make-whole premium applied and, thereafter, specified premiums that declined to zero applied (in each case as described in the indenture governing the Second Lien Notes). In addition, under certain circumstances, such as an initial public offering or certain changes of control, SHH had certain additional redemption rights (as described in the indenture governing the First Lien Notes).

All of SHH’s obligations under the Second Lien Notes were unconditionally guaranteed by the Company and each existing and subsequently acquired or organized direct or indirect wholly-owned domestic restricted subsidiary of the Company, with customary exceptions including, among other things, where providing such guarantees is not permitted by law, regulation or contract or would result in material adverse tax consequences. All obligations under the Second Lien Notes, and the guarantees of such obligations, were secured by substantially all of the assets of the borrower and guarantors, subject to permitted liens and other exceptions and exclusions, as outlined in the Second Lien Notes. Such collateral was substantially the same collateral that secures the Senior Secured Credit Facilities, and any security interest or lien on shared collateral securing the Senior Secured Credit Facilities had priority over any security interest or lien on shared collateral securing the Second Lien Notes.

2020 Debt Repayments

Almost all of the net proceeds of the Company’s IPO were used to redeem all of the outstanding aggregate principal amount of the Second Lien Notes and to repay a portion of the outstanding indebtedness under our Term Loan. In November 2020, the Company repaid \$341.0 million aggregate principal amount of the Term Loan. In December 2020 the Company redeemed in full all of the \$770.0 million aggregate principal amount of its then outstanding Second Lien Notes. For these two transactions combined, we wrote off \$28.9 million of debt issuance and discount costs and recognized \$15.4 million in premiums paid in connection with the early extinguishment of the Second Lien Notes. We recognized these costs within the loss on extinguishment of debt in our Consolidated Statements of Operations and Comprehensive Income (Loss).

2019 Refinancing

In conjunction with the December 2019 refinancing, the Company redeemed, in full, the previously outstanding \$1,659.0 million aggregate Term Loan due 2022, its \$450.0 million Senior Notes due 2023 (“Senior Notes”) and \$425.0 million Senior PIK (“paid in kind”) Toggle Notes due 2021. In total, we wrote off \$13.5 million of debt issuance and discount costs and recognized \$14.6 million representing premiums paid in connection with the early extinguishment of the Senior Notes. In connection with the refinancing, we also recognized an additional \$2.1 million of expense related to debt issuance and discount costs. We recognized these costs within the loss on extinguishment of debt in our Consolidated Statements of Operations and Comprehensive Income (Loss). Any additional proceeds were used to fund a dividend to shareholders of \$275.0 million.

Prior to the 2019 refinancing referenced above, the Company had the following long-term debt:

- Senior secured credit facilities consisting of a term loan and a revolving credit facility that provided for additional senior secured financing of \$172.5 million. Borrowings under the term loan bore interest at either (i) ABR plus an additional margin of 2.00% or (ii) LIBOR plus an additional margin of 3.00%. Each of ABR and LIBOR were subject to a floor of 1.00%,
- \$450 million aggregate principal amount of senior notes, at an interest rate of 6.5% per annum, payable semi-annually, and
- \$425 million aggregate principal amount of Senior PIK (“paid in kind”) Toggle notes at a rate of 8.125%/8.875% per annum, payable semi-annually.

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Aggregate Maturities

Aggregate maturities of the Company's long-term debt, excluding debt discounts, as of December 31, 2020, are as follows:

(thousands of U.S. dollars)

2021	\$	—
2022		—
2023		450
2024		—
2025		—
Thereafter		1,863,100
Total	\$	1,863,550

As referenced above, the Company utilized its initial public offering proceeds toward prepaying its Second Lien Notes in full as well as prepaying a portion of its Term Loan. The Term Loan prepayment amount eliminated all subsequent scheduled and outstanding repayments of the term borrowings resulting in no remaining short-term commitments.

11. Income Taxes

The geographic sources of income (loss) before income taxes were as follows:

(thousands of U.S. dollars)

Year ended December 31,	2020	2019
U.S.	\$ (168,943)	\$ (99,733)
Foreign	130,083	98,817
Loss before income taxes	\$ (38,860)	\$ (916)

(Benefit) provision for income taxes consisted of the following:

(thousands of U.S. dollars)

Year ended December 31,	2020	2019
Current		
Federal U.S.	\$ (10,560)	\$ 17,954
State U.S.	166	3,662
Foreign	32,385	16,886
Total current provision	21,991	38,502
Deferred		
Federal U.S.	(4,336)	(18,177)
State U.S.	(5,334)	(5,958)
Foreign	(13,690)	5,142
Total deferred benefit	(23,360)	(18,993)
Total (benefit) provision for income taxes	\$ (1,369)	\$ 19,509

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The (benefit) provision for income taxes is reconciled with the U.S. federal statutory rate as follows:

(thousands of U.S. dollars)

Year ended December 31,	2020	2019
(Benefit) provision computed at federal statutory rate	\$ (8,181)	\$ (192)
(Decrease) increase in taxes as a result of:		
State taxes, net of federal benefit	(5,876)	(2,681)
Valuation allowance	19,170	5,147
Global intangible low-tax income ("GILTI")	2,577	10,349
Nondeductible share-based compensation	2,046	3,545
Foreign tax rate	6,405	5,550
Impact of rate changes on deferred tax balances	(1,906)	(559)
Tax holiday	(616)	(571)
Audit settlement	47	879
Impact of CARES Act and final 951A regulations	(16,720)	—
Tax credits	(1,965)	—
Other	3,650	(1,958)
Total (benefit) provision for income taxes	\$ (1,369)	\$ 19,509

The components of the tax effects of temporary differences and carryforwards that gave rise to significant portions of the deferred tax assets and liabilities are as follows:

(thousands of U.S. dollars)

As of December 31,	2020	2019
Net operating loss carryforwards	\$ 15,076	\$ 10,876
Net capital loss carryforwards	4,112	3,916
Reserves and accruals	15,832	14,246
Employee benefits and compensation	13,094	8,279
Unrealized foreign currency exchange	242	3,083
Asset retirement obligation	10,666	10,535
Lease liability	12,446	—
Disallowed interest carryforward	68,045	41,723
Other	5,344	5,393
Deferred tax assets before valuation allowance	144,857	98,051
Valuation allowance	(43,765)	(22,962)
Net deferred tax assets	101,092	75,089
Depreciation and amortization	(214,484)	(210,010)
Other	—	(62)
Total deferred tax liabilities	(214,484)	(210,072)
Net deferred tax liabilities	\$ (113,392)	\$ (134,983)
Noncurrent net deferred tax assets	\$ 8,424	\$ 2,252
Noncurrent net deferred tax liabilities	(121,816)	(137,235)
Noncurrent net deferred tax liabilities	\$ (113,392)	\$ (134,983)

At December 31, 2020 and 2019, the Company had available state net operating loss carryforwards of \$42.7 million and \$11.8 million, respectively, of which \$3.8 million have no expiration date, and foreign net operating loss carryforwards of approximately \$50.9 million and \$44.2 million, respectively, the majority of which have no expiration date. At December 31,

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2020 and 2019, a valuation allowance was established against foreign net operating loss carryforwards for \$2.6 million and \$12.4 million, respectively. Based on management's assessment, it is not more likely than not that these deferred tax assets will be realized through future taxable income.

At December 31, 2020 and 2019, no deferred tax liability has been recorded for repatriation of earnings for purposes of the Company's consolidated financial statements as these earnings are deemed to be indefinitely reinvested. Determining the amount of unrecognized deferred tax liability related to any remaining undistributed foreign earnings not subject to the transition tax and additional outside basis difference in these entities (i.e., basis difference in excess of that subject to the one-time transition tax) is not practicable.

As of December 31, 2020 and 2019, the gross reserve for uncertain tax positions, excluding accrued interest and penalties, was less than \$1.0 million, respectively, as noted in the following reconciliation.

The Company's unrecognized income tax benefits were as follows:

(thousands of U.S. dollars)

For the period from January 1 – December 31,

	2020	2019
Gross unrecognized tax benefits, beginning of year	\$ 300	\$ 10,239
Settlements	—	(9,939)
Gross unrecognized tax benefits, end of period	\$ 300	\$ 300

The Company recognizes interest and penalties as part of the provision for income taxes. For the years ended December 31, 2020 and 2019, interest and penalties related to uncertain income tax positions that were recognized in the Consolidated Statements of Operations and Comprehensive Income (Loss) were not material.

The Company, which represents all of its subsidiaries, files income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. The Company is no longer subject to U.S. federal, state, and local tax examinations before 2015, and non-U.S. income tax examinations by tax authorities for years before 2010. Tax years through December 31, 2016 have been audited by the Internal Revenue Service ("IRS") and are effectively closed for U.S. federal income tax purposes. The 2017 and 2018 tax years are currently under audit. For Nordion's Canadian tax, all tax years through October 31, 2015 have been closed through audit or statute, and fiscal year 2016 is currently under audit.

A portion of the Company's foreign operations benefit from a tax holiday, which is set to expire in 2025. This tax holiday may be terminated early if certain conditions are not met. The tax benefit attributable to this holiday was \$0.6 million and \$0.6 million for the fiscal years ended December 31, 2020 and 2019, respectively.

12. Employee Benefits

Employee Retirement Benefits in the U.S.

We have a defined-contribution retirement plan that covers all U.S. employees upon date of hire. Contributions are directed by each participant into various investment options. Under this plan, we match participants' contributions based on plan provisions. The Company's contributions, which are expensed as incurred, were \$4.2 million and \$3.8 million for the years ended December 31, 2020 and 2019, respectively, and are recorded in the same line as the respective employee's wages. Administrative expenses related to the plan are paid by the Company and are not material.

Employee Retirement Benefits Outside the U.S.

The Company participates in qualified supplemental retirement and savings plans in various countries outside the U.S. where we operate. Under these defined-contribution plans, funding and costs are generally based upon a predetermined percentage of employee compensation. The Company's contributions, which are expensed as incurred and recorded in the same line as the

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respective employee's wages were \$1.2 million and \$1.1 million for the years ended December 31, 2020 and 2019, respectively.

Defined Benefit Pension Plans

The Company also sponsors various post-employment benefit plans including, in certain countries outside the U.S., defined benefit and retirement compensation arrangements, and plans that provide extended health care coverage to retired employees, the majority of which relate to Nordion.

Defined Benefit Pension Plan

The interest cost, expected return on plan assets, and amortization of net actuarial loss are recorded in "Other income, net" and the service cost component is included in the same financial statement line item as the applicable employee's wages in the Consolidated Statements of Operations and Comprehensive Income (Loss). The components of net periodic benefit cost for the defined benefit pension plans were as follows.

Year ended December 31,

(thousands of U.S. dollars)

	2020	2019
Service cost	\$ 1,104	\$ 1,147
Interest cost	8,034	8,521
Expected return on plan assets	(14,407)	(13,218)
Amortization of net actuarial loss	791	—
Net periodic benefit	\$ (4,478)	\$ (3,550)

The following weighted average assumptions were used in the determination of the projected benefit obligation and the net periodic benefit:

Year ended December 31,

	2020	2019
Projected benefit obligation		
Discount rate	2.53 %	3.07 %
Rate of compensation increase	3.00 %	3.00 %
Periodic benefit		
Discount rate	3.07 %	3.67 %
Expected return on plan assets	5.50 %	5.50 %
Rate of compensation increase	3.00 %	3.00 %

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The changes in the projected benefit obligation, fair value of plan assets, and the funded status of the plans are as follows:

(thousands of U.S. dollars)

As of December 31,	2020	2019
Change in projected benefit obligation:		
Projected benefit obligation, as of beginning of the year	\$ 294,275	\$ 246,922
Service cost	1,286	1,353
Interest cost	8,034	8,521
Benefits paid	(10,729)	(10,663)
Actuarial loss	23,155	35,813
Foreign currency exchange rate changes	7,494	12,329
Projected benefit obligation, end of year	\$ 323,515	\$ 294,275
Change in fair value of plan assets:		
Fair value of plan assets as of the beginning of the year	275,248	238,204
Actual return on plan assets	16,834	35,045
Benefits paid	(10,729)	(10,663)
Employer contributions	697	725
Employee contributions	182	205
Foreign currency exchange rate changes	6,307	11,732
Fair value of plan assets, end of year	\$ 288,539	\$ 275,248
Underfunded status at end of year	\$ (34,976)	\$ (19,027)
Accumulated benefit obligation, end of year	\$ 317,141	\$ 288,355

All defined benefit pension plans are underfunded as of December 31, 2020 and 2019.

The funded status, measured as the difference between the fair value of the plan assets and the projected benefit obligation, are included in post-retirement obligations in the consolidated balance sheets.

A reconciliation of the funded status to amounts recognized in the consolidated balance sheets is as follows:

(thousands of U.S. dollars)

As of December 31,	2020	2019
Projected benefit obligation	\$ 323,515	\$ 294,275
Fair value of plan assets	288,539	275,248
Plan assets less than projected benefit obligation	(34,976)	(19,027)
Unrecognized net actuarial loss	57,932	36,166
Net amount recognized at year end	\$ 22,956	\$ 17,139
Noncurrent liabilities	\$ (34,976)	\$ (19,027)
Accumulated other comprehensive (income) loss	57,932	36,166
Net amount recognized at year end	\$ 22,956	\$ 17,139

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The following table illustrates the amounts in accumulated other comprehensive (income) loss that have not yet been recognized as components of pension expense:

(thousands of U.S. dollars)

As of December 31,	2020	2019
Net actuarial loss	\$ 57,932	\$ 36,166
Deferred income taxes	(14,603)	(9,136)
Accumulated other comprehensive loss – net of tax	\$ 43,329	\$ 27,030

We expect to reclassify in the next twelve month approximately \$1.1 million of the net actuarial loss in accumulated other comprehensive income to net periodic pension cost.

The weighted average asset allocation of the Company's pension plans was as follows:

Asset Category	Target	2020	2019
Cash	0.0 %	1.3 %	0.2 %
Fixed income	40.0 %	42.0 %	39.5 %
Equities	37.0 %	37.1 %	37.6 %
Hedge funds	23.0 %	19.6 %	22.7 %
Total	100.0 %	100.0 %	100.0 %

The Company maintains target allocation percentages among various asset classes based on investment policies established for the pension plans, which are designed to maximize the total rate of return (income and appreciation) after inflation, within the limits of prudent risk taking, while providing for adequate near-term liquidity for benefit payments. Such investment strategies have adopted an equity-based philosophy in order to achieve their long-term investment goals by investing in assets that often have uncertain returns, such as Canadian and other foreign equities, and non-government bonds. However, the Company also attempts to reduce its overall level of risk by diversifying the asset classes and further diversifying within each individual asset class.

The Company's expected return on asset assumptions are derived from studies conducted by actuaries and investment advisors. The studies include a review of anticipated future long-term performance of individual asset classes and consideration of the appropriate asset allocation strategy given the anticipated requirements of the plans to determine the average rate of earnings expected on the funds invested to provide for the pension plans benefits. While the study considers recent fund performance and historical returns, the assumption is primarily a long-term, prospective rate.

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The following table provides a basis of fair value measurement for plan assets held by the Company's pension plans that are measured at fair value on a recurring basis. Refer to the discussion of fair value hierarchy in Note 21, "Financial Instruments and Financial Risk".

As of December 31, 2020

(thousands of U.S. dollars)

	Level 1	Level 2	Total
Cash and cash equivalents	\$ 3,751	\$ —	\$ 3,751
Fixed income securities	—	121,186	121,186
Equity securities	—	107,048	107,048
Hedge funds	—	56,554	56,554
Total	\$ 3,751	\$ 284,788	\$ 288,539

As of December 31, 2019

	Level 1	Level 2	Total
Cash and cash equivalents	\$ 550	\$ —	\$ 550
Fixed income securities	—	108,723	108,723
Equity securities	—	92,208	92,208
Hedge funds	—	73,767	73,767
Total	\$ 550	\$ 274,698	\$ 275,248

Expected future benefit payments from plan assets are as follows:

Year ended December 31

(thousands of U.S. dollars)

2021	\$ 12,416
2022	12,849
2023	13,166
2024	13,492
2025	13,727
2026 - 2030	71,819
	\$ 137,469

Other Post Retirement Benefit Plans

Other benefit plans are all related to our foreign subsidiaries and include a supplemental retirement arrangement, a retirement and termination allowance, and post-retirement benefit plans, which include contributory health and dental care benefits and contributory life insurance coverage. All, but one, non-pension post-employment benefit plans are unfunded.

The interest cost and amortization of net actuarial (gain) loss are recorded in "Other income, net" and the service cost component is included in the same financial statement line item as the applicable employee's wages in the Consolidated Statements of Operations and Comprehensive Income (Loss). The components of net periodic benefit cost for the other post-retirement benefit plans were as follows:

(thousands of U.S. dollars)

Year Ended December 31,

	2020	2019
Service cost	\$ 29	\$ 30
Interest cost	324	372
Amortization of net actuarial (gain) loss	7	123
Net periodic benefit cost	\$ 360	\$ 525

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The weighted average assumptions used to determine the projected benefit obligation and net periodic pension cost for these plans were as follows:

<u>Year Ended December 31,</u>	2020	2019
Projected benefit obligation:		
Discount rate	2.53 %	3.13 %
Rate of compensation increase	3.00 %	3.00 %
Initial health care cost trend rate	7.00 %	7.00 %
Ultimate health care cost trend rate	4.00 %	4.00 %
Years until ultimate trend rate is reached	12	13
Benefit cost:		
Discount rate	3.13 %	3.52 %
Rate of compensation increase	3.00 %	3.00 %

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage point change in assumed health care cost trend rates would have had the following impact on our consolidated financial statements in 2020:

<i>(thousands of U.S. dollars)</i>	1% Increase	1% Decrease
Change in net periodic benefit cost	\$ 25	\$ (25)
Change in projected benefit obligation	1,146	(937)

The changes in the projected benefit obligation and the funded status of the other post-retirement plans were as follows:

<i>(thousands of U.S. dollars)</i>	2020	2019
As of December 31,		
Change in projected benefit obligation:		
Projected benefit obligation	\$ 12,621	\$ 11,019
Service cost	29	30
Interest cost	324	372
Benefits paid	(720)	(676)
Actuarial loss	931	1,166
Curtailments	188	170
Foreign currency exchange rate changes	311	540
Projected benefit obligation, end of year	\$ 13,684	\$ 12,621
Change in fair value of plan assets:		
Fair value of plan assets as of the beginning of the year	\$ 381	\$ 325
Benefits paid	(166)	(676)
Employer contributions	212	546
Employee contributions	—	170
Foreign currency exchange rate changes	10	16
Fair value of plan assets, end of year	\$ 437	\$ 381
Underfunded status at end of year	\$ (13,247)	\$ (12,240)
Accumulated benefit obligation, end of year	\$ 13,600	\$ 12,473

All other post-retirement benefit pension plans are underfunded as of December 31, 2020 and 2019.

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A reconciliation of the funded status to the net plan liabilities recognized in the consolidated balance sheets is as follows:

(thousands of U.S. dollars)

As of December 31,	2020	2019
Projected benefit obligation	\$ (13,684)	\$ (12,621)
Fair value of plan assets	437	381
Plan assets less than projected benefit obligation	(13,247)	(12,240)
Unrecognized actuarial gains (losses)	1,088	107
Net amount recognized at year end	\$ (12,159)	\$ (12,133)
Noncurrent liabilities	\$ (13,247)	\$ (12,240)
Accumulative other comprehensive income (loss)	1,088	107
Net amount recognized at year end	\$ (12,159)	\$ (12,133)

The other benefit plan liabilities are presented on the Consolidated Balance Sheets as post retirement obligations.

The following table illustrates the amounts in accumulated other comprehensive income (loss) that have not yet been recognized as components of other benefit plan expense:

(thousands of U.S. dollars)

As of December 31,	2020	2019
Net actuarial income (loss)	\$ 1,088	\$ 107
Deferred income taxes	(274)	(27)
Accumulated other comprehensive income (loss) – net of tax	\$ 814	\$ 80

Based on the actuarial assumptions used to develop the Company's benefit obligations as of December 31, 2020, the following benefit payments are expected to be made to plan participants:

(thousands of U.S. dollars)

Years ended December 31	
2021	\$ 621
2022	624
2023	599
2024	574
2025	570
2026 - 2030	2,798
Total	\$ 5,786

We currently expect funding requirements of approximately \$2.8 million in each of the next five years to fund the regulatory solvency deficit, as defined by Canadian federal regulation, which require solvency testing on defined benefit pension plans.

During the years ended December 31, 2020 and 2019, we contributed \$0.7 million and \$0.7 million, respectively, to defined benefit plans on behalf of our employees.

The Company may obtain a qualifying letter of credit for solvency payments, up to 15% of the market value of solvency liabilities as determined on the valuation date, instead of paying cash into the pension fund. As of December 31, 2020 and 2019, we had letters of credit outstanding relating to the defined benefit plans totaling \$41.3 million and \$41.0 million, respectively. The deficit has risen due to falling real interest rates where the pension liabilities increased more than the increase in the value of pension assets. The actual funding requirements over the five-year period will be dependent on subsequent annual actuarial valuations. These amounts are estimates, which may change with actual investment performance, changes in interest rates, any pertinent changes in Canadian government regulations and any voluntary contributions.

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13. Related Parties

In April 2020, the Company approved a loan to a member of management for approximately \$0.5 million to assist with personal taxes incurred on share-based grants received. The loan is collateralized by the shares, and proceeds of distributions will be applied against the loan.

The immediate family of a now former member of management are 25% owners of a facility that is under lease by the Company through June 2024, with one five-year renewal option through June 2029. The rental expense related to this facility is approximately \$1.0 million per year.

In addition, we do business with a number of other companies affiliated with Warburg Pincus and GTCR, our Sponsors. All transactions with these companies have been conducted in the ordinary course of our business and are not material to our operations.

14. Other Comprehensive Income (Loss)

Amounts in accumulated other comprehensive income (loss) are presented net of the related tax. Foreign currency translation is not adjusted for income taxes.

Changes in our accumulated other comprehensive income (loss) balances, net of tax, were as follows:

<i>(thousands of U.S. dollars)</i>	Defined Benefit Plans	Foreign Currency Translation	Interest Rate Swaps	Total
Beginning balance – January 1, 2020	\$ (27,113)	\$ (67,453)	\$ 179	\$ (94,387)
Other comprehensive income (loss) before reclassifications	(17,828)	17,754	(5,234)	(5,308)
Amounts reclassified from accumulated other comprehensive income (loss)	798 ^(a)	—	5,055 ^(b)	5,853
Net current-period other comprehensive income (loss)	(17,030)	17,754	(179)	545
Ending balance – December 31, 2020	\$ (44,143)	\$ (49,699)	\$ —	\$ (93,842)
Beginning balance – January 1, 2019	\$ (14,987)	\$ (94,970)	\$ —	\$ (109,957)
Other comprehensive income (loss) before reclassifications	(12,104)	27,517	179	15,592
Amounts reclassified from accumulated other comprehensive income (loss)	(22) ^(a)	—	—	(22)
Net current-period other comprehensive income (loss)	(12,126)	27,517	179	15,570
Ending balance – December 31, 2019	\$ (27,113)	\$ (67,453)	\$ 179	\$ (94,387)

- (a) For defined benefit pension plans, amounts reclassified from accumulated other comprehensive income (loss) are recorded to “Other income, net” within the Consolidated Statements of Operations and Comprehensive Income (Loss)
- (b) For interest rate swaps, amounts reclassified from accumulated other comprehensive income (loss) are recorded to “Interest expense, net” within the Consolidated Statements of Operations and Comprehensive Income (Loss)

15. Stockholders’ Equity (Deficit)

Common Stock

The Company completed its IPO in the fourth quarter of 2020 and shares began trading on Nasdaq on November 20, 2020. Prior to the completion of the IPO, the Company amended and restated its certificate of incorporation to authorize 1,200,000,000 shares of common stock, par value \$0.01 per share, and reclassify all 3,000 shares of its common stock then outstanding as 232,400,200 shares. Upon completion of the IPO, 284,421,755 shares of common stock were outstanding.

Voting Rights. Holders of common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders, subject to certain restrictions described in the certificate of incorporation.

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Dividends. Subject to preferences that may be applicable to any then outstanding preferred stock, holders of our common stock are entitled to receive ratably those dividends, if any, as may be declared by the board of directors out of legally available funds.

Liquidation, Dissolution, and Winding Up. In the event of liquidation, dissolution or winding up, the holders of the Company's common stock will be entitled to share equally and ratably in the net assets legally available for distribution to stockholders after the payment of all of debts and other liabilities, subject to the prior rights of any preferred stock then outstanding.

Preferred Stock

In addition, prior to the completion of the IPO, the Company's amended and restated certificate of incorporation authorized 120,000,000 shares of preferred stock, par value \$0.01 per share. The board of directors may issue preferred stock, without stockholder approval, in such series and with such designations, preferences, conversion or other rights, voting powers and qualifications, limitations or restrictions thereof, as the board of directors deems appropriate.

Corporate Reorganization prior to the IPO

Sotera Health Company was incorporated in November 2017 as the parent company for Sterigenics, Nordion and Nelson Labs under the name Sotera Health Topco, Inc. On October 23, 2020, the Company changed its name from Sotera Health Topco, Inc. to Sotera Health Company. Prior to the IPO, the Company was a direct wholly owned subsidiary of Sotera Health Topco Parent, L.P. ("Topco Parent"). Under the terms of the corporate reorganization completed prior to the IPO, Topco Parent distributed the shares of Sotera Health Company common stock to its partners in accordance with the limited partnership agreement of Topco Parent.

Ownership of Topco Parent and Related Distributions

Prior to the IPO, Topco Parent had four outstanding classes of partnership units: (1) Class A Units; (2) Class B-1 Units, which were subject to time-based vesting; (3) Class B-2 Units, which were subject to performance-based vesting; and (4) Class D Units. Each class of units was subject to the terms of the limited partnership agreement of Topco Parent. The Class A Units, Class B Units and Class D Units are referred to collectively as the "Units."

Pursuant to the terms of the corporate reorganization, Topco Parent made an in-kind distribution of the 232,400,200 shares of the Company's common stock then outstanding to its limited partners in accordance with the terms of its limited partnership agreement, net of any previously unrecouped tax distributions. The value of a share of common stock was measured by the initial public offering price. All shares of the Company's common stock held by Topco Parent were distributed to the holders of the Units.

With respect to shares of common stock distributed in respect of any Class B-1 Units that were unvested as of the distribution and all of the Class B-2 Units (as none of the Class B-2 Units were vested as of the distribution), such shares are subject to the same vesting and forfeiture restrictions that applied to such unvested Class B-1 and Class B-2 Units prior to the distribution as described in Note 16, "Share-Based Compensation". Following the distribution of the shares of the Company's common stock, Topco Parent entered into dissolution.

Following the Corporate reorganization, the Company completed its IPO of 53,590,000 shares of its common stock at a public offering price of \$23.00 per share, for proceeds of approximately \$1,156.0 million, net of underwriting discounts and issuance costs.

In addition, we entered into agreements with certain executive officers to repurchase shares of our common stock beneficially owned by them in private transactions at a purchase price per share equal to the initial public offering price per share of our common stock less the underwriting discounts and commissions payable thereon. The total number of shares repurchased as of December 31, 2020 was 1,568,445.

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16. Share-Based Compensation

Pre-IPO Awards

Prior to our IPO, the Company's equity-based awards issued to service providers (including directors and employees) included partnership interests in Topco Parent (Class B-1, B-2 or C Units) which vested based on either time or the achievement of certain performance and market conditions (the "pre-IPO awards"). These equity-based awards represented an interest in our former parent and were granted in respect of services provided to the Company and its subsidiaries. In connection with the IPO, our former parent made in-kind distributions of shares of our common stock to its limited partners as described in Note 15, "Stockholders' Equity (Deficit)". In connection with this distribution, each recipient of pre-IPO awards was required to execute a restricted stock agreement and acknowledgment which provided that any common stock distributed in respect of any unvested awards shall be subject to the same vesting and forfeiture restrictions that applied to any unvested pre-IPO awards. At the time of the IPO, there were fewer than 60 individuals who received shares in the in-kind distribution and while this represents a modification to the existing awards, there was no change in compensation expense associated with these awards since the fair value of the distributed shares immediately before and after the distribution is the same. Following the distribution, our former parent entered into dissolution and will be dissolved in the State of Delaware.

Restricted stock distributed in respect of pre-IPO Class B-1 time vesting units vests on a daily basis pro rata over the five-year period beginning on the original vesting commencement date of the corresponding Class B-1 time vesting units (20% per year), subject to the grantee's continued services through each vesting date. Upon the occurrence of a change in control of the Company, all then outstanding unvested shares of our common stock distributed in respect of Class B-1 Units will become vested as of the date of consummation of such change in control, subject to the grantee's continued services through the consummation of the change in control.

Restricted stock distributed in respect of pre-IPO Class B-2 Units (which were considered performance vesting units) are scheduled to vest only upon satisfaction of certain thresholds. These units generally vest as of the first date on which (i) our Sponsors have received actual cash proceeds in an amount equal to or in excess of at least two and one-half times their invested capital in Topco Parent and (ii) the Sponsors' internal rate of return exceeds twenty percent, subject to such grantee's continued services through such date. Included in share-based compensation expense for the year ended December 31, 2020 was \$4.9 million attributed to these awards as related performance conditions are considered probable of achievement and the implied service condition was met. In the event of a change in control of the Company, any outstanding shares of our common stock distributed in respect of Class B-2 Units that remain unvested immediately following the consummation of such a change in control of the Company shall be immediately canceled and forfeited without compensation.

Pre-IPO Class C Units were issued in June 2016, they were considered performance and time vesting units, and were accounted for as liability awards. In the third quarter of 2019, all pre-IPO Class C Units vested and \$10.0 million of share-based compensation expense was recognized and paid in cash accordance with the terms for redemption.

We recognized \$9.7 million of share-based compensation expense (\$4.9 million related to pre-IPO Class B-2 Units and \$4.8 million related to pre-IPO Class B-1 Units) and \$16.9 million (\$10.0 million related to pre-IPO Class C Units and \$6.9 million related to pre-IPO Class B-1 Units) for the years ended December 31, 2020 and 2019, respectively.

The assumptions used to calculate the fair value of the pre-IPO awards were as follows:

	2020	2019
Risk-free interest rate	1.6 %	2.7 %
Expected volatility	50 %	49 %
Expected dividends	None	None
Expected time until exercise (years)	0.6	1.5

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A summary of the activity for the years ended December 31, 2020 and 2019 related to the restricted stock distributed to the Company service providers in respect of the pre-IPO awards (Class B-1, B-2 and C Units) is presented below:

	Restricted Stock - Pre-IPO B-1	Restricted Stock - Pre-IPO B-2	Pre-IPO C Units
At January 1, 2019	32,184,134	16,501,827	4
Granted	3,387,500	987,500	—
Forfeited	(4,028,843)	(2,478,071)	—
Vested	(17,092,528)	—	(4)
At December 31, 2019	14,450,263	15,011,256	—
Granted	11,450,000	—	—
Forfeited	(84,390)	(407,381)	—
Vested	(11,049,597)	—	—
At IPO November 20, 2020	14,766,276	14,603,875	—
Converted at IPO ⁽¹⁾	2,309,348	3,497,138	—
Forfeited	—	(1,173,805)	—
Vested	(108,109)	—	—
At December 31, 2020	2,201,239	2,323,333	—

⁽¹⁾ Holders of pre-IPO awards received a distribution of shares of the Company as further described in Note 15, “Stockholders' Equity (Deficit)”. Thus, the pre-IPO B-1 Units represented 2,309,348 shares of the Company at IPO and the B-2 Units represented 3,497,138 shares of the Company at IPO.

The following table provides a summary of the weighted average unit grant date fair value, weighted average remaining contractual term, total compensation cost and unrecognized compensation cost for the pre-IPO awards:

December 31, 2020 <i>(dollars in millions, except per award values)</i>	Restricted Stock - Pre-IPO B-1	Restricted Stock - Pre-IPO B-2	All Awards
Weighted average grant date fair value per unit of unvested units ^(a)	\$ 0.66	\$ 0.34	\$ 0.57
Weighted average remaining contractual term	2.7 years	N/A	N/A
Total compensation cost recognized during 2020	\$ 4.8	\$ 4.9	\$ 9.7
Unrecognized compensation expense at December 31, 2020	\$ 9.3	\$ —	\$ 9.3

(a) Due to the in-kind distribution of shares of our common stock in connection with our IPO described above, the weighted average grant date fair value per unit is not comparable to the IPO share price.

N/A – not applicable

2020 Omnibus Incentive Plan

We maintain a long-term incentive plan (the “2020 Omnibus Incentive Plan” or the “2020 Plan”) that allows for grants of incentive stock options to employees (including employees of any of our subsidiaries), nonstatutory stock options, restricted stock awards (“RSAs”), restricted stock units (“RSUs”) and other cash-based, equity-based or equity-related awards to employees, directors, and consultants, including employees or consultants of our subsidiaries. The maximum number of shares of our common stock that may be issued under the 2020 Plan is 27.9 million. At December 31, 2020, 24.7 million shares are available for future issuance. The Company plans to issue newly issued shares or shares from treasury to satisfy requirements of awards paid with shares.

We recognized \$1.2 million (\$0.5 million for stock options and \$0.7 million for RSUs) of share-based compensation expense for these awards in our Consolidated Statements of Operations and Comprehensive Income (Loss), in “Selling, general and administrative expenses,” at grant date fair value over the requisite service period (typically four years on a straight-line basis) for the year ending December 31, 2020.

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Stock Options

We use a Black-Scholes option pricing model to estimate the fair value of stock options. Since we are a newly public company, the expected volatility is based on the volatility of similar publicly traded businesses within the same or similar industry as the Company and we used the simplified method to estimate the expected term. The risk-free rate is based on the U.S. Treasury yield in effect at the time of the grant.

Weighted-average grant-date fair values of stock options and the assumptions used in estimating the fair values are as follows:

For the year ended December 31,	2020	
Weighted average grant date fair value per share	\$	8.54
Expected term (years)		6.3 years
Risk-free interest rate		0.5 %
Expected volatility		37.5 %

Stock options have a four-year vesting period, an exercise price equal to the fair market value of a share of common stock on the date of grant, and a contractual term of 10 years. The following table summarizes our stock option activity:

	Number of Shares	Weighted-average Exercise Price
At December 31, 2019	—	\$ —
Granted	2,389,258	23.00
Forfeited	—	—
Vested	—	—
At December 31, 2020	<u>2,389,258</u>	<u>\$ 23.00</u>

As of December 31, 2020, there were no stock options vested or exercisable. At December 31, 2020, all stock options are expected to vest. The remaining contractual term is 9.9 years and the aggregate intrinsic value of the stock options outstanding is \$10.6 million. The total unrecognized compensation expense related to stock options expected to be recognized over the weighted-average period of approximately 3.9 years is \$19.9 million.

RSUs

RSUs generally vest ratably over a period of one to four years and are valued based on our market price on the date of grant. The following table summarizes our unvested RSUs activity:

	Number of Shares	Weighted-average Grant Date Fair Value
At December 31, 2019	—	\$ —
Granted	771,276	23.00
Forfeited	—	—
Vested	—	—
At December 31, 2020	<u>771,276</u>	<u>\$ 23.00</u>

As of December 31, 2020, total unrecognized compensation expense related to RSUs expected to be recognized over the weighted-average period of approximately 3.7 years is \$17.0 million.

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17. Earnings (Loss) Per Share

Basic loss per share represents the amount of loss attributable to each common share outstanding. Diluted loss per share represents the amount of loss attributable to each common share outstanding adjusted for the effects of potentially dilutive common shares. Potentially dilutive common shares include stock options and other stock-based awards. In the periods where the effect would be antidilutive, potentially dilutive common shares are excluded from the calculation of diluted earnings per share.

On November 18, 2020, the Company effected a forward stock split to reclassify all 3,000 shares of its common stock outstanding as 232,400,200 shares. The loss per share data for the year ended December 31, 2019 is presented below giving effect to the stock split.

Our basic and diluted earnings per Common Share are calculated as follows:

	Year Ended	
	December 31, 2020	December 31, 2019
<i>in thousands of U.S. dollars and share amounts (except per share amounts)</i>		
Earnings (Loss):		
Net loss	\$ (37,491)	\$ (20,425)
Less: Net income attributable to noncontrolling interests	1,126	425
Net loss attributable to Sotera Health Company common stockholders	<u>\$ (38,617)</u>	<u>\$ (20,850)</u>
Weighted Average Common Shares:		
Weighted-average common shares outstanding (basic and diluted) ^(a)	<u>237,696</u>	<u>232,400</u>
Earnings (loss) per Common Share:		
Net loss attributable to Sotera Health Company common stockholders (basic and diluted)	<u>\$ (0.16)</u>	<u>\$ (0.09)</u>

- (a) As the Company reported a net loss for the years ended December 31, 2020 and 2019, the calculation of diluted weighted average common shares outstanding is not applicable because the effect of including the potential common shares would be antidilutive. Due to our net loss for the year ended December 31, 2020, the calculation of diluted weighted average common shares outstanding excluded 2,201,239 equivalent shares related to pre-IPO time vesting awards and 771,276 restricted stock units issued in connection with the 2020 Omnibus Incentive Plan. As the assumed proceeds exceeded the difference between the market price and the exercise price, an additional 2,389,258 equivalent shares related to stock options issued in connection with the 2020 Omnibus Incentive Plan were excluded from the calculation of diluted weighted average common shares outstanding. Additionally, 2,323,333 equivalent shares related to pre-IPO performance vesting awards were excluded from diluted weighted average common shares outstanding as the performance vesting thresholds were not satisfied as of the year ended December 31, 2020. For the year ended December 31, 2019, there were no potentially dilutive common shares outstanding.

18. Leases

We lease certain facilities and equipment under various non-cancelable operating leases that expire through October 2034. Most of our real property leases provide for renewal periods and rent escalations and stipulate that we pay taxes, maintenance, and certain other operating expenses applicable to the leased premises. We made an accounting policy election whereby leases with an initial term of 12 months or less are recognized as lease expense on a straight-line basis over the lease term and not recorded on the consolidated balance sheet.

We determine if an agreement contains a lease and classify our leases as operating or finance at the lease commencement date. Finance leases are those in which we will pay substantially all the underlying asset's fair value or will use the asset for all or a major part of its economic life, including circumstances in which we will ultimately own the asset. Lease assets arising from finance leases are included in "Property, plant and equipment, net" and the liabilities are included in "Finance lease obligations" on the consolidated balance sheets. For finance leases, we recognize interest expense using the effective interest method and we recognize amortization expense on the lease asset over the shorter of the lease term or the useful life of asset. Finance leases are accounted for as if the assets were owned and financed, with associated expense recognized in "Interest expense, net" and "Cost of revenues" or "Selling, general and administrative expenses" within the Consolidated Statements of Operations and Comprehensive Income (Loss) depending on the nature of the underlying asset.

Operating lease assets and liabilities are recognized at the commencement date of the lease based on the present value of lease payments over the lease term. Lease assets represent the right to use an underlying asset for the lease term and lease liabilities

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represent the obligation to make lease payments arising from the lease. As most leases do not provide an implicit interest rate, we estimate an incremental borrowing rate to determine the present value of lease payments. Our estimated incremental borrowing rate reflects a secured rate based on recent debt issuances, our estimated credit rating, and lease term.

We recognize operating lease costs on a straight-line basis over the term of the lease in “Cost of revenues” or “Selling, general and administrative expenses” on the Consolidated Statements of Operations and Comprehensive Income (Loss) depending on the nature of the underlying asset. Non-lease components are accounted for separately from the lease components for all asset classes.

The components of lease expense were as follows:

<i>(thousands of U.S. dollars)</i>	Year Ended December 31, 2020
Operating lease costs ⁽¹⁾	\$ 14,403
Finance lease costs:	
Amortization of right of use assets	2,617
Interest on lease liabilities	1,967
Total finance lease costs	4,584
Total lease costs	\$ 18,987

(1) Includes \$1.0 million of short-term lease costs in the year ended December 31, 2020.

Lease terms and discount rates were as follows:

	Year Ended December 31, 2020
Weighted average remaining lease term:	
Operating leases	6.5 years
Finance leases	16.0 years
Weighted average discount rate:	
Operating leases	6.10 %
Finance leases	6.05 %

Supplemental cash flow information related to leases was as follows:

<i>(thousands of U.S. dollars)</i>	Year Ended December 31, 2020
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows for operating leases	\$ 12,732
Operating cash flow for finance leases	2,118
Finance cash flows for finance leases	1,498

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Maturities of lease liabilities as of December 31, 2020 are as follows:

<i>(thousands of U.S. dollars)</i>	Operating Leases	Finance Leases	Total
2021	\$ 12,127	\$ 3,524	\$ 15,651
2022	10,966	3,377	14,343
2023	8,921	3,400	12,321
2024	6,241	3,459	9,700
2025	4,464	3,511	7,975
2026 and Thereafter	16,733	39,921	56,654
Total lease payments	59,452	57,192	116,644
Less imputed interest	(11,128)	(21,080)	(32,208)
Total lease liabilities	<u>\$ 48,324</u>	<u>\$ 36,112</u>	<u>\$ 84,436</u>

19. Asset Retirement Obligations (“ARO”)

Our ARO represent the present value of future remediation costs and an increase in the carrying amounts of the related assets in property, plant and equipment in the consolidated balance sheets. The capitalized future site remediation costs are depreciated and the ARO are accreted over the life of the related assets which is included in depreciation and amortization expense, respectively.

The fair value of the ARO is determined based on estimates requiring management judgment. The key assumptions include the timing and estimated decommissioning costs of the remediation activities and credit adjusted risk free interest rates. Changes in the assumptions based on future information may result in adjustments to the estimated obligations over time. No market risk premium has been included in the calculation for the ARO since no reliable estimate can be made by the Company. Any difference between costs incurred upon settlement of an ARO and the liability recognized for the estimated cost of asset retirements will be recognized as a gain or loss in our current period operating results.

Each year, we review decommissioning costs and consider changes in marketplace rates. The following table describes changes to our ARO liability during the years presented:

<i>(thousands of U.S. dollars)</i>	2020	2019
For the Year Ended		
ARO – beginning of period	\$ 45,196	\$ 40,543
Liabilities settled	(2,200)	—
Changes in estimates	620	1,640
Accretion expense	1,997	2,051
Foreign currency exchange and other	20	962
ARO – end of period	<u>45,633</u>	<u>45,196</u>
Less current portion of ARO	<u>620</u>	<u>2,200</u>
Noncurrent ARO – end of period	<u>\$ 45,013</u>	<u>\$ 42,996</u>

We recorded depreciation expense on the ARO of \$0.2 million and \$0.3 million, for the years ended December 31, 2020 and 2019, respectively.

We are obligated to provide financial assurance to local and state licensing authorities for possible future decommissioning costs associated with the various facilities that hold Co-60. At December 31, 2020 and 2019, \$49.5 million and \$49.3 million, respectively, of the standby letters of credit referenced above and surety bonds were outstanding in favor of the various local and state licensing authorities in the event we defaulted on our decommissioning obligation.

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20. Commitments and Contingencies

Leases

We lease certain facilities and equipment under various operating leases that expire through October 2034. The aggregate future minimum lease payments as of December 31, 2020 are described in Note 18, "Leases".

We depend on a limited number of suppliers for certain of our supply and direct material costs. This includes obligations under various supply agreements in our Nordion segment for Co-60 that are enforceable and legally binding on us. As of December 31, 2020, we had minimum purchase commitments primarily with domestic and international suppliers of raw materials for the Nordion business totaling \$1,669.6 million. The terms of these long-term supply or service arrangements range from 1 to 45 years. In addition, our Sterigenics segment has obligations to purchase ethylene oxide ("EO") gas. Our contract to purchase EO gas in the U.S. requires us to purchase all of our requirements from one supplier, and our contracts to purchase EO gas outside the U.S. generally require that we purchase a specified percentage of our requirements for our operations in the countries covered by those contracts. Although our EO gas contracts generally do not contain fixed minimum purchase volumes, we estimate the amounts based on the percentage of our requirements specified in the contracts and our budgeted purchase volumes for future periods covered under the contracts to be \$124.9 million as of December 31, 2020. Such volumes are expected to be utilized in the normal course of our business and are not recognized on the consolidated balance sheets as a liability.

From time to time, we may be subject to various lawsuits and other claims in the ordinary course of our business. In addition, from time to time, we receive communications from government or regulatory agencies concerning investigations or allegations of noncompliance with laws or regulations in jurisdictions in which we operate.

We establish reserves for specific liabilities in connection with regulatory and legal actions that we determine to be probable and reasonably estimable. No material amounts have been accrued in our consolidated financial statements with respect to any loss contingencies. In certain of the matters described below, we are not able to make a reasonable estimate of any liability because of the uncertainties related to the outcome and/or the amount or range of loss. While it is not possible to determine the ultimate disposition of each of these matters, we do not expect that the ultimate resolution of pending regulatory and legal matters in future periods, including the matters described below, will have a material effect on our financial condition or results of operations. Despite the above, the Company may incur material defense and settlement costs, diversion of management resources and other adverse effects on our business, financial condition, or results of operations.

FM Global Business Interruption Claim (NRU Outage)

Nordion, due to the shutdown of AECL's NRU reactor in 2009, suffered a cessation of supply of radioisotopes and business interruption loss. Nordion, by Statement of Claim dated October 22, 2010, issued in Ontario Superior Court an action against the insurer, Factory Mutual Insurance Company (FM Global), claiming \$25.0 million USD in losses resulting from the shutdown of AECL's reactor and its inability to supply radioisotopes through the specified period of approximately 15 months. FM Global objected to Nordion's claim.

Trial commenced in March 2019 and was completed in September 2019. On March 30, 2020, Nordion received a favorable judgment in the amount of \$25.0 million USD, plus pre-judgment interest, for a total judgment value of \$39.8 million USD, or \$56.4 million CAD based on exchange rates approved by the trial court. In addition, costs and disbursements have been assessed and awarded by the trial court in favor of Nordion in the approximate amount of \$1.1 million CAD (\$0.8 million USD) and \$161,863 CAD (\$0.1 million USD), respectively. On April 27, 2020, FM Global appealed the judgment. In January 2021, The Insurance Bureau of Canada was granted leave to intervene in the appeal. Hearing before the Court of Appeal is scheduled for April 15, 2021. Pending a favorable judgment in the appellate court, any final proceeds would be subject to post judgment interest, a contingent fee owed to legal counsel and applicable taxes. As the judgment is considered a contingent gain, any favorable outcome will be recognized in a future period when all appeals are exhausted. It is anticipated that the overall appeal process could take a year or more to complete.

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Willowbrook, Illinois – Government Litigation

On October 30, 2018, the Illinois Attorney General and the State’s Attorney of DuPage County, Illinois, sued Sterigenics U.S., LLC (the “IAG Action”), alleging that authorized EO air emissions from a commercial sterilization facility Sterigenics formerly operated in Willowbrook, Illinois “cause, threaten, or allow air pollution” in violation of the Illinois Environmental Protection Act. The IAG Action did not assert that Sterigenics violated its permit from the Illinois Environmental Protection Agency (“IEPA”) authorizing Sterigenics’ release of regulated levels of EO at the Willowbrook facility.

On February 15, 2019, the acting IEPA director, John Kim, issued a “Seal Order” effectively precluding Sterigenics’ operations at the Willowbrook facility based on many of the same allegations asserted in the IAG Action. Sterigenics disputed those allegations and opposed the IEPA’s Seal Order. The Seal Order was resolved by a Consent Order entered on September 6, 2019. The Consent Order provided that Sterigenics did not admit the allegations of the IAG Action, provided for the removal of the Seal Order and allowed the Willowbrook facility to reopen upon implementation of supplemental emissions control measures consistent with a new law that became effective in Illinois in June 2019 and an IEPA permit, which the IEPA approved in September 2019. Following entry of the Consent Order, the Seal Order was withdrawn.

On September 30, 2019, Sterigenics announced the closure of the Willowbrook facility due to the inability to reach an agreement with its landlord to renew the facility’s lease and the unstable legislative and regulatory landscape in Illinois. Sterigenics is in the process of decommissioning the facility and completing the work required by the terms of its lease to return the property to the landlord.

On October 20, 2020 Sterigenics, the Illinois Attorney General and the State’s Attorney of DuPage County filed a Joint Motion to Terminate Consent Order, stating that the community projects which Sterigenics voluntarily agreed to fund have been completed and funded as required by the Consent Order, and that Sterigenics has permanently ceased operations and surrendered all permits for its operations in Willowbrook, Illinois. On October 27, 2020 the DuPage County Circuit Court entered the Agreed Order Terminating Consent Order.

Ethylene Oxide Tort Litigation - Illinois

Since September 2018, tort lawsuits on behalf of approximately 835 personal injury plaintiffs (which are further described in the following paragraphs) have been filed in Illinois state courts against Sotera Health LLC, Sterigenics U.S., LLC, GTCR, LLC and other parties related to Sterigenics’ Willowbrook, Illinois operations. Specifically, those plaintiffs allege that they suffered personal injuries including cancer and other diseases, or wrongful death, resulting from purported emissions and releases of EO from the Willowbrook facility. Additional derivative claims are alleged on behalf of other individuals related to these personal injury plaintiffs. Plaintiffs seek damages in an amount to be determined by the trier of fact. Sterigenics denies these allegations and intends to vigorously defend against these claims. Plaintiffs have voluntarily dismissed without prejudice a number of cases since September 2018, including certain individual cases alleging personal injuries and two class actions seeking damages for alleged diminution of property values.

Sterigenics sought consolidation of the cases for pretrial purposes, and in October 2019 obtained an order consolidating the then-pending cases and related cases filed in the future before Judge Lawler in the Cook County Circuit Court, Illinois (the “Consolidated Case”). All plaintiffs in the Consolidated Case filed a single Master Complaint on October 24, 2019 by which Sotera Health LLC was added as a co-defendant, followed by a First Amended Master Complaint on January 31, 2020. On April 28, 2020, the defendants filed motions to dismiss the claims in the First Amended Master Complaint. On August 17, 2020, the Court entered an order largely denying the motions to dismiss, and the same day plaintiffs filed a Second Amended Master Complaint.

Having been granted leave of Court on August 17, 2020 to add as defendants Griffith Foods Group, Inc., Griffith Foods, Inc., Griffith Foods International, Inc. and Griffith Foods Worldwide Inc., plaintiffs filed a Third Amended Master Complaint, adding those defendants, on October 30, 2020. Defendants’ responses to the Third Amended Master Complaint were filed on or about December 1, 2020. Each plaintiff in the Consolidated Case has filed an individual short form complaint, the last of which were filed on February 1, 2021 and defendants’ deadline for response will be 90-days after entry of an order setting the individual case for trial.

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Written and deposition fact discovery is on-going in the Consolidated Case. Currently, there are no dates set for the close of fact discovery, for expert discovery or for dispositive motion practice. Plaintiffs have not yet made any specific damages claims.

A May 3, 2021 trial date has been set for *Kamuda v. Sterigenics*, the first-filed of the individual cases now included in the Consolidated Case, which is the first scheduled trial in these proceedings, but a General Administrative Order by the Presiding Judge of the Law Division, Cook County Circuit Court appears to have postponed that trial date. Four additional cases now included in the Consolidated Case were scheduled for trials starting in June, August, September and November 2021 but it appears that at least the first of those trials will be postponed in light of the General Administrative Order. We anticipate that additional trials will be scheduled after 2021 in roughly the order in which the individual cases were filed.

Additional personal injury and property devaluation lawsuits may be filed in the future against Sotera Health LLC and Sterigenics U.S., LLC relating to Sterigenics' Willowbrook facility or other EO sterilization facilities. Sotera Health LLC and Sterigenics U.S., LLC intend to defend themselves vigorously in all such EO tort litigation.

Ethylene Oxide Tort Litigation – Georgia

On May 19, 2020, a lawsuit against Sotera Health LLC, Sterigenics U.S., LLC and other parties was filed in the State Court of Cobb County, Georgia by 53 employees of a contract sterilization customer of Sterigenics. In the operative complaint, Plaintiffs claim personal injuries resulting from alleged exposure to residual EO while working at the customer's distribution center in Lithia Springs, Georgia, allege they were unaware that they were being exposed to EO in their workplace and seek damages in an amount to be determined by the trier of fact. The deadline for defendants to respond to the operative Second Amended Complaint is March 31, 2021. All defendants are being defended and indemnified by Sterigenics' contract sterilization customer (plaintiffs' employer and a co-defendant in the lawsuit).

In May 2020, the Cobb County, Georgia Board of Tax Assessors reduced certain residential property value assessments around the Sterigenics Atlanta facility by 10% citing an "Epd-identified environmental issue," without supporting market data. On August 14, 2020, Sterigenics U.S., LLC filed a lawsuit against members of the Cobb County Board of Tax Assessors in the U.S. District Court for the Northern District of Georgia, seeking a declaration that the reduction in property value assessments is arbitrary and unlawful and is causing Sterigenics reputational and imminent economic harm. On February 5, 2021 the Court issued an order finding that Sterigenics lacks standing to obtain the relief sought and dismissed the case. Sterigenics has appealed that decision to the 11th Circuit Court of Appeals.

Since August 17, 2020, six lawsuits against Sotera Health LLC, Sterigenics U.S., LLC and other parties have been filed by plaintiffs in the State Court of Cobb County, Georgia and the State Court of Gwinnett County, Georgia in which plaintiffs allege that they suffered personal injuries and loss of consortium resulting from emissions and releases of EO from Sterigenics' Atlanta facility. We are also defendants in lawsuits alleging that our Atlanta facility has devalued and harmed plaintiffs' use of real properties they own in Smyrna, Georgia and caused other damages. Plaintiffs in these cases seek various forms of relief including damages in amounts to be determined by the trier of fact. Sotera Health LLC filed motions to dismiss in all cases on personal jurisdiction grounds. Those motions remain pending. Sterigenics U.S., LLC and Sotera Health LLC filed a motion to dismiss the strict liability claim in each case. That motion was denied in one case pending in the State Court of Gwinnett County and the other motions remain pending.

Additional personal injury and property devaluation lawsuits may be filed in the future against Sotera Health LLC and Sterigenics U.S., LLC relating to Sterigenics' Atlanta facility or other EO sterilization facilities. Sotera Health LLC and Sterigenics U.S., LLC intend to defend themselves vigorously in all such EO tort litigation.

Suspension of Georgia Facility Operations & Related Litigation

On August 7, 2019, Sterigenics U.S., LLC entered into a voluntary Consent Order with the Georgia Environmental Protection Division ("EPD") under which Sterigenics agreed to install emissions reduction enhancements at its Atlanta facility to further reduce the facility's EO emissions below already permitted levels. Sterigenics voluntarily suspended operations at the facility in early September 2019 to expedite completion of the enhancements. Installation of these enhancements is complete, and

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Sterigenics successfully tested the enhanced emissions controls in cooperation with EPD during the second quarter of 2020 while the facility was in operation.

In October 2019, while Sterigenics had voluntarily suspended the facility's operations, Cobb County, Georgia officials asserted that the facility had an incorrect "certificate of occupancy" and could not resume operations without obtaining a new certificate of occupancy after a third-party code compliance review they required.

After the Cobb County officials would not allow Sterigenics to resume operations, on March 30, 2020, Sterigenics U.S., LLC filed a lawsuit in the United States District Court for the Northern District of Georgia against Cobb County, Georgia and Cobb County officials Nicholas Dawe and Kevin Gobble. In the lawsuit, Sterigenics sought immediate injunctive relief and permanent declaratory relief to resume normal operations of the Atlanta facility in the interest of public health and on the basis that the positions asserted by Cobb County were unfounded. On April 1, 2020 the Court entered a Temporary Restraining Order prohibiting Cobb County officials from precluding or interfering with the facility's normal operations. On April 8, 2020, the Court entered a Consent Order extending the Temporary Restraining Order and allowing the facility to continue normal operations until entry of a final judgment in the case. On June 24, 2020 Sterigenics filed an amended complaint, and on July 22, 2020 defendants filed a motion to dismiss the claims. On November 9, 2020, the Court held a hearing and denied the motion to dismiss. Fact discovery is on-going. The court has entered a case management schedule including an April 23, 2021 date for the close of fact discovery, June 11, 2021 date for the close of expert discovery, and an August 27, 2021 date for the close of summary judgment briefing. A settlement conference is scheduled on June 25, 2021.

Ethylene Oxide Litigation – New Mexico

On December 22, 2020 the New Mexico Attorney General filed a lawsuit in the Third Judicial District Court, Doña Ana County, New Mexico against the Company, Sterigenics U.S., LLC and other subsidiaries alleging that emissions of EO from Sterigenics U.S., LLC's sterilization facility in Santa Teresa, New Mexico constitute a public nuisance and have deteriorated the air quality in Santa Teresa and surrounding communities and materially contributed to increased health risks suffered by residents of those communities. The Complaint asserts claims for public nuisance, negligence, strict liability, violations of New Mexico's Public Nuisance Statute and Unfair Practices Act and a request for a temporary restraining order and preliminary injunctive relief. On December 28, 2020 Sterigenics U.S., LLC removed the case to the United States District Court for the District of New Mexico. Plaintiff's December 30, 2020 motion to remand the case to state court is fully briefed and awaiting ruling.

An unsigned Emergency Motion for Temporary Restraining Order and Injunctive Relief was also filed in state court on December 22, 2020 ("Emergency Motion"), which has been opposed by Sterigenics U.S., LLC. The Emergency Motion does not demand facility closure but seeks an order requiring Defendants to cease any and all uncontrolled emissions or releases of EO from the Santa Teresa facility, including by making certain modifications to sterilization processes at the facility.

Additional personal injury and property devaluation lawsuits may be filed in the future against the Company, Sterigenics U.S., LLC or other subsidiaries relating to Sterigenics' Santa Teresa facility or other EO sterilization facilities. The Company, Sterigenics U.S., LLC and other subsidiaries intend to defend themselves vigorously in all such EO tort litigation.

* * *

We carry insurance for alleged environmental liabilities (including personal injury litigation like that pending in Illinois and Georgia described above), with limits of \$10.0 million per occurrence and \$20.0 million in the aggregate. The per occurrence limit related to the Willowbrook government and EO tort litigation was fully utilized by June 30, 2020. We have not provided for a contingency reserve in connection with these claims.

While we intend to vigorously defend the Illinois, Georgia and New Mexico proceedings described above and any other claims relating to our EO sterilization facilities, we are not able to predict the outcome of any litigation and there can be no assurance that we will be successful. We are unable to predict the incidence or outcome of such litigation or to reasonably estimate the possible range of any losses that could be incurred. An adverse outcome in one or more of these proceedings could have a material adverse effect on our business, financial condition and results of operations.

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21. Financial Instruments and Financial Risk

Derivative Instruments

We do not use derivatives for trading or speculative purposes and are not a party to leveraged derivatives.

Derivatives Designated in Hedge Relationships

During the third quarter of 2019, we entered into two interest rate swap agreements to hedge our exposure to interest rate movements and to manage interest expense related to our outstanding variable-rate debt. The notional amount of the interest rate swap agreements totaled \$1,000.0 million. These swaps were designated as cash flow hedges and were designed to hedge the variability of cash flows attributable to changes in LIBOR, the benchmark interest rate being hedged. We received interest at one-month LIBOR and paid a fixed interest rate under the terms of the swap agreement. The termination date of the swap agreements was August 31, 2020.

Derivatives Not Designated in Hedge Relationships

In October 2017, we entered into two interest rate cap agreements with a total notional amount of \$400 million for a total option premium of \$0.6 million; these agreements terminated on September 30, 2020. The interest rate caps limited the Company's cash flow exposure related to the LIBOR base rate under the variable rate Term Loan borrowings to 3.0%.

In June 2020, SHH entered into two interest rate cap agreements with notional amounts of \$1,000.0 million and \$500.0 million, respectively, for a total option premium of \$0.3 million. These instruments terminate on August 31, 2021 and February 28, 2022, respectively. The interest rate caps limit our cash flow exposure related to the LIBOR base rate under a portion of our variable rate borrowings to 1.0%. In February 2021, we amended the two interest rate cap agreements referenced above to reduce the strike rate from 1.0% to 0.5%, and extend the termination date of the \$1,000.0 million notional cap to September 30, 2021. Premiums paid to amend the interest rate caps were immaterial. We also entered into two additional interest rate cap agreements in February 2021 with a combined notional amount of \$1,000.0 million, for a total option premium of \$0.4 million. These instruments are effective September 30, 2021, and will terminate on December 31, 2022. The amended and new interest rate caps limit our cash flow exposure related to the LIBOR base rate under a portion of our variable rate borrowings to 0.5%.

The interest rate caps were entered into to manage economic risks associated with our variable rate borrowings, but were not designated in hedge relationships. These instruments are recorded at fair value on the consolidated balance sheets, with any changes in the value being recorded in "Interest expense, net" in the consolidated statement of operations and comprehensive income (loss).

The Company also entered into foreign currency forward contracts to manage foreign currency exchange rate risk of our intercompany loans in certain of our European and Canadian subsidiaries. The foreign currency forward contracts expired ratably on a monthly basis. The fair value of the outstanding foreign currency forward contracts was zero as of December 31, 2020 or 2019.

Embedded Derivatives

We have embedded derivatives in certain of our customer and supply contracts as a result of the currency of the contract being different from the functional currency of the parties involved. Changes in the fair value of the embedded derivatives are recognized in "Other income, net" in the Consolidated Statements of Operations and Comprehensive Income (Loss).

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The following table provides a summary of the notional and fair values of our derivative instruments:

<i>(in U.S. Dollars; notional in millions, fair value in thousands)</i>	December 31, 2020			December 31, 2019		
	Notional Amount	Fair Value		Notional Amount	Fair Value	
		Derivative Assets	Derivative Liabilities		Derivative Assets	Derivative Liabilities
Derivatives designated as hedging instruments						
Interest rate swaps	\$ —	\$ —	\$ —	\$ 1,000.0	\$ 242	\$ —
Derivatives not designated as hedging instruments						
Interest rate caps	1,500.0	7	—	400.0	1	—
Embedded derivatives	83.3 ^(a)	—	670	96.0	—	3,478
Total	\$ 1,583.3	\$ 7	\$ 670	\$ 1,496.0	\$ 243	\$ 3,478

(a) Represents the total notional amounts for certain of the Company's supply and sales contracts accounted for as embedded derivatives.

The interest rate caps and embedded derivatives assets are included in "Prepaid expenses and other current assets" on our consolidated balance sheets. Embedded derivative liabilities are included in "Accrued liabilities" on the consolidated balance sheets.

The following tables summarize the activities of our derivative instruments for the periods presented, and the line item in the Consolidated Statements of Operations and Comprehensive Income (Loss):

(thousands of U.S. dollars)

Year Ended December 31,	2020	2019
Unrealized loss on interest rate caps recorded in interest expense, net	\$ 250	\$ 335
Unrealized (gain) on embedded derivatives recorded in other income, net	(3,073)	(1,200)
Realized loss on interest rate swap recorded in interest expense, net	5,055	—
Realized loss on foreign currency forward contracts recorded in foreign exchange (gain) loss	2,751	—

In addition, during the year ended December 31, 2020, we recognized \$5.2 million of losses in accumulated other comprehensive income (loss) related to the change in fair value of the interest rate swaps. Additionally, \$5.0 million previously included in accumulated other comprehensive income was reclassified to interest expense, net during the year ended December 31, 2020.

Credit Risk

Certain of our financial assets, including cash and cash equivalents, are exposed to credit risk.

We are also exposed, in our normal course of business, to credit risk from our customers. As of December 31, 2020 and 2019, accounts receivable was net of an allowance for uncollectible accounts of \$0.7 million and \$0.8 million, respectively.

Credit risk on financial instruments arises from the potential for counterparties to default on their contractual obligations to us. We are exposed to credit risk in the event of non-performance, but do not anticipate non-performance by any of the counterparties to our financial instruments. We limit our credit risk by dealing with counterparties that are considered to be of high credit quality. In the event of non-performance by counterparties, the carrying value of our financial instruments represents the maximum amount of loss that would be incurred.

Fair Value Hierarchy

The fair value of our financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The valuation techniques we would use to determine such fair values are described as follows: Level 1—fair values determined by inputs utilizing quoted prices in active markets for

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identical assets or liabilities; Level 2—fair values based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable; Level 3—fair values determined by unobservable inputs reflecting our own assumptions, consistent with reasonably available assumptions made by other market participants.

The following table discloses our financial assets (liabilities) measured at fair value on a recurring basis:

As of December 31, 2020 <i>(thousands of U.S. dollars)</i>	Carrying Amount	Fair Value		
		Level 1	Level 2	Level 3
Derivatives not designated as hedging instruments^(a)				
Interest rate caps	\$ 7	\$ —	\$ 7	\$ —
Embedded derivative liabilities	(670)	—	(670)	—
Long-Term Debt^(c)				
Term loan, due 2026	1,728,018	—	1,772,180	—
Senior notes, due 2026	96,329	—	99,863	—
Other long-term debt	442	—	442	—
Finance Lease Obligations (with current portion) ^(d)	36,112	—	36,112	—

As of December 31, 2019 <i>(thousands of U.S. dollars)</i>	Carrying Amount	Fair Value		
		Level 1	Level 2	Level 3
Derivatives designated as hedging instruments^(b)				
Interest rate swaps	\$ 242	\$ —	\$ 242	\$ —
Derivatives not designated as hedging instruments^(a)				
Interest rate caps	1	—	1	—
Embedded derivative liabilities	—	—	(3,478)	—
Long-Term Debt^(c)				
Term loan, due 2026	2,055,426	—	2,130,600	—
Senior notes, due 2027	745,007	—	770,000	—
Other long-term debt	440	—	440	—
Finance Lease Obligations (with current portion) ^(d)	31,171	—	31,171	—

- (a) Derivatives that are not designated as hedging instruments are measured at fair value with gains or losses recognized immediately in earnings in the Consolidated Statements of Operations and Comprehensive Income (Loss). Refer also to Note 1, “Significant Accounting Policies”. Interest rate caps are valued using pricing models that incorporate observable market inputs including interest rate and yield curves. Embedded derivatives are valued using internally developed models that rely on observable market inputs including foreign currency forward curves.
- (b) Derivatives designated as hedging instruments are measured at fair value with changes in fair value recorded as a component of accumulated other comprehensive income (loss). Additional information is provided in Note 1, “Significant Accounting Policies”. Interest swaps are valued using pricing models that incorporate observable market inputs including interest rate curves and yield curves.
- (c) Carrying amounts of long-term debt instruments are reported net of discounts and debt issuance costs. The estimated fair value of these instruments is based on information provided by the agent under the Company’s senior secured credit facility. Fair value approximates carrying value for “Other long-term debt.”
- (d) Refer to Note 2, “Recent Accounting Standards”. Fair value approximates carrying value.

22. Segment and Geographic Information

We identify our operating segments based on the way we manage, evaluate and internally report our business activities for purposes of allocating resources and assessing performance. We have three reportable segments: Sterigenics, Nordion and Nelson Labs. We have determined our reportable segments based upon an assessment of organizational structure, service types,

Sotera Health Company
Notes to Consolidated Financial Statements

and internally prepared financial statements. Our chief operating decision maker evaluates performance and allocates resources based on net revenues and segment income after the elimination of intercompany activities. The accounting policies of our reportable segments are the same as those described in Note 1, "Significant Accounting Policies".

Sterigenics

The Sterigenics segment provides outsourced terminal sterilization and irradiation services for the medical device, pharmaceutical, food safety and advanced applications markets.

Nordion

Nordion is a global provider of Co-60 and gamma irradiators, which are key components to the gamma sterilization process.

Nelson Labs

Nelson Labs provides outsourced microbiological and analytical chemistry testing and advisory services for the medical device and biopharmaceutical industries.

For the year ended December 31, 2020, three customers reported within the Nordion segment individually represented 10% or more of the segment's total net revenues. These customers represented 15.4%, 13.8%, and 13.3% of the total segment's external net revenues for the year ended December 31, 2020.

(thousands of U.S. dollars)

	Year Ended December 31, 2020			
	Sterigenics	Nordion	Nelson Labs	Consolidated
Net revenues^(a)	\$ 498,773	\$ 114,745	\$ 204,640	\$ 818,158
Segment income^(b)	266,639	66,803	86,417	419,859
Capital expenditures	42,164	4,655	6,688	53,507

	Year Ended December 31, 2019			
	Sterigenics	Nordion	Nelson Labs	Consolidated
Net revenues^(a)	\$ 471,708	\$ 116,165	\$ 190,454	\$ 778,327
Segment income^(b)	244,904	62,196	72,832	379,932
Capital expenditures	51,123	2,034	4,100	57,257

- (a) Revenues are reported net of intersegment sales. Our Nordion segment recognized \$38.6 million and \$40.9 million in revenues from sales to our Sterigenics segment for the year ended December 31, 2020 and 2019, respectively, that is not reflected in net revenues in the table above. Intersegment sales for Sterigenics and Nelson Labs are immaterial for both periods.
- (b) Segment income is only provided on a net basis to the chief operating decision maker and is reported net of intersegment profits.

Corporate operating expenses for executive management, accounting, information technology, legal, human resources, treasury, corporate development, tax, purchasing, and marketing are allocated to the segments based on total revenue.

Total assets and depreciation and amortization expense by segment are not readily available and are not reported separately to the chief operating decision maker.

Sotera Health Company
Notes to Consolidated Financial Statements

A reconciliation of segment income to consolidated income (loss) before taxes is as follows:

(thousands of U.S. dollars)

Year Ended December 31,	2020	2019
Segment income	\$ 419,859	\$ 379,932
Less adjustments:		
Interest expense, net	215,259	157,729
Depreciation and amortization ^(a)	143,564	146,719
Impairment of long-lived assets and intangible assets ^(b)	—	5,792
Share-based compensation ^(c)	10,987	16,882
Capital restructuring bonuses ^(d)	2,702	2,040
(Gain) loss on foreign currency and embedded derivatives ^(e)	(8,454)	2,662
Acquisition and divestiture related charges, net ^(f)	3,932	(318)
Business optimization project expenses ^(g)	2,524	4,195
Plant closure expenses ^(h)	2,649	1,712
Loss on extinguishment of debt ⁽ⁱ⁾	44,262	30,168
Professional services relating to EO sterilization facilities ^(j)	36,671	11,216
Accretion of asset retirement obligation ^(k)	1,946	2,051
COVID-19 expenses ^(l)	2,677	—
Consolidated income (loss) before taxes	\$ (38,860)	\$ (916)

- (a) Includes depreciation of Co-60 held at gamma irradiation sites.
- (b) Represents impairment charges related to the decision to not reopen the Willowbrook, Illinois facility in September 2019.
- (c) Includes non-cash share-based compensation expense. 2019 also includes \$10.0 million of one-time cash share-based compensation expense related to the pre-IPO Class C Units, which vested in the third quarter of 2019. See Note 16, “Share-Based Compensation” for further information.
- (d) Represents cash bonuses for members of management relating to the November 2020 IPO and the December 2019 refinancing.
- (e) Represents the effects of (i) fluctuations in foreign currency exchange rates, primarily related to remeasurement of intercompany loans denominated in currencies other than subsidiaries’ functional currencies, and (ii) non-cash mark-to-fair value of embedded derivatives relating to certain customer and supply contracts at Nordion.
- (f) Represents (i) certain direct and incremental costs related to the acquisitions of Gibraltar Laboratories, Inc. (“Nelson Fairfield”) in 2018 and Iotron Industries Canada, Inc. in July 2020, and certain related integration efforts as a result of those acquisitions, (ii) the earnings impact of fair value adjustments (excluding those recognized within amortization expense) resulting from the businesses acquired, and (iii) transition services income and non-cash deferred lease income associated with the terms of the divestiture of the Medical Isotopes business in 2018.
- (g) Represents professional fees, contract termination and exit costs, severance and other payroll costs, and other costs associated with business optimization and cost savings projects relating to the integration of Nelson Labs, the Sotera Health rebranding, operating structure realignment and other process enhancement projects.
- (h) Represents professional fees, severance and other payroll costs, and other costs including ongoing lease and utility expenses associated with the closure of the Willowbrook, Illinois facility.
- (i) Represents expenses incurred in connection with the refinancing of our debt capital structure in December 2019 and paydown of debt following the November 2020 IPO, including accelerated amortization of prior debt issuance and discount costs, premiums paid in connection with early extinguishment and debt issuance and discount costs incurred for the new debt.
- (j) Represents professional fees related to litigation associated with our EO sterilization facilities and other related professional fees. See Note 20, “Commitments and Contingencies”.
- (k) Represents non-cash accretion of asset retirement obligations related to Co-60 and gamma processing facilities, which are based on estimated site remediation costs for any future decommissioning of these facilities (without regard for whether the decommissioning services would be performed by employees of Nordion, instead of by a third party) and are accreted over the life of the asset.

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Notes to Consolidated Financial Statements

- (l) Represents non-recurring costs associated with the COVID-19 pandemic, including donations to related charitable causes and special bonuses for front-line personnel working on-site during lockdown periods.

Geographic Information

Net revenues for geographic area are reported by the country's origin of the revenues.

(thousands of U.S. dollars)

Year Ended December 31,	2020	2019
United States	\$ 490,498	\$ 473,958
Canada	135,938	130,469
Europe	135,720	122,606
Other	56,002	51,294
Total	\$ 818,158	\$ 778,327

The 'Other' category above is primarily comprised of net revenues from Asian and Latin American countries that each represent 2% or less of our total net revenues.

Long-lived assets are based on physical locations and are comprised of the net book value of property, plant, and equipment.

(thousands of U.S. dollars)

As of December 31,	2020	2019
United States	\$ 305,137	\$ 305,090
Europe	141,668	121,771
Canada	97,996	86,163
Other	65,013	68,930
Total	\$ 609,814	\$ 581,954

The 'Other' category above is primarily comprised of long-lived assets in Asian and Latin American countries that each represent 5% or less of our total long-lived assets.

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 Schedule II – Valuation and Qualifying Accounts
 (in thousands)

<u>Description</u>	<u>Balance at Beginning of Period</u>	<u>Charges (credits) to costs and expense</u>	<u>Deductions⁽¹⁾</u>	<u>Translation Adjustments⁽²⁾</u>	<u>Balance at End of Period</u>
Year Ended December 31, 2020					
Deducted from asset accounts:					
Allowance for uncollectible accounts receivable	\$ 787	\$ 270	\$ (389)	\$ 40	\$ 708
Deferred tax asset valuation allowance	22,962	30,667	(10,881)	1,017	43,765
Year Ended December 31, 2019					
Deducted from asset accounts:					
Allowance for uncollectible accounts receivable	\$ 928	\$ 482	\$ (591)	\$ (32)	\$ 787
Deferred tax asset valuation allowance	16,678	6,318	—	(34)	22,962

(1) *Uncollectible accounts written off, net of recoveries*

(2) *Change in foreign currency exchange rates*

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's "disclosure controls and procedures", (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (Exchange Act)). Based upon their evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this Annual Report on Form 10-K, our disclosure controls and procedures are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission (SEC), and that such information is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

This Annual Report on Form 10-K does not include a report of management's assessment regarding internal control over financial reporting or an attestation of our registered public accounting firm due to a transition period established by rules of the SEC for newly public companies.

Changes in Internal Control

During the fourth quarter of 2020, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None.

Part III

Item 10. Directors, Executive Officers and Corporate Governance

Board of Directors

Our business and affairs are managed under the direction of our board of directors. Our board of directors currently consists of nine members. The current members of our board of directors were elected in compliance with the provisions of the Stockholders' Agreement. See Item 13, "Certain Relationships and Related Transactions, and Director Independence —Stockholders' Agreement." In accordance with the terms of our amended and restated certificate of incorporation and amended and restated bylaws, our board of directors is divided into three classes, each of whose members will serve for staggered three year terms.

The following table sets forth the name, age, position and class of each of our directors as of March 9, 2021. The following also includes certain information regarding our directors individual experience, qualifications, attributes and skills, and a brief statement of those aspects of our directors' backgrounds that led us to conclude that they should serve as directors.

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Class and Year in Which Term Will Expire</u>
Constantine S. Mihas	54	Director	Class I – 2021
James C. Neary	56	Director	Class I – 2021
Michael B. Petras, Jr.	53	Chairman and Chief Executive Officer	Class I - 2021
Ruoxi Chen	37	Director	Class II - 2022
David A. Donnini	55	Director	Class II - 2022
Ann R. Klee	59	Director	Class II - 2022
Sean L. Cunningham	45	Director	Class III - 2023
Stephanie M. Geveda	41	Director	Class III - 2023
Vincent K. Petrella	60	Director	Class III - 2023

Constantine S. Mihas has served as a member of our board of directors since October 2020 and was a member of Topco Parent's board of managers from 2015 through November 2020. Mr. Mihas joined GTCR in 2001 and is currently a managing director of the firm. Prior to joining GTCR, Mr. Mihas was chief executive officer and co-founder of Delray Farms, a specialty food retailer. Prior to Delray Farms, he was with McKinsey & Company. Mr. Mihas leads the Healthcare group at GTCR and has been instrumental in building the firm's expertise in life sciences and medical devices. He is currently a director of Maravai LifeSciences and several private companies. Mr. Mihas holds a B.S. with high distinction in finance and economics from the University of Illinois, Chicago and an M.B.A. with distinction from the Harvard Business School. He was selected to serve on our board of directors because of his significant financial and investment experience, wide-ranging experience as a director and deep familiarity with our company.

James C. Neary has served as a member of our board of directors since October 2020 and was a member of Topco Parent's board of managers from 2015 through November 2020. Mr. Neary is a managing director and partner at Warburg Pincus and joined the firm in 2000. Mr. Neary is head of the firm's industrial and business services group and co-head of the firm's healthcare group as well as a member of the investment management group and the executive management group. From 2010 to 2013, he led the firm's late-stage efforts in the technology and business services sectors. From 2004 to 2010, he was co-head of the firm's technology, media, and telecommunications investment efforts. Mr. Neary is the chairman of the board of directors of Endurance International Group Holdings, Inc. and serves on the board of directors of WEX Inc. and several private companies. He holds a B.A. in economics and political science from Tufts University and an M.B.A. from the J.L. Kellogg Graduate School of Management at Northwestern University, where he was the Eugene Lerner Finance Scholar. He was selected to serve on our board of directors because of his extensive knowledge of strategy and business development, wide-ranging experience as a director and deep familiarity with our company.

Michael B. Petras, Jr. has served as our Chief Executive Officer since June 2016 and as the Chairman of our board of directors since October 2020. He also served as the Chairman of Topco Parent's board of managers from January 2019 through November 2020 and as a member of Topco Parent's board of managers from June 2016 through November 2020. Prior to joining Sotera Health, Mr. Petras served as chief executive officer of Post-Acute Solutions at Cardinal Health, Inc., a multinational healthcare services company, from 2015 to 2016 and chief executive officer of Cardinal Health at-Home at Cardinal Health, Inc. from 2013 to 2015. From 2011 to 2013, he was the chief executive officer for AssuraMed Holdings, Inc., a medical products supplier owned by the Clayton, Dubilier & Rice and Goldman Sachs private equity firms, which was sold to

Cardinal Health, Inc. in 2013. From 2008 to 2011, Mr. Petras was president and chief executive officer at GE Lighting, a General Electric Company (“GE”) business unit. During his over 20 year career at GE, he held several management positions in multiple disciplines. Mr. Petras holds a B.S.B.A. in finance from John Carroll University and an M.B.A. in marketing from Case Western Reserve University. He was selected to serve on our board of directors because of his perspective as our Chief Executive Officer as well as his extensive commercial, financial and general management experience across many global industries.

Ruoxi Chen has served as a member of our board of directors since November 2020. Mr. Chen is a principal at Warburg Pincus, focusing on investments in the healthcare sector, and joined the firm in 2011. Prior to joining Warburg Pincus, Mr. Chen worked at the Carlyle Group in the U.S. Buyout Fund and in investment banking at Citigroup. He is currently a board member of several private healthcare companies. He received a B.S. magna cum laude in economics and computer science from Duke University and an M.B.A. from Harvard Business School. He was selected to serve on our board of directors because of his extensive knowledge of strategy and business development in the healthcare sector, his wide-ranging experience as a director and deep familiarity with our company.

David A. Donnini has served as a member of our board of directors since October 2020 and was a member of Topco Parent’s board of managers from 2015 through November 2020. Mr. Donnini joined GTCR in 1991 and is currently a managing director of the firm. Prior to joining GTCR, he worked as an associate consultant at Bain & Company. He leads GTCR’s business services efforts. He is currently a director of several private companies. Mr. Donnini holds a B.A. in economics, summa cum laude, from Yale University and an M.B.A. from Stanford University, where he was an Arjay Miller Scholar and Robichek Finance Award winner. He was selected to serve on our board of directors because of his significant financial and investment experience, wide-ranging experience as a director and deep familiarity with our company.

Ann R. Klee has served as a member of our board of directors since October 2020 and was a member of Topco Parent’s board of managers from May 2020 through November 2020. Ms. Klee served as the executive vice president, Business Development & External Affairs at Suffolk Construction, a construction contracting company, from February 2020 until March 2021. Prior to that, she was the vice president, Environmental Health & Safety at General Electric, a multinational conglomerate, from February 2008 to September 2019, and the vice president, Boston Development & Operations at GE from January 2016 to September 2019. At GE, she was also the president of the GE Foundation from August 2015 to September 2019, where she oversaw the company’s \$140 million annual charitable contributions. She was a partner at Crowell & Moring in Washington, D.C. from 2006 to 2007, where she served as co-chair of the firm’s Environment and Natural Resources Group. Prior to Crowell & Moring, she served as general counsel to the USEPA, as counselor and special assistant to the Secretary of the U.S. Department of the Interior and as chief counsel to the U.S. Senate’s Environment and Public Works Committee. Ms. Klee is currently a director at Wabtec Corporation and is the chair of the EHS subcommittee of the nominating and corporate governance committee of the board of directors. She holds a B.A. in classics from Swarthmore College and a J.D. from the University of Pennsylvania Carey Law School. She was selected to serve on our board of directors because of her extensive experience as an environmental lawyer managing complex litigation, and for her expertise in environmental law, regulation and policy and corporate ESG matters.

Sean L. Cunningham has served as a member of our board of directors since October 2020 and was a member of Topco Parent’s board of managers from 2015 to November 2020. Mr. Cunningham joined GTCR in 2001 and is currently a managing director of the firm. Prior to joining GTCR, he worked as a consultant with The Boston Consulting Group. Mr. Cunningham currently is a director of Maravai LifeSciences and several private companies. He holds A.B. and B.E. degrees in engineering sciences from Dartmouth College and an M.B.A. from the Wharton School at the University of Pennsylvania. He was selected to serve on our board of directors because of his wide range of experience overseeing and assessing the performance of companies in our industry, decades-long investment practice and extensive knowledge of strategy and business development.

Stephanie M. Geveda has served as a member of our board of directors since October 2020 and was a member of Topco Parent’s board of managers from 2015 through November 2020. Ms. Geveda is a managing director and head of Business Services at Warburg Pincus. Ms. Geveda joined Warburg Pincus in 2010 and has worked in the private equity industry for eighteen years. Prior to joining Warburg Pincus, Ms. Geveda worked as an investment professional at Silver Lake Partners, Fox Paine & Company and J.P. Morgan Partners, where she focused on private equity transactions including leveraged buyouts, growth equity and venture investment opportunities across a wide range of industries. She began her career working in Morgan Stanley’s Investment Banking Division where she advised companies focused on mergers, acquisitions and restructuring transactions. She currently serves on the board of directors of several private companies. She holds a B.B.A., summa cum laude, in finance and economics from the University of Notre Dame and an M.B.A. from the Harvard Business School, where she graduated as a George F. Baker Scholar. She was selected to serve on our board of directors because of her extensive knowledge of strategy and business development, wide-ranging experience as a director and deep familiarity with our company.

Vincent K. Petrella has served as a member of our board of directors since November 2020. Mr. Petrella served as the executive vice president, chief financial officer and treasurer at Lincoln Electric Holdings, Inc., a welding, cutting and brazing products manufacturer from 2004 until April 2020. Prior to that role, he served as vice president, corporate controller from 1997 to 2003 and as internal audit manager from 1995 to 1997. Before Lincoln Electric Holdings, Inc., Mr. Petrella was an auditor at PricewaterhouseCoopers. He is currently a board member of Applied Industrial Technologies, Inc. and the Gorman-Rupp Company. Mr. Petrella holds a B.A. in business administration (accounting) from Baldwin Wallace University and is a Certified Public Accountant in Ohio (inactive). He was selected to serve on our board of directors because of his significant global finance, accounting and international business development experience, his expertise with respect to audit committees and his wide-ranging experience as a director.

See Part I, “Information About Our Executive Officers” for information about our executive officers, which is incorporated by reference herein.

Certain Sponsor Rights

Our Stockholders’ Agreement provides that investment funds and entities affiliated with Warburg Pincus are entitled to designate up to:

- five directors for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 80% or more of the shares of our common stock that they hold immediately following the IPO;
- four directors for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 60% or more of the shares of our common stock that they hold immediately following the IPO;
- three directors for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 40% or more of the shares of our common stock that they hold immediately following the IPO;
- two directors for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 20% or more of the shares of our common stock that they hold immediately following the IPO; and
- one director for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 6 2/3% or more of the shares of our common stock that they hold immediately following the IPO.

In addition, our Stockholders’ Agreement provides that investment funds and entities affiliated with GTCR are entitled to designate up to:

- three directors for election to our board of directors for so long as certain investment funds and entities affiliated with GTCR hold 70% or more of the shares of our common stock that they hold immediately following the IPO;
- two directors for election to our board of directors for so long as certain investment funds and entities affiliated with GTCR hold 40% or more of the shares of our common stock that they hold immediately following the IPO; and
- one director for election to our board of directors for so long as certain investment funds and entities affiliated with GTCR hold 10% or more of the shares of our common stock that they hold immediately following the IPO.

Our amended and restated certificate of incorporation provides that the authorized number of directors may be changed only by our board of directors, subject to the rights of any holders of any series of our preferred stock; provided that, without the consent of Warburg Pincus or GTCR, the authorized number of directors may not exceed eleven as long as investment funds and entities affiliated with either Warburg Pincus or GTCR are entitled to designate at least one director. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. This classification of our board of directors may have the effect of delaying or preventing changes in our control or management.

In addition, our amended and restated certificate of incorporation provides that our directors may be removed only for cause by the affirmative vote of the holders of at least 75% of the votes that all our stockholders would be entitled to cast in an annual election of directors; provided that for so long as investment funds and entities affiliated with either Warburg Pincus or GTCR, collectively, hold at least a majority of our outstanding capital stock, a director designated by investment funds and entities

affiliated with either Warburg Pincus or GTCR, respectively, may be removed with or without cause by the affirmative vote of the holders of a majority of our outstanding capital stock and with the consent of Warburg Pincus or GTCR, respectively.

Director Independence

Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment and affiliations, including family relationships, our board of directors has determined that each of our directors, with the exception of Mr. Petras, do not have relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is “independent” as that term is defined under the listing standards of the Nasdaq. In making these determinations, our board of directors considered the current and prior relationships that each director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each director, and the transactions involving them described in the section titled Item 13, “Certain Relationships and Related Transactions, and Director Independence.”

The Sponsors beneficially own shares representing a majority of our outstanding shares of our common stock. As a result, we may be considered a “controlled company” within the meaning of the Nasdaq rules. Under the Nasdaq rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a “controlled company” and may elect not to comply with certain Nasdaq corporate governance standards, including:

- the requirement that a majority of the board of directors consist of independent directors;
- the requirement that our director nominations be made, or recommended to the full board of directors, by our independent directors or by a nominations committee that is comprised entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities;
- the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and
- the requirement for an annual performance evaluation of the nominating and corporate governance and compensation committees.

These requirements would not apply to us as long as we remain a “controlled company.” Although we may qualify as a “controlled company,” we do not currently rely on this exemption and fully comply with all corporate governance requirements under the Nasdaq corporate governance standards.

Committees of the Board of Directors

We have an audit committee, a compensation committee, a nominating and corporate governance committee and a Nordion pricing committee. The composition and responsibilities of each of the committees of our board of directors are described below. Members serve on these committees until their resignation or until otherwise determined by our board of directors. Our board of directors may establish other committees as it deems necessary or appropriate from time to time.

Audit Committee

The audit committee’s main purpose is to oversee our accounting and financial reporting processes, our relationship with our independent auditors, our compliance with legal and regulatory requirements and our policies and procedures with respect to risk assessment and risk management.

In carrying out this purpose, the audit committee will:

- oversee the design, implementation, adequacy and effectiveness of our disclosure controls and procedures, system of internal controls over financial accounting, internal audit function and the preparation and audits of our consolidated financial statements;
- appoint our independent auditors annually, review the annual audit plan, approve audit and pre-approve any non-audit related services provided to us, evaluate their qualifications and performance and ensure their independence;

- oversee procedures for the receipt, retention and treatment of complaints about accounting, internal accounting controls or audit matters, and for the confidential and anonymous submission by employees concerning such matters;
- review and approve or ratify, in accordance with our policies, all related party transactions as defined by applicable rules and regulations;
- oversee legal and regulatory matters and review and approve the adequacy and effectiveness of our compliance policies and procedures, including the Global Code of Conduct;
- approve the annual internal audit plan and budget, review with the internal audit executive the results of the audit work at least annually and more frequently as provided in the policy for reporting financial accounting and auditing concerns, as approved by the committee and at least annually review the performance of the internal audit team; and
- oversee company policies and practices with respect to financial risk assessment and risk management.

The members of the audit committee are Mr. Petrella (chair), Ms. Klee and Ms. Geveda. Mr. Petrella and Ms. Klee are “independent,” as defined under the Nasdaq rules and Rule 10A-3 of the Exchange Act. Our board of directors has determined that each director appointed to the audit committee is financially literate, and the board has determined that Mr. Petrella is a financial expert. Our board of directors determined that Ms. Geveda, who is a member of our audit committee, does not satisfy applicable independence standards for audit committee membership because of the equity ownership in our Company held by investment funds and entities affiliated with Warburg Pincus, of which Ms. Geveda is a managing director, but determined that Ms. Geveda will be permitted to remain on the audit committee for a period of up to one year after our IPO in accordance with the phase-in period under the Nasdaq rules.

Our audit committee operates under a written charter, which is available on our Investor Relations website at <https://investors.soterahealth.com/>.

Compensation Committee

The compensation committee’s main purpose is to oversee the compensation of our directors and employees, including our chief executive officer and other executive officers, and related matters.

In carrying out this purpose, the compensation committee will:

- review and approve our corporate goals relevant to compensation and evaluate the performance of our chief executive officer and other executive officers against those goals;
- determine the compensation of our chief executive officer and other executive officers based on their evaluations;
- administer and execute discretionary authority over the issuance of equity awards under our equity incentive plan;
- evaluate any applicable post-service arrangements for our chief executive officer and other executive officers;
- review on a periodic basis the operation and structure of our compensation program, considering our business strategy, the results of the most recent Say-on-Pay vote and relative competitiveness against the market;
- advise the board of directors with respect to our board of directors or committee compensation;
- produce the compensation committee report on executive officer compensation and review and discuss with management any “Compensation Discussion and Analysis” section proposed for inclusion in our SEC filings; and
- oversee short-term and long-term management succession planning and leadership assessment and development.

The members of the compensation committee are Mr. Neary (chair) and Mr. Mihas. Each of Mr. Neary and Mr. Mihas are “independent,” as defined under the Nasdaq rules. Because we may be considered a “controlled company” under the Nasdaq rules, our compensation committee may not be required to be fully independent, although if such rules change in the future or we no longer meet the definition of a controlled company under the current rules and the committee was not then fully independent, we would be required to adjust the composition of the compensation committee as and if necessary in order to comply with such rules.

Our compensation committee operates under a written charter, which is available on our Investor Relations website at <https://investors.soterahealth.com/>.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee's main purpose is to identify and evaluate individuals qualified to become board members, consistent with criteria approved by the board and to recommend for the board's approval the slate of nominees to be proposed to stockholders for election to the board, develop and recommend to the board for approval a set of corporate governance guidelines and lead the annual review of the performance of the board and each of its standing committees.

In carrying out this purpose, the nominating and corporate governance committee will:

- evaluate the composition, size, organization, performance and governance of the board and each of its committees, and make recommendations to the board about the appointment of directors to committees of the board;
- monitor developments and oversee our practices and policies related to environmental and social issues;
- develop policies for considering director nominees for election to the board and establish requisite qualification requirements, including director independence determinations; and
- ensure compliance with the corporate governance guidelines and review and recommend any changes to the board on an annual basis.

The members of the nominating and corporate governance committee are Ms. Klee (chair), Mr. Chen, Mr. Cunningham and Mr. Donnini. Each of Ms. Klee, Mr. Chen, Mr. Cunningham and Mr. Donnini are "independent," as defined under the Nasdaq rules. Because we may be considered a "controlled company" under the Nasdaq rules, our nominating and corporate governance committee may not be required to be fully independent, although if such rules change in the future or we no longer meet the definition of a controlled company under the current rules and the committee was not then fully independent, we would be required to adjust the composition of the nominating and corporate governance committee as and if necessary in order to comply with such rules.

Our nominating and corporate governance committee operates under a written charter, which is available on our Investor Relations website at <https://investors.soterahealth.com/>.

Nordion Pricing Committee

The Nordion pricing committee is responsible for overseeing matters related to Nordion's pricing that require review of sensitive or confidential customer information. The main purpose of this committee is to prevent confidential information relating to Nordion's customers from being shared with individuals who are involved in the day-to-day operations of Sterigenics. The members of the Nordion pricing committee are Mr. Cunningham and Ms. Geveda.

Item 11. Executive Compensation

Overview

Our "Named Executive Officers," consisting of our principal executive officer and our two most highly compensated executive officers (other than our principal executive officer), as of December 31, 2020, were:

- Michael B. Petras, Jr., our Chairman and Chief Executive Officer
- Scott J. Leffler, our Chief Financial Officer and Treasurer
- Michael P. Rutz, President of Sterigenics

Summary Compensation Table

The following table presents summary information regarding the total compensation that was awarded to, earned by or paid to our Named Executive Officers during the years ended December 31, 2019 and December 31, 2020:

Name and principal position	Year	Salary ⁽¹⁾	Bonus ⁽²⁾	Stock Awards ⁽³⁾	Option Awards ⁽⁴⁾	Non-equity incentive plan compensation ⁽⁵⁾	All other compensation ⁽⁶⁾	Total
Michael B. Petras Jr. <i>Chairman and Chief Executive Officer</i>	2020	\$ 727,692	\$ 700,000	\$ 6,000,000	\$ 9,000,000	\$ 738,957	\$ 37,609	\$ 17,204,258
	2019	700,000	1,000,000	—	—	759,500	12,600	2,472,100
Scott J. Leffler <i>Chief Financial Officer and Treasurer</i>	2020	369,805	225,000	1,200,000	1,800,000	222,113	24,913	3,841,831
	2019	352,135	1,650,000	—	—	229,240	12,600	2,243,975
Michael P. Rutz <i>President of Sterigenics</i>	2020	269,577	50,000	4,800,000	900,000	153,133	10,623	6,183,333

- (1) Includes the value of each Named Executive Officer's base salary earned during the fiscal year covered. For Messrs. Petras and Leffler, includes base salary paid before and after entering into amended and restated employment agreements in November 2020. See "Employment Agreements." For Mr. Rutz, consists of base salary paid following the commencement of his employment in May, 2020.
- (2) The amounts reported in this column represent bonuses paid to our named executive officers for 2019 and 2020, and, for Mr. Rutz, solely 2020. Amounts shown in the bonus column for fiscal year 2019 include the value of discretionary cash bonuses for members of management relating to capital markets activity in 2019. In addition, for Mr. Leffler, the amount shown includes the value of a \$1,500,000 retention bonus to which he was entitled under the terms of a CFO Bonus Agreement with the Company, which was paid on the first ordinary payroll date following November 18, 2019. See "Employment Agreements—Retention Agreement with Mr. Scott J. Leffler." The amounts reported for Mr. Petras and Mr. Leffler for fiscal year 2020 include the value of discretionary cash bonuses granted in connection with our IPO. See "Cash IPO Bonuses." The amount shown for Mr. Rutz represents a one-time lump sum cash sign-on bonus equal to \$50,000, which was paid on the first ordinary payroll date following May 21, 2020 pursuant to his offer letter. See "Employment Agreement with Mr. Michael P. Rutz."
- (3) Amounts in this column reflect the aggregate grant date fair value of share-based compensation awarded during the year. For Messrs. Petras and Leffler, this includes the grant date fair value of RSUs granted in connection with our IPO. For Mr. Rutz, this includes the grant date fair value of RSUs granted in connection with our IPO and the grant date fair value of a limited partnership interest in Topco Parent granted in connection with the commencement of his employment. Mr. Rutz received a distribution of unvested restricted stock in respect of that limited partnership interest in connection with our IPO. See "Corporate Reorganization & Distribution of Shares." The grant date fair value of this compensation was computed in accordance with the provisions of Financial Accounting Standards Board Accounting Standard Codification Topic 718, or FASB ASC 718. The assumptions that we used to calculate these amounts are discussed in Note 16, "Share-Based Compensation" to our consolidated financial statements. See "Outstanding Equity Awards."
- (4) Amounts in this column reflect the aggregate grant date fair value of stock options awarded during the year computed in accordance with the provisions of FASB ASC 718. The assumptions that we used to calculate these amounts are discussed in Note 16, "Share-Based Compensation" to our consolidated financial statements. See "Outstanding Equity Awards."
- (5) Includes the value of annual cash incentive awards paid under our Annual Incentive Plan.
- (6) Amounts in the All Other Compensation column for fiscal year 2019 include the value of company contributions made on behalf of our Named Executive Officers under our 401(k) Plan, in which all our employees, including our Named Executive Officers, are eligible to participate. Amounts for fiscal year 2020 include the following: the value of company contributions made on behalf of our Named Executive Officers under our 401(k) Plan (for each of Mr. Petras and Mr. Leffler: \$12,600 and for Mr. Rutz \$5,632), the value of a Company paid executive physical examination (for Mr. Petras: \$4,019 and for Mr. Leffler: \$3,348), and legal expenses incurred in the renegotiation of employment agreements (for Mr. Petras: \$20,990, for Mr. Leffler: \$8,965 and for Mr. Rutz: \$5,000).

Narrative Disclosure to Summary Compensation Table

In setting executive base salaries and bonuses and granting equity incentive awards, we seek to ensure that the overall level of total compensation for our executive officers is reasonable in relation to, and competitive with, the compensation paid by

similarly situated peer leaders in our industry, subject to variation for individual factors such as experience, performance, duties, scope of responsibility, prior contributions and future potential contributions to our business. Mr. Petras provides input to the compensation committee with respect to compensation of the executive management team other than himself, including input and recommendations regarding individual performance assessments with respect to payments under the AIP (as defined below). In 2020, the compensation committee retained Exequity, LLP (“Exequity”), a compensation consulting firm, to evaluate our executive compensation program. The compensation committee reviewed with Exequity executive compensation levels, our incentive compensation programs and the types of compensation we offer to ensure that our programs are based on appropriate measures, goals and targets for our industry and our business objectives and to determine whether any changes to our compensation structures are justified.

Employment Agreements

Employment Agreement with Mr. Michael B. Petras, Jr.

Mr. Petras entered into an employment agreement with our subsidiary, Sotera Health LLC, dated May 25, 2016 (the “CEO Employment Agreement”), pursuant to which he served as the CEO and as a member of Topco Parent’s board of managers. Under the terms of the CEO Employment Agreement, Mr. Petras’ initial annual base salary in connection with his appointment as CEO was set at \$700,000, less applicable withholding taxes. See “Summary Compensation Table” for information on Mr. Petras’ base salary paid in 2019 and 2020. Under the CEO Employment Agreement, Mr. Petras was also eligible to receive an annual bonus based on his attainment of one or more pre-established performance criteria established by Topco Parent’s board of managers, with his annual target bonus opportunity equal to 100% of his then-current annual base salary.

In connection with the IPO, Sotera Health LLC assigned its rights and obligations under the CEO Employment Agreement to our company and we entered into an amended and restated employment agreement with Mr. Petras which replaced his existing employment agreement effective as of the closing of the IPO (the “Amended and Restated CEO Employment Agreement”). Under the terms of the Amended and Restated CEO Employment Agreement, Mr. Petras serves as our CEO and Executive Chairman of our board of directors. Mr. Petras’ initial annual base salary is set at \$1,000,000 as of November 2020, less applicable withholding taxes. Mr. Petras is eligible to receive an annual bonus based on the attainment of certain pre-established performance criteria established by our board of directors, with his annual target bonus opportunity equal to 125% of his then-current annual base salary.

Under the Amended and Restated CEO Employment Agreement, Mr. Petras is eligible to receive certain payments and benefits in the event of a termination of his employment by us without “cause” or a termination of employment by him for “good reason” (as each of these terms are defined in the Amended and Restated CEO Employment Agreement), which are described in detail under “Potential Payments upon Termination or Change in Control.”

Employment Agreement with Mr. Scott J. Leffler

Mr. Leffler entered into an employment agreement with our subsidiary, Sotera Health LLC, dated April 3, 2017 (the “CFO Employment Agreement”), pursuant to which he served as Chief Financial Officer (“CFO”). Under the terms of the CFO Employment Agreement, Mr. Leffler’s initial annual base salary in connection with his appointment as CFO was set at \$340,000, less applicable withholding taxes. See “Summary Compensation Table” for information on Mr. Leffler’s base salary paid in 2019 and 2020. Under the CFO Employment Agreement, Mr. Leffler was also eligible to receive an annual bonus based on his attainment of one or more pre-established performance criteria established by Topco Parent’s board of managers, with his annual target bonus opportunity equal to 60% of his then-current annual base salary.

In connection with the IPO, Sotera Health LLC, assigned its rights and obligations under the CFO Employment Agreement to our company and we entered into an amended and restated employment agreement with Mr. Leffler which replaced his existing employment agreement effective as of the closing of the IPO (the “Amended and Restated CFO Employment Agreement”). Under the terms of the Amended and Restated CFO Employment Agreement, Mr. Leffler serves as our CFO. Mr. Leffler’s initial annual base salary is set at \$450,000 as of November 2020, less applicable withholding taxes. Mr. Leffler is also eligible to receive an annual bonus based on the attainment of certain pre-established performance criteria established by our board of directors, with his annual target bonus opportunity equal to 70% of his then-current annual base salary.

Under the Amended and Restated CFO Employment Agreement, Mr. Leffler is eligible to receive certain payments and benefits in the event of a termination of his employment by us without “cause” or a termination of employment by him for “good reason” (as each of these terms is defined in the CFO Employment Agreement), which are described in detail under “Potential Payments upon Termination or Change in Control” below.

Retention Agreement with Mr. Scott J. Leffler

Mr. Leffler entered into a bonus agreement with our subsidiary, Sotera Health LLC, dated as of November 18, 2019 (the “CFO Bonus Agreement”). Pursuant to the CFO Bonus Agreement, on the first ordinary payroll date following November 18, 2019, Mr. Leffler received a cash retention bonus of \$1,500,000 (less applicable tax withholdings) in consideration for his agreement to continue active employment with Sotera Health LLC through November 18, 2021 (the “Retention Date”). If prior to the Retention Date, Mr. Leffler terminates his employment without “good reason” (as described below in “Potential Payments Upon Termination or Change in Control,” but excluding a termination due to Mr. Leffler’s death or disability), Mr. Leffler is obligated to repay, on a pre-tax basis, the full amount of the retention bonus. In connection with the IPO, Sotera Health LLC assigned its rights and obligations under the CFO Bonus Agreement to our company and we entered into an amended and restated bonus agreement with Mr. Leffler which reflects such assignment.

Employment Agreement with Mr. Michael P. Rutz

Mr. Rutz entered into an employment agreement with our subsidiary, Sotera Health LLC, dated May 21, 2020 (the “Rutz Employment Agreement”), pursuant to which he serves as President, Sterigenics Inc. Under the terms of the Rutz Employment Agreement, Mr. Rutz’s initial annual base salary in connection with his appointment as President, Sterigenics was set at \$430,000, less applicable withholding taxes. See “Summary Compensation Table” for information on Mr. Rutz’s base salary paid in 2020. Under the Rutz Employment Agreement, Mr. Rutz is also eligible to receive an annual bonus based on his attainment of one or more pre-established performance criteria established by Topco Parent’s board of managers, with his annual target bonus opportunity equal to 60% of his then-current annual base salary.

In connection with the commencement of Mr. Rutz’s employment, he received a one-time lump sum cash payment equal to \$50,000 (the “Sign-on Bonus”), which was paid on the first ordinary payroll date following May 21, 2020. If Mr. Rutz’s employment with the Company is terminated by Mr. Rutz without “good reason” (as described below in “Potential Payments Upon Termination or Change in Control,” but excluding a termination due to Mr. Rutz’s death or disability), or by the company for “cause,” in each case prior to the second anniversary of the commencement of Mr. Rutz’s employment, he is obligated to repay, on a pre-tax basis, a pro-rata portion of the Sign-on Bonus.

In addition, under the terms of the Rutz Employment Agreement, Mr. Rutz is entitled to receive a one-time lump sum cash payment equal to \$1,500,000, less applicable tax withholdings, upon a change of control, contingent upon his continued employment through the consummation of a change of control.

Under the Rutz Employment Agreement, Mr. Rutz is eligible to receive certain payments and benefits in the event of a termination of his employment by us without “cause” or a termination of employment by him for “good reason” (as each of these terms are defined in the Rutz Employment Agreement), which are described in detail under “Potential Payments upon Termination or Change in Control.”

Base Salary

We provide each Named Executive Officer with a base salary for the services that the executive officer performs for us. This compensation component constitutes a stable element of compensation while other compensation elements are variable. Base salaries may be increased based on the individual performance of the Named Executive Officer, company performance, any change in the executive’s position within our business, the scope of his or her responsibilities and any changes thereto. Base salaries may also be increased as provided under the terms of a Named Executive Officer’s employment agreement.

Cash IPO Bonuses

In 2020, we paid approximately \$1.9 million in cash bonuses in recognition of the extraordinary efforts of certain of our executives and employees, including in connection with the execution of the IPO (the “IPO Bonuses”). Messrs. Petras and Leffler were each awarded an IPO Bonus of \$700,000 and \$225,000, respectively, which were paid shortly after the completion of our IPO.

Annual Incentive Plan

We maintain an Annual Incentive Plan (the “Annual Incentive Plan” or “AIP”), which is designed to reward high performance, ensure employees are aligned with our mission, values and priorities and provide market competitive rewards. Our executive

officers (including our Named Executive Officers) and key employees are eligible to participate in the Annual Incentive Plan. The Annual Incentive Plan is administered by our compensation committee with respect to our executive officers.

The cash incentive awards made to our Named Executive Officers under the Annual Incentive Plan are based on (i) the company's achievement of EBITDA goals set by Topco Parent's board of managers at the beginning of the applicable performance period and (ii) individual performance. The company must attain its threshold EBITDA for any payout under the Annual Incentive Plan to occur. Following our IPO, our compensation committee administered the AIP for the remainder of 2020 using the goals previously set by Topco Parent's board of managers.

The target metrics for our 2020 AIP are included in the below table. Our 2020 AIP company performance metric was based on the non-GAAP financial measure adjusted EBITDA. We believe that net income is the most comparable GAAP measure to adjusted EBITDA. Adjusted EBITDA in respect of our 2020 AIP was calculated in a manner consistent with the calculation of "Consolidated EBITDA" for purposes of our credit agreement (per Exhibit 10.10 incorporated by reference in this filing). AIP performance between threshold, target and maximum goals was determined based on linear interpolation.

<u>2020 EBITDA Goal (dollars in millions)</u>	<u>Performance as Percentage of Target</u>	<u>AIP Performance (as % of Target Opportunity)</u>
Threshold \$424.4	95 %	75 %
Target \$446.6	100 %	100 %
Maximum \$500.4	112 %	Up to a maximum of 200%

For 2020, the EBITDA goals under the Annual Incentive Plan for overall company performance were achieved at 99.3% of target and for Sterigenics, 97.9% of target.

The total target bonus percentages for Messrs. Petras, Rutz, and Leffler were 100%, 60%, and 60%, respectively, of their base salaries for 2020 prior to the IPO and 125%, 70% and 60%, respectively, of their base salaries for 2020 following our IPO in order to align with peer group practices, in consultation with our compensation consultant, Exequity. Individual bonus payouts for Messrs. Petras and Leffler are determined by taking into account both company performance (80% of award) and individual performance (20% of award). Mr. Rutz's bonus is determined by taking into account the performance of both the company and Sterigenics (80% weighting of the total award, with Sterigenics performance having 75% weighting and company performance 25% weighting), and his individual performance (20% weighting). In 2020, Messrs. Petras, Rutz, and Leffler received 100% of their individual performance targets.

The following table provides further detail about the 2020 annual bonus payout under the Annual Incentive Plan for each Named Executive Officer:

<u>Name</u>	<u>2020 Base Salary</u>	<u>2020 AIP Target (expressed as % of Base Salary Pre-IPO)</u>	<u>2020 AIP Target (expressed as % of Base Salary Post-IPO)</u>	<u>Actual 2020 Annual Incentive Plan Bonus Earned</u>
Michael B. Petras, Jr.	\$ 727,692	100 %	125 %	\$ 738,957
Scott J. Leffler	369,805	60 %	70 %	222,113
Michael P. Rutz ⁽¹⁾	269,577	60 %	60 %	153,133

(1) Mr. Rutz's bonus in respect of 2020 was prorated from the start of his service in May.

Retirement Plans

We maintain a tax-qualified 401(k) savings plan (the "401(k) Plan"), in which all our employees, including our Named Executive Officers, are eligible to participate. The 401(k) Plan allows participants to contribute up to 100% of their pay on a pre-tax basis (or on a post-tax basis, with respect to elective Roth deferrals) into individual retirement accounts, subject to the maximum annual limits set by the Internal Revenue Service. We have historically made annual contributions to employee 401(k) accounts of up to 4.5% of an employee's contributions to the 401(k) Plan. In 2020, we contributed up to \$12,600 per employee. Participants are immediately fully vested in both their own contributions and our contributions to the 401(k) Plan.

Additionally, we maintain a non-qualified deferred compensation plan (the “Supplemental Retirement Benefit Plan”) under which a select group of management and highly compensated employees are permitted to supplement contributions made under the 401(k) Plan by deferring up to 50% of their bonus or salary. Although permitted by the Supplemental Retirement Plan, we have not previously provided matching employer contributions under this plan. Participants in the Supplemental Retirement Benefit Plan are permitted to elect to invest their accounts in the same investment options as are available under the 401(k) Plan.

Outstanding Equity Awards

The following table sets forth information regarding outstanding equity awards held as of December 31, 2020 by each of our Named Executive Officers.

Name	Option Awards			Stock Awards			
	Number of securities underlying unexercised options unexercisable (1)	Option exercise price	Option expiration date	Number of shares or units of stock that have not vested	Market value of shares of units of stock that have not vested (5)	Equity incentive plan awards: Number of unearned shares, units or other rights that have not vested (6)	Equity incentive plan awards: Market or payout value of unearned shares, units or other rights that have not vested (7)
Michael B. Petras, Jr.	\$ 1,118,012	\$ 23.00	November 20, 2030	260,869 (2)	\$ 7,158,245	—	—
Scott J. Leffler	223,602	23.00	November 20, 2030	52,173 (2)	1,431,627	168,769	\$ 4,631,021
	—	—	—	126,784 (3)	3,478,953	—	—
Michael P. Rutz	111,801	23.00	November 20, 2030	26,086(2)	715,800	—	—
	—	—	—	578,758(4)	15,881,120	—	—

- (1) These stock options were granted under the 2020 Plan in connection with our IPO and vest in equal yearly installments over a four year period beginning on November 20, 2020, subject to continued employment through each applicable vesting date.
- (2) These RSUs were granted under our 2020 Plan in connection with our IPO and vest in equal yearly installments over a four year period beginning on November 20, 2020, subject to continued employment through each applicable vesting date.
- (3) Represents unvested restricted stock that vests on a daily basis pro rata through April 3, 2022, subject to continued employment through each such vesting date. In connection with our IPO, these shares of unvested restricted stock were distributed in respect of limited partnership interests held in Topco Parent. See “Corporate Reorganization & Distribution of Shares.”
- (4) Represents unvested restricted shares of our common stock distributed to Mr. Rutz in respect of the limited partnership interest in Topco Parent Mr. Rutz was granted in connection with the commencement of his employment. The restricted shares continue to vest according to the same vesting schedule applicable to the limited partnership interests they were distributed in respect of. As a result, 20% of the unvested restricted shares of our common stock will vest on May 13, 2021 (the one year anniversary of the vesting commencement date of the limited partnership interest in Topco Parent) and the remainder will vest on a daily basis pro rata through May 13, 2025, subject to continued employment through each such vesting date. See “Corporate Reorganization & Distribution of Shares.”
- (5) Represents the fair market value of shares that were unvested as of December 31, 2020, based on the closing market price of \$27.44 on December 31, 2020.
- (6) Represents unvested restricted stock which are subject to performance-based vesting requirements. The restricted stock will vest as of the first date on which (i) our Sponsors have received two and one-half times their invested capital in Topco Parent and (ii) the Sponsors’ internal rate of return exceeds twenty percent, subject to the grantee’s continued services through the such date. In connection with our IPO, these shares of unvested restricted stock were distributed in respect of limited partnership interests held in Topco Parent. See “Corporate Reorganization & Distribution of Shares.”

- (7) Represents the fair market value of shares that were unvested as of December 31, 2020, based on the closing market price of \$27.44 on December 31, 2020.

Emerging Growth Company Status

We are an “emerging growth company,” as defined in the JOBS Act. As an emerging growth company, we will be exempt from certain requirements related to executive compensation, including the requirements to hold non-binding advisory votes on executive compensation and to provide information relating to the ratio of annual total compensation of our chief executive officer to the median of the annual total compensation of all of our employees, each as required under Sections 14 and 14A of the Exchange Act.

Potential Payments Upon Termination or Change in Control

Potential Payments to Mr. Michael B. Petras, Jr.

In the event of a termination of employment by us without “cause” or by him for “good reason” (each as defined in the Amended and Restated CEO Employment Agreement), Mr. Petras, upon execution of a general release of claims in our favor and subject to continued compliance with the terms of such release and the restrictive covenants set forth in the Amended and Restated CEO Employment Agreement, will be eligible to receive:

- An amount equal to 2 times his then-current annual base salary payable in a lump sum within 60 days following his termination date,
- If Mr. Petras elects COBRA, monthly reimbursement of the COBRA premiums incurred by Mr. Petras in an amount equal to the employer portion of the health insurance coverage provided to active employees for up to 12 months, provided that this benefit will cease if Mr. Petras becomes reemployed with another employer prior to the expiration of the 12 month period, and
- 2 years of additional time-based vesting credit with respect to all then outstanding and unvested equity awards.

Under the Amended and Restated CEO Employment Agreement, “cause” generally means Mr. Petras’ (i) disclosure of confidential information or trade secrets of the Company, the Sponsors or any of their affiliates or any of their respective customers or suppliers, which use or disclosure causes or is demonstrably likely to cause a material injury to any of these parties, (ii) conviction of, or a plea of “guilty” or “no contest” to, a felony under the laws of the United States, Canada or any jurisdiction in which Mr. Petras resides, (iii) fraud, willful misconduct or gross neglect in the performance of his material duties or engagement in any other willful misconduct or willful engagement in any act or omission involving dishonesty, unethical business conduct or moral turpitude which has caused a material injury to the Company, the Sponsors or any of their affiliates or any of their respective customers or suppliers, (v) intentional failure to perform assigned duties subject to a 30 day cure period or (vi) breach of his non-competition covenant or any material breach of any other restrictive covenants to which Mr. Petras may be subject.

Under the Amended and Restated CEO Employment Agreement, “good reason” generally means (i) any material reduction in Mr. Petras’ title, status or authority, including, following the completion of the IPO, the failure to elect Mr. Petras to serve as the Executive Chairman of the board of directors, (ii) any material reduction of Mr. Petras’ responsibilities, annual base salary or annual bonus opportunity, other compensation or the aggregate value of Mr. Petras’ benefits, (iii) the failure to grant certain IPO Awards (as defined below) to Mr. Petras or (iv) the failure to provide for certain time-based vesting protections in connection with any future equity awards granted to Mr. Petras.

Potential Payments to Mr. Scott J. Leffler

In the event of a termination of employment by us without “cause” or by him for “good reason” (in each case as defined in the Amended and Restated CFO Employment Agreement), Mr. Leffler, upon execution of a general release of claims in our favor and subject to continued compliance with the terms of such release and the restrictive covenants set forth in the Amended and Restated CFO Employment Agreement, will be eligible to receive:

- A continuation of his annual base salary for 18 months,

- Continuation of his health insurance coverage as though he had continued to be an active employee of the company, or if he is unable to so participate and elects COBRA, monthly reimbursement for the difference between the monthly COBRA premium over the monthly premium he would have paid had he continued to be an active employee, for 18 months, provided that this benefit will cease if Mr. Leffler becomes reemployed with another employer that offers medical insurance prior to the expiration of the 18 month period, and
- In the event that such termination takes place within the 12 month period immediately following the grant date of the IPO Awards, 1 year of additional time-based vesting credit with respect to such awards.

Under the Amended and Restated CFO Employment Agreement, “cause” generally means Mr. Leffler’s (i) disclosure of confidential information or trade secrets of the company, the Sponsors or any of their affiliates or any of their respective customers or suppliers, which use or disclosure causes or is likely to cause a material injury to any of these parties, (ii) conviction of, or a plea of “guilty” or “no contest” to, a felony under the laws of the United States, Canada or any jurisdiction in which Mr. Leffler resides, (iii) fraud, willful misconduct or gross neglect in the performance of his duties or engagement in any other willful misconduct or willful engagement in any act or omission involving dishonesty, unethical business conduct or moral turpitude which has caused a material injury to the company, the Sponsors or any of their affiliates or any of their respective customers or suppliers, (v) intentional failure to perform assigned duties after a written notification from our board of directors or (vi) breach of the Amended and Restated CFO Employment Agreement.

Under the Amended and Restated CFO Employment Agreement, “good reason” generally means (i) any material reduction in Mr. Leffler’s title, status or authority, (ii) any material reduction of Mr. Leffler’s responsibilities, annual base salary, annual bonus opportunity, other compensation or the aggregate value of Mr. Leffler’s benefits, (iii) relocation of Mr. Leffler’s primary place of employment by more than 50 miles or (iv) the failure to grant certain IPO Awards to Mr. Leffler.

Potential Payments to Mr. Michael P. Rutz

In the event of a termination of employment by us without “cause” or by him for “good reason” (in each case as defined in the Rutz Employment Agreement), Mr. Rutz, upon execution of a general release of claims in our favor and subject to continued compliance with the terms of such release and the restrictive covenants set forth in the Rutz Employment Agreement, will be eligible to receive:

- A continuation of his annual base salary for 12 months, and
- Continuation of his health insurance coverage as though he had continued to be an active employee of the company, or if he is unable to so participate and elects COBRA, monthly reimbursement for the difference between the monthly COBRA premium over the monthly premium he would have paid had he continued to be an active employee, for 12 months, provided that this benefit will cease if Mr. Rutz becomes reemployed with another employer that offers medical insurance prior to the expiration of the 12 month period.

Under the Rutz Employment Agreement, “cause” generally means Mr. Rutz’s (i) disclosure of confidential information or trade secrets of the company, the Sponsors or any of their affiliates or any of their respective customers or suppliers, which use or disclosure causes or is likely to cause a material injury to any of these parties, (ii) conviction of, or a plea of “guilty” or “no contest” to, a felony under the laws of the United States, Canada or any jurisdiction in which Mr. Rutz resides, (iii) fraud, willful misconduct or gross neglect in the performance of his duties or engagement in any other willful misconduct or willful engagement in any act or omission involving dishonesty, unethical business conduct or moral turpitude which has caused or is demonstrably likely to cause a material injury to the company, the Sponsors or any of their affiliates or any of their respective customers or suppliers, (iv) intentional failure to perform assigned duties after a written notification from our board of directors and failure to correct such deficiencies within 30 days or (v) breach of the Rutz Employment Agreement.

Under the Rutz Employment Agreement, “good reason” generally means (i) any material reduction in Mr. Rutz’s title, status or authority, (ii) any material reduction of Mr. Rutz’s responsibilities, annual base salary, annual bonus opportunity, other compensation or the aggregate value of Mr. Rutz’s benefits, (iii) relocation of Mr. Rutz’s primary place of employment by more than 50 miles or (iv) the failure to grant the title of President, Sterigenics to Mr. Rutz by December 31, 2020.

In addition, under the terms of the Rutz Employment Agreement, Mr. Rutz is entitled to receive a one-time lump sum cash payment equal to \$1,500,000, less applicable tax withholdings, upon a change in control, contingent upon his continued employment through the consummation of a change in control.

Treatment of IPO Awards Upon Termination or Change in Control

In connection with our IPO, we granted equity awards to our named executive officers in the form of RSUs and nonqualified options to purchase shares of our common stock with grant date fair values based on the IPO price (the “IPO Awards”). See “Outstanding Equity Awards”. In addition to the treatment upon a termination without “cause” or for “good reason” described above, each named executive officer will receive two (2) years of additional time based vesting credit in respect of all outstanding unvested IPO Awards upon a termination of employment by reason of the grantee’s death or Disability (as defined in the 2020 Plan). Messrs. Leffler and Rutz will receive an additional two years of time based vesting credit in respect of all outstanding unvested IPO Awards in the event that, following the two year anniversary of the IPO Award grant date, the grantee retires at or older than age fifty-five (55) with ten (10) or more years of service to the company. With respect to Mr. Petras, all unvested IPO Awards shall vest in full upon Mr. Petras’ voluntary retirement following the date on which the sum of Mr. Petras’ attained age and years of service with the company equals or exceeds sixty five (65). Notwithstanding the foregoing, the IPO Awards shall not qualify for such vesting credit to the extent they were granted within the twelve (12) month period immediately prior to a grantee’s retirement.

In the event of a Change in Control (as defined in the 2020 Plan) where any outstanding unvested portion of the IPO Awards are not assumed or substituted by the acquiror, such unvested awards will vest as of the date of such Change in Control. In the event of a Change in Control where outstanding IPO Awards are assumed or substituted by the acquiror and a named executive officer is terminated by the acquiror without “cause” (as defined in such named executive officer’s employment agreement) or a named executive officer terminates his employment for “good reason” (as defined in such named executive officer’s employment agreement), in each case, within the one (1) year period immediately following such Change in Control, any then unvested IPO Award will vest as of the date of such named executive officer’s termination.

Non-Employee Director Compensation

2020 Non-Employee Director Compensation Table

The following table sets forth information regarding compensation earned by or paid to each person who served as a non-employee director of our board of directors or Topco Parent’s board of managers during 2020. We reimburse members of the board of directors for reasonable out-of-pocket expenses incurred in connection with their service to the board of directors and covered such expenses in 2020. Mr. Petras, our Chairman and Chief Executive Officer, receives no compensation for his service as a director, and is not included in this table. The compensation received by Mr. Petras as an employee is presented in the “Summary Compensation Table” in the “Executive Compensation” section.

Name	Fees earned or paid in cash	Stock Awards ⁽⁴⁾	Total
James C. Neary	\$11,875 ⁽³⁾	\$ 135,000	\$ 146,875
Stephanie M. Geveda	10,313 ⁽³⁾	135,000	145,313
David A. Donnini	9,688 ⁽³⁾	135,000	144,688
Constantine S. Mihas	10,000 ⁽³⁾	135,000	145,000
Sean L. Cunningham	9,688 ⁽³⁾	135,000	144,688
Michael J. Mulhern	88,000 ⁽¹⁾	-	88,000
Ann R. Klee ⁽²⁾	37,188	387,000	424,188
Vincent K. Petrella	12,500 ⁽³⁾	135,000	147,500
Ruoxi Chen	9,688 ⁽³⁾	135,000	144,688

(1) Mr. Mulhern served as chief executive officer of our subsidiary, Sotera Health LLC, and its predecessor from July 2011 to June 2016. Upon his retirement as our chief executive officer, Mr. Mulhern agreed to continue to serve as a member of Topco Parent’s board of managers. For this service, he received an annual cash retainer in the amount of \$100,000, which was prorated for service during 2020 as Mr. Mulhern stepped down from the board of Topco Parent prior to our IPO.

(2) Ms. Klee became a member of Topco Parent’s board of managers in May 2020. For her service in advance of the IPO, she was entitled to receive an annual cash retainer of \$40,000, which was prorated to compensate her for service on Topco Parent’s board of managers between May and November 2020 and in respect of which she received \$25,000.

Following the IPO, she continued as a member of our board of directors, and starting in November 2020 she was compensated according to our non-employee director compensation policy. For her service as a member of our board following the IPO through December 31, 2020, she received \$12,188. See “Non-Employee Director Compensation Policy.” In addition, upon her election to Topco Parent’s board of managers, Ms. Klee received a grant of limited partnership interests in Topco Parent which began vesting on May 27, 2020. In connection with the IPO, she received an in-kind distribution of restricted shares of our common stock pursuant to the terms of the Topco partnership agreement. Shares of restricted stock distributed in respect of Ms. Klee’s limited partnership interest in Topco Parent are eligible to vest pursuant to the same vesting schedule as the unvested limited partnership interests in respect of which they were distributed. As a result, 20% of the unvested restricted stock will vest on May 27, 2021 (the one year anniversary of vesting commencement date), and the remaining unvested restricted stock will vest on a daily basis pro rata thereafter, subject to Ms. Klee’s continued service on our board of directors through each such date. See “Corporate Reorganization & Distribution of Shares.”

- (3) Reflects cash retainer payments paid in 2020 for service on our board of directors or any committee of our board of directors between November 2020 and December 31, 2020. This cash compensation earned under our non-employee director compensation policy was prorated from November 2020 to account for service on our Board following the IPO. See “Non-Employee Director Compensation Policy.”
- (4) Amounts in this column reflect the aggregate grant date fair value of share-based compensation awarded during the year. With the exception of Mr. Mulhern, this includes the grant date fair value of Restricted Stock Units (“RSUs”) granted in connection with our IPO. These RSU grants had a pro-rated grant date fair value of \$135,000 to account for the fact that directors will not have served a full year before our 2021 annual meeting. See “Non-Employee Director Compensation Policy.” For Ms. Klee, this includes the grant date fair value of RSUs granted in connection with our IPO and the grant date fair value of a limited partnership interest in Topco Parent granted in connection with the commencement of her service on Topco Parent’s board of managers. Ms. Klee received a distribution of unvested restricted stock in respect of that limited partnership interest in connection with our IPO. See “Corporate Reorganization & Distribution of Shares.” The grant date fair value of this compensation was computed in accordance with the provisions of FASB ASC 718. The assumptions that we used to calculate these amounts are discussed in Note 16, “Share-Based Compensation” to our consolidated financial statements. See “Outstanding Equity Awards.” The grant date fair value does not necessarily correspond to the actual economic value that may be realized for these awards. As of December 31, 2020, each of our non-employee directors had 5,869 RSUs outstanding and Ms. Klee additionally held 50,925 restricted shares of our common stock.

Non-Employee Director Compensation Policy

Our board of directors has adopted a compensation policy for non-employee directors, which became effective in connection with the IPO. Pursuant to this policy, our non-employee directors receive the compensation described below. This non-employee director compensation policy may be amended by our board of directors from time to time.

Cash Compensation

Each non-employee director is entitled to receive an annual cash retainer of \$75,000 as remuneration for service to the company, with an additional \$7,500 for service on the audit committee (or, in the case of the chair of such committee, \$25,000), an additional \$5,000 for service on the compensation committee (or, in the case of the chair of such committee, \$20,000), an additional \$2,500 for service on the nominating and corporate governance committee (or, in the case of the chair of such committee, \$15,000), and an additional \$35,000 for service as the lead independent director (to the extent this position exists). There will be no additional compensation for service on the Nordion pricing committee. The annual cash retainer will be paid prospectively on a quarterly basis, pro-rated (i) for any non-employee director whose service (or whose service in any of the additional capacities described above) commences during a calendar year and (ii) for the calendar year in which the IPO occurred, such that the retainer was reduced proportionately for any calendar month prior to the month in which such service commenced or the IPO occurred, respectively.

Equity Compensation

Each non-employee director is entitled to receive an annual grant of RSUs under our 2020 Omnibus Incentive Plan (the “2020 Plan”) with a grant date fair value of \$225,000. Such RSUs will vest in full on the earlier of (i) the first anniversary of the date of grant, or (ii) the date immediately prior to the company’s next regular annual meeting of stockholders, in each case, subject to the director’s continued service through such date. The first such annual grant of RSUs following our IPO had a pro-rated

grant date fair value of \$135,000 to account for the fact that directors did not serve a full year before our 2021 annual meeting. Subsequent annual grants of RSUs will be made on the day immediately after our regular annual meeting of stockholders to non-employee directors who are serving on our board of directors on such date.

Expenses

We reimburse our non-employee directors for all reasonable out-of-pocket expenses that are incurred in connection with attendance at meetings of our board of directors, the board of directors of any of our subsidiaries and any committees thereof, in accordance with the terms of our amended and restated bylaws and our expense reimbursement policy, as in effect from time to time.

Code of Business Conduct and Ethics

Our board of directors has adopted procedures and policies to comply with the Sarbanes-Oxley Act of 2002 and the rules adopted by the SEC and the Nasdaq, including a code of business conduct and ethics applicable to all our employees, including our chief executive officer, chief financial officer and other executive and senior financial officers and all persons performing similar functions. Our code of conduct and ethics is available on our website. We intend to disclose any amendments to the code, or any waivers of its requirements, on our website to the extent required by the applicable U.S. federal securities laws and the corporate governance rules of the Nasdaq.

Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee is or has been an officer or employee of our company. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee (or other board committee performing equivalent functions) of any entity that has one or more executive officers serving on our board of directors or compensation committee.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth information regarding the beneficial ownership of our common stock as of February 24, 2021 by:

- each person or group who is known by us to own beneficially more than 5% of our outstanding shares of common stock;
- each of our named executive officers;
- each of our directors; and
- all of the executive officers and directors as a group.

We have determined beneficial ownership in accordance with the rules and regulations of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. We have based the calculation of the percentage of beneficial ownership on 282,899,968 shares of common stock outstanding, as of February 24, 2021. For purposes of calculating each person's percentage ownership, common stock issuable pursuant to options exercisable within 60 days of February 24, 2021 are included as outstanding and beneficially owned for that person or group, but are not deemed outstanding for purposes of computing the percentage ownership of any person. Except as disclosed in the footnotes to this table and subject to applicable community property laws, we believe that each stockholder identified in the table possesses sole voting and investment power over all shares of common stock shown as beneficially owned by the stockholder. Unless otherwise indicated, this table is based upon information supplied by officers, directors and principal stockholders and Schedules 13D and 13G filed with the SEC.

Unless otherwise indicated in the table or footnotes below, the address for each beneficial owner is c/o Sotera Health, 9100 South Hills Blvd, Suite 300 Broadview Heights, Ohio 44147.

Name of Beneficial Owner	Number of Shares Beneficially Owned ⁽¹⁾	Percentage of Shares Beneficially Owned
5% Stockholders:		
Investment funds and entities affiliated with Warburg Pincus ⁽²⁾	118,929,897	42.0 %
Investment funds and entities affiliated with GTCR ⁽³⁾	79,286,597	28.0 %
Named Executive Officers and Directors:		
Michael B. Petras, Jr. ⁽⁴⁾	7,194,624	2.5 %
Scott J. Leffler ⁽⁵⁾	652,927	*
Michael P. Rutz ⁽⁶⁾	594,957	*
Ruoxi Chen ⁽⁷⁾	118,929,897	42.0 %
Sean L. Cunningham ⁽³⁾	79,286,597	28.0 %
David A. Donnini ⁽³⁾	79,286,597	28.0 %
Stephanie M. Geveda ⁽⁷⁾	118,929,897	42.0 %
Ann R. Klee ⁽⁸⁾	50,925	*
Constantine S. Mihas ⁽³⁾	79,286,597	28.0 %
James C. Neary ⁽⁷⁾	118,929,897	42.0 %
Vincent K. Petrella	—	*
All Executive Officers and Directors as a group (12 Persons)	207,079,165	73.2 %

* Represents beneficial ownership of less than 1%

- (1) Shares shown in the table above include shares held in the beneficial owner's name or jointly with others, or in the name of a bank, nominee or trustee for the beneficial owner's account.
- (2) Consists of (i) 74,276,334 shares held of record by Warburg Pincus Private Equity XI, L.P., a Delaware limited partnership ("WP XI"), (ii) 13,324,816 shares held of record by Warburg Pincus Private Equity XI-B, L.P., a Delaware limited partnership ("WP XI-B"), (iii) 304,567 shares held of record by Warburg Pincus Private Equity XI-C, L.P., a Cayman Islands exempted limited partnership ("WP XI-C"), (iv) 2,512,680 shares held of record by WP XI Partners, L.P., a Delaware limited partnership ("WP XI Partners"), (v) 4,758,863 shares held of record by Warburg Pincus XI Partners, L.P., a Delaware limited partnership ("WP XI Partners") and (vi) 23,752,637 shares held of record by Bull Co-Invest L.P., a Delaware limited partnership ("WP Bull").

Warburg Pincus XI, L.P., a Delaware limited partnership ("WP XI GP"), is the general partner of each of (i) WP XI, (ii) WP XI-B, (iii) WP XI Partners and (iv) WP XI Partners. WP Global LLC, a Delaware limited liability company ("WP Global"), is the general partner of WP XI GP. Warburg Pincus Partners II, L.P., a Delaware limited partnership ("WPP II"), is the managing member of WP Global. Warburg Pincus Partners GP LLC, a Delaware limited liability company ("WPP GP LLC"), is the general partner of WPP II. Warburg Pincus & Co., a New York general partnership ("WP"), is the managing member of WPP GP LLC.

Warburg Pincus (Cayman) XI, L.P., a Cayman Islands exempted limited partnership ("WP XI Cayman GP"), is the general partner of WP XI-C (WP XI-C and, together with WP XI, WP XI-B, WP XI Partners and WP XI Partners, the "WP XI Funds"). Warburg Pincus XI-C, LLC, a Delaware limited liability company ("WP XI-C LLC"), is the general partner of WP XI Cayman GP. Warburg Pincus Partners II (Cayman), L.P., a Cayman Islands exempted limited partnership ("WPP II Cayman"), is the managing member of WP XI-C LLC. Warburg Pincus (Bermuda) Private Equity GP Ltd., a Bermuda exempted company ("WP Bermuda GP"), is the general partner of WPP II Cayman.

WP Bull Manager LLC, a Delaware limited Liability company ("WP Bull Manager"), is the general partner of WP Bull. WP is managing member of WP Bull Manager.

Warburg Pincus LLC, a New York limited liability company (“WP LLC”), is the manager of the WP XI Funds. The address of the Warburg Pincus entities is 450 Lexington Avenue, New York, New York 10017.

- (3) Consists of (i) 62,928,028 shares held of record by GTCR Fund XI/A LP, (ii) 15,854,227 shares held of record by GTCR Fund XI/C LP and (iii) 504,342 shares held of record by GTCR Co-Invest XI LP (collectively, the “GTCR Stockholders”). GTCR Partners XI/A&C LP is the general partner of each of GTCR Fund XI/A LP and GTCR Fund XI/C LP. GTCR Investment XI LLC is the general partner of each of GTCR Co-Invest XI LP and GTCR Partners XI/A&C LP. GTCR Investment XI LLC is managed by a board of managers (the “GTCR Board of Managers”) consisting of Mark M. Anderson, Craig A. Bondy, Aaron D. Cohen, Sean L. Cunningham, Benjamin J. Daverman, David A. Donnini, Constantine S. Mihas and Collin E. Roche, and no single person has voting or dispositive authority over the shares. Each of GTCR Partners XI/A&C LP, GTCR Investment XI LLC and the GTCR Board of Managers may be deemed to share beneficial ownership of the shares held of record by the GTCR Stockholders, and each of the individual members of the GTCR Board of Managers disclaims beneficial ownership of the shares held of record by the GTCR Stockholders except to the extent of his pecuniary interest therein. The address for each of the GTCR Stockholders, GTCR Partners XI/A&C LP and GTCR Investment XI LLC is 300 North LaSalle Street, Suite 5600, Chicago, Illinois, 60654.
- (4) Mr. Petras is the grantor and trustee of an estate planning trust (the “Petras Trust”). As a result, Mr. Petras may have voting and investment control over, and may be deemed to be the beneficial owner of, an aggregate of 7,194,624 shares of common stock owned by the Petras Trust.
- (5) Consists of 372,632 shares of common stock and 280,295 shares that remain subject to vesting.
- (6) Consists of 16,199 shares of common stock and 578,758 shares that remain subject to vesting.
- (7) Includes 118,929,897 shares of common stock beneficially owned by Warburg Pincus Entities because of the affiliations of Mr. Chen, Ms. Geveda and Mr. Neary with the Warburg Pincus entities. Mr. Chen, Ms. Geveda and Mr. Neary each disclaim beneficial ownership of all shares of common stock owned by the Warburg Pincus entities except to the extent of any indirect pecuniary interests therein.
- (8) Consists of 16,199 shares of common stock and 34,756 shares that remain subject to vesting.

Equity Compensation Plan Information

The following table provides information as of December 31, 2020 with respect to shares of our common stock that may be issued under our existing equity compensation plans.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)	Weighted average exercise price of outstanding options, warrants and rights (\$)	Securities remaining available for future issuance under equity compensation plans (#)
Equity compensation plans approved by security holders ⁽¹⁾	3,157,763 ⁽²⁾	\$23.00 ⁽³⁾	24,742,237 ⁽⁴⁾
Equity compensation plans not approved by security holders	—	—	—
Total	3,157,763	23.00	24,742,237

- (1) Consists of our 2020 Plan, which, as discussed below, was approved by our board of directors and our sole stockholder prior to completion of our IPO.
- (2) Includes 768,505 shares of common stock issuable upon vesting of RSUs awarded under our 2020 Plan and 2,389,258 shares of common stock issuable upon exercise of outstanding options granted under our 2020 Plan.
- (3) Excludes RSUs as they have no exercise price.
- (4) Reflects shares available for future issuance under the 2020 Plan (excluding shares underlying outstanding awards reflected in the first column).

2020 Omnibus Incentive Plan

Prior to our IPO, our board of directors adopted, and our sole stockholder approved, our 2020 Plan. The maximum number of shares of our common stock that may be issued under our 2020 Plan is 27,900,000 shares.

Any employee, director or consultant of the Company is eligible to receive an award under the 2020 Plan, to the extent that a grant of such award is permitted by applicable law, stock market or exchange rules and regulations, or any accounting or tax rules and regulations. The 2020 Plan provides for the grant of stock options (including incentive stock options and nonqualified stock options), restricted stock awards, RSUs and other cash-based, equity-based or equity-related awards. Each award granted under the 2020 Plan will be set forth in a separate award agreement and will indicate the type and terms and conditions of the award.

As provided for under the 2020 Plan, the administrator of the 2020 Plan shall be either the Board or a committee appointed by the Board to administer the 2020 Plan. The Board has designated the compensation committee to administer the 2020 Plan and grant awards thereunder. Pursuant to the terms of the 2020 Plan, the administrator has the authority to authorize a subcommittee consisting of one or more members of the Board (including members who are employees of the Company) or employees of the Company to grant awards to persons who are not “executive officers” of the Company. The compensation committee has delegated to Mr. Petras, in his capacity as both a Board member and employee, the power to grant, without any further action required by the compensation committee, a predetermined number of equity awards to employees who are not executive officers of the Company. The purpose of this delegation of authority is to enhance the flexibility of equity award administration within the Company and to facilitate the timely grant of equity incentives to non-executive officer employees, within the limits approved by the Compensation Committee or the Board.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Under SEC rules, a related person is an officer, director, nominee for director or beneficial holder of more than 5% of any class of our voting securities since the beginning of the last fiscal year or an immediate family member of any of the foregoing.

Other than the transactions described below and compensation agreements and other arrangements which are described under “Executive Compensation,” since January 1, 2020 there has not been, and there is not currently proposed, any transaction or series of similar transactions to which we were or will be a party in which the amount involved exceeded or will exceed \$120,000 and in which any related person had or will have a direct or indirect material interest. We believe the terms of the transactions described below were comparable to the terms we could have obtained in arms-length dealings with unrelated third parties.

From time to time, we do business with other companies affiliated with certain holders of our common stock. We believe that all such arrangements have been entered into in the ordinary course of business and have been conducted on an arm’s-length basis.

Corporate Reorganization & Distribution of Shares

Before our IPO, we were a wholly owned subsidiary of Sotera Health Topco Parent, L.P., a Delaware limited partnership (“Topco Parent”). Pursuant to the terms of the corporate reorganization that we completed prior to our IPO, Topco Parent dissolved and in liquidation distributed shares of Sotera Health Company common stock to its limited partners in accordance with the limited partnership agreement of Topco Parent (the “Distribution”). Each holder of limited partnership interests in Topco Parent prior to our IPO, including our named executive officers, Ann R. Klee and the Sponsors, received an in-kind distribution of shares of our common stock (in certain circumstances subject to restrictions as described below) with respect to those interests as part of the corporate reorganization (such shares, the “Distributed Shares”). The total number of Distributed Shares for each of Mr. Mulhern and Mr. Petras was reduced to offset tax distributions previously made to each of Mr. Mulhern and Mr. Petras that exceeded cash distributions otherwise payable to such individuals.

In connection with such distribution, each individual holder of limited partnership interests in Topco Parent prior to the IPO, including our named executive officers and Ann R. Klee, executed the Restricted Stock Agreement and Acknowledgment (the “RSA”) in the form filed as an exhibit herewith. The RSA provides that any shares of our common stock distributed to an individual in respect of any partnership interests that were vested of the distribution were not subject to any vesting or forfeiture restrictions following the IPO. With respect to shares of common stock distributed in respect of any partnership interests that were unvested as of the distribution, the RSA generally provides that such shares shall be subject to the same vesting and forfeiture restrictions that applied to such unvested partnership interests prior to the distribution. Pursuant to the terms of our

Stockholders' Agreement, following the distribution, shares of our common stock held by members of our management team and certain members of our Board (including Mr. Petras) are subject to transfer restrictions unless such restrictions are otherwise waived by the compensation committee. See "Stockholders' Agreement."

In connection with the Distribution, the following current and former directors and executive officers and 5% stockholders received Distributed Shares in respect of partnership interests in Topco Parent:

Name	Distributed Shares		Total
	Vested	Unvested	
Investment funds and entities affiliated with Warburg Pincus	118,929,897	—	118,929,897
Investment funds and entities affiliated with GTCR	79,286,597	—	79,286,597
Michael B. Petras, Jr. ⁽¹⁾	8,578,547	—	8,578,547
Scott J. Leffler	461,048	307,205	768,253
Matthew J. Klaben	289,188	149,246	438,434
Michael P. Rutz	16,199	578,758	594,957
Ann R. Klee	16,199	34,726	50,925
Philip W. Macnabb ⁽¹⁾	5,247,853	1,173,805	6,421,658
Michael J. Mulhern ⁽¹⁾	5,543,562	—	5,543,562

(1) Includes distributions made to an estate planning trust.

Distributions

In 2020, in connection with distributions paid by us to Topco Parent, the following current and former directors and executive officers and 5% stockholders received distributions pursuant to the terms of the limited partnership agreement of Topco Parent, in the aggregate amounts set forth below:

Name	Distribution Amount ⁽¹⁾⁽²⁾⁽³⁾
Investment funds and entities affiliated with Warburg Pincus	\$ 1,349,057
Investment funds and entities affiliated with GTCR	899,371
Michael B. Petras, Jr. ⁽⁴⁾	97,972
Scott J. Leffler	116,350
Matthew J. Klaben	115,871
Ann R. Klee	1,035
Michael P. Rutz	14,364
Philip W. Macnabb ⁽⁴⁾⁽⁵⁾	912,101
Michael J. Mulhern ⁽⁴⁾	63,190

- (1) Includes distributions made in respect of all partnership interests in Topco Parent held by the above listed current and former directors and executive officers and 5% stockholders in a final cash distribution from Topco Parent in connection with the liquidation of the partnership, paid pro-rata to the limited partners of Topco Parent.
- (2) The aggregate distribution amounts disclosed include (i) previously distributable amounts accrued in respect of unvested limited partnership interests held by current and former directors and executive officers that were allocated to the holder of such unvested limited partnership interests for tax purposes at the time such amounts would otherwise have been distributed, but for which the cash payments that would otherwise have been distributed were held back, unless and until the unvested partnership units vested and (ii) a final distribution of Topco Parent's remaining excess cash made in connection with the liquidation of Topco Parent.
- (3) The aggregate distribution amounts disclosed are net of tax distributions that were made in 2019, in respect of unvested limited partnership interests in Topco Parent as discussed in footnote 2 above. These tax distributions, which reduced future distribution entitlements under the Topco Parent limited partnership agreement, were intended to enable

recipients to satisfy current income tax liabilities in respect of allocations of partnership income where the corresponding cash payment is held back in whole or in part in respect of unvested limited partnership interests.

- (4) Includes distributions made to an estate planning trust.
- (5) Mr. Macnabb served as the President of Sterigenics until October 1, 2020.

Transactions with Certain of Our Executive Officers

We entered into agreements with each of Mr. Petras and Mr. Leffler and Mr. Klaben in connection with our IPO to repurchase certain shares of our common stock beneficially owned by them in private transactions at a purchase price per share equal to the IPO price per share of our common stock less the underwriting discounts and commissions payable thereon.

The following table sets forth the cash proceeds that our executive officers received from the purchase by us of our common stock with the net proceeds of our IPO:

Name	Shares of common stock held before the IPO	Shares of common stock sold to us	Cash proceeds
Michael B. Petras, Jr.	8,578,547	1,383,923	\$ 29,999,991
Scott J. Leffler	768,253	115,326	2,499,979
Matthew J. Klaben	438,434	69,196	1,499,996

Capital Contributions to Topco Parent

In connection with the commencement of their services to Topco Parent or its subsidiaries, each of Ann R. Klee and Michael P. Rutz (the “Subscribers”) entered into subscription agreements on June 30, 2020 (each, a “Topco Subscription Agreement”) with Topco Parent pursuant to which each of the Subscribers agreed to purchase a limited partnership interest in Topco Parent in exchange for a capital contribution of \$200,000. These units were subject to the terms of the Topco partnership agreement and the registration rights agreement between Topco Parent, Sotera Health Holdings, LLC and the Sponsors in effect at the time. In connection with the corporate reorganization, each Subscriber received an in-kind distribution of restricted shares of our common stock with respect to the limited partnership interests they subscribed to. See “Corporate Reorganization & Distribution of Shares.” In connection with such distribution, the Subscribers entered into a Restricted Stock Agreement and Acknowledgement and the Registration Rights Agreement.

Registration Rights Agreement

In connection with our IPO, we entered into a second amended and restated registration rights agreement (the “Registration Rights Agreement”) with certain holders of our common stock, including the Sponsors, pursuant to which we have agreed to register the sale of shares of our common stock under specified circumstances. As of February 24, 2021 holders of a total of 207,079,165 shares of our common stock will have the right to require us to register these shares under the Securities Act under specified circumstances. After registration pursuant to these rights, these shares will become freely tradable without restriction under the Securities Act.

Beginning on the first date after our IPO on which investment funds and entities affiliated with either Warburg Pincus or GTCR are no longer subject to any underwriter’s lock-up or other similar contractual restrictions on the sale of our shares, we may be required by investment funds and entities affiliated with either Warburg Pincus or GTCR to register all or part of their shares of common stock in accordance with the Securities Act and the Registration Rights Agreement. The net aggregate offering price of shares that investment funds and entities affiliated with either Warburg Pincus or GTCR propose to sell in any demand registration must be at least \$50 million, or such holder must propose to sell all of such holder’s shares if the net aggregate offering price of such shares is less than \$50 million. Each of Warburg Pincus and GTCR is entitled to request unlimited demand registrations, but in each case we are not obligated to effect more than three long-form registrations on Form S-1 or four marketed underwritten shelf take-downs each year at the request of Warburg Pincus or more than three long-form registrations on Form S-1 or four marketed underwritten shelf take-downs each year at the request of GTCR. We also are not obligated to effect more than one marketed underwritten offering in any consecutive 90-day period without the consent of investment funds and entities affiliated with either Warburg Pincus or GTCR. There is no limitation on the number of unmarketed underwritten offerings that we may be obligated to effect at the request of investment funds and entities affiliated

with either Warburg Pincus or GTCR. We have specified rights to delay the filing or initial effectiveness of, or suspend the use of, any registration statement filed or to be filed in connection with an exercise of a holder's demand registration rights.

In addition, if we propose to file a registration statement under the Securities Act with respect to specified offerings of shares of our common stock, we must allow holders of shares subject to registration rights to include their shares in that registration, subject to specified conditions and limitations.

These registration rights are subject to specified conditions and limitations, including the right of the underwriters to limit the number of shares to be included in a registration in certain circumstances and our right to delay a registration statement under specified circumstances. Pursuant to the Registration Rights Agreement, we are required to pay all registration expenses and indemnify each participating holder with respect to each registration of registrable shares that is affected.

Stockholders' Agreement

We and the Sponsors entered into the Stockholders' Agreement in connection with our IPO. Our Stockholders' Agreement will provide that, for so long as the Stockholders' Agreement is in effect, we and the Sponsors are required to take all actions reasonably necessary, subject to applicable regulatory and stock exchange listing requirements (including director independence requirements), to cause the membership of the board and any committees of the board to be consistent with the terms of the agreement. In accordance with the Stockholders' Agreement, Warburg Pincus has designated Mr. Chen, Ms. Geveda and Mr. Neary to our board of directors and GTCR has designated Messrs. Cunningham, Donnini and Mihas to our board of directors.

Director Designees; Committee Membership

Each of our current directors was elected pursuant to the terms of agreements among our stockholders that will terminate in our corporate reorganization and be replaced by our Stockholders' Agreement. Under the terms of our Stockholders' Agreement, investment funds and entities affiliated with Warburg Pincus will be entitled to designate up to:

- five directors for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 80% or more of the shares of our common stock that they held immediately following the IPO;
- four directors for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 60% or more of the shares of our common stock that they held immediately following the IPO;
- three directors for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 40% or more of the shares of our common stock that they held immediately following the IPO;
- two directors for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 20% or more of the shares of our common stock that they held immediately following the IPO; and
- one director for election to our board of directors for so long as certain investment funds and entities affiliated with Warburg Pincus hold 6 2/3% or more of the shares of our common stock that they held immediately following the IPO.

In addition, our Stockholders' Agreement will provide that investment funds and entities affiliated with GTCR will be entitled to designate up to:

- three directors for election to our board of directors for so long as certain investment funds and entities affiliated with GTCR hold 70% or more of the shares of our common stock that they held immediately following the IPO;
- two directors for election to our board of directors for so long as certain investment funds and entities affiliated with GTCR hold 40% or more of the shares of our common stock that they held immediately following the IPO; and
- one director for election to our board of directors for so long as certain investment funds and entities affiliated with GTCR hold 10% or more of the shares of our common stock that they held immediately following the IPO.

Subject to any restrictions under applicable law or the Nasdaq rules, each of Warburg Pincus and GTCR will be entitled to representation on each board committee proportionate to the number of directors they are entitled to designate on our board of directors. In addition, Warburg Pincus shall be entitled to appoint the chairperson of our compensation committee for so long as Warburg Pincus has the right to designate at least one director for election to our board of directors.

Removal of Directors

For so long as investment funds and entities affiliated with either Warburg Pincus or GTCR, collectively, hold at least a majority of our outstanding capital stock, a director designated by investment funds and entities affiliated with either Warburg Pincus or GTCR, respectively, may be removed with or without cause by the affirmative vote of the holders of a majority of our outstanding capital stock and with the consent of Warburg Pincus or GTCR, respectively.

Quorum

For so long as investment funds and entities affiliated with Warburg Pincus have the right to designate at least one director for election to our board of directors and for so long as investment funds and entities affiliated with GTCR have the right to designate at least one director for election to our board of directors, in each case, a quorum of our board of directors will not exist without at least one director designee of each of Warburg Pincus and GTCR present at such meeting; provided that if a meeting of our board of directors fails to achieve a quorum due to the absence of a director designee of Warburg Pincus or GTCR, as applicable, the presence of at least one director designee of Warburg Pincus or GTCR, as applicable, will not be required in order for a quorum to exist at the next meeting of our board of directors.

Transfer Restrictions

Unless otherwise waived by the compensation committee and except for certain permitted transfers, management stockholders may transfer a number of vested shares of our common stock equal to the product of (i) the number of shares of our common stock then owned by such management stockholder multiplied by (ii) a fraction, the numerator of which is the number of shares of our common stock sold by the Sponsors in a public or private sale to a third party and the denominator of which is the total number of shares of our common stock held by the Sponsors immediately prior to such public or private sale. These transfer restrictions only apply to shares of common stock held by management stockholders at closing of the IPO (or securities issued in respect thereof) and remain in effect until the sixth anniversary of the completion of the IPO.

Corporate Opportunities

To the fullest extent permitted by law, we have, on behalf of ourselves, our subsidiaries and our and their respective stockholders, renounced any interest or expectancy in, or in being offered an opportunity to participate in, and business opportunity that may be presented to Warburg Pincus, GTCR or any of their respective affiliates, partners, principals, directors, officers, members, managers, employees or other representatives, and no such person has any duty to communicate or offer such business opportunity to us or any of our subsidiaries or shall be liable to us or any of our subsidiaries or any of our or its stockholders for breach of any duty, as a director or officer or otherwise, by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to us or our subsidiaries, unless, in the case of any such person who is a director or officer of ours, such business opportunity is expressly offered to such director or officer in writing solely in his or her capacity as a director or officer of ours.

Indemnification

Under the Stockholders' Agreement, we have agreed, subject to certain exceptions, to indemnify the Sponsors, and various affiliated persons and indirect equityholders of the Sponsors from certain losses arising out of any threatened or actual litigation by reason of the fact that the indemnified person is or was a holder of our common stock or of equity interests in Sotera Health Company. Public stockholders will not benefit from this indemnification provision. This indemnification is in addition to a similar indemnification provision under Topco Parent's limited partnership agreement, which will survive the termination of such agreement. Two of our subsidiaries and GTCR, LLC are currently co-defendants in tort lawsuits alleging personal injury and related claims resulting from purported emissions and releases of EO from the Willowbrook facility. In satisfaction of our indemnity obligations, our legal counsel is jointly engaged to also represent GTCR, LLC in these proceedings and we are bearing the cost of this combined defense effort.

Limitation of Liability and Indemnification of Officers and Directors

Our amended and restated certificate of incorporation provides for indemnification of directors and officers to the fullest extent permitted by law, including payment of expenses in advance of resolution of any such matter. Our amended and restated certificate of incorporation eliminates the potential personal monetary liability of our directors to us or our stockholders for breaches of their duties as directors except as otherwise required under the DGCL. Any amendment to, or repeal of, these

provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the DGCL is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of our directors will be further limited to the greatest extent permitted by the DGCL.

We have entered into separate indemnification agreements with our directors and officers that may be broader than the specific indemnification provisions contained in the DGCL. Each indemnification agreement provides, among other things, for indemnification to the fullest extent permitted by law and our amended and restated certificate of incorporation and amended and restated bylaws against any and all expenses, judgments, fines and amounts paid in settlement of any claim. The indemnification agreements provide for the advancement or payment of all expenses to the indemnitee and for reimbursement to us if it is found that such indemnitee is not entitled to such indemnification under applicable law and our amended and restated certificate of incorporation and amended and restated bylaws. We believe that these agreements are necessary to attract and retain qualified individuals to serve as directors and officers.

The limitation of liability and indemnification provisions included in our amended and restated certificate of incorporation and the indemnification agreements that we have entered into or will enter into with our directors and officers may discourage stockholders from bringing a lawsuit against our directors and officers for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against our directors and officers, even though any such action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions.

We maintain standard policies of insurance under which, subject to the limitations of the policies, coverage is provided to our directors and officers against loss arising from claims made by reason of a breach of duty or other wrongful acts as a director or officer, including claims relating to public securities matters.

Certain of our non-employee directors may, through their relationships with their employers, be insured or indemnified against certain liabilities incurred in their capacity as members of our board of directors. Although directors designated for election to our board of directors by investment funds and entities affiliated with either Warburg Pincus or GTCR may have certain rights to indemnification, advancement of expenses or insurance provided or obtained by investment funds and entities affiliated with either Warburg Pincus or GTCR, respectively, we have agreed in our Stockholders' Agreement that we will be the indemnitor of first resort, will advance the full amount of expenses incurred by each such director and, to the extent that investment funds and entities affiliated with either Warburg Pincus or GTCR or their insurers make any payment to, or advance any expenses to, any such director, we will reimburse those investment funds and entities and their insurers for such amounts.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling our company pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Policies and Procedures for Related Party Transactions

Pursuant to our written related party transaction policy, the audit committee of the Board of Directors will be responsible for evaluating each related party transaction and making a determination as to whether the transaction at issue is fair, reasonable and within our policy and whether it should be ratified and approved. The audit committee, in making its determination, will consider various factors, including the benefit of the transaction to us, the terms of the transaction and whether they are at arm's-length and in the ordinary course of our business, whether the transaction would impair the independence of an otherwise independent director, the direct or indirect nature of the related person's interest in the transaction, the size and expected term of the transaction and other facts and circumstances that bear on the materiality of the related party transaction under applicable law and listing standards. The audit committee will review, at least annually, a summary of our transactions with our directors and officers and with firms that employ our directors, as well as any other related person transactions.

Director Independence

The disclosure included in Item 10 of the report under heading "Board of Directors—Director Independence" is incorporated by reference into this Item 13.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated by reference to the information that will be included in our Definitive Proxy Statement for the 2021 Annual Meeting of Stockholders, which will be filed with the SEC within 120 days after the fiscal year ended December 31, 2020.

Part IV

Item 15. Exhibits and Financial Statement Schedules

(a) Documents Filed with Report

(1) Consolidated Financial Statements

The consolidated financial statements are filed as part of this Annual Report on Form 10-K under Item 8, “Financial Statements and Supplementary Data

(2) Financial Statement Schedules

The financial statement schedules are omitted because they are either not applicable or the information required is presented in the financial statements and notes thereto under Item 8, “Financial Statements and Supplementary Data.”

(3) Exhibits

The exhibits listed in the following Exhibit Index are filed, furnished, or incorporated by reference as part of this Annual Report on Form 10-K.

Exhibit No	Description of Exhibits	Filed/Furnished Herewith	Incorporated by Reference			
			Form	File No.	Exhibit	Filing Date
3.1	Certificate of Incorporation of the Registrant	*				
3.2	Bylaws of the Registrant	*				
4.1	Description of our Common Stock	*				
4.2	Amended and Restated Registration Rights Agreement	*				
4.3	Indenture, dated as of July 31, 2020, among Sotera Health Holdings, LLC, the Registrant, the intermediate parents and subsidiary note parties thereto and Wilmington Trust, National Association, as first lien notes collateral agent, calculation agent and trustee		S-1	333-249648	4.4	2020-10-23
4.4	Form of Senior Secured First Lien Floating Rate Note due 2026 (included in Exhibit 4.3)		S-1	333-249648	4.4	2020-10-23
10.1+	Employment Agreement by and between Sotera Health Company and Michael B. Petras, Jr., dated as of November 10, 2020		S-1/A	333-249648	10.1	2020-11-12
10.2+	Employment Agreement by and between Sotera Health Company and Scott J. Leffler, dated as of November 10, 2020		S-1/A	333-249648	10.2	2020-11-12
10.3+	Employment Agreement by and between Sotera Health Company and Matthew J. Klaben, dated as of November 10, 2020		S-1/A	333-249648	10.3	2020-11-12
10.4+	Sotera Health Company Supplemental Retirement Benefit Plan, effective as of January 1, 2018		S-1/A	333-249648	10.4	2020-11-12
10.5+	Sotera Health Company 2020 Omnibus Incentive Plan		S-1/A	333-249648	10.5	2020-11-12

Exhibit No	Description of Exhibits	Filed/Furnished Herewith	Incorporated by Reference			
			Form	File No.	Exhibit	Filing Date
10.6+	Form of Sotera Health Company 2020 Omnibus Incentive Plan Restricted Stock Unit Grant Notice and Agreement		S-1/A	333-249648	10.6	2020-11-12
10.7+	Form of Sotera Health Company 2020 Omnibus Incentive Plan Stock Option Grant Notice and Agreement		S-1/A	333-249648	10.7	2020-11-12
10.8+	Form of Indemnification Agreement entered into between the Registrant and each director and executive officer		S-1/A	333-249648	10.8	2020-11-02
10.9	Stockholders' Agreement	*				
10.10	Credit Agreement, dated as of December 13, 2019, among the Registrant, Sotera Health Holdings, LLC, the lenders and issuing banks party thereto and Jefferies Finance LLC, as first lien administrative agent and first lien collateral agent		S-1	333-249648	10.10	2020-10-23
10.11	Guarantee Agreement, dated as of December 13, 2019, among the Registrant, Sotera Health Holdings, LLC, the other guarantors party thereto and Jefferies Finance LLC, as first lien collateral agent		S-1	333-249648	10.11	2020-10-23
10.12	Collateral Agreement, dated as of December 13, 2019, among the Registrant, Sotera Health Holdings, LLC, the other guarantors party thereto and Jefferies Finance LLC, as first lien collateral agent		S-1	333-249648	10.12	2020-10-23
10.13	Patent Security Agreement, dated as of December 13, 2019, between Sterigenics U.S., LLC and Jefferies Finance LLC, as collateral agent		S-1	333-249648	10.13	2020-10-23
10.14	Trademark Security Agreement, dated as of December 13, 2019, between Sterigenics U.S., LLC and Jefferies Finance LLC, as collateral agent		S-1	333-249648	10.14	2020-10-23
10.15	Trademark Security Agreement, dated as of December 13, 2019, between Nelson Laboratories, LLC and Jefferies Finance LLC, as collateral agent		S-1	333-249648	10.15	2020-10-23
10.16	Trademark Security Agreement, dated as of December 13, 2019, between Sotera Health LLC and Jefferies Finance LLC, as collateral agent		S-1	333-249648	10.16	2020-10-23
10.17	Copyright Security Agreement, dated as of December 13, 2019, among Jefferies Finance LLC and Nelson Laboratories, LLC, as collateral agent		S-1	333-249648	10.17	2020-10-23

Exhibit No	Description of Exhibits	Filed/Furnished Herewith	Incorporated by Reference			
			Form	File No.	Exhibit	Filing Date
10.18	First Lien Pari Passu Intercreditor Agreement, dated as of July 31, 2020, among Sotera Health Holdings, LLC, the Registrant, Jefferies Finance LLC as Collateral Agent and Authorized Representative, and Wilmington Trust, National Association as Additional First Lien Collateral Agent and Initial Authorized Representative		S-1	333-249648	10.25	2020-10-23
10.19	First Lien Collateral Agreement, dated as of July 31, 2020, among the Registrant, Sotera Health Holdings, LLC, the other grantors party thereto and Wilmington Trust, National Association, as first lien notes collateral agent		S-1	333-249648	10.26	2020-10-23
10.20	Patent Security Agreement, dated as of July 31, 2020, between Sterigenics U.S., LLC and Wilmington Trust, National Association, as first lien notes collateral agent		S-1	333-249648	10.27	2020-10-23
10.21	Trademark Security Agreement, dated as of July 31, 2020, between Sotera Health Holdings LLC and Wilmington Trust, National Association, as first lien notes collateral agent		S-1	333-249648	10.28	2020-10-23
10.22	Copyright Security Agreement, dated as of July 31, 2020, between Nelson Laboratories, LLC and Wilmington Trust, National Association, as first lien notes collateral agent		S-1	333-249648	10.29	2020-10-23
10.23†	Restated Supply Agreement, dated as of October 6, 2020, between Balchem Corporation and Sterigenics U.S., LLC, Sterigenics S. De R.L. De C.V., Sterigenics Costa Rica S.R.L. and Sterigenics EO Canada, Inc.		S-1/A	333-249648	10.30	2020-11-18
10.24+	Form of Restricted Stock Agreement and Acknowledgement		S-1/A	333-249648	10.31	2020-11-12
10.25+	Non-Employee Director Compensation Policy		S-1/A	333-249648	10.32	2020-11-12
10.26+	Employment Agreement by and between Sotera Health LLC and Michael P. Rutz, dated as of May 21, 2020	*				

Exhibit No	Description of Exhibits	Filed/Furnished Herewith	Incorporated by Reference			
			Form	File No.	Exhibit	Filing Date
10.27	Incremental Facility Amendment to the First Lien Credit Agreement, dated as of December 17, 2020, among Sotera Health Company, Sotera Health Holdings, LLC, the Incremental Amendment Revolving Lends party thereto, Jefferies Finance LLC, as First Lien Administrative Agent, each Issuing Bank and the Other Loan Parties	*				
10.28	Refinancing Amendment to the First Lien Credit Agreement, dated as of January 20, 2021, among Sotera Health Company, Sotera Health Holdings, LLC, the Refinancing Lenders Party thereto, the Revolving Lenders party to the First Lien Credit Agreement and Jefferies Finance LLC, as First Lien Administrative Agent and First Lien Collateral Agent	*				
21.1	List of Subsidiaries	*				
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm	*				
31.1	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	*				
31.2	Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	*				
32.1	Certifications of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	**				

* Filed Herewith

** Furnished Herewith

+ Denotes management contract or compensatory plan or arrangement.

† Certain confidential portions of this exhibit have been redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) would likely cause us competitive harm if publicly disclosed. We agree to furnish supplementally an unredacted copy of the exhibit to the Securities and Exchange Commission on its request.

Item 16. Form 10-K Summary

None.

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.

SOTERA HEALTH COMPANY

By: /s/ Michael B. Petras, Jr.
 Name: Michael B. Petras, Jr.
 Title: Chairman and Chief Executive Officer

Date: March 9, 2021

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Michael B. Petras, Jr.</u> Michael B. Petras, Jr.	Chairman and Chief Executive Officer (Principal Executive Officer)	March 9, 2021
<u>/s/ Scott J. Leffler</u> Scott J. Leffler	Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer)	March 9, 2021
<u>/s/ Ruoxi Chen</u> Ruoxi Chen	Director	March 9, 2021
<u>/s/ Sean L. Cunningham</u> Sean L. Cunningham	Director	March 9, 2021
<u>/s/ David A. Donnini</u> David A. Donnini	Director	March 9, 2021
<u>/s/ Stephanie M. Geveda</u> Stephanie M. Geveda	Director	March 9, 2021
<u>/s/ Ann R. Klee</u> Ann R. Klee	Director	March 9, 2021
<u>/s/ Constantine S. Mihas</u> Constantine S. Mihas	Director	March 9, 2021
<u>/s/ James C. Neary</u> James C. Neary	Director	March 9, 2021
<u>/s/ Vincent K. Petrella</u> Vincent K. Petrella	Director	March 9, 2021

**AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF
SOTERA HEALTH COMPANY**

Sotera Health Company was organized by filing its original Certificate of Formation with the Secretary of State of the State of Delaware on March 18, 2015 as Sterigenics-Nordion Topco, LLC. On November 7, 2017, Sterigenics-Nordion Topco, LLC converted to a corporation and changed its name to Sotera Health Topco, Inc. This Amended and Restated Certificate of Incorporation was duly adopted in accordance with Sections 242 and 245 of the Delaware General Corporation Law (the “DGCL”) and by the written consent of its stockholders in accordance with Section 228 of the DGCL. This Amended and Restated Certificate of Incorporation amends and restates the Certificate of Incorporation of the corporation in its entirety as follows:

Article I - Name

The name of the corporation (hereinafter referred to as the “Corporation”) is Sotera Health Company.

Article II - Agent

The address of the Corporation’s registered office in the State of Delaware is 251 Little Falls Drive, Wilmington, New Castle County, Delaware 19808. The name of its registered agent at that address is Corporation Service Company.

Article III - Purpose

The purpose for which the Corporation is organized is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

Article IV – Capital Stock

Section 1. Authorized Stock. The total number of shares of stock that the Corporation shall have authority to issue is 1,320,000,000 shares of capital stock, consisting of:

- (a) 1,200,000,000 shares of common stock with a par value of \$0.01 per share (the “Common Stock”); and
- (b) 120,000,000 shares of preferred stock with a par value of \$0.01 per share (the “Preferred Stock”).

Subject to the rights of the holders of any outstanding class or series of Preferred Stock, the number of authorized shares of Common Stock or Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the holders of a majority in voting power of the outstanding capital stock of the Corporation entitled to vote

thereon, voting as a single class, and no separate vote of the holders of any class shall be required therefor irrespective of the provisions of Section 242(b)(2) of the DGCL.

Section 2. Preferred Stock.

(a) The Board of Directors of the Corporation (the “Board”) is hereby expressly authorized to provide, without approval of the stockholders of the Corporation, for the issuance of shares of Preferred Stock in one or more series, to establish from time to time the number of shares to be included in each such series, to fix the designations, powers (including voting powers, full or limited, or no voting powers), preferences and relative, optional or other special rights, if any, and the qualifications, limitations and restrictions thereof, if any, of the shares of each such series, and to file with the Secretary of State of the State of Delaware a certificate pursuant to the DGCL describing such number, designations, powers, preferences, rights and other terms, as applicable (a “Preferred Stock Designation”).

(b) Except as otherwise provided in a Preferred Stock Designation or required by law, shares of Preferred Stock shall not entitle the holders thereof to vote at or receive notice of any meeting of stockholders.

Section 3. Common Stock.

(a) Voting. Except as otherwise provided in a Preferred Stock Designation or required by law, the holders of outstanding shares of Common Stock (including, but not limited to, shares of Common Stock that remain subject to vesting requirements) shall have the exclusive right to vote for the election of directors and on all other matters submitted to a vote of the stockholders of the Corporation. Each holder of outstanding shares of Common Stock shall be entitled to one vote in respect of each share of Common Stock held as of the applicable date on any matter that is submitted to a vote of stockholders of the Corporation. Except as otherwise required by law, shares of Common Stock shall not entitle the holders thereof to vote on any amendment to this Amended and Restated Certificate of Incorporation (as the same may be amended and/or restated from time to time, including by a Preferred Stock Designation, this “Certificate of Incorporation”) that alters or changes the powers, preferences, rights or other terms of solely one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, separately or together with the holders of one or more other such series, to vote on such amendment pursuant to this Certificate of Incorporation (including a Preferred Stock Designation) or pursuant to the DGCL.

(b) Dividends. Subject to applicable law and any preferential dividend rights of the holders of any outstanding series of Preferred Stock provided in the relevant Preferred Stock Designation, the holders of Common Stock shall be entitled to receive dividends out of funds legally available therefor at such times and in such amounts as the Board may determine in its sole discretion.

(c) Liquidation. Upon any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary (a "Liquidation Event"), after the payment or provision for payment of all debts and liabilities of the Corporation, and subject to the right, if any, of the holders of any outstanding series of Preferred Stock or any other outstanding class or series of stock of the Corporation having a preference over or the right to participate with the Common Stock as to distributions upon dissolution or liquidation or winding up of the Corporation, the holders of Common Stock shall be entitled to share ratably in the remaining assets of the Corporation available for distribution. For the avoidance of doubt, the term "Liquidation Event" shall not be deemed to be occasioned by or to include, without limitation, any voluntary consolidation, reorganization, conversion or merger of the Corporation with or into any other corporation or entity or other corporations or entities or a sale, lease, transfer, exchange or conveyance of all or a part of the Corporation's assets.

(d) No Pre-Emptive Rights. Shares of Common Stock shall not entitle any holder thereof to any pre-emptive, subscription, redemption or conversion rights.

Article V - Existence

The Corporation is to have perpetual existence.

Article VI – Board of Directors

Section 1. Number; Classification.

(a) Number. The business and affairs of the Corporation shall be managed by or under the direction of a Board, consisting of not fewer than three individuals. Subject to the rights granted to Warburg Pincus Private Equity XI, L.P., Warburg Pincus XI Partners, L.P., WP XI Partners, L.P., Warburg Pincus Private Equity XI-B, L.P. and Warburg Pincus Private Equity XI-C, L.P. and their respective Affiliates (as such term is defined in the Stockholders' Agreement) (collectively, "Warburg Pincus") and GTCR Fund XI/A VCOC, GTCR Fund XI/C VCOC and GTCR Co-Invest XI LP and their respective Affiliates (as such term is defined in the Stockholders' Agreement) (collectively, "GTCR" and together with Warburg Pincus, the "Sponsors") pursuant to the stockholders' agreement, dated as of November 19, 2020, by and among the Corporation, Warburg Pincus, GTCR and the other stockholders party thereto (as the same may be amended, supplemented, restated or otherwise modified from time to time, the "Stockholders' Agreement"), the exact number of directors shall be determined from time to time by resolution adopted by the affirmative vote of a majority of the number of directors then in office (but not less than one-third of the total number of directors constituting the Board), provided that, without the consent of Warburg Pincus or GTCR, the number of directors shall not exceed eleven individuals (exclusive of directors referred to in clause (d) of this Section 1); provided, further, that the consent of Warburg Pincus or GTCR shall be required only at such time as Warburg Pincus or GTCR, as the

case may be, has the right to designate at least one director of the Corporation under the Stockholders' Agreement.

(b) Classes. From and after the date of the filing of this Certificate of Incorporation with the Secretary of State of the State of Delaware (the "Effective Time"), subject to the special rights of the holders of one or more series of Preferred Stock to elect directors, the directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors so divided into classes. The Board is authorized to assign members of the Board already in office to Class I, Class II or Class III at the time such classification becomes effective. Class I directors shall serve for an initial term ending at the first annual meeting of stockholders following the Effective Time, Class II directors shall serve for an initial term ending at the second annual meeting of stockholders following the Effective Time and Class III directors shall serve for an initial term ending at the third annual meeting of stockholders following the Effective Time. Commencing with the first annual meeting of stockholders following the Effective Time, successors to the directors of the class whose term has expired at that annual meeting shall be elected for a three-year term and shall serve until the election and qualification of their respective successors in office or until their earlier death, resignation, disqualification or removal.

(c) Written Ballot Not Required. Unless and except to the extent that the bylaws of the Corporation (as in effect from time to time, the "Bylaws") so require, the election of directors of the Corporation need not be by written ballot.

(d) Preferred Stock Directors. Notwithstanding the foregoing and notwithstanding Section 2 of this Article VI (but subject to the rights of the Sponsors under the Stockholders' Agreement), whenever a Preferred Stock Designation expressly provides holders of any one or more series of Preferred Stock issued by the Corporation the right, voting separately by series or as a class, to elect directors (the "Preferred Stock Directors"), the total number of Preferred Stock Directors and the election, term of office, filling of vacancies and other features of such Preferred Stock directorships shall be governed by the applicable Preferred Stock Designation and the provisions of the DGCL applicable to Preferred Stock Directors and directorships. Upon commencement and for the duration of the period during which such right continues, (i) the total number of directors of the Corporation authorized pursuant to Section 1(a) of this Article VI shall automatically increase by the number of Preferred Stock Directors specified in the applicable Preferred Stock Designation, and (ii) each such additional Preferred Stock Director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to the Preferred Stock Designation establishing such series of Preferred Stock, whichever occurs earlier, subject to his or her earlier death, resignation, disqualification or removal. Except as otherwise provided by this Certificate of Incorporation (including any Preferred Stock Designation), whenever the holders of any series of Preferred Stock having the special right to elect additional Preferred Stock Directors are divested of such right pursuant to this Certificate of Incorporation (including any Preferred Stock Designation),

the terms of office of each such additional Preferred Stock Directors elected by the holders of such series, or appointed to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional Preferred Stock Director, shall forthwith terminate and the total authorized number of directors of the Corporation shall be reduced accordingly

Section 2. Vacancies and Newly Created Directorships. Subject to the special rights of the holders of one or more outstanding series of Preferred Stock as provided in the relevant Preferred Stock Designation(s), and subject to any rights in the Stockholders' Agreement granting a Designated Sponsor Fund (as defined in the Stockholders' Agreement) the right to fill vacancies or newly created directorships, any newly created directorship that results from an increase in the total number of directors constituting the Board, or any vacancy that results from the death, resignation, disqualification or removal of any director or from any other cause shall be filled by the affirmative vote of a majority of the directors then in office, even if less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy shall hold office for the remaining term of the class to which such director has been appointed and until his or her successor is duly elected and qualified, subject to his or her earlier death, resignation, disqualification or removal. If the number of directors is changed, any increase or decrease shall be apportioned among the classes as determined by the Board so as to maintain the number of directors in each class as nearly equal as possible, and any additional director of any class elected to fill a newly created directorship shall hold office for the remaining term of that class and until his or her successor is duly elected and qualified, subject to his or her earlier death, resignation, disqualification or removal. In no case shall a decrease in the total number of directors constituting the Board shorten the term of any incumbent director.

Section 3. Removal. Subject to the special rights of the holders of one or more outstanding series of Preferred Stock as provided in the relevant Preferred Stock Designation(s), any director or the entire Board may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least 75% of the voting power of the outstanding Common Stock, provided, however, that prior to the Trigger Date (as defined below), if a Designated Sponsor Fund shall have provided the Corporation its written consent to the removal without cause of any director designated by it in accordance with the Stockholders' Agreement, any such director may be removed, with or without cause, by the affirmative vote of the holders of a majority in voting power of the outstanding capital stock of the Corporation entitled to vote generally in the election of directors.

Section 4. Quorum. A majority of the directors at any time in office (but not less than one-third of the total number of directors constituting the Board) shall constitute a quorum of the Board for the transaction of business at any meeting of the Board; provided, however, that (i) for so long as Warburg Pincus shall have a contractual right to designate at least one director of the Corporation and has not irrevocably waived such contractual right, a quorum of the Board shall require at least one director designated by Warburg Pincus (unless Warburg Pincus waives such quorum requirement) and (ii) for so long as GTCR shall have a contractual right to designate at least one director of the Corporation and has not irrevocably waived such contractual right, a quorum of the Board shall require at least one director designated by GTCR (unless GTCR

waives such quorum requirement); provided further, however, that if a meeting of the Board duly called in accordance with this Certificate of Incorporation and the Bylaws of the Corporation fails to achieve a quorum solely due to the absence of any director designated by Warburg Pincus or any director designated by GTCR, as the case may be, then a new notice of meeting of the Board may be given in accordance with this Certificate of Incorporation and the Bylaws of the Corporation and a quorum at such meeting shall not require the presence of (A) in the event that the preceding meeting of the Board failed to achieve a quorum due to the absence of any director designated by Warburg, any director designated by Warburg or (B) in the event that the preceding meeting of the Board failed to achieve a quorum due to the absence of any director designated by GTCR, any director designated by GTCR. If at any meeting of the Board there shall be less than such a quorum, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present.

Section 5. Action at Meeting. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board unless a greater number is required by applicable law, the Bylaws or by this Certificate of Incorporation.

Article VII – Liability of Directors and Officers and Certain Other Persons

Section 1. Elimination of Certain Liability of Directors. To the fullest extent permitted by the DGCL, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the DGCL is amended after the Effective Date to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation shall be eliminated or limited to the fullest extent permitted by the DGCL as so amended.

Section 2. Indemnification of Directors, Officers and Certain Other Persons

(a) Power to Indemnify in Action, Suits or Proceedings. Subject to the limitations set forth in Section 2(d), the Corporation shall, to the fullest extent permitted by the DGCL (as it presently exists or may hereafter be amended but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than permitted prior to such amendment), indemnify and hold harmless any person made or threatened to be made a party to, or is otherwise involved in, any action, suit or proceeding, whether criminal, civil, administrative, or investigative (each, a “proceeding”), by reason of the fact that such person, or the legal representative of such person, is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee, agent or manager of any other corporation, partnership, limited liability company, joint venture, trust or other enterprise or nonprofit entity, including service with respect to an employee benefit plan (each such person, an “Eligible Person”), whether the basis of such proceeding is alleged action in an official capacity as an Eligible Person or in any other capacity while serving in such official

capacity, against all expense, liability and loss (including attorneys' and other professionals' fees, judgments, fines, taxes under the Employee Retirement Income Security Act of 1974, as amended, or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith.

(b) Expenses Payable In Advance. To the fullest extent permitted by the DGCL, each Eligible Person shall, subject in all events to satisfaction of the terms and conditions set forth in or imposed pursuant to this Section 2(b) and to the limitations contained in Section 2(d), have the right to be paid by the Corporation the expenses (including attorneys' and other professionals' fees and disbursements and court costs) actually and reasonably incurred in defending any proceeding described in Section 2(a) in advance of its final disposition (an "advancement of expenses") upon the receipt of an undertaking (an "undertaking") by or on behalf of such Eligible Person to repay all amounts so advanced if it is ultimately determined by final judicial decision from which there is no further right to appeal (a "final adjudication") that such person is not entitled to be indemnified by the Corporation for such expenses pursuant to this Section 2 (it being understood that no collateral securing or other assurance of performance of such undertaking shall be required of such Eligible Person by the Corporation).

(c) Indemnification and Advancement of Expenses to Certain Other Persons. The Corporation may from time to time grant rights to indemnification and advancement of expenses to such other persons and with such scope and effect as the Board may determine, subject to applicable law.

(d) Limitations. No Eligible Person shall be entitled to any advancement of expenses for, or to indemnification from or to be held harmless by the Corporation against expenses, liabilities or losses, incurred by him or her in asserting any claim or commencing or prosecuting any proceeding (except as provided in Section 2(e)), but such advancement of expenses and indemnification and hold harmless rights may be provided by the Corporation in any specific instance as permitted by Section 2(f) or 2(g), or in any specific instance in which the Board or any person designated to grant such authorization pursuant to a resolution adopted by the Board first authorizes the commencement or prosecution of such a proceeding or the assertion of such a claim.

(e) Enforcement. The rights to indemnification and advancement of expenses provided by, or granted pursuant to, this Article VII shall be enforceable by any person entitled to such indemnification or advancement of expenses. To the fullest extent permitted by law, if successful in whole or in part in any such proceeding, or in a proceeding brought by the Corporation to recover an advancement of expenses, the person entitled to such indemnification or advancement of expenses shall be entitled to be paid also the expense of prosecuting or defending such suit. Notice of any application to a court by any such person pursuant to this Section 2(e) shall be given to the Corporation promptly upon the filing of such application; provided, however, that such notice shall not be required for an award of or a determination of entitlement to indemnification or advancement of expenses.

(f) Non-Exclusivity and Survival of Indemnification.

(i) The rights to indemnification and to the advancement of expenses provided by or granted pursuant to this Section 2 shall be deemed independent of, and shall not be deemed exclusive of or a limitation on, any other rights to which any person seeking indemnification or advancement of expenses may be entitled or may hereafter acquire under any statute, provision of this Certificate of Incorporation, provision of the Bylaws, Stockholders' Agreement, other agreement, vote of stockholders or of disinterested directors or otherwise, both as to such person's official capacity and as to action in another capacity while holding such office. It is the intent of the Corporation that indemnification of and advancement of expenses to Eligible Persons shall be made to the fullest extent permitted by law.

(ii) The Corporation's obligation, if any, to indemnify, to hold harmless, or to provide advancement of expenses to any Eligible Person who was or is serving at its request as a director, officer, employee, agent or manager of another corporation, partnership, limited liability company, joint venture, trust or other enterprise or nonprofit entity (including service with respect to an employee benefit plan) shall be reduced by any amount such Eligible Person actually collects as indemnification, holding harmless, or advancement of expenses from such other corporation, partnership, limited liability company, joint venture, trust or other enterprise nonprofit entity.

(iii) The rights to indemnification and advancement of expenses provided by, or granted pursuant to, this Section 2 shall be contract rights, and such rights shall continue as to a person who has ceased to be an officer or director of the Corporation (or in the case of any other person who may or shall be entitled to rights to indemnification or advancement of expenses granted pursuant to this Section 2, has ceased to serve the Corporation) and shall inure to the benefit of the estate, heirs, legatees, distributees, executors, administrators and other comparable legal representatives of such person. A right to indemnification or to advancement of expenses arising under any provision of this Section 2 shall not be eliminated or impaired by an amendment, alteration or repeal of any provision of this Certificate of Incorporation after the occurrence of the act or omission that is the subject of the proceeding for which indemnification or advancement of expenses is sought (even in the case of a proceeding based on a state of facts that is commenced after such time). Any reference to an officer of the Corporation in this Section 2 shall be deemed to refer exclusively to the Chairperson, the Chief Executive Officer, the Chief Financial Officer, the President, the Treasurer and the Secretary, and any other officer expressly appointed as such pursuant to and in accordance with Article IV of the Bylaws (or any successor provision), and any reference to an officer of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be deemed to refer exclusively to an officer appointed by the board of directors or equivalent governing body of such other entity pursuant to the certificate of incorporation and bylaws or equivalent organizational documents of such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

(g) Insurance. The Corporation may, but shall not be required to, purchase and maintain insurance, at its expense, on behalf of itself and any person who is or was a director, officer, employee, agent or manager of the Corporation or any other enterprise or entity, including service with respect to an employee benefit plan, against any expense, liability or loss, whether or not the Corporation would have the power, the ability or the obligation to indemnify such person against such expense, liability or loss under the DGCL. Nothing contained in this Section 2 shall prevent the Corporation from entering into any agreement with any person that provides independent indemnification, hold harmless or advancement rights to such person or further regulates the terms on which indemnification, hold harmless or advancement rights are to be provided to such person or provides independent assurance of the Corporation's obligation to indemnify, hold harmless and/or advance the expenses of such person, whether or not such indemnification, hold harmless or advancement rights are on the same or different terms than provided for by this Section 2 or is in respect of such person acting in any other capacity, and nothing contained herein shall be exclusive of, or a limitation on, any right to indemnification, to be held harmless, or to an advancement of expenses to which any person is otherwise entitled. The Corporation may create a trust fund, grant a security interest or use other means (including a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification and the advancement of expenses as provided in this Section 2.

(h) Severability. If all or any portion of this Section 2 is invalidated or held to be unenforceable on any ground by any court of competent jurisdiction, the decision of which has not been reversed on appeal, this Section 2 shall be deemed to be modified to the minimum extent necessary to avoid a violation of law and, as so modified, shall remain valid and enforceable in accordance with its terms to the fullest extent permitted by law.

Section 3. Amendment, Repeal, Etc. No amendment or repeal of this Article VII, nor the adoption of any provision of this Certificate of Incorporation inconsistent with this Article VII, nor, to the fullest extent permitted by the DGCL, any modification of law, shall adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such amendment, repeal or adoption of an inconsistent provision.

Article VIII – Corporate Opportunity

Section 1. Regulation of Certain Affairs. In recognition and anticipation that (a) certain direct or indirect partners, equityholders, principals, directors, officers, members, managers, employees and/or other representatives of the Sponsors (each of the foregoing persons or entities, other than the Sponsors, an "Identified Person") may serve as directors, officers or agents of the Corporation or its subsidiaries, (b) the Corporation or its subsidiaries and the Sponsors may now engage and may continue to engage in the same or similar activities (which shall include, without limitation, other business activities that overlap with or compete with those in which the Corporation or its subsidiaries, directly or indirectly, may engage) or lines of business and have an interest in the same or similar areas of corporate opportunities; and

(c) there will be benefits to be derived by the Corporation or its subsidiaries through its contractual, corporate and business relations with the Sponsors (including possible service of Identified Persons as officers and directors of the Corporation or its subsidiaries) and there will be benefits in providing guidelines for the Identified Persons and of the Corporation with respect to the allocation of corporate opportunities and other matters; the provisions of this Article VIII are set forth to regulate, define and guide the conduct of certain affairs of the Corporation and its subsidiaries with respect to certain classes or categories of business opportunities as they may involve the Sponsors and the Identified Persons, and the powers, rights, duties and liabilities of the Corporation and its officers, directors and stockholders in connection therewith; provided, however, that nothing in this Article VIII will impair the Corporation's ability to enter into contractual arrangements with a stockholder of the Corporation, which arrangements restrict the stockholder from engaging in activities otherwise allowed by this Article VIII, and the following provisions shall be subject to any such contractual obligation of the Corporation.

Section 2. Certain Contracts. No contract, agreement, arrangement or transaction between or among the Corporation or its subsidiaries, on the one hand, and any Sponsor or any Identified Person, on the other, shall be void or voidable solely for the reason that any Sponsor or Identified Person is a party thereto, and, to the fullest extent permitted by law, any such Sponsor or Identified Person (a) shall have fully satisfied and fulfilled the fiduciary duties, if any, owed by such Sponsor or Identified Person to the Corporation and its subsidiaries or their respective stockholders or equityholders with respect thereto; (b) shall not be liable to the Corporation or its subsidiaries or their respective stockholders or equityholders for breach of any fiduciary duty owed by such Sponsor or Identified Person by reason of the entering into, performance or consummation of any such contract, agreement, arrangement or transaction; (c) shall be deemed to have acted in good faith and in a manner such Sponsor and/or Identified Person reasonably believed to be in and not opposed to the best interests of the Corporation and its subsidiaries and their respective stockholders or equityholders; and (d) shall be deemed not to have breached any fiduciary duty (including the duty of loyalty) owed to the Corporation or its subsidiaries and their respective stockholders or equityholders, and not to have received an improper personal gain or otherwise derived an improper personal benefit therefrom, if (i) the material facts as to the contract, agreement, arrangement or transaction are disclosed or are known to the Board or the committee thereof that authorizes the contract, agreement, arrangement or transaction, and (ii) the Board or such committee in good faith authorizes the contract, agreement, arrangement or transaction by the affirmative vote of a majority of the disinterested directors, even though less than a quorum. Directors of the Corporation who are also Identified Persons may be counted in determining the presence of a quorum at a meeting of the Board or of a committee that authorizes any such contract, agreement, arrangement or transaction.

Section 3. Competition and Corporate Opportunities. Subject to any contractual provisions to the contrary, the Sponsors and Identified Persons shall have the right to, and, to the fullest extent permitted by law, shall have no duty (contractual, fiduciary or otherwise) to refrain from, directly or indirectly, (a) engaging in the same or similar activities or lines of business as the Corporation or any of its subsidiaries, on its own account, or in partnership with, or as an employee, officer, director or stockholder of any other person, including those lines of business deemed to be competing with the Corporation or any of its subsidiaries; (b) doing business with

any potential or actual customer or supplier of the Corporation or its subsidiaries; or (c) employing or otherwise engaging any officer or employee of the Corporation or its subsidiaries. To the fullest extent permitted by law, neither the Sponsors nor any Identified Person (except as provided in this Article VIII) shall be liable to the Corporation or its stockholders for breach of any fiduciary duty by reason of any such activities of the Sponsors or Identified Persons, or such person's participation therein. None of the Corporation or its stockholders or any of its subsidiaries or their stockholders shall have any rights in and to the business ventures of any Sponsor or Identified Person or the income or profits derived therefrom.

To the fullest extent permitted by law, (i) the Corporation, on behalf of itself and its subsidiaries and its and their respective stockholders or equityholders, renounces any interest or expectancy of the Corporation and its subsidiaries in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to, or acquired, created or developed by, or that otherwise come into the possession of, any of the Sponsors or any Identified Person, even if the opportunity is one that the Corporation or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, (ii) no Sponsor or Identified Person shall have any duty (contractual, fiduciary or otherwise) to communicate or offer such business opportunity to the Corporation or any of its subsidiaries or any of their respective stockholders, and no such person shall be liable to the Corporation or any of its subsidiaries or any of their respective stockholders for breach of any duty (contractual, fiduciary or otherwise), as a stockholder, director or officer or otherwise, by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation or its subsidiaries unless, in the case of any such person who is a director or officer of the Corporation, such business opportunity is expressly offered to such director or officer in writing solely in his or her capacity as a director or officer of the Corporation.

Any person purchasing or otherwise acquiring any interest in any shares of stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article VIII. Neither the alteration, amendment or repeal of this Article VIII nor the adoption of any provision of this Certificate of Incorporation inconsistent with this Article VIII shall eliminate or reduce the effect of this Article VIII in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article VIII, would accrue or arise, with respect to any action or omission occurring prior to such alteration, amendment, repeal or adoption. Following any amendment, modification or elimination of this Article VIII, any contract, agreement, arrangement or transaction involving a corporate opportunity shall not by reason thereof result in any breach of any duty (contractual, fiduciary or otherwise) or failure to act in good faith or in the best interests of the Corporation or derivation of any improper benefit or personal economic gain on the part of any Sponsor, Identified Person or other person or entity, but shall be governed by the other provisions of this Certificate of Incorporation, the Bylaws, the DGCL and other applicable law.

For so long as either Warburg Pincus or GTCR has the right to designate at least one director of the Corporation under the Stockholders' Agreement, in addition to and

notwithstanding the foregoing provisions of this Article VIII, a corporate opportunity shall not be deemed to be a potential opportunity for the Corporation or any of its subsidiaries (and shall be expressly renounced) if it is a business opportunity that (i) the Corporation is not financially able or contractually permitted or legally able to undertake, (ii) from its nature, is not in the line of the Corporation's business or is of no practical advantage to it or (iii) is one in which the Corporation has no interest or reasonable expectancy.

Section 4. Severability. If this Article VIII or any portion hereof shall be invalidated or held to be unenforceable on any ground by any court of competent jurisdiction, the decision of which shall not have been reversed on appeal, this Article VIII shall be deemed to be modified to the minimum extent necessary to avoid a violation of law and, as so modified, this Article VIII and the remaining provisions hereof shall remain valid and enforceable in accordance with their terms to the fullest extent permitted by law.

Article IX – Stockholder Action

Section 1. Actions at Meetings Duly Called; No Written Consents. Except as provided with respect to the holders of any outstanding series of Preferred Stock in the relevant Preferred Stock Designation(s), any action required or permitted to be taken at any annual or special meeting of the stockholders of the Corporation may be taken only upon the vote of the stockholders at an annual or special meeting duly called and may not be taken by consent of the stockholders in lieu of a meeting; provided, however, that prior to the date on which the Sponsors no longer collectively beneficially own (as such term is used in Rule 13d-5 under the Exchange Act, as such Rule is in effect as of the date of this Certificate of Incorporation) more than 50% of the total voting power of all the then outstanding shares of stock of the Corporation entitled to vote generally in the election of directors (the "Trigger Date"), any action required or permitted to be taken at any annual or special meeting of the stockholders of the Corporation may be taken by consent of the stockholders in lieu of a meeting, if a consent or consents setting forth the action so taken shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of stockholders at which all shares entitled to vote thereon were presented and voted and shall be delivered to the Corporation in the manner required by applicable law.

Section 2. Regulation of Stockholder Submissions. The Bylaws may establish procedures regulating the submission by stockholders of nominations, proposals and other business for consideration at meetings of stockholders of the Corporation.

Section 3. Special Meetings. Except as provided with respect to the rights of the holders of Preferred Stock of any outstanding series of Preferred Stock as provided in the relevant Preferred Stock Designation(s), special meetings of the stockholders of the Corporation may be called at any time only by the Board pursuant to a resolution adopted by the affirmative vote of a majority of the directors then in office, by the Chairperson of the Board or the Chief Executive Officer of the Corporation; provided, however, prior to the Trigger Date, special meetings of the stockholders of the Corporation may be called at any time only by (i) the Secretary acting at the direction of the holders of a majority in voting power of the outstanding

shares of stock of the Corporation entitled to vote generally in the election of directors or (ii) by the Board pursuant to a resolution adopted by the affirmative vote of a majority of the directors then in office.

Article X – Amendment of Certificate of Incorporation

(a) Subject to any requirement of applicable law and to the special voting rights of one or more outstanding series of Preferred Stock granted pursuant to any Preferred Stock Designation(s), the Corporation reserves the right at any time from time to time to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and any other provisions authorized by the DGCL at the time in force, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of any nature conferred upon stockholders, directors or any other persons by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Article X. In addition to any affirmative vote required by applicable law or any other provision of this Certificate of Incorporation (including clause (b) below) or specified in any agreement, and in addition to any voting rights granted to or held by the holders of any outstanding class or series of Preferred Stock, (i) for so long as either the WP Designated Sponsor Fund (as defined in the Stockholders' Agreement) or the GTCR Designated Sponsor Fund (as defined in the Stockholders' Agreement) has the right individually to designate at least three directors of the Corporation pursuant to the Stockholders' Agreement, the affirmative vote of 75% of the total number of directors then in office shall be required to amend, alter, change or repeal, or adopt any provision inconsistent with, this Certificate of Incorporation, (ii) prior to the Trigger Date, the affirmative vote of the holders of a majority in voting power of the outstanding stock of the Corporation entitled to vote generally in the election of directors, shall be required to amend, alter, change or repeal, or to adopt any provision inconsistent with, this Certificate of Incorporation and (iii) at all other times, the affirmative vote of at least 66 and 2/3% in voting power of the outstanding shares of stock of the Corporation entitled to vote generally in the election of directors, shall be required to amend, add, alter, change or repeal, or to adopt any provisions inconsistent with, Articles VI, VII, VIII, IX(1), IX(3), X, XI, XII, and XIII of this Certificate of Incorporation.

(b) Notwithstanding the foregoing, nothing in this Certificate of Incorporation shall be deemed to limit the ability of the parties to the Stockholders' Agreement to amend, alter or repeal any provision of the Stockholders' Agreement pursuant to the terms thereof.

Article XI – Bylaws

In furtherance and not in limitation of the powers conferred by statute, the Board is expressly authorized to adopt, alter, amend or repeal the Bylaws of the Corporation; provided that for so long as either the WP Designated Sponsor Fund or the GTCR Designated Sponsor Fund has the right individually to designate at least three directors of the Corporation pursuant to the Stockholders' Agreement, the Board shall not adopt, alter, amend or repeal the Bylaws without the affirmative vote of 75% of the directors then in office. In addition to any vote required by this Certificate of Incorporation or applicable law, (i) prior to the Trigger Date, the

affirmative vote of the holders of a majority of the voting power of the outstanding Common Stock shall be required in order for the stockholders to adopt, alter, amend or repeal the Bylaws of the Corporation and (ii) at all other times, the affirmative vote of the holders of not less than 66 and 2/3% in voting power of the outstanding shares of stock of the Corporation entitled to vote generally in the election of directors, shall be required in order for the stockholders to adopt, alter, amend or repeal the Bylaws of the Corporation.

Article XII – Certain Business Combinations

Section 1. Section 203 of the DGCL. Section 203 of the DGCL shall not apply to the Corporation.

Section 2. Business Combinations with Certain Stockholders. Notwithstanding any other provision in this Certificate of Incorporation to the contrary, the Corporation shall not engage in any Business Combination (as defined hereinafter), at any point in time at which the Common Stock is registered under Section 12(b) or 12(g) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), with any Interested Stockholder (as defined hereinafter) for a period of three years following the time that such stockholder became an Interested Stockholder, unless:

(a) prior to such time the Board approved either the Business Combination or the transaction which resulted in such stockholder becoming an Interested Stockholder;

(b) upon consummation of the transaction which resulted in such stockholder becoming an Interested Stockholder, such stockholder owned at least eighty-five percent (85%) of the Voting Stock (as defined hereinafter) outstanding at the time the transaction commenced, excluding for purposes of determining the Voting Stock outstanding (but not the outstanding Voting Stock owned by such Interested Stockholder) those shares owned (i) by Persons (as defined hereinafter) who are directors and also officers of the Corporation and (ii) employee stock plans of the Corporation in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

(c) at or subsequent to such time, the Business Combination is approved by the Board and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least sixty-six and two-thirds percent (66 2/3%) of the Voting Stock which is not owned by such Interested Stockholder.

Section 3. Exceptions to Prohibition on Interested Stockholder Transactions. The restrictions contained in this Article XII shall not apply if:

(a) a stockholder becomes an Interested Stockholder inadvertently and (i) as soon as practicable divests itself of ownership of sufficient shares so that the stockholder ceases to be an Interested Stockholder; and (ii) would not, at any time within the three-year period immediately prior to a Business Combination between the Corporation and such stockholder, have been an Interested Stockholder but for the inadvertent acquisition of ownership; or

(b) the Business Combination is proposed prior to the consummation or abandonment of and subsequent to the earlier of the public announcement or the notice required hereunder of a proposed transaction which (i) constitutes one of the transactions described in the second sentence of this Section 3(b) of Article XII; (ii) is with or by a Person who either was not an Interested Stockholder during the previous three years or who became an Interested Stockholder with the approval of the Board; and (iii) is approved or not opposed by a majority of the directors then in office (but not less than one) who were directors prior to any Person becoming an Interested Stockholder during the previous three years or were recommended for election or elected to succeed such directors by a majority of such directors. The proposed transactions referred to in the preceding sentence are limited to (x) a merger or consolidation of the Corporation (except for a merger in respect of which, pursuant to Section 251(f) of the DGCL, no vote of the stockholders of the Corporation is required); (y) a sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation (other than to any direct or indirect wholly-owned subsidiary or to the Corporation) having an aggregate market value equal to fifty percent (50%) or more of either that aggregate market value of all of the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding Stock (as defined hereinafter) of the Corporation; or (z) a proposed tender or exchange offer for fifty percent (50%) or more of the of the Voting Stock. The Corporation shall give not less than 20 days' notice to all Interested Stockholders prior to the consummation of any of the transactions described in clause (x) or (y) of the second sentence of this Section 3(b) of Article XII.

Section 4. Definitions. As used in this Article XII only, and unless otherwise provided by the express terms of this Article XII, the following terms shall have the meanings ascribed to them as set forth in this Section 4:

(a) “Affiliate” means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another Person;

(b) “Associate”, when used to indicate a relationship with any Person, means: (i) any corporation, partnership, unincorporated association or other entity of which such Person is a director, officer or general partner or is, directly or indirectly, the owner of twenty percent (20%) or more of any class of Voting Stock; (ii) any trust or other estate in which such Person has at least a twenty percent (20%) beneficial interest or as to which such Person serves as trustee or in a similar fiduciary capacity; and (iii) any relative or spouse of such Person, or any relative of such spouse, who has the same residence as such Person;

(c) “Business Combination” means:

(i) any merger or consolidation of the Corporation or any direct or indirect majority-owned subsidiary of the Corporation with (A) the Interested Stockholder, or (B) any other corporation, partnership, unincorporated association or entity if the merger or consolidation is caused by the Interested Stockholder and as a result of such merger or consolidation, Section 2 of this Article XII is not applicable to the surviving entity;

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), except proportionately as a stockholder of the Corporation, to or with the Interested Stockholder, whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation which assets have an aggregate market value equal to ten percent (10%) or more of either the aggregate market value of all the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding Stock of the Corporation;

(iii) any transaction which results in the issuance or transfer by the Corporation or by any direct or indirect majority-owned subsidiary of the Corporation of any Stock of the Corporation or of such subsidiary to the Interested Stockholder, except: (A) pursuant to the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into Stock of the Corporation or any such subsidiary which securities were outstanding prior to the time that the Interested Stockholder became such; (B) pursuant to a merger under Section 251(g) of the DGCL; (C) pursuant to a dividend or distribution paid or made, or the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into Stock of the Corporation or any such subsidiary which security is distributed, pro rata to all holders of a class or series of Stock of the Corporation subsequent to the time the Interested Stockholder became such; (D) pursuant to an exchange offer by the Corporation to purchase Stock made on the same terms to all holders of such Stock; or (E) any issuance or transfer of Stock by the Corporation; provided however, that in no case under items (C)-(E) of this Section 4(c)(iii) of Article XII shall there be an increase in the Interested Stockholder's proportionate share of the Stock of any class or series of the Corporation or of the Voting Stock of the Corporation (except as a result of immaterial changes due to fractional share adjustments);

(iv) any transaction involving the Corporation or any direct or indirect majority-owned subsidiary of the Corporation which has the effect, directly or indirectly, of increasing the proportionate share of the Stock of any class or series, or securities convertible into the Stock of any class or series, of the Corporation or of any such subsidiary which is owned by the Interested Stockholder, except as a result of immaterial changes due to fractional share adjustments or as a result of any purchase or redemption of any shares of Stock not caused, directly or indirectly, by the Interested Stockholder; or

(v) any receipt by the Interested Stockholder of the benefit, directly or indirectly (except proportionately as a stockholder of the Corporation), of any loans, advances, guarantees, pledges or other financial benefits (other than those expressly permitted in Sections 4(c)(i)-(iv) of Article XII) provided by or through the Corporation or any direct or indirect majority-owned subsidiary of the Corporation;

(d) "Control," including the terms "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership

of Voting Stock, by contract or otherwise. A Person who is the owner of twenty percent (20%) or more of the outstanding Voting Stock of any corporation, partnership, unincorporated association or other entity shall be presumed to have control of such entity, in the absence of proof by a preponderance of the evidence to the contrary; notwithstanding the foregoing, a presumption of control shall not apply where such Person holds Voting Stock, in good faith and not for the purpose of circumventing this Article XII, as an agent, bank, broker, nominee, custodian or trustee for one or more owners who do not individually or as a group (as such term is used in Rule 13d-5 under the Exchange Act, as such Rule is in effect as of the date of this Certificate of Incorporation) have control of such entity;

(e) “Interested Stockholder” means any Person (other than the Corporation and any direct or indirect majority-owned subsidiary of the Corporation) that (i) is the owner of fifteen percent (15%) or more of the outstanding Voting Stock of the Corporation, or (ii) is an Affiliate or Associate of the Corporation and was the owner of fifteen percent (15%) or more of the outstanding Voting Stock of the Corporation at any time within the three-year period immediately prior to the date on which it is sought to be determined whether such Person is an Interested Stockholder, and the Affiliates and Associates of such Person. Notwithstanding anything in this Article XII to the contrary, the term “Interested Stockholder” shall not include: (x) Sponsors or any of their Affiliates, or any other Person with whom any of the foregoing are acting as a group or in concert for the purpose of acquiring, holding, voting or disposing of shares of Stock of the Corporation, (y) any Person who would otherwise be an Interested Stockholder either in connection with or because of a transfer, sale, assignment, conveyance, hypothecation, encumbrance, or other disposition of five percent (5%) or more of the outstanding Voting Stock of the Corporation (in one transaction or a series of transactions) by Sponsors or any of their Affiliates or Associates to such Person; provided, however, that such Person was not an Interested Stockholder prior to such transfer, sale, assignment, conveyance, hypothecation, encumbrance, or other disposition; or (z) any Person whose ownership of shares in excess of the fifteen percent (15%) limitation set forth herein is the result of action taken solely by the Corporation, provided that, for purposes of this clause (z) only, such Person shall be an Interested Stockholder if thereafter such Person acquires additional shares of Voting Stock of the Corporation, except as a result of further action by the Corporation not caused, directly or indirectly, by such Person; provided, that, for the purpose of determining whether a Person is an Interested Stockholder, the Voting Stock of the Corporation deemed to be outstanding shall include Stock deemed to be owned by the Person through application of this definition of “owned” but shall not include any other unissued Stock of the Corporation which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise;

(f) “Owner”, including the terms “own” and “owned,” when used with respect to any Stock, means a Person that individually or with or through any of its Affiliates or Associates beneficially owns (as such term is used in Rule 13d-5 under the Exchange Act, as such Rule is in effect as of the date of this Certificate of Incorporation) such Stock, directly or indirectly; or has (A) the right to acquire such Stock (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise; provided,

however, that a Person shall not be deemed the owner of Stock tendered pursuant to a tender or exchange offer made by such Person or any of such Person's Affiliates or Associates until such tendered Stock is accepted for purchase or exchange; or (B) the right to vote such Stock pursuant to any agreement, arrangement or understanding; provided, however, that a Person shall not be deemed the owner of any Stock because of such Person's right to vote such Stock if the agreement, arrangement or understanding to vote such Stock arises solely from a revocable proxy or consent given in response to a proxy or consent solicitation made to 10 or more Persons; or (C) has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting (except voting pursuant to a revocable proxy or consent as described in (B) of this Section 4(f) of Article XII), or disposing of such Stock with any other Person that beneficially owns, or whose Affiliates or Associates beneficially own, directly or indirectly, such Stock;

(g) "Person" means any individual, corporation, partnership, unincorporated association or other entity;

(h) "Stock" means, with respect to any corporation, any capital stock of such corporation and, with respect to any other entity, any equity interest of such entity; and

(i) "Voting Stock" means, with respect to any corporation, Stock of any class or series entitled to vote generally in the election of directors and, with respect to any entity that is not a corporation, any equity interest entitled to vote generally in the election of the governing body of such entity. Every reference to a percentage of Voting Stock in this Article XII shall refer to such percentage of the votes of such Voting Stock.

Article XIII –Forum Selection

(a) Unless the Corporation consents in writing to the selection of an alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action, suit or proceeding brought on behalf of the Corporation, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed or allegedly owed by any director, officer, employee or stockholder of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action, suit or proceeding asserting a claim against the Corporation or any director, officer, employee or stockholder of the Corporation arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the DGCL, this Certificate of Incorporation or the Bylaws of the Corporation or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware, (iv) for any action, suit or proceeding asserting a claim against the Corporation or any director, officer, employee or stockholder of the Corporation governed by the internal affairs doctrine or (v) any other action, suit, or proceeding asserting an "internal corporate claim" as that term is defined in Section 115 of the DGCL. Notwithstanding the foregoing, the provisions of this paragraph (a) will not apply to suits brought to enforce a duty or liability created by the Exchange Act.

(b) If any action the subject matter of which is within the scope of paragraph (a) above is filed in a court other than the Court of Chancery of the State of Delaware (a “Foreign Action”) in the name of any stockholder, such stockholder shall be deemed, to the fullest extent permitted by law, to have consented to (i) the personal jurisdiction of the Court of Chancery of the State of Delaware in connection with any action brought in any such court to enforce paragraph (a) above (an “FSC Enforcement Action”) and (ii) having service of process made upon such stockholder in any such FSC Enforcement Action by service upon such stockholder’s counsel in the Foreign Action as agent for such stockholder.

(c) Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended.

(d) Any person or entity owning, purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XIII.

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation of the Corporation has been executed by its duly authorized officer this 19th day of November 2020.

Sotera Health Company

By: /s/ Matthew J. Klaben

Name: Matthew J. Klaben

Title: Senior Vice President, General Counsel &
Secretary

**AMENDED AND RESTATED BYLAWS
OF
SOTERA HEALTH COMPANY**

(as of November 19, 2020)

ARTICLE I

OFFICES

1.1 **Registered Office.** The registered office of Sotera Health Company (the “Corporation”) shall be fixed in the Corporation’s certificate of incorporation (as amended and/or restated from time to time, and including any certificates of designation then in effect, the “Certificate of Incorporation”).

1.2 **Other Offices.** The Board of Directors of the Corporation (the “Board”) may at any time establish other offices at any place or places where the Corporation is qualified to do business.

ARTICLE II

STOCKHOLDERS

2.1 **Annual Meeting.** The annual meeting of stockholders for the election of directors and for the transaction of such other business as may properly be brought before the meeting shall be held on a date and at a time designated by the Board. The Board may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board.

2.2 **Special Meetings.** Special meetings of stockholders may only be called in the manner provided in the Certificate of Incorporation. Any special meeting of the stockholders shall be held on the date and at the time determined by the Board or as the Chief Executive Officer (the “CEO”) or the Chairperson of the Board (the “Chairperson”) or the Secretary of the Corporation (the “Secretary”) shall designate and state in the notice of the meeting. The Board may postpone, reschedule or cancel any such meeting scheduled by the Board, the CEO or the Chairperson; provided, however, that with respect to any special meeting of stockholders previously scheduled at the request of the holders of a majority in voting power of the outstanding stock of the Corporation entitled to vote generally in the election of directors in accordance with the Certificate of Incorporation, the Board shall not postpone, reschedule or cancel such special meeting without the prior written consent of such stockholders. Business transacted at any such meeting shall be limited to the purpose(s) stated in the notice.

2.3 **Place of Meetings.** Meetings of stockholders shall be held at any place, either within or without the State of Delaware, or by remote communication as authorized by Section 211(a)(2) of the General Corporation Law of the State of Delaware (as in effect from time to time, the “DGCL”), as determined by the Board and as specified in the notice of meeting. In the

absence of such a determination, a meeting of stockholders shall be held at the principal executive office of the Corporation.

2.4 Notice of Meetings.

(a) Except as otherwise required by applicable law or as provided in these Bylaws or the Certificate of Incorporation, notice of the date, time and place or means of remote communication of all meetings of stockholders and the record date for determining stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) shall be delivered no fewer than 10 nor more than 60 days before the meeting date to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting. The notice of a special meeting shall state, in addition to the foregoing, the purpose or purposes for which the meeting is called.

(b) Notices pursuant to this Section 2.4 are deemed given (i) if by mail, when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation or, if a stockholder has filed with the Secretary a written request that notices to such stockholder be mailed to some other address, then directed to such stockholder at such other address; (ii) if by overnight courier, the earlier of when the notice is received or left at such stockholder's address; (iii) if by facsimile, when directed to a number at which the stockholder has consented to receive notice, including pursuant to the Stockholders' Agreement by and among the Corporation, the Sponsors (as defined in the Certificate of Incorporation) and the other stockholders party thereto from time to time (as the same may be amended, modified, supplemented and/or restated from time to time, the "Stockholders' Agreement"); (iv) if by electronic mail, when directed to such stockholder's electronic mail address (including any address provided pursuant to the Stockholders' Agreement) unless the stockholder has notified the Corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail or if such notice is prohibited by the DGCL; (v) if by posting on an electronic network together with a separate notice to the stockholder of such specific posting, upon the later to occur of (A) such posting and (B) the giving of such separate notice of such posting; and (vi) if by any other form of electronic transmission, when directed to the stockholder as required by law and, to the extent required by applicable law, in the manner consented to by the stockholder, including pursuant to the Stockholders' Agreement. An affidavit of the mailing or other means of giving any notice of any stockholders' meeting, executed by the Secretary, an Assistant Secretary or any transfer agent of the Corporation giving the notice, shall be *prima facie* evidence of the giving of such notice or report. Notice shall be deemed to have been given to all stockholders of record who share an address if notice is given in accordance with the "householding" rules set forth in Rule 14a-3(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 233 of the DGCL.

2.5 Notice of Adjourned Meeting. If an annual or special meeting of stockholders is adjourned to a different date, time or place (if any), notice of the adjourned meeting need not be given if the date, time, place (if any) or means of remote communication are announced at the

meeting at which the adjournment is taken before the adjournment; provided, however, that if the adjournment lasts for more than 30 days, or if a new record date for determining stockholders entitled to vote at the meeting is fixed for the adjourned meeting, notice of the adjourned meeting shall be given in conformity with this Article II. At the adjourned meeting, any business may be transacted which could have been transacted at the original meeting.

2.6 Waiver of Notice. Notice of a meeting of stockholders shall not be required to be given to any stockholder who attends such meeting in person or by proxy and does not, at the beginning of such meeting, object to the transaction of any business because the meeting has not been lawfully called or convened, or who, either before or after the meeting, waives notice in writing or by electronic transmission. Any stockholder so waiving notice of a meeting shall be bound by the proceedings of such meeting in all respects as if due notice thereof had been given.

2.7 Quorum.

(a) Unless a different quorum is required by applicable law, the Certificate of Incorporation or the rules or regulations of any stock exchange applicable to the Corporation, at any meeting of stockholders, the holders of a majority of the voting power of the outstanding shares of capital stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum. Where a separate vote by one or more series or classes is required, a majority of the voting power of the outstanding shares of such one or more series or classes present in person or by proxy shall constitute a quorum entitled to take action with respect to the vote on such matter. A quorum, once established, shall not be broken by the withdrawal of enough votes to leave less than a quorum.

(b) If a quorum is not present at a meeting, the chair of the meeting or the holders of a majority of the voting power of the outstanding shares of capital stock present in person or by proxy at the meeting may adjourn the meeting to another place, if any, date or time, without notice other than as specified in Section 2.5.

2.8 Organization. The Chairperson or such person as the Chairperson has designated or, in his or her absence, such person as the Board has designated or, in his or her absence, the CEO or, in his or her absence, such person as has been chosen by the holders of a majority of the voting power of the outstanding shares of capital stock present in person or by proxy at the meeting shall call to order any meeting of stockholders and act as chair of the meeting. In the absence of the Secretary, the secretary of the meeting shall be such person as the chair of the meeting appoints.

2.9 Conduct of Business.

(a) The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the chair of the meeting. The Board may adopt by resolution such rules and regulations for the conduct of any meeting of stockholders as it deems appropriate, provided such rules and regulations are not inconsistent with any other provision of these Bylaws or the Certificate of Incorporation. Except to the extent inconsistent with the rules and regulations adopted by the Board, the chair of the

meeting shall have the right and authority to convene, recess and/or adjourn the meeting, to determine the order of business and the procedure at the meeting, including such rules and regulations of the manner of voting, the conduct of discussion and such other matters as seems to him or her in order, and to do all such acts as, in the judgment of the chair of the meeting, are appropriate for the proper conduct of the meeting.

(b) Rules and regulations relating to the conduct of any meeting of stockholders, whether adopted by the Board or prescribed by the chair of the meeting, may include, among other things, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the chair of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; (v) restrictions on the dissemination of solicitation materials and use of audio or visual recording devices at the meeting; and (vi) limitations on the time allotted to questions or comments by participants and on stockholder proposals.

(c) The chair of any meeting of stockholders shall have the power and duty to determine all matters relating to the conduct of the meeting, including determining whether any nomination or item of business has been properly brought before the meeting in accordance with these Bylaws (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination is made or proposal solicited (or is part of a group that solicited) or did not so solicit, as the case may be, proxies in support of such stockholder's nominee or proposal in compliance with such stockholder's representation as required by Section 2.14(a)(iii)(C)). If the chair determines and declares that any nomination or item of business has not been properly brought before a meeting of stockholders, then such nomination shall be disregarded and such business shall not be transacted or considered at such meeting. Unless and to the extent determined by the Board or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

2.10 Voting and Proxies.

(a) At all meetings of stockholders, a stockholder may vote by proxy as provided under Section 212(c) of the DGCL or as otherwise provided under applicable law, provided that no proxy shall be voted after three years from its date, unless the proxy provides for a longer period; provided, further, that any proxy to be voted or acted upon at a meeting of stockholders must be delivered to the Secretary or his or her representative at or before the meeting. Except as otherwise provided therein, a proxy that entitles the agent authorized thereby to vote at a meeting of stockholders shall entitle such agent to vote at any adjournment or postponement of such meeting but shall not be valid after final adjournment of such meeting. A proxy with respect to stock held of record in the name of two or more persons shall be valid if executed by one of them unless prior to voting in accordance with the directions of the proxy, the Corporation receives a specific written notice to the contrary from any one of them and is furnished with a copy of the instrument or order appointing the proxy.

(b) Unless required by applicable law, or determined by the chair of the meeting to be advisable, the vote on any matter, including, without limitation, the election of directors, need not be by written ballot. On a vote by written ballot, each ballot shall be signed by the stockholder voting, or by such stockholder's proxy, and shall state the number of shares voted and such other information as may be required under the procedure established for the meeting.

(c) In advance of any meeting of stockholders, the Corporation shall appoint one or more inspectors to act at the meeting or any adjournment thereof and make a written report thereof, and may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the chair of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to faithfully execute the duties of inspector with strict impartiality and according to the best of his or her ability, and may perform such other duties not inconsistent herewith as may be requested by the Corporation.

2.11 Action at Meeting. In all matters, other than the election of directors and except as required by law, the rules or regulations of any stock exchange applicable to the Corporation, the Certificate of Incorporation or any other provision of these Bylaws, the affirmative vote of a majority of the voting power of the shares present or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders.

2.12 Record Date. (a) The Board may fix the record date in order to determine the stockholders entitled to notice of a meeting of stockholders, which record date shall not precede the date on which the resolution fixing the record date is adopted by the Board, and which record date may not be more than 60 days nor less than 10 days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board in its discretion may fix a new record date for determining the stockholders entitled to vote at the adjourned meeting and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the foregoing provisions of this clause (a) at the adjourned meeting. If no record date is fixed pursuant to this clause (a), the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

(b) The Board may fix a record date in order to determine the stockholders entitled to receive payment of any dividend or other distribution, the allotment of any rights, the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not

more than 60 days prior to such action. If no record date is fixed pursuant to this clause (b), the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

(c) Unless otherwise restricted by the Certificate of Incorporation, in order that the Corporation may determine the stockholders entitled to express consent to corporate action in without a meeting, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board. If no record date for determining stockholders entitled to express consent to corporate action without a meeting is fixed by the Board, (i) when no prior action of the Board is required by law, the record date for such purpose shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in accordance with applicable law, and (ii) if prior action by the Board is required by law, the record date for such purpose shall be at the close of business on the day on which the Board adopts the resolution taking such prior action.

2.13 Stockholders List for Meeting.

(a) The Corporation shall prepare, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, that if the record date for determining the stockholders entitled to vote is less than 10 days before the meeting date, the list shall reflect the stockholders entitled to vote as of the 10th day before the meeting date), arranged in alphabetical order and showing the address of and number of shares registered in the name of each stockholder, but need not include an e-mail address or other electronic contact information for any stockholder.

(b) The list of stockholders shall be made available for inspection in accordance with Section 219 of the DGCL.

(c) Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 2.13 or to vote in person or by proxy at any meeting of stockholders.

2.14 Notice of Stockholder Business and Nominations; Director Qualifications.

(a) (i) At any annual meeting of stockholders, only such nominations of persons for election to the Board shall be made, and only such other business shall be conducted or considered, as have been properly brought before the meeting. To be properly brought before an annual meeting, nominations of persons for election or re-election to the Board or other business must be (A) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board; (B) otherwise properly brought before the meeting by or at the direction of the Board; (C) otherwise properly brought before the meeting in accordance with the Stockholders' Agreement or (D) otherwise properly brought before the meeting by a stockholder in accordance with clauses (ii), (iii) and (iv) of this Section 2.14(a) (this clause (D) being the exclusive means for a stockholder to bring nominations or other business before an annual

meeting of stockholders, other than business properly included in the Corporation's proxy materials pursuant to Rule 14a-8 under the Exchange Act or properly brought pursuant to the immediately preceding clause (C)). The provisions of this Section 2.14(a) and the following Section 2.14(b) apply to all nominations of persons for election to the Board and other business proposed to be brought before a meeting pursuant to clause (D).

(ii) For nominations of any person for election or re-election to the Board or other business to be properly brought before an annual meeting by a stockholder (A) the stockholder must have given timely notice thereof in writing to the Secretary, which notice must also fulfill the requirements of clause (iii) of this Section 2.14(a); (B) the subject matter of any proposed business must be a matter that is a proper subject matter for stockholder action at such meeting; and (C) the stockholder must be a stockholder of record of the Corporation at the time the notice required by this Section 2.14(a) is delivered to the Corporation and must be entitled to vote at the meeting.

(iii) To be considered timely notice, a stockholder's notice must be received by the Secretary at the principal executive office of the Corporation not earlier than the opening of business 120 days before, and not later than the close of business 90 days before, the first anniversary of the date of the preceding year's annual meeting of stockholders (which date shall, for purposes of the Corporation's first annual meeting of stockholders after its shares of Common Stock are first publicly traded, be deemed to have occurred on May 28, 2020). If no annual meeting was held in the previous year, or if the date of the applicable annual meeting has been changed by more than 30 days from the date of the previous year's annual meeting, then a stockholder's notice, in order to be considered timely, must be received by the Secretary at the principal executive offices of the Corporation not earlier than the opening of business 120 days before the date of such annual meeting, and not later than the close of business on the later of (x) 90 days prior to the date of such annual meeting; and (y) the 10th day following the day on which public announcement of the date of such annual meeting was first made. In no event shall the public announcement of an adjournment or postponement of an annual meeting or of a new record date for determining stockholders entitled to notice of or to vote at an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth the following information (and, if such notice relates to the nomination of any person for election or re-election as a director of the Corporation, the questionnaire, representation and agreement required by the following Section 2.14(b) must also be delivered with and at the same time as such notice):

(A) as to each person whom the stockholder proposes to nominate for election as a director, (1) all information relating to such person that is required to be disclosed in accordance with Regulation 14A under the Exchange Act, whether in a solicitation of proxies for the election of directors in an election contest or otherwise, and such other information as may be required by the Corporation pursuant to any policy of the Corporation governing the selection of directors and publicly available (whether on the Corporation's website or otherwise) as of the date of such notice; (2) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; and (3) a description of all agreements, arrangements or

understandings between the stockholder or any beneficial owner on whose behalf such nomination is made, or their respective affiliates, and each nominee or any other person or persons (naming such person or persons) in connection with the making of such nomination or nominations;

(B) as to any other business the stockholder proposes to bring before the meeting, (1) a brief description of such business; (2) the text of the proposal to be voted on by stockholders (including the text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend these Bylaws, the text of the proposed amendment); (3) the reasons for conducting such business at the meeting; and (4) a description of any direct or indirect material interest of the stockholder or of any beneficial owner on whose behalf the proposal is made, or their respective affiliates, in such business, and all agreements, arrangements and understandings between such stockholder or any such beneficial owner or their respective affiliates and any other person or persons (naming such person or persons) in connection with the proposal of such business;

(C) as to the stockholder giving the notice and each beneficial owner, if any, on whose behalf the business is proposed or nomination is made (each, a "Party"), (1) the name and address of such Party (in the case of each stockholder, as they appear on the Corporation's books and records); (2) the class or series and number of shares of stock or other securities of the Corporation that are owned, directly or indirectly, beneficially or held of record by such Party or any of its affiliates (naming such affiliates); (3) a description of any agreement, arrangement or understanding (including any swap or other derivative or short position, profit interest, option, warrant, convertible security, stock appreciation or similar right with exercise or conversion privileges, hedging transactions, and securities lending or borrowing arrangement) to which such Party or any of its affiliates or associates and/or any others acting in concert with any of the foregoing is, directly or indirectly, a party as of the date of such notice (x) with respect to shares of stock or other securities of the Corporation or (y) the effect or intent of which is to transfer to or from any such person, in whole or in part, any of the economic consequences of ownership of any security of the Corporation, mitigate loss to, manage the potential risk or benefit of security price changes (increases or decreases) for, or increase or decrease the voting power of any such person with respect to securities of the Corporation or which has a value derived in whole or in part, directly or indirectly, from the value (or change in value) of any securities of the Corporation, in each case whether or not subject to settlement in the underlying security of the Corporation (each such agreement, arrangement or understanding, a "Disclosable Arrangement"), specifying in each case (I) the effect of such Disclosable Arrangement on voting or economic rights in securities in the Corporation, as of the date of the notice and (II) any changes in such voting or economic rights which may arise pursuant to the terms of such Disclosable Arrangement; (4) a description of any proxy, agreement, arrangement, understanding or relationship between or among such Parties, any of their respective affiliates or associates, and/or any others acting in concert with any of the foregoing with respect to the nomination or proposal and/or the voting, directly or indirectly, of any shares or any

other security of the Corporation; (5) any rights to dividends on the shares of the Corporation owned, directly or indirectly, beneficially by such Party that are separated or separable from the underlying shares of the Corporation; (6) any proportionate interest in shares of the Corporation or Disclosable Arrangements held, directly or indirectly, by a general or limited partnership or limited liability company in which such Party is a general partner or managing member or, directly or indirectly, beneficially owns an interest in a general partner or managing member; (7) any performance-related fees that such Party is directly or indirectly entitled to based on any increase or decrease in the value of shares of the Corporation or Disclosable Arrangements, if any, as of the date of such notice, including any such interests held by members of such Party's immediate family sharing the same household; (8) a representation that the stockholder is a holder of record of stock of the Corporation at the time of the giving of the notice, is entitled to vote at such meeting and will appear in person or by proxy at the meeting to propose such business or nomination; and (9) a representation as to whether such Party intends, or is part of a group which intends, (x) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding shares of capital stock required to approve or adopt the proposal or elect the nominee and/or (y) otherwise to solicit proxies or votes from stockholders in support of such proposal or nomination; (10) any other information relating to such Party required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to and in accordance with Regulation 14(a) of the Exchange Act; and (11) a certification regarding whether such Party has complied with all federal, state and other legal requirements in connection with such Party's acquisition of shares of capital stock or other securities of the Corporation; and

(D) an undertaking by each Party to notify the Corporation in writing of any change in the information previously disclosed pursuant to clauses (A), (B) and (C) of this Section 2.14(a)(iii) as of the record date for determining stockholders entitled to receive notice of such meeting and as of the date that is 15 days prior to the meeting or any adjournment or postponement thereof, by written notice received by the Secretary at the principal executive offices of the Corporation not later than 5 days following such record date and not later than 10 days prior to the date for the meeting or any adjournment or postponement thereof, and thereafter by written notice so given and received within two business days of any change in such information (and, in any event, by the close of business on the day preceding the meeting date).

The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation and to determine the independence of such nominee under the Exchange Act and the rules or regulations of any stock exchange applicable to the Corporation. In addition, a stockholder seeking to nominate a director candidate or bring another item of business before the annual meeting shall promptly provide any other information reasonably requested by the Corporation. The number of nominees a stockholder may nominate for election at the annual meeting (or, in the case of a stockholder giving the notice on behalf of a beneficial owner, the

number of nominees a stockholder may nominate for election at the annual meeting on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such annual meeting.

(iv) Notwithstanding anything in clause (iii) of this Section 2.14(a) to the contrary, in the event that the number of directors to be elected to the Board at an annual meeting of stockholders is increased and there is no public announcement by the Corporation naming the nominees for the additional directorships at least 100 days prior to the first anniversary of the preceding year's annual meeting of stockholders, a stockholder's notice required by this Section 2.14(a) shall also be considered timely, but only with respect to nominees for the additional directorships, if it is received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the Corporation (it being understood that such notice must nevertheless comply with the requirements of clause (iii) of this Section 2.14(a)).

(b) To be eligible to be a nominee for election or re-election by the stockholders as a director of the Corporation or to serve as a director of the Corporation, a potential nominee under Section 2.14(a)(i)(D) must deliver (not later than the deadline prescribed for delivery of notice under clause (iii) or (iv), as applicable, of Section 2.14(a)) to the Secretary a written questionnaire with respect to the background and qualifications of such potential nominee and, if applicable, the background of any other person on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request) and a written representation and agreement (in the form provided by the Secretary upon written request) that, among other matters, such potential nominee or other person: (i) is not and will not become a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person as to how such potential nominee, if elected as a director, will act or vote on any issue or question that has not been disclosed in such questionnaire; (ii) is not and will not become a party to any agreement, arrangement or understanding with any person other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed in such questionnaire; and (iii) in such potential nominee's individual capacity and on behalf of any person on whose behalf the nomination is being made, would be in compliance, if elected or re-elected as a director, and will comply with, applicable law and all corporate governance, conflict of interest, confidentiality and other policies and guidelines of the Corporation applicable to directors generally and publicly available (whether on the Corporation's website or otherwise) as of the date of such representation and agreement.

(c) Only such business shall be conducted at a special meeting of stockholders as (A) has been specified in the notice of meeting (or any supplement thereto) (or any supplement thereto) pursuant to the Corporation's notice of such meeting. Nominations of persons for election to the Board may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board or any committee thereof, (ii) as provided in the Stockholders' Agreement and (iii) so long as and provided that the Board has determined that Directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided

for in Section 2.14(a)(iii) is delivered to the Secretary, who is entitled to vote at the meeting and upon such election and who complies with the requirements set forth in Sections 2.14(a)(iii) and 2.14(b) as if such requirements referred to such special meeting; provided, however, that to be considered timely notice under this clause (c), a stockholder's notice must be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which public announcement of the date of such special meeting was first made. This clause (c) shall be the exclusive means for a stockholder to make nominations or other business proposals before a special meeting of stockholders (other than matters properly brought under Rule 14a-8 under the Exchange Act and included in the Corporation's notice of meeting).

(d) Only such persons who are nominated for election or re-election as a director of the Corporation in accordance with the procedures, and who meet the other qualifications, set forth in Section 2.14(a), (b) and (c) shall be eligible to stand for election as directors and only such business shall be conducted at a meeting of stockholders as has been brought before the meeting in accordance with the procedures set forth in these Bylaws.

(e) Without limiting the applicability of the foregoing provisions of this Section 2.14, a stockholder who seeks to have any proposal or potential nominee included in the Corporation's proxy materials must provide notice as required by and otherwise comply with the applicable requirements of the rules and regulations under the Exchange Act. Except for the immediately preceding sentence, nothing in this Section 2.14 shall be deemed to affect any rights of (i) stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act; or (ii) the holders of any outstanding class or series of preferred stock of the Corporation (the "Preferred Stock"), voting as a class separately from the holders of common stock, to elect directors pursuant to any applicable provisions of such series of Preferred Stock or the Certificate of Incorporation. Subject to Rule 14a-8 under the Exchange Act, nothing in these Bylaws shall be construed to permit any stockholder, or give any stockholder the right, to include or have disseminated or described in the Corporation's proxy statement any nomination of director or directors or any other business proposal.

(f) Notwithstanding anything to the contrary contained in this Section 2.14, for as long as the Stockholders' Agreement remains in effect with respect to a Sponsor (which, for purposes of these Bylaws, shall have the meaning set forth in the Certificate of Incorporation), each Sponsor shall not be subject to the notice provisions set forth in paragraphs (a)(ii), (a)(iii), (a)(iv), (b), (c) or (d) of this Section 2.14.

(g) For purposes of this Section 2.14, "public announcement" means disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service, or that is generally available on internet news sites or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

2.15 Requirement to Appear. Notwithstanding anything to the contrary contained in Section 2.14, if a stockholder that has provided timely notice of a nomination or item of business in accordance with Section 2.14 (or a qualified representative of such stockholder) does not

appear at the annual or special meeting of stockholders to present such nomination or item of business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.15, to be considered a qualified representative of a stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or reliable reproduction of the writing or electronic transmission, at the meeting of the stockholders.

2.16 Delivery to the Corporation. Whenever this Article II requires one or more persons, including a record or beneficial owner of stock but excluding any party to the Stockholders' Agreement, to deliver a document or information to the Corporation or any officer, employee or agent thereof (including any notice, request, questionnaire, revocation, representation or other document or agreement), unless the Corporation elects otherwise and except as otherwise expressly provided in this Article II, such document or information shall be in writing exclusively (and not in an electronic transmission) and shall be delivered exclusively by hand (including, without limitation, overnight courier service) or by certified or registered mail, return receipt requested addressed to the attention of the Secretary at the principal executive offices of the Corporation, and the Corporation shall not be required to accept delivery of any document not in such written form or so delivered.

ARTICLE III

DIRECTORS

3.1 Powers. Except as otherwise provided by the Certificate of Incorporation of applicable law, the business and affairs of the Corporation shall be managed by or under the direction of the Board.

3.2 Number, Election. The total number of directors constituting the Board shall be such number as is from time to time determined in the manner provided in the Certificate of Incorporation and the Stockholders' Agreement. A nominee for director shall be elected to the Board by a plurality of the votes of the shares present in person or represented by proxy at a meeting and entitled to vote for nominees in the election of directors or in any action by written consent in lieu of such a meeting.

3.3 Vacancies; Reduction of Board. Any vacancy or newly created directorship in the Board, however occurring, shall be filled only in the manner provided in and to the extent permitted under the Certificate of Incorporation. A vacancy that will occur at a specific later date may be filled before the vacancy occurs but the new director may not take office until the vacancy occurs. The Person or Persons entitled to fill such vacancy may, with or without cause, revoke the action filling such vacancy at any time prior to the new director taking office.

3.4 Resignation. Any director may resign at any time by delivering his or her resignation in writing or by electronic transmission to the Board, the Chairperson, the CEO or the

Secretary. Such resignation shall be effective upon receipt unless it is specified therein to be effective at some later time or upon the happening of an event or events, and the acceptance of a resignation shall not be necessary to make it effective unless such resignation specifies otherwise.

3.5 Removal. Any director, or the entire Board, may only be removed from office in the manner provided in and to the extent permitted under the Certificate of Incorporation and applicable law.

3.6 Meetings.

(a) Regular Meetings. Regular meetings of the Board shall be held at such time or times, on such date or dates and at such place or places (if any) as the Board from time to time determines and publicizes among all directors. A notice of any such regular meetings, the time, date or place or places (if any) of which has been so publicized, shall not be required.

(b) Special Meetings. Special meetings of the Board may be called by the Chairperson, the CEO or the Lead Independent Director (if any), and shall be called by the CEO or the Secretary if directed by any director nominated or designated by a Sponsor (which, for purposes of these Bylaws, shall have the meaning set forth in the Certificate of Incorporation), and shall be held on such date and at such time and place (if any) as he or she or they shall fix.

3.7 Notice of Special Meeting. Notice of the time, date and place (if any) of all special meetings of the Board shall be given to each director. Except as otherwise provided by law, notice of each such meeting shall be mailed to each director, addressed to such director at his or her residence or usual place of business, on at least four days' notice, provided that in lieu thereof, notice may be delivered to each director personally or by telephone or sent by facsimile, e-mail or other electronic transmission addressed to each director at either of such places on not less than 24 hours' notice. A notice of a special meeting of the Board need not specify the purposes of the meeting. Notice of any meeting of the Board shall not be required to be given to any director who waives notice in writing or by electronic transmission, whether before or after the meeting, or if he or she is present and does not, at the beginning of such meeting, object to the transaction of any business because the meeting has not been lawfully called or convened; and any meeting of the Board shall be a legal meeting without any notice thereof having been given if all the directors then in office are present or have waived or not so objected to lack of notice thereof.

3.8 Quorum. Except as otherwise provided by the Certificate of Incorporation, at any meeting of the Board, the greater of (a) a majority of the directors then in office and (b) one-third of the total number of directors constituting the Board shall constitute a quorum of the Board.

3.9 Action at Meeting. At any meeting of the Board at which a quorum is present, all matters shall be determined by the vote of a majority of the directors present at such meeting at which there is a quorum, except as is required or provided by the DGCL, the Certificate of Incorporation or any other provision of these Bylaws.

3.10 Action Without Meeting. Any action required or permitted to be taken by the Board or a committee thereof may be taken without a meeting if all members of the Board or such committee consent thereto in writing, or by electronic transmission, and any consent may be documented, signed and delivered in any manner permitted by Section 116 of the DGCL. After an action is taken, the consent or consents relating thereto shall be filed with the minutes of the proceedings of the Board or committee thereof. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

3.11 Meetings by Conference Communications Equipment Meetings. Any or all directors may participate in a regular or special meeting of the Board, or any meeting of any committee thereof, by, or conduct the meeting through the use of, any means of communication by which all directors participating may hear each other during the meeting. A Director participating in a meeting by this means is considered to be present in person at the meeting.

3.12 Rules and Regulations. The Board may adopt such rules and regulations for the conduct of its meetings and the management of the affairs of the Corporation as it may deem proper, and as are not inconsistent with the DGCL, the Certificate of Incorporation or these Bylaws.

3.13 Special Approval Rights. Notwithstanding anything to the contrary set forth herein, for so long as the WP Designated Sponsor Fund (as defined in the Stockholders' Agreement), and the GTCR Designated Fund (as defined in the Stockholders' Agreement) shall have a contractual right to designate at least three directors of the Corporation, the approval of seventy-five percent of the total number of directors of the Corporation then in office shall be required for the Board to authorize the Corporation to take or commit to take, or (to the extent applicable) permit any of its subsidiaries to take or commit to take, directly or indirectly, whether by amendment, merger, consolidation, reorganization or otherwise, any of the following actions:

(a) consummation of any acquisition of the stock (including a minority interest) or assets of any other entity (other than a subsidiary of the Corporation), in a single transaction or a series of related transactions (whether by purchase, tender offer, exchange offer, merger, other business combination transaction or otherwise), with a value in excess of \$300 million in the aggregate;

(b) a consolidation, merger or other business combination of the Corporation with or into any other entity, or transfer (by lease, assignment, sale or otherwise) of all or substantially all of the Corporation and its subsidiaries' assets, taken as a whole, to another entity, or a "Change in Control" (or any similar term) as defined in the Corporation or its subsidiaries' indebtedness documents, other than any such consolidation, merger or other business combination solely between the Corporation and its subsidiaries or between subsidiaries of the Corporation;

(c) a disposition, in a single transaction or a series of related transactions, of any assets of the Corporation or any of its subsidiaries with a value in excess of \$300 million in the aggregate or for consideration in excess of \$300 million, other than the sale of inventory or

products in the ordinary course of business, other than a transaction solely between the Corporation and its subsidiaries or between subsidiaries of the Corporation;

- (d) any change in the size of the Board, other than in accordance with the Stockholders' Agreement;
- (e) any amendment, modification or repeal of any provision of the Certificate of Incorporation or these Bylaws;
- (f) a termination of the CEO or designation of a new CEO;
- (g) any change in the composition of any committee of the Board;

(h) except for compensation arrangements approved by the Compensation Committee of the Board in the ordinary course and in accordance with the charter of the Compensation Committee of the Board, entry into, or expansion of existing, compensation arrangements with (i) any executive officer of the Corporation or (ii) affiliates of (A) the Corporation (other than any subsidiary of the Corporation) or (B) any executive officer of the Corporation;

(i) the issuance of additional shares of any class or series of capital stock or equity interests of the Corporation or any of its subsidiaries, other than, (A) in the case of the Corporation, any award under any stockholder approved equity compensation plan, (B) in the case of a subsidiary of the Corporation, to the Corporation or another direct or indirect subsidiary of the Corporation and (C) as required by the organizational documents of a subsidiary of the Corporation or a contract to which a subsidiary of the Corporation is party, in each case, that is in effect on the date hereof; or

(j) the incurrence of additional indebtedness, in a single transaction or a series of related transactions, by the Corporation or any of its subsidiaries in an amount in excess of \$300 million outstanding at any one time, other than (i) intercompany debt among subsidiaries of the Corporation or the Corporation and any subsidiary and (ii) incurrence of additional indebtedness under the credit agreement or indenture.

3.14 Committees.

(a) Designation of Committees. The Board shall appoint one or more of its members to an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee, and may from time to time establish additional committees of its members, each with such powers and duties not inconsistent with these Bylaws as the Board may or, pursuant to applicable law (including the rules and regulations of any stock exchange applicable to the Corporation), must, lawfully confer. All members of any committee of the Board shall serve at the pleasure of the Board. Any committee to which the Board delegates any of its powers or duties shall keep records of its meetings and shall report its actions to the Board.

(b) Alternates; Substitution of Members. The Board may, subject to any requirements specifically set forth in this Section 3.14, designate one or more directors as

alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of any committee and any alternate member in his or her place, the member or members of the committee present at the meeting and not disqualified from voting, whether or not he or she or they constitute a quorum, may by unanimous vote appoint another member of the Board to act at the meeting in the place of the absent or disqualified member, subject to any restrictions on committee membership established under applicable law (including the rules and regulations of any stock exchange applicable to the Corporation).

(c) Delegable Authority. Any committee, to the extent provided in a resolution of the Board and permitted by applicable law, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it; but no committee shall have the power or authority to (i) approve, adopt or recommend to the stockholders, any action or matter (other than the election or removal of directors) required by the DGCL to be submitted to stockholders for approval; or (ii) adopt, amend or repeal these Bylaws.

(d) Term. The Board, subject to the requirements specifically set forth in this Section 3.14 and applicable law (including the rules and regulations of any stock exchange applicable to the Corporation), may at any time change, increase or decrease the number of members of a committee or terminate the existence of a committee. A Director's membership on a committee shall terminate on the date of his or her death or resignation, removal or disqualification from the Board, but the Board may at any time for any reason remove any individual committee member from any committee and the Board may, subject to any requirements specifically set forth in this Section 3.14, fill any committee vacancy.

(e) Conduct of Business of Committees. Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or by resolution of the Board or required by law. Adequate provision shall be made for notice to members of a committee of all meetings of the committee. A majority of the members of a committee shall constitute a quorum unless the committee charter specifies otherwise. All matters submitted to a committee shall be determined by a majority vote of the members present at a meeting at which a quorum is present. Each committee of the Board shall keep minutes of its meetings and shall report its proceedings to the Board as specified in its charter or when otherwise requested by the Board.

3.15 Compensation. The Board shall have the authority to fix the compensation, including fees, equity grants and reimbursement of expenses, of directors for services to the Corporation in any capacity.

3.16 Chairperson. The Board may appoint from its members a Chairperson of the Board, who need not be an employee or officer of the Corporation. If the Board appoints a Chairperson of the Board, such Chairperson shall perform such duties and possess such powers as are assigned by the Board and, if the Chairperson of the Board is also designated as the Corporation's Chief Executive Officer, shall have the powers and duties of the Chief Executive

Officer. Unless otherwise provided by the Board, the Chairperson of the Board shall preside at all meetings of the Board.

3.17 Lead Independent Director. In the event that the Chairperson is an employee or officer of the Corporation, the Board may choose to appoint from its members a Lead Independent Director, who shall not be an employee or officer of the Corporation. If the Board appoints a Lead Independent Director, such Lead Independent Director shall perform such duties and possess such powers as are assigned by the Board, including presiding at meetings of the Board in the absence of the Chairperson and calling meetings of the Corporation's independent directors.

ARTICLE IV

OFFICERS

4.1 Appointment; Term of Office. The Board shall elect at least the following officers: a Chairperson, a CEO, a Chief Financial Officer, a Treasurer and a Secretary. The Board may also elect, appoint, or provide for the appointment of such other officers and agents as may from time to time appear necessary or advisable in the conduct of the affairs of the Corporation, including a President, one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers. Each officer of the Corporation shall hold office for such term as may be prescribed by the Board and until his or her successor is chosen and qualifies or until his or her earlier death, disqualification, resignation or removal. The Board may fill any vacancy occurring in any office of the Corporation. Two or more offices may be held by the same person. No officer need be a stockholder or Director, except that the Chairperson of the Board shall be chosen from among the directors.

4.2 Resignation. Any officer may resign by delivering his or her resignation in writing or by electronic transmission to the Corporation at its principal executive office, and such resignation shall be effective upon receipt unless it is specified to be effective at a later time or upon the happening of an event or events. If a resignation is made effective at a later date or upon the happening of an event and the Corporation accepts the future effective date or the occurrence of a future event or events, the Board may fill the pending vacancy before the effective date or the occurrence of such event or events if the Board provides that the successor shall not take office until the effective date or the occurrence of such event or events. An officer's resignation shall not affect the Corporation's contract rights, if any, with the officer.

4.3 Removal. The Board may remove any officer at any time with or without cause.

4.4 Powers and Duties; Delegation.

(a) Each officer of the Corporation shall have such duties and powers as are customarily incident to his or her office (subject to the direction and control of the Board and except as otherwise provided by these Bylaws or by resolution of the Board), and such other duties and powers as may be designated by the Board or by direction of an officer authorized by the Board to prescribe the duties of such other officer. Notwithstanding anything to the contrary

set forth herein, without the prior authorization of the Board given in accordance with Section 3.13 of these Bylaws, no officer shall have the power or authority to take, or cause or permit the Corporation or any of its subsidiaries to take, any of the actions enumerated in paragraphs (a) through (j) of Section 3.13 of these Bylaws.

(b) Whenever an officer or officers is absent, or whenever for any reason the Board may deem it desirable, the Board may delegate the powers and duties of any officer to any Director or directors, or any other officers or agents.

4.5 Compensation. The compensation of the officers of the Corporation for their services as such shall be fixed from time to time by or at the direction of the Board. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he or she is also a director of the Corporation.

ARTICLE V

CAPITAL STOCK

5.1 Share Certificates. The shares of stock of the Corporation shall be represented by certificates; provided that the Board may provide by resolution or resolutions that some or all of any or all classes or series of the Corporation's stock shall be uncertificated shares. Each holder of stock represented by certificates shall be entitled to a certificate signed by, or in the name of the Corporation by, any two authorized officers of the Corporation (it being understood that each of the Chairperson, the CEO, the Chief Financial Officer, the President or a Vice President, the Treasurer, any Assistant Treasurer, and the Secretary or any Assistant Secretary shall be an authorized officer for such purpose), representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be by facsimile. If the person who signed, either manually or in facsimile, a share certificate no longer holds office when the certificate is issued, the certificate shall be nevertheless valid. The certificate shall also set forth any information or statement required to be set forth thereon by the DGCL.

5.2 Lost, Stolen or Destroyed Certificates. A new share certificate or uncertificated shares may be issued in place of any certificate previously issued by the Corporation and alleged to have been lost, stolen or destroyed. The Corporation may, subject to Section 167 of the DGCL, determine the conditions upon which a new share certificate or uncertificated shares may be issued in place of any certificate alleged to have been lost, destroyed, or stolen. The Corporation may, in its discretion, require the owner of such share certificate, or his or her legal representative, to give a bond, sufficient in the opinion of the Corporation, with or without surety, to indemnify the Corporation against any loss or claim which may arise in connection therewith.

5.3 Transfers. Transfers of stock shall be made only upon the transfer books of the Corporation kept at an office of the Corporation or by transfer agents designated to transfer shares of stock of the Corporation. Subject to any restrictions on transfer, shares of stock represented by certificates may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate properly endorsed or accompanied by a

written assignment and power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require. Subject to any restrictions on transfers, upon receipt of proper transfer instructions from the registered owner of uncertificated shares, the transaction shall be recorded upon the books of the Corporation, and the Corporation shall send to the registered transferee a written notice containing the information required by Section 151(f) of the DGCL. A record shall be made of each transfer and whenever a transfer is made for collateral security, and not absolutely, it shall be so expressed in the entry of the transfer.

5.4 Regulations. The issue, transfer, conversion and registration of certificates of stock shall be governed by such other regulations as the Board may establish.

5.5 Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and notices and to vote as such owner and to hold liable for calls and assessments a person registered on its books as the owner of shares and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VI

CORPORATE RECORDS

6.1 Records to be Kept.

(a) The Corporation shall keep as permanent records minutes of all meetings of its stockholders, Board and any committees thereof, and a record of all actions taken by the stockholders or Board or any committees thereof by consent in lieu of a meeting.

(b) The Corporation shall keep a copy of such records at its principal executive office or at such other place or places as designated by the Board, in any case as may be required by law.

ARTICLE VII

MISCELLANEOUS PROVISIONS

7.1 Fiscal Year. The fiscal year of the Corporation shall be as fixed by the Board. If the Board makes no determination to the contrary, the fiscal year of the Corporation shall be the twelve months ending with December 31 in each year.

7.2 Seal. The Board shall have the power to adopt and alter the seal of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board or a committee thereof, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Treasurer or Assistant Secretary (if there be such officers appointed).

7.3 Execution of Instruments. The Board may authorize, or provide for the authorization of, officers, employees or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Any such authorization must be in writing or by electronic transmission and may be general or limited to specific contracts or instruments.

7.4 Voting of Securities. Unless otherwise provided by the Board, the CEO, Chief Financial Officer or any Vice President may waive notice, vote or consent, on behalf of the Corporation, or appoint another person or persons to waive notice, vote or consent, on behalf of the Corporation, and act as, or appoint any person or persons to act as, proxy or attorney in fact for the Corporation (with or without discretionary power or power of substitution), with respect to the stock or other securities of any other corporation, entity or organization that may be held by the Corporation.

7.5 Amendments. Except as otherwise provided by the DGCL, these Bylaws may be added to, amended or repealed, in the manner provided in the Certificate of Incorporation.

7.6 Construction. The words “include” and “including” and similar terms shall be deemed to be followed by the words “without limitation.” Whenever used in these Bylaws, any noun or pronoun shall be deemed to include the plural as well as the singular and to cover all genders. Any reference in these Bylaws to a provision of any statute shall be deemed to include any successor provision. Unless the context otherwise requires, the term “person” shall be deemed to include any natural person or any corporation, organization or other entity.

7.7 Reliance upon Books, Reports and Records. Each Director, each member of any committee designated by the Board, and each officer of the Corporation shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board, or by any other person as to matters that such Director, committee member or officer reasonably believes are within such other person’s professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

ARTICLE VIII

EMERGENCY BYLAWS

8.1 Emergency Board. In case of an attack on the United States or on a locality in which the Corporation conducts its business or customarily holds meetings of the Board or its stockholders, or during any nuclear or atomic disaster, or during the existence of any catastrophe, or other similar emergency condition, including an epidemic or pandemic, as a result of which a quorum of the Board or a committee thereof cannot readily be convened for action in accordance with the provisions of these Bylaws, the business and affairs of the Corporation shall be managed by or under the direction of an Emergency Board (hereinafter called the “Emergency Board”) established in accordance with Section 8.2.

8.2 Membership of Emergency Board. The Emergency Board shall consist of at least three of the following persons present or available at the Emergency Corporate Headquarters determined according to Section 8.4: (a) those persons who were directors at the time of the attack or other event mentioned in Section 8.1, and (b) any other persons appointed by such directors to the extent required to provide a quorum at any meeting of the Board. If there are no such directors present or available at the Emergency Corporate Headquarters, the Emergency Board shall consist of the three highest-ranking officers or employees of the Corporation present or available and any other persons appointed by them.

8.3 Powers of the Emergency Board. The Emergency Board will have the same powers as those granted to the Board in these Bylaws, but will not be bound by any requirement of these Bylaws which a majority of the Emergency Board believes impracticable under the circumstances.

8.4 Emergency Corporate Headquarters. Emergency Corporate Headquarters shall be at such location as the Board or the CEO shall determine prior to the attack or other event, or if not practicable or so determined, at such place as the Emergency Board may determine.

8.5 Limitation of Liability. No officer, director or employee acting in accordance with the provisions of this Article VIII shall be liable except for willful misconduct.

8.6 Amendments; Repeal. At any meeting of the Emergency Board, the Emergency Board may modify, amend or add to the provisions of this Article VIII so as to make any provision that may be practical or necessary for the circumstances of the emergency. The provisions of this Article VIII shall be subject to repeal or change by further action of the Board or by action of the stockholders, but no such repeal or change shall modify the provisions of Section 8.5 with regard to action or omission occurring prior to the time of such repeal or change.

DESCRIPTION OF SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

Sotera Health Company (the “Company,” “Sotera Health,” “we,” “our” or “us”) has one class of securities, common stock, par value \$0.01 per share, registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

DESCRIPTION OF COMMON STOCK

The following descriptions are summaries of the material terms of our amended and restated certificate of incorporation and amended and restated bylaws. These descriptions contain all information which we consider to be material, but may not contain all of the information that is important to you. To understand them fully, you should read our amended and restated certificate of incorporation and amended and restated bylaws, copies of which are filed with the Securities and Exchange Commission as exhibits to our Annual Report on Form 10-K. The summary below is qualified in its entirety by reference to our amended and restated certificate of incorporation and amended and restated bylaws. The terms of these securities may also be affected by the Delaware General Corporation Law (“DGCL”).

We may periodically issue shares of our common stock or other securities that can be exercised, converted or exchanged into shares of our common stock. The description below summarizes the general terms of our common stock. This section is a summary, and it does not describe every aspect of our common stock. This summary is subject to, and qualified in its entirety by, reference to the provisions of our amended and restated certificate of incorporation and amended and restated bylaws.

Authorized Capitalization

Our capital structure consists of 1,200,000,000 authorized shares of common stock, par value \$0.01 per share, and 120,000,000 authorized shares of preferred stock, par value \$0.01 per share.

Common Stock

Voting Rights. Holders of common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders, subject to the restrictions described below under the caption “—Anti-Takeover Effects of Provisions of Our Amended and Restated Certificate of Incorporation, Our Amended and Restated Bylaws and Delaware Law.” The holders of common stock do not have cumulative voting rights in the election of directors. Accordingly, holders of a majority of the shares of common stock entitled to vote in any election of directors may elect all of the directors standing for election. Except for the election of directors, if a quorum is present, an action on a matter is approved if it receives the affirmative vote of the holders of a majority of the voting power of the shares of capital stock present in person or represented by proxy at the meeting and entitled to vote on the matter, unless otherwise required by applicable law, the DGCL, our amended and restated certificate of incorporation or amended and restated bylaws. The election of directors is determined by a plurality of the votes cast in respect of the shares present in person or represented by proxy at the meeting and entitled to vote, meaning that the nominees with the greatest number of votes cast, even if less than a majority, will be elected. The rights, preferences and privileges of holders of common stock are subject to, and may be impacted by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Dividends. Subject to preferences that may be applicable to any then-outstanding preferred stock, holders of our common stock are entitled to receive ratably those dividends, if any, as may be declared by the board of directors out of legally available funds.

Liquidation, Dissolution, and Winding Up. Upon our liquidation, dissolution or winding up, the holders of our common stock will be entitled to share equally and ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities, subject to the prior rights of any preferred stock then outstanding.

No Preemptive or Similar Rights. Holders of our common stock have no preemptive or conversion rights or other subscription rights, and there are no redemption or sinking fund provisions applicable to our common stock.

Assessment. All outstanding shares of our common stock are fully paid and nonassessable.

Preferred Stock

Subject to limitations prescribed by Delaware law and the Nasdaq Global Select Market (the “Nasdaq”), our board of directors may issue preferred stock, without stockholder approval, in such series and with such designations, preferences, conversion or other rights, voting powers and qualifications, limitations or restrictions thereof, as the board of directors deems appropriate. Our board of directors could, without stockholder approval, issue preferred stock with voting, conversion and other rights that could adversely affect the voting power and impact other rights of the holders of the common stock. Our board of directors may issue preferred stock as an anti-takeover measure without any further action by the holders of common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, may have the effect of delaying, deferring or preventing a change of control of our company by increasing the number of shares necessary to gain control of the company.

Anti-Takeover Effects of Provisions of Our Amended and Restated Certificate of Incorporation, Our Amended and Restated Bylaws and Delaware Law

Delaware law contains, and our amended and restated certificate of incorporation and amended and restated bylaws contain, a number of provisions relating to corporate governance and to the rights of stockholders. Certain of these provisions may be deemed to have a potential “anti-takeover” effect in that such provisions may delay, defer or prevent a change of control or an unsolicited acquisition proposal that a stockholder might consider favorable, including a proposal that might result in the payment of a premium over the market price for the shares held by the stockholders. These provisions include:

Classified board of directors; removal of directors. Our amended and restated certificate of incorporation provides that our board of directors is divided into three classes of directors, with the classes to be as nearly equal in number as possible, and with staggered three-year terms. As a result, approximately one-third of our board of directors will be elected each year.

In addition, our amended and restated certificate of incorporation provides that our directors may be removed only for cause by the affirmative vote of the holders of at least 75% of the voting power of our outstanding common stock; provided that for so long as investment funds and entities affiliated with either Warburg Pincus LLC (“Warburg Pincus”) or GTCR, LLC (“GTCR”), collectively, hold at least 50% of the outstanding shares of our common stock, a director designated by investment funds and entities affiliated with either Warburg Pincus or GTCR, respectively, may be removed with or without cause by the affirmative vote of the holders of at least a majority of the votes that all the stockholders would be entitled to cast in any annual election of directors or class of directors and with the consent of Warburg Pincus or GTCR, respectively.

Any vacancy on our board of directors, including a vacancy resulting from an enlargement of our board of directors, may be filled only by vote of a majority of our directors then in office; provided that for so long as investment funds and entities affiliated with either Warburg Pincus or GTCR have the right to designate at least one director for election to our board of directors, any vacancies will be filled in accordance with the designation provisions set forth in our stockholders’ agreement dated November 19, 2020, among Sotera Health and certain of our stockholders party thereto (the “Stockholders’ Agreement”).

The classification of our board of directors and the limitations on the removal of directors and filling of vacancies could make it more difficult for a third party to acquire, or discourage a third party from seeking to acquire, control of our company.

Advance notice requirements for stockholder proposals and director nominations. Our amended and restated bylaws provide advance notice procedures for stockholders seeking to bring business before our annual meeting of stockholders or to nominate candidates for election as directors at our annual meeting of stockholders, other than nominations made by or at the direction of the board of directors or pursuant to the Stockholders’ Agreement. Our amended and restated bylaws also specify certain requirements regarding the form and content of a stockholder’s notice. These provisions might preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders if the proper procedures are not followed. We expect that these provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer’s own slate of directors or otherwise attempting to obtain control of our company.

Amendment of certificate of incorporation and bylaws provisions. Our amended and restated certificate of incorporation provides that approval of stockholders holding a majority of the then-outstanding voting power of our capital stock, so long as investment funds and entities affiliated with either Warburg Pincus or GTCR, collectively, hold at least a majority of our outstanding capital stock, is required for stockholders to amend or adopt certain provisions of our amended and restated certificate of incorporation and any provision of our amended and restated bylaws, and at all other times by the affirmative vote of at least 66 2/3% of the voting power of our outstanding common stock. So long as investment funds and entities affiliated with either Warburg Pincus or GTCR have the right to designate three directors for election to our board of directors, at least 75% of the board must approve any amendments to the amended and restated certificate of incorporation or amended and restated bylaws.

Authorized but unissued or undesignated capital stock. Our authorized capital stock consists of 1,200,000,000 shares of common stock and 1,200,000 shares of preferred stock. A large quantity of authorized but unissued shares may deter potential takeover attempts because of the ability of our board of directors to authorize the issuance of some or all of these shares to a friendly party, or to the public or in connection with a stockholder rights plan, which would make it more difficult for a potential acquirer to obtain control of us. This possibility may encourage persons seeking to acquire control of us to negotiate first with our board of directors. The authorized but unissued stock may be issued by the board of directors in one or more transactions. In this regard, our amended and restated certificate of incorporation grants the board of directors broad power to establish the rights and preferences of authorized and unissued preferred stock. The issuance of shares of preferred stock pursuant to the board of directors' authority described above could decrease the amount of earnings and assets available for distribution to holders of common stock and adversely affect the rights and powers, including voting rights, of such holders and may have the effect of delaying, deferring or preventing a change in control.

Stockholder action; special meeting of stockholders. Our amended and restated certificate of incorporation provides that our stockholders will not be able to take action by written consent for any matter and may only take action at annual or special meetings. For so long as investment funds and entities affiliated with either Warburg Pincus or GTCR, collectively, hold a majority of our outstanding capital stock, however, a meeting and vote of stockholders may be dispensed with, and the action may be taken without prior notice and without such meeting and vote if a written consent is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at the meeting of stockholders. Our amended and restated certificate of incorporation further provides that, except as otherwise required by law, special meetings of our stockholders may be called only by the majority of the board of directors or by the chairman of our board of directors or our chief executive officer, thus limiting the ability of a stockholder to call a special meeting. For so long as investment funds and entities affiliated with either Warburg Pincus or GTCR, collectively, hold a majority of our outstanding capital stock, however, special meetings of our stockholders may be called by the affirmative vote of the holders of a majority of our outstanding voting stock. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors.

No cumulative voting. The DGCL provides that stockholders are not entitled to cumulate votes in the election of directors unless a corporation's certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation does not provide for cumulative voting. Without cumulative voting, a minority stockholder may not be able to gain as many seats on our board of directors as the stockholder would be able to gain if cumulative voting were permitted. The absence of cumulative voting makes it more difficult for a minority stockholder to gain a seat on our board of directors to influence our board of directors' decision regarding a takeover.

Supermajority voting on board actions. For so long as investment funds and entities affiliated with either Warburg Pincus or GTCR have the right (individually) to designate at least three directors for election to our board of directors, the following actions may only be effected with the affirmative vote of 75% of our board of directors:

- certain acquisitions, mergers, other business combination transactions and dispositions;
- any amendment, modification or repeal of any provision of the certificate of incorporation or bylaws;

- changes in the size and composition of the board of directors or the compensation of its committees, other than in accordance with the Stockholders' Agreement;
- any termination of the chief executive officer or designation of a new chief executive officer;
- except for ordinary course compensation arrangements, entering into, or modifying, any compensation arrangements with an executive officers or any of executive officer's affiliates or associates;
- issuance of additional shares of Company or subsidiaries' capital stock, subject to certain limited exceptions; or
- incurrence of certain indebtedness.

Delaware Anti-Takeover Statute. We are not subject to the provisions of Section 203 of the DGCL. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested shareholder" for a three-year period following the time that the person becomes an interested shareholder, unless the business combination is approved in a prescribed manner. A "business combination" includes, among other things, a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested shareholder. An "interested shareholder" is a person who, together with affiliates and associates, owns, or did own within three years prior to the determination of interested shareholder status, 15% or more of the corporation's voting stock.

Under Section 203, a business combination between a corporation and an interested shareholder is prohibited unless it satisfies one of the following conditions: (1) before the shareholder became an interested shareholder, the board of directors approved either the business combination or the transaction which resulted in the shareholder becoming an interested shareholder; (2) upon consummation of the transaction which resulted in the shareholder becoming an interested shareholder, the interested shareholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances; or (3) at or after the time the shareholder became an interested shareholder, the business combination was approved by the board of directors and authorized at an annual or special meeting of the shareholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested shareholder.

A Delaware corporation may "opt out" of these provisions with an express provision in its original certificate of incorporation or an express provision in its certificate of incorporation or bylaws resulting from a shareholders' amendment approved by at least a majority of the outstanding voting shares.

We have opted out of Section 203; however, our amended and restated certificate of incorporation contains similar provisions providing that we may not engage in certain "business combinations" with any "interested shareholder" for a three-year period following the time that the shareholder became an interested shareholder, unless:

- prior to such time, our board of directors approved either the business combination or the transaction which resulted in the shareholder becoming an interested shareholder;
- upon consummation of the transaction that resulted in the shareholder becoming an interested shareholder, the interested shareholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding certain shares; or
- at or subsequent to that time, the business combination is approved by our Board and by the affirmative vote of holders of at least 66 2/3% of our outstanding voting stock that is not owned by the interested shareholder.

Under certain circumstances, this provision will make it more difficult for a person who would be an "interested shareholder" to effect various business combinations with us for a three-year period. This provision may encourage companies interested in acquiring us to negotiate in advance with our board of directors because the shareholder approval requirement would be avoided if our board of directors approves either the business combination or the transaction which results in the shareholder becoming an interested shareholder. These

provisions also may have the effect of preventing changes in our board of directors and may make it more difficult to accomplish transactions which shareholders may otherwise deem to be in their best interests.

Our amended and restated certificate of incorporation provides that Warburg and GTCR, and any of their respective direct or indirect transferees and any group as to which such persons are a party, do not constitute “interested shareholders” for purposes of this provision.

Exclusive Forum

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum, to the fullest extent permitted by law, for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers or other employees or stockholders to us or our stockholders, (3) any action asserting a claim against us or any of our directors or officers or other employees or stockholders arising pursuant to, any action to interpret, apply, enforce any right, obligation or remedy under, any provision of the DGCL our amended and restated certificate of incorporation or amended and restated bylaws, (4) any action asserting a claim that is governed by the internal affairs doctrine, or (5) any other action asserting an “internal corporate claim” under the DGCL shall be the Court of Chancery of the State of Delaware (or any state or federal court located within the State of Delaware if the Court of Chancery does not have jurisdiction). Notwithstanding the foregoing, our amended and restated certificate of incorporation provides that the Delaware Forum Provision will not apply to suits brought to enforce a duty or liability created by the Exchange Act. Any person or entity purchasing or otherwise acquiring any interest in our securities shall be deemed to have notice of and consented to this provision. Although we believe these provisions benefit us by providing increased consistency in the application of Delaware law for the specified types of actions and proceedings, the provisions may have the effect of discouraging lawsuits against us or our directors and officers.

Additionally, our amended and restated certificate of incorporation provides that unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Company are deemed to have notice of and consented to this provision. The Supreme Court of Delaware has held that this type of exclusive federal forum provision is enforceable. There may be uncertainty, however, as to whether courts of other jurisdictions would enforce such provision, if applicable.

Limitation of Liability and Indemnification of Officers and Directors

Our amended and restated certificate of incorporation provides for indemnification of directors and officers to the fullest extent permitted by law, including payment of expenses in advance of resolution of any such matter. Our amended and restated certificate of incorporation eliminates the potential personal monetary liability of our directors to us or our stockholders for breaches of their duties as directors except as otherwise required under the DGCL. Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the DGCL is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of our directors will be further limited to the greatest extent permitted by the DGCL.

Transfer Agent and Registrar

Computershare Trust Company, N.A. acts as transfer agent and registrar for our common stock. The transfer agent and registrar’s address is 118 Fernwood Avenue, Edison, New Jersey 08837.

Exchange

Our common stock is listed on the Nasdaq under the symbol “SHC.”

SECOND AMENDED AND RESTATED
REGISTRATION RIGHTS AGREEMENT

BY AND AMONG

WARBURG PINCUS PRIVATE EQUITY XI, L.P.,

WARBURG PINCUS XI PARTNERS, L.P.,

WP XI PARTNERS, L.P.,

WARBURG PINCUS PRIVATE EQUITY XI-B, L.P.,

WARBURG PINCUS PRIVATE EQUITY XI-C, L.P.,

GTCR FUND XI/A LP,

GTCR FUND XI/C LP,

BULL CO-INVEST, L.P.

GTCR CO-INVEST XI LP,

THE STOCKHOLDERS ON SCHEDULE A HERETO,

AND

SOTERA HEALTH COMPANY

Dated as of November 19, 2020

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SECOND AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

This Amended and Restated Registration Rights Agreement (the “Agreement”) is made, entered into and effective as of November 19, 2020 by and among Warburg Pincus Private Equity XI, L.P., a Delaware limited partnership (“WP XI”), Warburg Pincus XI Partners, L.P., a Delaware limited partnership (“Warburg XI Partners”), WP XI Partners, L.P., a Delaware limited partnership (“WP XI Partners”), Bull Co-Invest L.P., a Delaware limited partnership (“WP Co-Invest”), Warburg Pincus Private Equity XI-B, L.P., a Delaware limited partnership (“WP XI-B”), Warburg Pincus Private Equity XI-C, L.P., a Cayman Islands exempted limited partnership (“WP XI-C”), and together with WP XI, Warburg XI Partners, WP XI Partners, WP Co-Invest and WP XI-B, “WP”, provided that WP Co-Invest shall cease to be included in the definition of WP at such time as Warburg Pincus LLC or an Affiliate of Warburg Pincus LLC ceases to be the managing member of, the general partner of or otherwise control WP Co-Invest), GTCR Fund XI/A LP (“GTCR XI/A”), GTCR Fund XI/C LP (“GTCR XI/C”), GTCR Co-Invest XI LP (“GTCR Co-Invest”), and together with GTCR XI/A and GTCR XI/C, “GTCR”), Sotera Health Company, a Delaware corporation (the “Company”), and the stockholders of the Company set forth on Schedule A hereto.

WITNESSETH:

WHEREAS, the parties initially entered into a Registration Rights Agreement (the “Initial Agreement”), dated as of May 15, 2015, in order to set forth certain registration rights applicable to the Registrable Securities;

WHEREAS, on May 25, 2016, the parties amended and restated the Initial Agreement in its entirety (the “Existing Agreement”) to provide for an additional class of equity securities as Registrable Securities;

WHEREAS, pursuant to Section 3.06 of the Existing Agreement, the parties desire to amend and restate the Existing Agreement in order to set forth certain registration rights applicable to the Registrable Securities.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants and agreements of the parties hereto, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Article I

DEFINITIONS

Section 1.01. Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

“Active Management Stockholder” means any Management Stockholder who (i) as of the date of this Agreement, is actively employed by, or serving as a director of, the

Company or any of its Subsidiaries or (ii) was actively employed by, or serving as a director of, the Company or any of its Subsidiaries at any time in the six (6) month period immediately prior to the date of this Agreement.

“Adverse Disclosure” means public disclosure of material, non-public information that, in the Board of Directors’ good faith judgment, after consultation with outside counsel to the Company, (i) would be required to be made in any Registration Statement or report filed with the SEC by the Company so that such Registration Statement or report would not be materially misleading and would not be required to be made at such time but for the filing of such Registration Statement or report; and (ii) the Company has a bona fide business purpose for not disclosing such information publicly.

“Affiliate” has the meaning specified in Rule 12b-2 under the Exchange Act; provided that no Holder shall be deemed an Affiliate of the Company or its Subsidiaries for purposes of this Agreement; provided further that portfolio companies (as such term is commonly used in the private equity industry) of a Sponsor and limited partners, non-managing members or other similar direct or indirect investors in a Sponsor shall be deemed to not be Affiliates of such Sponsor; and provided further that with respect to any Person that is a “governmental plan” within the meaning of ERISA, the other branches and departments of the applicable governments shall not be deemed to be Affiliates of such Person. The term “Affiliated” has a correlative meaning.

“Agreement” has the meaning set forth in the preamble.

“Board of Directors” means the board of directors of the Company.

“Business Day” means any day other than a Saturday, Sunday or a day on which commercial banks located in New York, New York are required or authorized by law or executive order to be closed.

“Change of Control” means the occurrence of any of the following: (i) the sale, lease or transfer, in a single transaction or in a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, to any Person other than the Sponsors or their Affiliates or (ii) the acquisition by any Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act, or any successor provision), other than Sponsors or their Affiliates, in a single transaction or in related series of transactions, by way of merger, consolidation or other business combination or purchase of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision) of more than 50% of the Company Shares.

“Company” means Sotera Health Company, a Delaware corporation (including any of its successors by merger, acquisition, reorganization, conversion or otherwise).

“Company Public Sale” has the meaning set forth in Section 2.03(a).

“Company Share Equivalent” means securities exercisable or exchangeable for or convertible into, Company Shares.

“Company Shares” means the shares of common stock, par value \$0.01 per share, of the Company or any securities resulting from any reclassification, recapitalization, exchange, stock split, stock dividend or similar transactions with respect to such shares of common stock.

“Demand Company Notice” has the meaning set forth in Section 2.01(d).

“Demand Notice” has the meaning set forth in Section 2.01(a).

“Demand Party” has the meaning set forth in Section 2.01(a).

“Demand Period” has the meaning set forth in Section 2.01(c).

“Demand Registration” has the meaning set forth in Section 2.01(a).

“Demand Registration Statement” has the meaning set forth in Section 2.01(a).

“Demand Suspension” has the meaning set forth in Section 2.01(e).

“Effectiveness Date” means the date on which the Sponsors are no longer subject to any underwriter’s lock-up or other similar contractual restriction (excluding the Stockholders Agreement) on the sale of Registrable Securities, in whole or in part, in connection with an IPO.

“ERISA” means the U.S. Employee Retirement Income Security Act of 1974, as amended, and any successor thereto, and the regulations promulgated thereunder. Any reference to a section of ERISA shall include a reference to any successor provision thereto.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

“Existing Agreement” has the meaning set forth in the recitals.

“FINRA” means the Financial Industry Regulatory Authority.

“Form S-1” means a registration statement on Form S-1 under the Securities Act, or any comparable or successor form or forms thereto.

“Form S-3” means a registration statement on Form S-3 under the Securities Act, or any comparable or successor form or forms thereto.

“GTCR” has the meaning set forth in the preamble.

“GTCR Co-Invest” has the meaning set forth in the preamble.

“GTCR XI/A” has the meaning set forth in the preamble.

“GTCR XI/C” has the meaning set forth in the preamble.

“Holder” means any record holder of Registrable Securities that is a party hereto or that succeeds to rights hereunder pursuant to Section 3.06.

“IPO” means the first underwritten public offering and sale of Company Shares for cash pursuant to an effective registration statement (other than on Form S-4, Form S-8 or a comparable form) under the Securities Act.

“Initial Agreement” has the meaning set forth in the recitals.

“Initiating Holder” has the meaning set forth in Section 2.02(a).

“Initiating Shelf Take-Down Holder” has the meaning set forth in Section 2.02(e).

“Issuer Free Writing Prospectus” means an issuer free writing prospectus, as defined in Rule 433 under the Securities Act, relating to an offer of Registrable Securities.

“Long-Form Registration” has the meaning set forth in Section 2.01(a).

“Loss” or “Losses” has the meaning set forth in Section 2.09(a).

“Majority Holder Counsel” has the meaning set forth in Section 2.08.

“Management Stockholder” has the meaning set forth in the Stockholders Agreement.

“Marketed Underwritten Offering” means any Underwritten Offering (including a Marketed Underwritten Shelf Take-Down, but, for the avoidance of doubt, not including any Shelf Take-Down that is not a Marketed Underwritten Shelf Take-Down) that involves a customary “road show” (including an “electronic road show”) or other substantial marketing effort by the Company and the underwriters over a period of at least 48 hours.

“Marketed Underwritten Shelf Take-Down” has the meaning set forth in Section 2.02(e).

“Material Adverse Change” means (i) any general suspension of trading in, or limitation on prices for, securities on any national securities exchange or in the over-the-counter market in the United States (other than ordinary course limitations on hours or numbers of days of trading); (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in the United States; (iii) a material outbreak or escalation of armed hostilities or other international or national calamity involving the United States or the declaration by the United States of a national emergency or war or an epidemic, pandemic or disease outbreak or any worsening thereof or material adverse change in national or international financial, political or economic conditions; and (iv) any event, change, circumstance or effect that is or is reasonably likely to be materially adverse to the business, properties, assets, liabilities, condition

(financial or otherwise), operations, results of operations or prospects of the Company and its Subsidiaries taken as a whole.

“Participating Holder” means, with respect to any Registration, any Holder of Registrable Securities covered by the applicable Registration Statement.

“Participating Sponsor” means, with respect to any Registration, any Sponsor that is a Holder of Registrable Securities covered by the applicable Registration Statement.

“Permitted Assignee” has the meaning set forth in Section 3.06.

“Person” means any individual, partnership, corporation, limited liability company, unincorporated organization, trust or joint venture, or a governmental agency or political subdivision thereof or any other entity.

“Piggyback Registration” has the meaning set forth in Section 2.03(a).

“Prospectus” means the prospectus included in any Registration Statement, all amendments and supplements to such prospectus, including pre- and post-effective amendments to such Registration Statement, and all other material incorporated by reference in such prospectus.

“Registrable Securities” means any Company Shares and any Company Share Equivalents owned as of the date of this Agreement; provided, however, that any such Registrable Securities shall cease to be Registrable Securities to the extent (i) a Registration Statement with respect to the sale of such Registrable Securities has become effective under the Securities Act and such Registrable Securities have been disposed of in accordance with the plan of distribution set forth in such Registration Statement, (ii) such Registrable Securities have been distributed pursuant to Rule 144 or Rule 145 of the Securities Act (or any successor rule) and new certificates for them not bearing a legend restricting transfer shall have been delivered by the Company, (iii) such Registrable Securities shall have been otherwise transferred and new certificates for them not bearing a legend restricting transfer shall have been delivered by the Company and such securities may be publicly resold without Registration under the Securities Act, (iv) a Registration Statement on Form S-8 (or any successor form) covering such securities is effective, (v) in the case of a Holder who is not a Sponsor or an affiliate (as such term is defined in Rule 12b-2 under the Exchange Act) of the Company, all remaining Registrable Securities held by such Holder may immediately be sold under Rule 144 (or any similar provision then in force) under the Securities Act and without any volume or manner of sale restrictions or (vi) such security ceases to be outstanding. For the avoidance of doubt, it is understood that, (i) Registrable Securities include any Company Shares or Company Share Equivalents that are held by a Holder as of the date of this Agreement subject to vesting conditions, provided that all vesting conditions must be satisfied and such Registrable Securities vested prior to sale pursuant to this Agreement, and (ii) with respect to any Registrable Securities for which a Holder holds vested but unexercised options or other Company Share Equivalents at such time exercisable for, convertible into or exchangeable for Company Shares, to the extent that such Registrable Securities are to be sold pursuant to this Agreement, such Holder must

exercise the relevant option or exercise, convert or exchange such other relevant Company Share Equivalent and transfer the underlying Registrable Securities (in each case, net of any amounts required to be withheld by the Company in connection with such exercise).

“Registration” means a registration with the SEC of the Company’s securities for offer and sale to the public under a Registration Statement. The term “Register” shall have a correlative meaning.

“Registration Eligible Shares” means, which respect to a Management Stockholder or any other Stockholder (other than the Sponsors), a number of Registrable Securities equal to the product of (i) the number of Registrable Securities then owned by such Management Stockholder or other Stockholder multiplied by (ii) a fraction, the numerator of which is the number of Registrable Securities sold by the Sponsors in such Registration and the denominator of which is the total number of Registrable Securities held by the Sponsors immediately prior to such Registration.

“Registration Expenses” has the meaning set forth in Section 2.08.

“Registration Statement” means any registration statement of the Company that covers Registrable Securities pursuant to the provisions of this Agreement filed with, or to be filed with, the SEC under the rules and regulations promulgated under the Securities Act, including the related Prospectus, amendments and supplements to such registration statement, including pre- and post-effective amendments, and all exhibits and all material incorporated by reference in such registration statement; provided, however, that the “Registration Statement” without reference to a time includes such Registration Statement as amended by any post-effective amendments as of the time of first contract of sale for the Registrable Securities.

“Representatives” means, with respect to any Person, any of such Person’s officers, directors, employees, agents, attorneys, accountants, actuaries, consultants, equity financing partners or financial advisors or other Person associated with, or acting on behalf of, such Person.

“Rule 144” means Rule 144 (or any successor provisions) under the Securities Act.

“SEC” means the Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

“Shelf Holder” has the meaning set forth in Section 2.02(c).

“Shelf Notice” has the meaning set forth in Section 2.02(a).

“Shelf Period” has the meaning set forth in Section 2.02(b).

“Shelf Registration” means a Registration effected pursuant to Section 2.02.

“Shelf Registration Statement” means a Registration Statement of the Company filed with the SEC on either (i) Form S-3 (or any successor form or other appropriate form under the Securities Act) or (ii) if the Company is not permitted to file a Registration Statement on Form S-3, an evergreen Registration Statement on Form S-1 (or any successor form or other appropriate form under the Securities Act), in each case for an offering to be made on a continuous basis pursuant to Rule 415 (or any successor provision) under the Securities Act covering all or any portion of the Registrable Securities, as applicable.

“Shelf Suspension” has the meaning set forth in Section 2.02(d).

“Shelf Take-Down” has the meaning set forth in Section 2.02(e).

“Shelf Take-Down Notice” has the meaning set forth in Section 2.02(e).

“Short-Form Registration” has the meaning set forth in Section 2.01(a).

“Special Registration” has the meaning set forth in Section 2.12.

“Sponsors” means (i) GTCR XI/A, GTCR XI/C, GTCR Co-Invest, any successor funds thereto, and their respective Affiliates that are direct or indirect equity investors in the Company, considered together and (ii) WP XI, Warburg XI Partners, WP XI Partners, WP XI-B, WP XI-C and WP Co-Invest (provided that WP Co-Invest shall cease to be included in the definition of Sponsor at such time as Warburg Pincus LLC or an Affiliate of Warburg Pincus LLC ceases to be the managing member of, the general partner of or otherwise control WP Co-Invest) any successor funds thereto, and their respective Affiliates that are direct or indirect equity investors in the Company, considered together (excluding, for the avoidance of doubt, with respect to clauses (i) and (ii), any Management Stockholder).

“Sponsor Underwritten Offering” has the meaning set forth in Section 2.12.

“Stockholder” has the meaning set forth in the Stockholders Agreement.

“Stockholders Agreement” means the Stockholders Agreement, dated as of the date hereof, as amended, modified or supplemented from time to time in accordance with its terms, by and among the Company and the stockholders of the Company party thereto.

“Subsidiary” means, with respect to any Person, any entity of which (i) a majority of the total voting power of shares of stock or equivalent ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, trustees or other members of the applicable governing body thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if no such governing body exists at such entity, a majority of the total voting power of shares of stock or equivalent ownership interests of the entity is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons

shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated (or has the right to be allocated, through membership interests, partnership interests or otherwise) a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing member or general partner of such limited liability company, partnership, association or other business entity.

“Underwritten Offering” means a Registration in which securities of the Company are sold to an underwriter or underwriters on a firm commitment basis for reoffering to the public.

“Underwritten Shelf Take-Down” has the meaning set forth in Section 2.02(e).

“Underwritten Shelf Take-Down Notice” has the meaning set forth in Section 2.02(e).

“Warburg XI Partners” has the meaning set forth in the preamble.

“WP” has the meaning set forth in the preamble.

“WP Co-Invest” has the meaning set forth in the preamble.

“WP XI” has the meaning set forth in the preamble.

“WP XI-B” has the meaning set forth in the preamble.

“WP XI-C” has the meaning set forth in the preamble.

“WP XI Partners” has the meaning set forth in the preamble.

Section 1.02. Other Interpretive Provisions

. (a) In this Agreement, except as otherwise provided:

(i) A reference to an Article, Section, Schedule or Exhibit is a reference to an Article or Section of, or Schedule or Exhibit to, this Agreement, and references to this Agreement include any recital in or Schedule or Exhibit to this Agreement.

(ii) The Schedules and Exhibits form an integral part of and are hereby incorporated by reference into this Agreement.

(iii) Headings and the Table of Contents are inserted for convenience only and shall not affect the construction or interpretation of this Agreement.

(iv) Unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing the masculine include the feminine

and vice versa, and words importing persons include corporations, associations, partnerships, joint ventures and limited liability companies and vice versa.

(v) Unless the context otherwise requires, the words “hereof” and “herein,” and words of similar meaning refer to this Agreement as a whole and not to any particular Article, Section or clause. The words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation.”

(vi) A reference to any legislation or to any provision of any legislation shall include any successor legislation and any amendment, modification or re-enactment thereof and any legislative provision substituted therefor.

(vii) All determinations to be made by WP or any Sponsor hereunder may be made by such Person in its sole discretion, and such Person may determine, in its sole discretion, whether or not to take actions that are permitted, but not required, by this Agreement to be taken by such Person, including the giving of consents required hereunder.

(b) The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intention or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

Article II

REGISTRATION RIGHTS

Section 2.01. Demand Registration.

(a) Demand by Sponsor. At or after the Effectiveness Date, if there is no currently effective Shelf Registration Statement on file with the SEC, then either Sponsor (such Sponsor, a “Demand Party”) may, subject to Section 2.11, make a written request (a “Demand Notice”) to the Company for Registration of all or part of the Registrable Securities held by such Demand Party (i) on Form S-1 (a “Long-Form Registration”) or (ii) on Form S-3 (a “Short-Form Registration”) if the Company qualifies to use such short form for the Registration of such Registrable Securities on behalf of the Sponsors (any such requested Long-Form Registration or Short-Form Registration, a “Demand Registration”). Each Demand Notice shall specify the kind and aggregate amount of Registrable Securities of the Demand Party to be registered and the intended methods of disposition thereof. Subject to Section 2.11, after delivery of such Demand Notice, the Company (x) shall file promptly (and, in any event, within (i) ninety (90) days in the case of a request for a Long-Form Registration or (ii) thirty (30) days in the case of a request for a Short-Form Registration, in each case, following delivery of such Demand Notice) with the SEC a Registration Statement relating to such Demand Registration (a “Demand Registration Statement”) (provided, however, that if a Demand Notice is delivered prior to the Effectiveness Date, the Company shall not be obligated to file (but shall be obligated to prepare) such Demand

Registration Statement prior to the Effectiveness Date), and (y) shall use its reasonable best efforts to cause such Demand Registration Statement to promptly become effective under the Securities Act and to qualify under the “Blue Sky” laws of such jurisdictions as any Participating Holder or any underwriter, if any, reasonably requests.

(b) Demand Withdrawal. A Demand Party may withdraw its Registrable Securities from a Demand Registration at any time prior to the effectiveness of the applicable Demand Registration Statement. Upon delivery of a notice by the Demand Party to such effect, the Company may elect to cease all efforts to secure effectiveness of the applicable Demand Registration Statement, and such Registration nonetheless shall be deemed a Demand Registration with respect to such Demand Party for purposes of Section 2.11 unless (i) such Demand Party shall have paid or reimbursed the Company for its pro rata share of all reasonable and documented out-of-pocket fees and expenses incurred by the Company in connection with the Registration of such withdrawn Registrable Securities (based on the number of securities the Demand Party sought to register, as compared to the total number of securities included (or proposed to be included) on such Demand Registration Statement) or (ii) the withdrawal is made (A) following the occurrence of a Material Adverse Change, (B) because the Registration would require the Company to make an Adverse Disclosure, (C) if, as of the date of such withdrawal, the per share stock price of the Company Shares has declined by fifteen percent (15)% or more as compared to the closing per share stock price of the Company Shares on the date of the delivery of the Demand Notice with respect to such Demand Registration or (D) as a result of the application of Section 2.01(h), the number of Company Shares such Demand Party is permitted to sell in such Demand Registration is thirty percent (30)% fewer than the number that such Demand Party specified in the applicable Demand Notice. In addition, any other Holder that has requested its Registrable Securities be included in a Demand Registration pursuant to Section 2.01(d) may withdraw its Registrable Securities from a Demand Registration at any time prior to the effectiveness of the applicable Demand Registration Statement.

(c) Effective Registration. The Company shall be deemed to have effected a Demand Registration with respect to the applicable Demand Party for purposes of Section 2.11 if the Demand Registration Statement becomes effective by the SEC and remains effective for not less than one hundred eighty (180) days (or such shorter period as shall terminate when all Registrable Securities covered by such Registration Statement have been sold or withdrawn), or if such Registration Statement relates to an Underwritten Offering, such longer period as, in the opinion of counsel for the underwriter or underwriters, a Prospectus is required by law to be delivered in connection with sales of Registrable Securities by an underwriter or dealer (the applicable period, the “Demand Period”). No Demand Registration shall be deemed to have been effected for purposes of Section 2.11 if (i) during the Demand Period such Registration or the successful completion of the relevant sale is prevented by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court or (ii) the conditions to closing specified in the underwriting agreement, if any, entered into in connection with such Registration are not satisfied other than by reason of a wrongful act, misrepresentation or breach of such applicable underwriting agreement by the Demand Party.

(d) Demand Company Notice. Subject to Section 2.11, promptly upon receipt of any Demand Notice (but in no event more than five (5) Business Days thereafter), the Company shall deliver a written notice (a “Demand Company Notice”) of any such Registration request to the other Sponsor and the Company shall include in such Demand Registration, all such Registrable Securities of such other Sponsor that the Company has received a written request for inclusion therein within ten (10) Business Days after such written notice is delivered to such other Sponsor. Promptly after receipt of any such written request by the other Sponsor (but in no event more than ten (10) Business Days after delivery of the Demand Notice), the Company shall deliver a written notice of such Demand Notice to all Holders other than the Sponsors (which notice shall specify the Registration Eligible Shares applicable to such Demand Registration), and the Company shall include in such Demand Registration all such Registrable Securities of such Holders; provided, that the Company shall not include in such Demand Registration, Registrable Securities of any Holder (other than a Sponsor) in an amount in excess of such Holder’s Registration Eligible Shares. All requests made pursuant to this Section 2.01(d) shall specify the kind and the aggregate amount of Registrable Securities of such Holder to be registered.

(e) Delay in Filing; Suspension of Registration. If the Company shall furnish to the Participating Holders a certificate signed by the chief executive officer, chief financial officer or chief legal officer of the Company stating that the filing, initial effectiveness or continued use of a Demand Registration Statement would require the Company to make an Adverse Disclosure, then the Company may delay the filing (but not the preparation of) or initial effectiveness of, or suspend use of, the Demand Registration Statement (a “Demand Suspension”); provided, however, that the Company, unless otherwise approved in writing by both of the Sponsors, shall not be permitted to exercise aggregate Demand Suspensions and Shelf Suspensions for more than twenty (20) Business Days during any three (3) month period, or for more than an aggregate of ninety (90) Business Days during any twelve (12) -month period; provided further that in the event of a Demand Suspension, such Demand Suspension shall terminate at such earlier time as the Company would no longer be required to make any Adverse Disclosure. Each Participating Holder shall keep confidential the fact that a Demand Suspension is in effect, the certificate referred to above and its contents unless and until otherwise notified by the Company, except (A) disclosure to such Holder’s Affiliates, and its and their respective employees, agents and professional advisers who reasonably need to know such information for purposes of assisting the Holder with respect to its investment in the Company Shares and agree to keep it confidential, (B) disclosures to the extent required in order to comply with reporting obligations to its limited partners or other direct or indirect investors who have agreed to keep such information confidential, (C) if and to the extent such matters are disclosed by the Company or any of its Subsidiaries or any other Person on a non-confidential basis without breach of any confidentiality obligations by such disclosing party, (D) disclosures that are necessary to comply with any law, rule or regulation, including formal and informal investigations or requests from any regulatory authority, (E) disclosures to potential limited partners or investors of a Holder who have agreed to keep such information confidential and (F) disclosures to potential transferees of a Holder’s Registrable Securities who have agreed to keep such information confidential. In the case of a Demand Suspension, the Holders agree to suspend use of the applicable Prospectus and any Issuer Free Writing Prospectus in connection with any sale or

purchase of, or offer to sell or purchase, Registrable Securities, upon receipt of the notice referred to above. The Company shall promptly notify the Holders upon the termination of any Demand Suspension, amend or supplement the Prospectus and any Issuer Free Writing Prospectus, if necessary, so it does not contain any untrue statement or omission and furnish to the Holders such numbers of copies of the Prospectus and any Issuer Free Writing Prospectus as so amended or supplemented as the Holders may reasonably request. In the event the Company shall give to the Participating Holders a certificate referred to above, the period during which the applicable Demand Registration Statement is required to be maintained effective shall be extended by the number of days during the period from and including the date of the giving of such certificate to and including the date when each seller of Registrable Securities covered by such Demand Registration Statement either receives the copies of the supplemented or amended Prospectus or Issuer Free Writing Prospectus or is advised in writing by the Company that the use of the Prospectus or Issuer Free Writing Prospectus may be resumed.

(f) Amendments and Supplements to Demand Registration Statement. The Company agrees, if necessary, to supplement or make amendments to the Demand Registration Statement if required by the registration form used by the Company for the applicable Registration or by the instructions applicable to such registration form or by the Securities Act or the rules or regulations promulgated thereunder, or as may reasonably be requested by any Sponsor.

(g) Underwritten Offering. If the Demand Party so requests, an offering of Registrable Securities pursuant to a Demand Registration shall be in the form of an Underwritten Offering, and such Demand Party shall have the right to select the managing underwriter or underwriters to administer the offering; provided that such managing underwriter or underwriters shall be reasonably acceptable to the Company and the other Participating Sponsor (if any). If the Demand Party intends to sell the Registrable Securities covered by its demand by means of an Underwritten Offering, such Demand Party shall so advise the Company as part of its Demand Notice, and the Company shall include such information in the Demand Company Notice.

(h) Priority of Securities Registered Pursuant to Demand Registrations. If the managing underwriter or underwriters of a proposed Underwritten Offering of the Registrable Securities included in a Demand Registration advise the Board of Directors in writing that, in its or their opinion, the number of securities requested to be included in such Demand Registration exceeds the number that can be sold in such offering without being likely to have a significant adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, the securities to be included in such Demand Registration shall be allocated (i) first, pro rata among the Holders (including the Sponsors, the Management Stockholders and any other Stockholders, as applicable) that have requested to participate in such Demand Registration based on the relative number of Registrable Securities then held by each such Holder; provided that any securities thereby allocated to a Holder that exceed such Holder's request shall be reallocated among the remaining requesting Holders in a like manner; provided further that a Sponsor may freely re-allocate any number of Registrable Securities held by such Sponsor (or any of its Affiliates and Permitted Assignees) that may be included in such Demand Registration

to any of its Affiliates (or any of their respective Permitted Assignees) for purposes of determining the pro rata allocation of the securities to be included in such Demand Registration, (ii) second, and only if all the securities referred to in clause (i) have been included in such Registration, to the Company up to the number of securities that the Company proposes to include in such Registration that, in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect and (iii) third, and only if all of the securities referred to in clause (ii) have been included in such Registration, to those Persons holding any other securities eligible for inclusion in such Registration, up to the number of securities that in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect.

Section 2.02. Shelf Registration.

(a) Filing. At or after the first anniversary of the IPO, either Sponsor (such Sponsor, the “Initiating Holder”) may, subject to Section 2.11, make a written request (a “Shelf Notice”) to the Company to file a Shelf Registration Statement, which Shelf Notice shall specify the kind and the aggregate amount of Registrable Securities of the Initiating Holder to be registered therein and the intended methods of distribution thereof. Following the delivery of a Shelf Notice, the Company (x) shall file promptly (and, in any event, within (i) ninety (90) days, if the Company does not qualify to effect a Short-Form Registration, a Long-Form Registration or (ii) thirty (30) days, if the Company qualifies to effect a Short-Form Registration, a Short-Form Registration, in each case, following delivery of such Shelf Notice) with the SEC such Shelf Registration Statement (which shall be an automatic Shelf Registration Statement if the Company qualifies at such time to file such a Shelf Registration Statement) relating to the offer and sale of all Registrable Securities requested for inclusion therein by the Initiating Holder and, to the extent requested under Section 2.02(c), the other Holders, in each case from time to time in accordance with the methods of distribution elected by such Holders (to the extent permitted in this Section 2.02) (provided, however, that if a Shelf Notice is delivered prior to the Effectiveness Date, the Company shall not be obligated to file (but shall be obligated to prepare) such Shelf Registration Statement prior to the Effectiveness Date) and (y) shall use its reasonable best efforts to cause such Shelf Registration Statement promptly to become effective under the Securities Act. If, on the date of any such request, the Company does not qualify to file a Shelf Registration Statement under the Securities Act, the provisions of this Section 2.02 shall not apply, and the provisions of Section 2.01 shall apply instead.

(b) Continued Effectiveness. The Company shall use its reasonable best efforts to keep any Shelf Registration Statement filed pursuant to Section 2.02(a) continuously effective under the Securities Act in order to permit the Prospectus forming a part thereof to be usable in connection with any Shelf Take-Down, subject to Section 2.02(d), until the earliest of (i) the date as of which all Registrable Securities have been sold pursuant to the Shelf Registration Statement or another Registration Statement filed under the Securities Act (but in no event prior to the applicable period referred to in Section 4(3) of the Securities Act and Rule 174 thereunder), (ii) the date as of which each of the Shelf Holders is permitted to sell all of its Registrable Securities without Registration pursuant to Rule 144 without volume limitation or other restrictions on transfer thereunder and (iii) such shorter period as the Participating Sponsors

with respect to such Shelf Registration shall agree in writing (such period of effectiveness, the “Shelf Period”). Subject to Section 2.02(d), the Company shall not be deemed to have used its reasonable best efforts to keep the Shelf Registration Statement effective during the Shelf Period if the Company voluntarily takes any action or omits to take any action that would result in Shelf Holders not being able to offer and sell Registrable Securities pursuant to such Shelf Registration Statement during the Shelf Period, unless such action or omission is (x) a Shelf Suspension permitted pursuant to Section 2.02(d) or (y) required by applicable law, rule or regulation.

(c) Company Notices. Promptly upon receipt of any Shelf Notice pursuant to Section 2.02(a) (but in no event more than five (5) Business Days thereafter), the Company shall deliver a written notice of such Shelf Notice to the other Sponsor and the Company shall include in such Shelf Registration all such Registrable Securities of such other Sponsor which the Company has received a written request for inclusion therein within five (5) Business Days after such written notice is delivered to such other Sponsor. Promptly after receipt of any such written request by the other Sponsor (but in no event more than ten (10) Business Days after delivery of the Shelf Notice), the Company shall deliver a written notice of such Shelf Notice to all Holders other than the Sponsors (which notice shall specify the Registration Eligible Shares applicable to such Shelf Registration), and the Company shall include in such Shelf Registration all such Registrable Securities of such Holders which the Company has received written requests for inclusion therein within five (5) Business Days after such written notice is delivered to such Holders (each such Holder delivering such a request and the other Sponsor if a Participating Sponsor, together with the Initiating Holder, a “Shelf Holder,” provided that the Company shall not include in such Shelf Registration Registrable Securities of any Holder (other than a Sponsor) in an amount in excess of such Holder’s Registration Eligible Shares. If the Company is permitted by applicable law, rule or regulation to add selling stockholders to a Shelf Registration Statement without filing a post-effective amendment, a Holder may request the inclusion of an amount of such Holder’s Registrable Securities not to exceed such Holder’s Registration Eligible Shares in such Shelf Registration Statement at any time or from time to time after the filing of a Shelf Registration Statement, and the Company shall add such Registrable Securities to the Shelf Registration Statement as promptly as reasonably practicable, and such Holder shall be deemed a Shelf Holder.

(d) Suspension of Registration. If the Company shall furnish to the Shelf Holders a certificate signed by the chief executive officer, chief financial officer or chief legal officer of the Company stating that the filing, amendment or continued use of a Shelf Registration Statement would require the Company to make an Adverse Disclosure, then the Company may suspend use of the Shelf Registration Statement (a “Shelf Suspension”); provided, however, that the Company, unless otherwise approved in writing by the Sponsors, shall not be permitted to exercise aggregate Demand Suspensions and Shelf Suspensions for more than thirty (30) days during any three (3) month period, or for more than an aggregate of ninety (90) days during any twelve (12)-month period; provided further that in the event of a Shelf Suspension, such Shelf Suspension shall terminate at such earlier time as the Company would no longer be required to make any Adverse Disclosure. Each Shelf Holder shall keep confidential the fact that a Shelf Suspension is in effect, the certificate referred to above and its contents unless and until otherwise notified by the Company, except (A) for disclosure to such Shelf Holder’s Affiliates,

and its and their respective employees, agents and professional advisers who reasonably need to know such information for purposes of assisting the Holder with respect to its investment in the Company Shares and agree to keep it confidential, (B) for disclosures to the extent required in order to comply with reporting obligations to its limited partners or other direct or indirect investors who have agreed to keep such information confidential, (C) if and to the extent such matters are disclosed by the Company or any of its Subsidiaries or any other Person on a non-confidential basis without breach of any confidentiality obligations by such disclosing party, (D) for disclosures that are necessary to comply with any law, rule or regulation, including formal and informal investigations or requests from any regulatory authority, (E) for disclosures to potential limited partners or investors of a Shelf Holder who have agreed to keep such information confidential and (F) for disclosures to potential transferees of a Shelf Holder's Registrable Securities who have agreed to keep such information confidential. In the case of a Shelf Suspension, the Holders agree to suspend use of the applicable Prospectus and any Issuer Free Writing Prospectus in connection with any sale or purchase of, or offer to sell or purchase, Registrable Securities, upon receipt of the notice referred to above. The Company shall promptly notify the Holders upon the termination of any Shelf Suspension, amend or supplement the Prospectus and any Issuer Free Writing Prospectus, if necessary, so it does not contain any untrue statement or omission and furnish to the Shelf Holders such numbers of copies of the Prospectus and any Issuer Free Writing Prospectus as so amended or supplemented as the Shelf Holders may reasonably request. The Company agrees, if necessary, to supplement or make amendments to the Shelf Registration Statement if required by the registration form used by the Company for the applicable Registration or by the instructions applicable to such registration form or by the Securities Act or the rules or regulations promulgated thereunder, or as may reasonably be requested by any Sponsor.

(e) Shelf Take-Downs.

(i) If at any time that a Shelf Registration Statement covering Registrable Securities pursuant to this Section 2.02 is effective, either Sponsor (the "Initiating Shelf Take-Down Holder") delivers a notice to the Issuer (a "Shelf Take-Down Notice") stating that it intends to effect an offering (a "Shelf Take-Down") of all or a portion of its Registrable Securities included by it on the Shelf Registration Statement and stating the number of Registrable Securities to be included in such Shelf Take-Down, then the Issuer shall amend or supplement the Shelf Registration Statement and take such other action as may be reasonably necessary to facilitate the sale of such Registrable Securities pursuant to such Shelf-Takedown. Except as set forth in Section 2.02(e)(iii) with respect to Marketed Underwritten Shelf Take-Downs, each such Initiating Shelf Take-Down Holder shall not be required to permit the offer and sale of Registrable Securities by other Shelf Holders in connection with any such Shelf Take-Down initiated by such Initiating Shelf Take-Down Holder;

(ii) Subject to Section 2.11(c), if such Initiating Shelf Take-Down Holder elects by written request to the Company, a Shelf Take-Down shall be in the form of an Underwritten Offering (each, an "Underwritten Shelf Take-Down") (such written request, an "Underwritten Shelf Take-Down Notice") and the Company shall amend or

supplement the Shelf Registration Statement for such purpose as soon as practicable. Such Initiating Shelf Take-Down Holder shall have the right to select the managing underwriter or underwriters to administer such offering; provided that such managing underwriter or underwriters shall be reasonably acceptable to the Company and the other Sponsor if such other Sponsor is permitted to, and proposes to, sell Registrable Securities pursuant to such Shelf Take-Down.

(iii) If the plan of distribution set forth in any Underwritten Shelf Take-Down Notice includes a customary “road show” (including an “electronic road show”) or other substantial marketing effort by the Company and the underwriters over a period expected to exceed forty-eight (48) hours (a “Marketed Underwritten Shelf Take-Down”), promptly upon delivery of such Underwritten Shelf Take-Down Notice (but in no event more than three (3) Business Days thereafter), the Company shall promptly deliver a written notice (a “Marketed Underwritten Shelf Take-Down Notice”) of such Marketed Underwritten Shelf Take-Down to all Shelf Holders (other than the Initiating Shelf Take-Down Holder), and the Company shall include in such Marketed Underwritten Shelf Take-Down all such Registrable Securities of such Shelf Holders that are Registered on such Shelf Registration Statement for which the Company has received written requests, which requests must specify the aggregate amount of such Registrable Securities of such Holder to be offered and sold pursuant to such Marketed Underwritten Shelf Take-Down, for inclusion therein within three (3) Business Days after the date that such Marketed Underwritten Shelf Take-Down Notice has been delivered; provided that the Company shall not include in any Marketed Underwritten Shelf Take-Down Registrable Securities of any Holder (other than a Sponsor) in an amount in excess of such Holder’s Registration Eligible Shares.

(iv) The provisions of Section 2.01(h) shall apply to any Marketed Underwritten Offering pursuant to this Section 2.02(e) notwithstanding that Section 2.01(h) refers to Demand Registrations.

(f) If the Issuer files any Shelf Registration Statement, the Issuer agrees that it shall include in such Shelf Registration Statement such disclosures as may be required by Rule 430B under the Securities Act (referring to the unnamed selling security holders in a generic manner by identifying the initial offering of the securities to the Holders) in order to ensure that the Holders may be added to such Shelf Registration Statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

Section 2.03. Piggyback Registration.

(a) Participation. If the Company at any time proposes to file a registration statement with respect to any offering of its equity securities for its own account or for the account of any other Persons (other than (i) a Registration under Section 2.01 or Section 2.02, it being understood that this clause (i) does not limit the rights of Holders to make written requests pursuant to Section 2.01 or Section 2.02 or the right of the Holders to request that their Registrable Securities be included in any Registration under Section 2.01 or Section 2.02 or otherwise limit the applicability thereof, (ii) a Registration Statement on Form S-4 or S-8 (or

such other similar successor forms then in effect under the Securities Act), (iii) a registration of securities solely relating to an offering and sale to employees, directors or consultants of the Company or its Subsidiaries pursuant to any employee stock plan or other employee benefit plan arrangement, (iv) a registration not otherwise covered by clause (ii) above pursuant to which the Company is offering to exchange its own securities for other securities, (v) a Registration Statement relating solely to dividend reinvestment or similar plans, or (vi) a Shelf Registration Statement pursuant to which only the initial purchasers and subsequent transferees of debt securities of the Company or any of its Subsidiaries that are convertible or exchangeable for Company Shares and that are initially issued pursuant to Rule 144A and/or Regulation S (or any successor provisions) of the Securities Act may resell such notes and sell the Company Shares into which such notes may be converted or exchanged) (a “Company Public Sale”), then, (A) as soon as practicable (but in no event less than thirty (30) days prior to the proposed date of filing of such Registration Statement), the Company shall give written notice of such proposed filing to the Sponsors, and such notice shall offer each Sponsor the opportunity to Register under such Registration Statement such number of Registrable Securities as such Sponsor may request in writing delivered to the Company within ten (10) days of delivery of such written notice by the Company, and (B) subject to Section 2.03(c), as soon as practicable after the expiration of such ten (10) days period (but in no event less than fifteen (15) days prior to the proposed date of filing of such Registration Statement), the Company shall give written notice of such proposed filing to the Holders (other than the Sponsors), and such notice shall offer each such Holder the opportunity to Register under such Registration Statement such number of Registrable Securities as such Holder may request in writing within ten (10) days of delivery of such written notice by the Company. Subject to Section 2.03(b) and (c), the Company shall include in such Registration Statement all such Registrable Securities that are requested by Holders to be included therein in compliance with the immediately foregoing sentence (a “Piggyback Registration”); provided that the Company shall not include in any Piggyback Registration Registrable Securities of any Holder (other than a Sponsor) in an amount in excess of such Holder’s Registration Eligible Shares; provided further that if at any time after giving written notice of its intention to Register any equity securities and prior to the effective date of the Registration Statement filed in connection with such Piggyback Registration, the Company shall determine for any reason not to Register or to delay Registration of the equity securities covered by such Piggyback Registration, the Company shall give written notice of such determination to each Holder that had requested to Register its, his or her Registrable Securities in such Registration Statement and, thereupon, (1) in the case of a determination not to Register, shall be relieved of its obligation to Register any Registrable Securities in connection with such Registration (but not from its obligation to pay the Registration Expenses in connection therewith), without prejudice, however, to the rights of the Sponsors to request that such Registration be effected as a Demand Registration under Section 2.01, and (2) in the case of a determination to delay Registering, in the absence of a request by the Sponsors to request that such Registration be effected as a Demand Registration under Section 2.01, shall be permitted to delay Registering any Registrable Securities, for the same period as the delay in Registering the other equity securities covered by such Piggyback Registration. If any offering pursuant to such Registration Statement is to be underwritten, the Company shall so advise the Holders as a part of the written notice given pursuant this Section 2.03(a), and each Holder making a request for a Piggyback Registration pursuant to this Section 2.03(a) may, and the Company shall make such

arrangements with the managing underwriter or underwriters so that each such Holder may, participate in such Underwritten Offering, subject to the conditions of Section 2.03(b) and (c). If any offering pursuant to such Registration Statement is to be on any other basis, the Company shall so advise the Holders as part of the written notice given pursuant to this Section 2.03(a), and each Holder making a request for a Piggyback Registration pursuant to this Section 2.03(a) may, and the Company shall make such arrangements so that each such Holder may, participate in such offering on such basis, subject to the conditions of Section 2.03(b) and (c). Each Holder shall be permitted to withdraw all or part of its Registrable Securities from a Piggyback Registration at any time prior to the pricing of the offering; provided, that such withdrawal shall be irrevocable and, after making such withdrawal, a Holder shall no longer have any right to include Registrable Securities in the Piggyback Registration as to which such withdrawal was made.

(b) Priority of Piggyback Registration. If the managing underwriter or underwriters of any proposed Underwritten Offering of Registrable Securities included in a Piggyback Registration informs the Company and the Holders that have requested to participate in such Piggyback Registration in writing that, in its or their opinion, the number of securities which the Company, such Holders and any other Persons intend to include in such offering exceeds the number that can be sold in such offering without being likely to have a significant adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, then the securities to be included in such Registration shall be (i) first, 100% of the securities that the Company or (subject to Section 2.07) any Person (other than a Holder) exercising a contractual right to demand Registration, as the case may be, proposes to sell, and (ii) second, and only if all the securities referred to in clause (i) have been included, the number of Registrable Securities that, in the opinion of such managing underwriter or underwriters, can be sold without having such adverse effect in such Registration, with such number to be allocated pro rata among such Holders (including any Sponsor so long as such Sponsor is a Holder and including any Stockholder other than a Sponsor so long as such other Stockholder is a Holder eligible to participate in such Registration pursuant to the terms hereof) that have requested to participate in such Registration based on the relative number of Registrable Securities then held by each such Holder; provided that any securities thereby allocated to a Holder that exceed such Holder's request shall be reallocated among the remaining requesting Holders in like manner; provided further that a Sponsor may freely re-allocate any number of Registrable Securities held by such Sponsor (or any of its Affiliates and Permitted Assignees) that may be included in such Registration to any of its Affiliates (or any of their respective Permitted Assignees) for purposes of determining the pro rata allocation of the securities to be included in such Registration and (iii) third, and only if all of the Registrable Securities referred to in clause (ii) have been included in such Registration, the number of any other securities eligible for inclusion in such Registration that, in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect in such Registration.

(c) Restrictions on Certain Holders. Notwithstanding any provisions contained herein to the contrary, Holders, other than (i) the Sponsors and (ii) Management Stockholders who are actively employed by the Company or any of its Subsidiaries on the date such Management Stockholder exercises his/her right to a Piggyback Registration, shall not be

able to exercise the right to a Piggyback Registration except in compliance with Section 2.03 and unless such Registration is a Marketed Underwritten Offering and both Sponsors consent.

(d) No Effect on Demand Registrations. No Registration of Registrable Securities effected pursuant to a request under this Section 2.03 shall be deemed to have been effected pursuant to Section 2.01 or Section 2.02 or shall relieve the Company of its obligations under Section 2.01 or Section 2.02.

Section 2.04. Black-out Periods.

(a) Black-out Periods for Holders. In the event of any Company Public Sale of the Company's equity securities in an Underwritten Offering, each of the Holders agree, if requested by the managing underwriter or underwriters in such Underwritten Offering (and only if each Sponsor agrees to such request), subject to customary exceptions, not to (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future of) any Company Shares (including Company Shares that may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the SEC and Company Shares that may be issued upon exercise of any options or warrants) or securities convertible into or exercisable or exchangeable for Company Shares, (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of Company Shares, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Company Shares or other securities, in cash or otherwise, (3) make any demand for or exercise any right or cause to be filed a Registration Statement, including any amendments thereto, with respect to the registration of any Company Shares or securities convertible into or exercisable or exchangeable for Company Shares or any other securities of the Company unless such Holder agrees that such Registration Statement or amendment thereto need not be filed until the expiration of the period described in this Section 2.04 or (4) publicly disclose the intention to do any of the foregoing, in each case, during the period beginning seven (7) days before and ending ninety (90) days (in the event of any Company Public Sale) (or such other period as may be reasonably requested by the Company or the managing underwriter or underwriters to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in the FINRA rules or any successor provisions or amendments thereto) after the date of the underwriting agreement entered into in connection with such Company Public Sale, to the extent timely notified in writing by the Company or the managing underwriter or underwriters. If requested by the managing underwriter or underwriters of any such Company Public Sale (and only if each Sponsor agrees to such request), each Holder shall execute a separate agreement to the foregoing effect. The Company may impose stop-transfer instructions with respect to the Company Shares (or other securities) subject to the foregoing restriction until the end of the period referenced above.

(b) Black-out Period for the Company and Others. In the case of an offering of Registrable Securities pursuant to Section 2.01 or Section 2.02 that is a Marketed Underwritten Offering, the Company and each of the Holders agree, if requested by a

Participating Sponsor or the managing underwriter or underwriters with respect to such Marketed Underwritten Offering, subject to customary exceptions, not to (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future of) any Company Shares (including Company Shares that may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the SEC and Company Shares that may be issued upon exercise of any options or warrants) or securities convertible into or exercisable or exchangeable for Company Shares, (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of Company Shares, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Company Shares or other securities, in cash or otherwise, (3) make any demand for or exercise any right or cause to be filed a Registration Statement, including any amendments thereto, with respect to the registration of any Company Shares or securities convertible into or exercisable or exchangeable for Company Shares or any other securities of the Company unless such Holder agrees that such Registration Statement or amendment thereto need not be filed until the expiration of the period described in this Section 2.04 or (4) publicly disclose the intention to do any of the foregoing, in each case, during the period beginning seven (7) days before, and ending ninety (90) days (or such lesser period as may be agreed by a Participating Sponsor or, if applicable, the managing underwriter or underwriters) (or such other period as may be reasonably requested by a Participating Sponsor or the managing underwriter or underwriters to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in the FINRA rules or any successor provisions or amendments thereto) after, the date of the underwriting agreement entered into in connection with such Marketed Underwritten Offering, to the extent timely notified in writing by a Participating Sponsor or the managing underwriter or underwriters, as the case may be. Notwithstanding the foregoing, the Company may effect a public sale or distribution of securities of the type described above and during the periods described above if such sale or distribution is made pursuant to Registrations on Form S-4 or S-8 or any successor form to such Forms, as part of any Registration of securities for offering and sale to employees, directors or consultants of the Company and its Subsidiaries pursuant to any employee stock plan or other employee benefit plan arrangement, any other registration pursuant to which the Company is offering to exchange its own securities for other securities or a Registration Statement related solely to dividend reinvestment or similar plan. The Company agrees to use its reasonable best efforts to obtain from each holder of restricted securities of the Company which securities are the same as or similar to the Registrable Securities being Registered, or any restricted securities convertible into or exchangeable or exercisable for any of such securities, an agreement not to effect any public sale or distribution of such securities during any such period referred to in this paragraph, except as part of any such Registration, if permitted. Without limiting the foregoing (but subject to Section 2.07), if after the date hereof the Company grants any Person (other than a Holder) any rights to demand or participate in a Registration, the Company agrees that the agreement with respect thereto shall include such Person's agreement to comply with any black-out period required by this Section as if it were a Holder hereunder. If requested by the managing underwriter or underwriters of any such Marketed Underwritten Offering, the Holders shall execute a separate agreement to the foregoing effect. The Company may impose stop-transfer instructions with respect to the

Company Shares (or other securities) subject to the foregoing restriction until the end of the period referenced above.

Section 2.05. Registration Procedures.

(a) In connection with the Company's Registration obligations under Section 2.01, Section 2.02, and Section 2.03 and subject to the applicable terms and conditions set forth therein, the Company shall use its reasonable best efforts to effect such Registration to permit the sale of such Registrable Securities in accordance with the intended method or methods of distribution thereof as expeditiously as reasonably practicable, and in connection therewith the Company shall:

(i) prepare the required Registration Statement including all exhibits and financial statements required under the Securities Act to be filed therewith, and before filing a Registration Statement, Prospectus or any Issuer Free Writing Prospectus, or any amendments or supplements thereto, (x) furnish to the underwriters, if any, and the Participating Sponsors, if any, copies of all such documents, which documents shall be subject to the review of such underwriters and the Participating Sponsors and their respective counsel and (y) except in the case of a Registration under Section 2.03, not file any Registration Statement or Prospectus or amendments or supplements thereto to or use any Issuer Free Writing Prospectus to which either Participating Sponsor or the underwriters, if any, shall reasonably object;

(ii) as promptly as practicable file with the SEC a Registration Statement relating to the Registrable Securities including all exhibits and financial statements required by the SEC to be filed therewith, and use its reasonable best efforts to cause such Registration Statement to become effective under the Securities Act as soon as practicable;

(iii) prepare and file with the SEC such pre- and post-effective amendments to such Registration Statement, supplements to the Prospectus and such amendments or supplements to any Issuer Free Writing Prospectus as may be (x) reasonably requested by any Participating Sponsor, (y) reasonably requested by any other Participating Holder (to the extent such request relates to information relating to such Holder), or (z) necessary to keep such Registration effective for the period of time required by this Agreement, and comply with provisions of the applicable securities laws with respect to the sale or other disposition of all securities covered by such Registration Statement during such period in accordance with the intended method or methods of disposition by the sellers thereof set forth in such Registration Statement;

(iv) notify the Participating Holders and the managing underwriter or underwriters, if any, and (if requested) confirm such advice in writing and provide copies of the relevant documents, as soon as reasonably practicable after notice thereof is received by the Company (A) when the applicable Registration Statement or any amendment thereto has been filed or becomes effective, and when the applicable Prospectus or Issuer Free Writing Prospectus or any amendment or supplement thereto

has been filed, (B) of any written comments by the SEC or any request by the SEC or any other federal or state governmental authority for amendments or supplements to such Registration Statement, Prospectus or Issuer Free Writing Prospectus or for additional information, (C) of the issuance by the SEC of any stop order suspending the effectiveness of such Registration Statement or any order by the SEC or any other regulatory authority preventing or suspending the use of any preliminary or final Prospectus or any Issuer Free Writing Prospectus or the initiation or threatening of any proceedings for such purposes, (D) if, at any time, the representations and warranties of the Company in any applicable underwriting agreement cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for offering or sale in any jurisdiction and (F) of the receipt by the Company of any notification with respect to the initiation or threatening of any proceeding for the suspension of the qualification of the Registrable Securities for offering or sale in any jurisdiction;

(v) promptly notify the Participating Holders and the managing underwriter or underwriters, if any, when the Company becomes aware of the happening of any event as a result of which the applicable Registration Statement, the Prospectus included in such Registration Statement (as then in effect) or any Issuer Free Writing Prospectus contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein (in the case of such Prospectus, any preliminary Prospectus or any Issuer Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, when any Issuer Free Writing Prospectus includes information that may conflict with the information contained in the Registration Statement, or, if for any other reason it shall be necessary during such time period to amend or supplement such Registration Statement, Prospectus or Issuer Free Writing Prospectus in order to comply with the Securities Act and, in either case as promptly as reasonably practicable thereafter, prepare and file with the SEC, and furnish without charge to the Participating Holders and the managing underwriter or underwriters, if any, an amendment or supplement to such Registration Statement, Prospectus or Issuer Free Writing Prospectus which shall correct such misstatement or omission or effect such compliance;

(vi) use its reasonable best efforts to prevent, or obtain the withdrawal of, any stop order or other order suspending the use of any preliminary or final Prospectus or any Issuer Free Writing Prospectus;

(vii) promptly incorporate in a Prospectus supplement, Issuer Free Writing Prospectus or post-effective amendment to the applicable Registration Statement such information as the managing underwriter or underwriters and the Participating Sponsor(s) agree should be included therein relating to the plan of distribution with respect to such Registrable Securities, and make all required filings of such Prospectus supplement, Issuer Free Writing Prospectus or post-effective amendment as soon as reasonably practicable after being notified of the matters to be incorporated in such Prospectus supplement, Issuer Free Writing Prospectus or post-effective amendment;

(viii) furnish to each Participating Holder and each underwriter, if any, without charge, as many conformed copies as such Holder or underwriter may reasonably request of the applicable Registration Statement and any amendment or post-effective amendment thereto, including financial statements and schedules, all documents incorporated therein by reference and all exhibits (including those incorporated by reference);

(ix) deliver to each Participating Holder and each underwriter, if any, without charge, as many copies of the applicable Prospectus (including each preliminary Prospectus), any Issuer Free Writing Prospectus and any amendment or supplement thereto as such Holder or underwriter may reasonably request (it being understood that the Company consents to the use of such Prospectus, any Issuer Free Writing Prospectus and any amendment or supplement thereto by such Holder and the underwriters, if any, in connection with the offering and sale of the Registrable Securities thereby) and such other documents as such Holder or underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities by such Holder or underwriter;

(x) on or prior to the date on which the applicable Registration Statement becomes effective, use its reasonable best efforts to register or qualify, and cooperate with the Participating Holders, the managing underwriter or underwriters, if any, and their respective counsel, in connection with the registration or qualification of such Registrable Securities for offer and sale under the securities or “Blue Sky” laws of each state and other jurisdiction of the United States as any Participating Holder or managing underwriter or underwriters, if any, or their respective counsel reasonably request in writing and do any and all other acts or things reasonably necessary or advisable to keep such registration or qualification in effect for such period as required by Section 2.01(c) or Section 2.01(b), whichever is applicable, provided that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified or to take any action which would subject it to taxation or general service of process in any such jurisdiction where it is not then so subject;

(xi) cooperate with the Participating Holders and the managing underwriter or underwriters, if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends (or arrange for the book entry transfer of securities in the case of uncertificated securities), and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters may request at least two (2) Business Days prior to any sale of Registrable Securities to the underwriters;

(xii) use its reasonable best efforts to cause the Registrable Securities covered by the applicable Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the seller or sellers thereof or the underwriter or underwriters, if any, to consummate the disposition of such Registrable Securities;

(xiii) not later than the effective date of the initial Registration Statement, provide a CUSIP number for all Registrable Securities and provide the applicable transfer agent with printed certificates (or arrange for the book entry transfer of securities in the case of uncertificated securities) for the Registrable Securities which are in a form eligible for deposit with The Depository Trust Company;

(xiv) make such representations and warranties to the Participating Holders and the underwriters or agents, if any, in form, substance and scope as are customarily made by issuers in secondary underwritten public offerings;

(xv) enter into such customary agreements (including underwriting and indemnification agreements) and take all such other actions as any Participating Sponsor or the managing underwriter or underwriters, if any, reasonably request in order to expedite or facilitate the registration and disposition of such Registrable Securities;

(xvi) obtain for delivery to the Participating Holders and to the underwriter or underwriters, if any, an opinion or opinions from counsel for the Company dated the effective date of the Registration Statement or, in the event of an Underwritten Offering, the date of the closing under the underwriting agreement, in customary form, scope and substance, which opinions shall be reasonably satisfactory to such Holders or underwriters, as the case may be, and their respective counsel;

(xvii) in the case of an Underwritten Offering, obtain for delivery to the Company and the managing underwriter or underwriters, with copies to the Participating Holders, a comfort letter from the Company's independent certified public accountants in customary form and covering such matters of the type customarily covered by comfort letters as the managing underwriter or underwriters reasonably request, dated the date of execution of the underwriting agreement and brought down to the closing under the underwriting agreement;

(xviii) cooperate with each Participating Holder and each underwriter, if any, participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with the FINRA;

(xix) use its reasonable best efforts to comply with all applicable securities laws and make available to its security holders, as soon as reasonably practicable, an earnings statement satisfying the provisions of Section 11(a) of the Securities Act and the rules and regulations promulgated thereunder;

(xx) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by the applicable Registration Statement from and after a date not later than the effective date of such Registration Statement;

(xxi) use its best efforts to cause all Registrable Securities covered by the applicable Registration Statement to be listed on each securities exchange on which any

of the Company Shares are then listed or quoted and on each inter-dealer quotation system on which any of the Company Shares are then quoted;

(xxii) make available upon reasonable notice at reasonable times and for reasonable periods for inspection by any Participating Sponsor, by any underwriter participating in any disposition to be effected pursuant to such Registration Statement and by any attorney, accountant, professional advisor or other agent retained by such Sponsor(s) or any such underwriter, all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees and the independent public accountants who have certified its financial statements to make themselves available to discuss the business of the Company and to supply all information reasonably requested by any such Person in connection with such Registration Statement as shall be necessary to enable them to exercise their due diligence responsibility; provided that any such Person gaining access to information regarding the Company pursuant to this Section 2.05(a)(xxii) shall agree to hold in strict confidence and shall not make any disclosure other than disclosures of such information to such Person's Affiliates, its and their respective employees, agents and professional advisors who reasonably need to know such information for the purpose of assisting such Person with respect to participating in the offering pursuant to such Registration Statement or use any information regarding the Company that the Company determines in good faith to be confidential, and of which determination such Person is notified, unless (t) the release of such information is requested or required by law or by deposition, interrogatory, requests for information or documents by a governmental entity, subpoena or similar process, including formal and informal investigations or requests from any regulatory authority, (u) such information is or becomes publicly known other than through a breach of this or any other agreement of which such Person has actual knowledge, (v) such information is or becomes available to such Person on a non-confidential basis from a source other than the Company, (w) such information is independently developed by such Person, (x) the release of such information is required in order for such Person to comply with reporting obligations to limited partners or other direct or indirect investors who have agreed to keep such information confidential, (y) the release of such information is to potential limited partners or investors of such Person who have agreed to keep such information confidential or (z) the release of such information is to potential transferees of such Person's Registrable Securities who have agreed to keep such information confidential;

(xxiii) in the case of an Underwritten Offering, cause the senior executive officers of the Company to participate in the customary "road show" presentations that may be reasonably requested by the managing underwriter or underwriters in any such Underwritten Offering and otherwise to facilitate, cooperate with, and participate in each proposed offering contemplated herein and customary selling efforts related thereto;

(xxiv) take no direct or indirect action prohibited by Regulation M under the Exchange Act;

(xxv) take all reasonable action to ensure that any Issuer Free Writing Prospectus utilized in connection with any registration covered by Section 2.01, Section 2.02 or Section 2.03 complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related Prospectus, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(xxvi) take all reasonable actions to ensure that the information available to investors at the time of pricing includes all information required by applicable law (including the information required by Sections 12(a)(2) and 17(a)(2) of the Securities Act); and

(xxvii) take all such other commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of such Registrable Securities in accordance with the terms hereof.

(b) The Company may require each Participating Holder to furnish to the Company such information regarding the distribution of such securities and such other information relating to such Holder and its ownership of Registrable Securities as the Company may from time to time reasonably request in writing. Each Participating Holder agrees to furnish such information to the Company and to cooperate with the Company as reasonably necessary to enable the Company to comply with the provisions of this Agreement.

(c) Each Participating Holder agrees that, upon delivery of any notice by the Company of the happening of any event of the kind described in Section 2.05(a)(iv)(C), (D), or (E) or Section 2.05(a)(v), such Holder will forthwith discontinue disposition of Registrable Securities pursuant to such Registration Statement until (i) such Holder's receipt of the copies of the supplemented or amended Prospectus or Issuer Free Writing Prospectus contemplated by Section 2.05(a)(v), (ii) such Holder is advised in writing by the Company that the use of the Prospectus or Issuer Free Writing Prospectus, as the case may be, may be resumed, (iii) such Holder is advised in writing by the Company of the termination, expiration or cessation of such order or suspension referenced in Section 2.05(a)(iv)(C) or (E) or (iv) such Holder is advised in writing by the Company that the representations and warranties of the Company in such applicable underwriting agreement are true and correct in all material respects. If so directed by the Company, such Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Holder's possession, of the Prospectus or any Issuer Free Writing Prospectus covering such Registrable Securities current at the time of delivery of such notice. In the event the Company shall give any such notice, the period during which the applicable Registration Statement is required to be maintained effective shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of Registrable Securities covered by such Registration Statement either receives the copies of the supplemented or amended Prospectus or Issuer Free Writing Prospectus contemplated by Section 2.05(a)(v) or is advised in writing by the

Company that the use of the Prospectus or Issuer Free Writing Prospectus may be resumed. If such Registration Statement is a Demand Registration or a Shelf Registration, the discontinuation of the sale of Registrable Securities pursuant to such Registration Statement shall constitute a Demand Suspension or a Shelf Suspension, as applicable.

(d) To the extent that any Sponsor or any of its Affiliates is deemed to be an underwriter of Registrable Securities pursuant to any SEC comments or policies or otherwise, the Company agrees that (1) the indemnification and contribution provisions contained in this Agreement shall be applicable to the benefit of such Sponsor or its Affiliates in its role as deemed underwriter in addition to their capacity as Holder and (2) such Sponsor and its Affiliates shall be entitled to conduct such activities which it would normally conduct in connection with satisfying its “due diligence” defense as an underwriter in connection with an offering of securities registered under the Securities Act, including conducting due diligence and the receipt of customary opinions and comfort letters.

Section 2.06. Underwritten Offerings.

(a) Demand and Shelf Registrations. If requested by the underwriters for any Underwritten Offering requested by any Sponsor pursuant to a Registration under Section 2.01 or Section 2.02, the Company shall enter into an underwriting agreement with such underwriters for such offering, such agreement to be reasonably satisfactory in substance and form to the Company, the Participating Sponsor(s) and the underwriters, and to contain such representations and warranties by the Company and such other terms as are generally prevailing in agreements of that type, including indemnities no less favorable to the recipient thereof than those provided in Section 2.09. The Participating Sponsors shall cooperate with the Company in the negotiation of such underwriting agreement and shall give consideration to the reasonable suggestions of the Company regarding the form thereof. The Participating Holders shall be parties to such underwriting agreement, which underwriting agreement shall (i) contain such representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such Participating Holders as are customarily made by issuers to selling stockholders in secondary underwritten public offerings and (ii) provide that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement also shall be conditions precedent to the obligations of such Participating Holders. Any such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters in connection with such underwriting agreement other than representations, warranties or agreements regarding such Participating Holder, such Participating Holder’s title to the Registrable Securities, such Participating Holder’s authority to sell the Registrable Securities, such Participating Holder’s intended method of distribution, absence of liens with respect to the Registrable Securities, enforceability of the applicable underwriting agreement as against such Participating Holder, receipt of all consents and approvals with respect to the entry into such underwriting agreement and the sale of such Registrable Securities by such Participating Holder and any other representations required to be made by such Participating Holder under applicable law, rule or regulation, and the aggregate amount of the liability of such Participating Holder in connection with such underwriting agreement shall not exceed such

Participating Holder's net proceeds from such Underwritten Offering (less underwriting discounts and commissions).

(b) Piggyback Registrations. If the Company proposes to register any of its securities under the Securities Act as contemplated by Section 2.03 and such securities are to be distributed in an Underwritten Offering through one or more underwriters, the Company shall, if requested by any Holder pursuant to Section 2.03 and subject to the provisions of Section 2.03(b) and (c), use its reasonable best efforts to arrange for such underwriters to include on the same terms and conditions that apply to the other sellers in such Registration all the Registrable Securities to be offered and sold by such Holder among the securities of the Company to be distributed by such underwriters in such Registration. The Participating Holders shall be parties to the underwriting agreement between the Company and such underwriters, which underwriting agreement shall (i) contain such representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such Participating Holders as are customarily made by issuers to selling stockholders in secondary underwritten public offerings and (ii) provide that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement also shall be conditions precedent to the obligations of such Participating Holders. Any such Participating Holder shall not be required to make any representations or warranties to, or agreements with the Company or the underwriters in connection with such underwriting agreement other than representations, warranties or agreements regarding such Participating Holder, such Participating Holder's title to the Registrable Securities, such Participating Holder's authority to sell the Registrable Securities, such Holder's intended method of distribution, absence of liens with respect to the Registrable Securities, enforceability of the applicable underwriting agreement as against such Participating Holder, receipt of all consents and approvals with respect to the entry into such underwriting agreement and the sale of such Registrable Securities by such Participating Holder or any other representations required to be made by such Participating Holder under applicable law, rule or regulation, and the aggregate amount of the liability of such Participating Holder in connection with such underwriting agreement shall not exceed such Participating Holder's net proceeds from such Underwritten Offering (less underwriting discounts and commissions).

(c) Participation in Underwritten Registrations. Subject to the provisions of Section 2.06(a) and (b) above, no Person may participate in any Underwritten Offering hereunder unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Persons entitled to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements.

(d) Price and Underwriting Discounts. In the case of an Underwritten Offering under Section 2.01 or Section 2.02, the price, underwriting discount and other financial terms for the Registrable Securities shall be determined by the Participating Sponsor(s) in such Registration. In addition, in the case of any Underwritten Offering, each of the Holders may withdraw their request to participate in the registration pursuant to Section 2.01, Section 2.02 or Section 2.03 after being advised of such price, discount and other terms and shall not be required to enter into any agreements or documentation that would require otherwise.

Section 2.07. No Inconsistent Agreements; Additional Rights

. The Company is not currently a party to, and shall not hereafter enter into without the prior written consent of each of the Sponsors, any agreement with respect to its securities that is inconsistent with the rights granted to the Holders by this Agreement, including allowing any other holder or prospective holder of any securities of the Company (a) registration rights in the nature or substantially in the nature of those set forth in Section 2.01, Section 2.02 or Section 2.03 that would have priority over or be pari passu with the Registrable Securities with respect to the inclusion of such securities in any Registration (except to the extent such registration rights are solely related to registrations of the type contemplated by Section 2.03(a)(ii) through (iv) and (vi)) or (b) demand registration rights in the nature or substantially in the nature of those set forth in Section 2.01 or Section 2.02 that are exercisable prior to or at such time as the Sponsors can first exercise their rights under Section 2.01 or Section 2.02.

Section 2.08. Registration Expenses

. All expenses incident to the Company's performance of or compliance with this Agreement shall be paid by the Company, including (i) all registration and filing fees, and any other fees and expenses associated with filings required to be made with the SEC, FINRA and if applicable, the fees and expenses of any "qualified independent underwriter," as such term is defined in FINRA Rule 5121 (or any successor provision), and of its counsel, (ii) all fees and expenses in connection with compliance with any securities or "Blue Sky" laws (including fees and disbursements of counsel for the underwriters in connection with "Blue Sky" qualifications of the Registrable Securities), (iii) all printing, duplicating, word processing, messenger, telephone, facsimile and delivery expenses (including expenses of printing certificates for the Registrable Securities in a form eligible for deposit with The Depository Trust Company and of printing Prospectuses and Issuer Free Writing Prospectuses), (iv) all fees and disbursements of counsel for the Company and of all independent certified public accountants of the Company (including the expenses of any special audit and comfort letters required by or incident to such performance), (v) Securities Act liability insurance or similar insurance if the Company so desires or the underwriters reasonably so require in accordance with then-customary underwriting practice, (vi) all fees and expenses incurred in connection with the listing of Registrable Securities on any securities exchange or quotation of the Registrable Securities on any inter-dealer quotation system, (vii) all applicable rating agency fees with respect to the Registrable Securities, (viii) all reasonable fees and disbursements of one legal counsel (the "Majority Holder Counsel") as selected by the holders of a majority of the Registrable Securities included in such Registration, (ix) if any of the Sponsors are selling Registrable Securities pursuant to such Registration and are not represented by the Majority Holder Counsel, the reasonable fees and disbursements of separate law firms or other advisors representing WP or GTCR, as applicable, (x) any reasonable fees and disbursements of underwriters customarily paid by issuers or sellers of securities, (xi) all fees and expenses of any special experts or other Persons retained by the Company in connection with any Registration, (xii) all of the Company's internal expenses (including all salaries and expenses of its officers and employees performing legal or accounting duties), (xiii) all expenses related to the "road-show" for any Underwritten Offering, including all travel, meals and lodging and (xiv) any other fees and disbursements

customarily paid by the issuers of securities. All such expenses are referred to herein as “Registration Expenses.” The Company shall not be required to pay any underwriting discounts and commissions and transfer taxes, if any, attributable to the sale of Registrable Securities.

Section 2.09. Indemnification.

(a) Indemnification by the Company. The Company agrees to indemnify and hold harmless, to the full extent permitted by law, each of the Holders, each of their respective direct or indirect partners, members or shareholders and each of such partner’s, member’s or shareholder’s partners members or shareholders and, with respect to all of the foregoing Persons, each of their respective Affiliates, employees, directors, officers, trustees or agents and each Person who controls (within the meaning of the Securities Act or the Exchange Act) such Persons and each of their respective Representatives from and against any and all losses, penalties, judgments, suits, costs, claims, damages, liabilities and expenses, joint or several (including reasonable costs of investigation and legal expenses) (each, a “Loss” and collectively “Losses”) arising out of or based upon (i) any untrue or alleged untrue statement of a material fact contained in any Registration Statement under which such Registrable Securities were Registered under the Securities Act (including any final, preliminary or summary Prospectus contained therein or any amendment or supplement thereto or any documents incorporated by reference therein), any Issuer Free Writing Prospectus or amendment or supplement thereto, or any other disclosure document produced by or on behalf of the Company or any of its Subsidiaries including reports and other documents filed under the Exchange Act, (ii) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, preliminary Prospectus or Issuer Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, (iii) any violation or alleged violation by the Company of any federal, state or common law rule or regulation applicable to the Company or any of its Subsidiaries in connection with any such registration, qualification, compliance or sale of Registrable Securities, (iv) any failure to register or qualify Registrable Securities in any state where the Company or its agents have affirmatively undertaken or agreed in writing that the Company (the undertaking of any underwriter being attributed to the Company) will undertake such registration or qualification on behalf of the Holders of such Registrable Securities (provided that in such instance the Company shall not be so liable if it has undertaken its reasonable best efforts to so register or qualify such Registrable Securities) or (v) any actions or inactions or proceedings in respect of the foregoing whether or not such indemnified party is a party thereto, whether such Registration Statement, Prospectus, preliminary Prospectus, Issuer Free Writing Prospectus or other document is issued pursuant to this Agreement or otherwise, and the Company will reimburse, as incurred, each such Holder and each of their respective direct or indirect partners, members or shareholders and each of such partner’s, member’s or shareholder’s partners members or shareholders and, with respect to all of the foregoing Persons, each of their respective Affiliates, employees, directors, officers, trustees or agents and controlling Persons and each of their respective Representatives, for any legal and any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action; provided, that the Company shall not be liable to any particular indemnified party to the extent that any such Loss arises out of or is based upon (A) an untrue statement or alleged untrue

statement or omission or alleged omission made in any such Registration Statement or other document in reliance upon and in conformity with written information furnished to the Company by such indemnified party expressly for use in the preparation thereof or (B) an untrue statement or omission in a preliminary Prospectus relating to Registrable Securities, if a Prospectus (as then amended or supplemented) that would have cured the defect was furnished to the indemnified party from whom the Person asserting the claim giving rise to such Loss purchased Registrable Securities at least five (5) days prior to the written confirmation of the sale of the Registrable Securities to such Person and a copy of such Prospectus (as amended and supplemented) was not sent or given by or on behalf of such indemnified party to such Person at or prior to the written confirmation of the sale of the Registrable Securities to such Person. This indemnity shall be in addition to any liability the Company may otherwise have. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Holder or any indemnified party and shall survive the transfer of such securities by such Holder. The Company shall also indemnify underwriters (including Persons (including the Holders) deemed to be underwriters by the SEC), selling brokers, dealer managers and similar securities industry professionals participating in the distribution, their officers and directors and each Person who controls such Persons (within the meaning of the Securities Act and the Exchange Act) to the same extent as provided above with respect to the indemnification of the indemnified parties.

(b) Indemnification by the Participating Holders. Each Participating Holder agrees (severally and not jointly) to indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors and officers and each Person who controls the Company (within the meaning of the Securities Act or the Exchange Act), and each other Holder, each of such other Holder's respective direct or indirect partners, members or shareholders and each of such partner's, member's or shareholder's partners members or shareholders and, with respect to all of the foregoing Persons, each of their respective Affiliates, employees, directors, officers, trustees or agents and each Person who controls (within the meaning of the Securities Act or the Exchange Act) such Persons and each of their respective Representatives from and against any Losses resulting from (i) any untrue statement of a material fact in any Registration Statement under which such Registrable Securities were Registered under the Securities Act (including any final, preliminary or summary Prospectus contained therein or any amendment or supplement thereto or any documents incorporated by reference therein) or any Issuer Free Writing Prospectus or amendment or supplement thereto, or (ii) any omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, preliminary Prospectus or Issuer Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, in each case to the extent, but only to the extent, that such untrue statement or omission is contained in any information furnished in writing by such Holder to the Company specifically for inclusion in such Registration Statement and has not been corrected in a subsequent writing prior to or concurrently with the sale of the Registrable Securities to the Person asserting the claim, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) was made in such Registration Statement, prospectus, offering circular, free writing prospectus or other document, in reliance upon and in conformity with written information furnished to the Company by such Holder expressly for use therein. In no event shall the liability of such Holder hereunder be greater in amount than the dollar amount of the net proceeds (i.e., gross proceeds

less underwriting discounts and commissions) received by such Holder under the sale of Registrable Securities giving rise to such indemnification obligation. The Company shall be entitled to receive indemnities from underwriters, selling brokers, dealer managers and similar securities industry professionals participating in the distribution, to the same extent as provided above (with appropriate modification) with respect to information furnished in writing by such Persons specifically for inclusion in any Prospectus, Issuer Free Writing Prospectus or Registration Statement.

(c) Conduct of Indemnification Proceedings. Any Person entitled to indemnification under this Section 2.09 shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that any delay or failure to so notify the indemnifying party shall relieve the indemnifying party of its obligations hereunder only to the extent, if at all, that it is actually and materially prejudiced by reason of such delay or failure) and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided that any Person entitled to indemnification hereunder shall have the right to select and employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Person unless (A) the indemnifying party has agreed in writing to pay such fees or expenses, (B) the indemnifying party shall have failed to assume the defense of such claim within a reasonable time after delivery of notice of such claim from the Person entitled to indemnification hereunder and employ counsel reasonably satisfactory to such Person, (C) the indemnified party has reasonably concluded (based upon advice of its counsel) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (D) in the reasonable judgment of any such Person (based upon advice of its counsel) a conflict of interest may exist between such Person and the indemnifying party with respect to such claims (in which case, if the Person notifies the indemnifying party in writing that such Person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such Person) or (E) the indemnified person is a Sponsor. If the indemnifying party assumes the defense, the indemnifying party shall not have the right to settle such action, consent to entry of any judgment or enter into any settlement, in each case without the prior written consent of the indemnified party, unless the entry of such judgment or settlement (i) includes as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of an unconditional release from all liability in respect to such claim or litigation and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such indemnified party, and provided that any sums payable in connection with such settlement are paid in full by the indemnifying party. If such defense is not assumed by the indemnifying party, the indemnifying party will not be subject to any liability for any settlement made without its prior written consent, but such consent may not be unreasonably withheld. It is understood that the indemnifying party or parties shall not, except as specifically set forth in this Section 2.09(c), in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements or other charges of more than one separate firm admitted to practice in such jurisdiction at any one time unless (x) the employment of more than one counsel has been authorized in writing by the indemnifying party or parties, (y) an indemnified party has reasonably concluded (based on the advice of counsel)

that there may be legal defenses available to it that are different from or in addition to those available to the other indemnified parties, or (z) a conflict or potential conflict exists or may exist (based upon advice of counsel to an indemnified party) between such indemnified party and the other indemnified parties, in each of which cases the indemnifying party shall be obligated to pay the reasonable fees and expenses of such additional counsel or counsels.

(d) Contribution. If for any reason the indemnification provided for in paragraphs (a) and (b) of this Section 2.09 is unavailable to an indemnified party or insufficient in respect of any Losses referred to therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such Loss in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party or parties on the other hand in connection with the acts, statements or omissions that resulted in such losses, as well as any other relevant equitable considerations. In connection with any Registration Statement filed with the SEC by the Company, the relative fault of the indemnifying party on the one hand and the indemnified party on the other hand shall be determined by reference to, among other things, whether any untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just or equitable if contribution pursuant to this Section 2.09(d) were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in this Section 2.09(d). No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The amount paid or payable by an indemnified party as a result of the Losses referred to in Section 2.09(a) and Section 2.09(b) shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 2.09(d), in connection with any Registration Statement filed by the Company, a Participating Holder shall not be required to contribute any amount in excess of the dollar amount of the net proceeds (i.e., gross proceeds less underwriting discounts and commissions) received by such Holder under the sale of Registrable Securities giving rise to such contribution obligation less any amount paid by such Holders pursuant to Section 2.09(b). If indemnification is available under this Section 2.09, the indemnifying parties shall indemnify each indemnified party to the full extent provided in Section 2.09(a) and Section 2.09(b) hereof without regard to the provisions of this Section 2.09(d).

(e) No Exclusivity. The remedies provided for in this Section 2.09 are not exclusive and shall not limit any rights or remedies that may be available to any indemnified party at law or in equity or pursuant to any other agreement.

(f) Survival. The indemnities provided in this Section 2.09 shall survive the transfer of any Registrable Securities by such Holder.

Section 2.10. Rules 144 and 144A and Regulation S; Form S-3. The Company covenants that it will file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder (or, if the Company is not required to file such reports, it will, upon the reasonable request of a Sponsor, make publicly available such necessary information for so long as necessary to permit sales pursuant to Rules 144 or 144A or Regulation S under the Securities Act), and it will take such further action as: (x) either Sponsor may reasonably request, all to the extent required from time to time to enable the Holders, following the IPO, to sell Registrable Securities without Registration under the Securities Act within the limitation of the exemptions provided by (i) Rules 144 or 144A or Regulation S under the Securities Act, as such Rules may be amended from time to time, or (ii) any similar rule or regulation hereafter adopted by the SEC; or (y) is necessary to qualify the Company to file registration statements on Form S-3. Upon the reasonable request of a Holder, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements and, if not, the specifics thereof in reasonable detail.

Section 2.11. Limitation on Registrations and Underwritten Offerings.

(a) Notwithstanding the rights and obligations set forth in Section 2.01 and 2.02, in no event shall the Company be obligated to take any action to:

(i) effect more than three (3) Registrations that are Long-Form Registrations or four (4) Marketed Underwritten Shelf Take-Downs at the request of WP and its Affiliates and Permitted Assignees each year; and

(ii) effect more than three (3) Registrations that are Long-Form Registrations or four (4) Marketed Underwritten Shelf Take-Downs at the request of GTCR and its Affiliates and Permitted Assignees each year.

(b) Subject to Section 2.11(c), there shall be no limit on the number of Demand Registrations (that are not Long-Form Registrations), Shelf Take-Downs or Underwritten Shelf Take-Downs (that are not Marketed Underwritten Shelf Take-Downs) that the Company shall be required to effect at the request of WP or GTCR.

(c) Notwithstanding the rights and obligations set forth in Section 2.01 and 2.02, in no event shall the Company be obligated to take any action to (i) effect more than one (1) Marketed Underwritten Offering in any consecutive 90-day period without the consent of WP and GTCR or (ii) effect any Underwritten Offering unless the Sponsor initiating such Underwritten Offering proposes to sell all of such Sponsor's Registrable Securities in such Underwritten Offering or if selling less than all of such Sponsor's Registrable Securities having reasonably anticipated net aggregate proceeds (after deduction of underwriter commissions and offering expenses) of at least \$50,000,000.

Section 2.12. Clear Market. With respect to any Underwritten Offerings of Registrable Securities by effected at the request of the Sponsors (each a "Sponsor Underwritten Offering"), the Company agrees not to effect (other than pursuant to the Registration applicable

to such Sponsor Underwritten Offering, pursuant to a Special Registration or pursuant to the exercise by the other Sponsor of any of its rights under Section 2.01 or Section 2.02) any public sale or distribution, or to file any Registration Statement (other than pursuant to the Registration applicable to such Sponsor Underwritten Offering, pursuant to a Special Registration or pursuant to the exercise by the other Sponsor of any of its rights under Section 2.01 or Section 2.02) covering any of its equity securities or any securities convertible into or exchangeable or exercisable for such securities, during the period not to exceed ten (10) days prior and sixty (60) days following the effective date of such offering or such longer period up to ninety (90) days as may be requested by the managing underwriter for such Sponsor Underwritten Offering. “Special Registration” means the registration of (A) equity securities and/or options or other rights in respect thereof solely registered on Form S-4 or S-8 (or successor form), (B) shares of equity securities and/or options or other rights in respect thereof to be offered to directors, employees, consultants, customers, lenders or vendors of the Company or its Subsidiaries or in connection with dividend reinvestment plans, (C) a registration not otherwise covered by clause (B) above pursuant to which the Company is offering to exchange its own securities for other securities or (D) a Registration Statement related solely to dividend reinvestment or similar plan.

Section 2.13. In-Kind Distributions

. If any Holder seeks to effectuate an in-kind distribution of all or part of its Company Shares to its direct or indirect equityholders, the Company will, subject to applicable lock-ups pursuant to Section 2.04, reasonably cooperate with and assist such Holder, such equityholders and the Company’s transfer agent to facilitate such in-kind distribution in the manner reasonably requested by such Holder (including the delivery of instruction letters by the Company or its counsel to the Company’s transfer agent and the delivery of Company Shares without restrictive legends, to the extent no longer applicable).

Article III

MISCELLANEOUS

Section 3.01. Term. This Agreement shall terminate with respect to any Holder (a) with the prior written consent of both Sponsors in connection with the consummation of a Change of Control or (b) at such time as such Holder does not beneficially own any Registrable Securities. Notwithstanding the foregoing, the provisions of Section 2.09, Section 2.10 and Section 2.13 and all of this Article III shall survive any such termination. Upon the written request of the Company, each Holder agrees to promptly deliver a certificate to the Company setting forth the number of Registrable Securities then beneficially owned by such Holder.

Section 3.02. Injunctive Relief. It is hereby agreed and acknowledged that it will be impossible to measure in money the damage that would be suffered if the parties fail to comply with any of the obligations herein imposed on them and that in the event of any such failure, an aggrieved Person will be irreparably damaged and will not have an adequate remedy at law. Any such Person shall, therefore, be entitled (in addition to any other remedy to which it may be entitled in law or in equity) to injunctive relief, including specific performance, to

enforce such obligations, and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law.

Section 3.03. Attorneys' Fees. In any action or proceeding brought to enforce any provision of this Agreement or where any provision hereof is validly asserted as a defense, the successful party shall, to the extent permitted by applicable law, be entitled to recover reasonable attorneys' fees in addition to any other available remedy.

Section 3.04. Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed given (a) when delivered personally by hand (with written confirmation of receipt), (b) when sent by facsimile (with written confirmation of transmission) or e-mail or (c) one (1) Business Day following the day sent by overnight courier (with written confirmation of receipt), in each case at the following addresses, e-mail addresses or facsimile numbers, or in the case of the Holders, to the addresses, e-mail addresses or facsimile numbers set forth on Schedule A, as applicable (or to such other address, e-mail address or facsimile number as a party may have specified by notice given to the other party pursuant to this provision):

To the Company:

Sotera Health Company
9100 South Hills Blvd, Suite 300
Broadview Heights, OH 44147
Fax: 440-526-6134
Attention: Scott J. Leffler
Matthew J. Klaben

Email: sleffler@soterahealth.com
mklaben@soterahealth.com

with copies (which shall not constitute notice) to:

Cleary Gottlieb Steen & Hamilton LLP

One Liberty Plaza
New York, NY 10006
Fax: (212) 225-3999
Attention: David Lopez
Matthew P. Salerno
Email: dlopez@cgsh.com
msalerno@cgsh.com

To WP:

Warburg Pincus LLC
450 Lexington Avenue
New York, NY 10017
Fax: (212) 878-9359
Attention: James C. Neary
Lora Giampetruzzi

Email: jim.neary@warburgpincus.com
lora.giampetruzzi@warburgpincus.com

with a copy (which shall not constitute notice) to:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
Fax: (212) 225-3999
Attention: David Lopez
Matthew P. Salerno
Email: dlopez@cgsh.com
msalerno@cgsh.com

To GTCR:
GTCR LLC

300 North LaSalle Street
Chicago, IL 60654
Fax: (312) 382-2201
Attention: Constantine S. Mihas
Sean L. Cunningham
Email: cmihas@gocr.com

with a copy (which shall not constitute notice) to:

Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, IL 60654
Fax: (312) 862-2200
Attention: Sanford E. Perl, P.C.
Michael H. Weed, P.C.
Email: sperl@kirkland.com
mweed@kirkland.com

Section 3.05. Amendment. The terms and provisions of this Agreement may only be amended, modified or waived at any time and from time to time by a writing executed by the Company and each Sponsor (for so long as such Sponsor holds any Registrable Securities); provided that any amendment, modification or waiver that would, by its terms, have a disproportionate material adverse effect on any Holder (other than the Sponsors) relative to another Holder (other than as a result of such Holder electing not to exercise any rights granted to such Holder pursuant to the terms of this Agreement) shall require the written consent of that Holder. All Holder shall receive notice of any amendment to this Agreement.

Section 3.06. Successors, Assigns and Transferees. Each party may assign all or a portion of its rights hereunder to any Person to which such party Transfers (as defined in the Stockholders Agreement), other than in a Public Sale (as defined in the Stockholders Agreement) all or any of its Registrable Securities and to any Person that acquires Registrable Securities, in each case in compliance with the terms of the Stockholders Agreement (including in the case of the Sponsors, to any Affiliate of such Sponsor or any Person that acquires Registrable Securities from such Sponsor other than in a Public Sale) (each such Person, a “Permitted Assignee”); provided that such Transferee shall only be admitted as a party hereunder upon its, his or her execution and delivery of a joinder agreement, in form and substance acceptable to the Sponsors, agreeing to be bound by the terms and conditions of this Agreement as if such Person were a party hereto (together with any other documents the Sponsors determine are necessary to make such Person a party hereto), whereupon such Person will be treated as a Holder for all purposes of this Agreement, with the same rights, benefits and obligations hereunder as the Transferring Holder with respect to the Transferred Registrable Securities (except that if the Transferee was a Holder prior to such Transfer, such Transferee shall have the same rights, benefits and obligations with respect to the such Transferred Registrable Securities as were applicable to Registrable Securities held by such Transferee prior to such Transfer).

Section 3.07. Binding Effect

. Except as otherwise provided in this Agreement, the terms and provisions of this Agreement shall be binding on and inure to the benefit of each of the parties hereto and their respective successors.

Section 3.08. Third Party Beneficiaries

. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any Person not a party hereto (other than those Persons entitled to indemnity or contribution under Section 2.09, each of whom shall be a third party beneficiary thereof) any right, remedy or claim under or by virtue of this Agreement.

Section 3.09. Governing Law; Jurisdiction. THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF DELAWARE, WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES THEREOF. ANY ACTION OR PROCEEDING AGAINST THE PARTIES RELATING IN ANY WAY TO THIS AGREEMENT MAY BE BROUGHT AND ENFORCED EXCLUSIVELY IN THE CHANCERY COURT OF THE STATE OF DELAWARE

LOCATED IN WILMINGTON, DELAWARE (OR, IF THE CHANCERY COURT OF THE STATE OF DELAWARE DECLINES TO ACCEPT JURISDICTION OVER A PARTICULAR MATTER, ANY STATE COURT LOCATED IN WILMINGTON, DELAWARE OR THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE) AND APPELLATE COURTS THEREOF. THE PARTIES HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH ACTION BROUGHT IN SUCH COURT OR ANY DEFENSE OF INCONVENIENT FORUM FOR THE MAINTENANCE OF SUCH ACTION.

Section 3.10. Waiver of Jury Trial. EACH PARTY HERETO HEREBY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) EACH SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) EACH SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (IV) EACH SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 3.10.

Section 3.11. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 3.12. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement.

Section 3.13. Headings. The heading references herein and in the table of contents hereto are for convenience purposes only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

Section 3.14. Joinder. Any Person that holds Company Shares may, with the prior written consent of both Sponsors, be admitted as a party to this Agreement upon its execution and delivery to the Company of a joinder agreement, substantially in the form of Exhibit A; provided however that if such Person is a Permitted Assignee of a Holder, the consent of the Sponsors shall not be required to permit such Person to execute and deliver such joinder agreement.

Section 3.15. Existing Registration Statements. Notwithstanding anything herein to the contrary and subject to applicable law and regulation, the Company may satisfy any obligation hereunder to file a Registration Statement or to have a Registration Statement become effective by a specified date by designating, by notice to the Holders, a registration statement that previously has been filed with the SEC or become effective, as the case may be, as the relevant Registration Statement for purposes of satisfying such obligation, and all references to any such obligation shall be construed accordingly; provided, that such previously filed registration statement may be amended to add the number of Registrable Securities, and, to the extent necessary, to identify as selling stockholders those Holders demanding the filing of a Registration Statement pursuant to the terms of this Agreement. To the extent this Agreement refers to the filing or effectiveness of other registration statements by or at a specified time and the Issuer has, in lieu of then filing such registration statements or having such registration statements become effective, designated a previously filed or effective registration statement as the relevant registration statement for such purposes in accordance with the preceding sentence, such references shall be construed to refer to such designated registration statement.

Section 3.16. Investment Banking Services. Notwithstanding anything to the contrary herein or any actions or omissions by representatives of any Sponsor or their respective Affiliates in whatever capacity, including as a member or observer to the Company's Board of Directors, it is understood that neither of the Sponsors nor any of their respective Affiliates is acting as a financial advisor, agent or underwriter to the Company or any of its Affiliates or otherwise on behalf of the Company or any of its Affiliates unless retained to provide such services pursuant to a separate written agreement.

Section 3.17. Other Activities. Notwithstanding anything in this Agreement, none of the provisions of this Agreement shall in any way limit a Holder or any of its Affiliates from engaging in any brokerage, investment advisory, financial advisory, anti-raid advisory, principaling, merger advisory, financing, asset management, trading, market making, arbitrage, investment activity and other similar activities conducted in the ordinary course of their business.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

COMPANY

SOTERA HEALTH COMPANY

By: /s/ Michael B. Petras, Jr.

Name: Michael B. Petras, Jr.

Title: Chairman and Chief Executive Officer

WARBURG PINCUS PRIVATE EQUITY XI, L.P.

By: Warburg Pincus XI, L.P., its general partner

By: WP Global LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss

Name: Robert B. Knauss

Title: Partner

WARBURG PINCUS XI PARTNERS, L.P.

By: Warburg Pincus XI, L.P., its general partner

By: WP Global LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss

Name: Robert B. Knauss

Title: Partner

WP XI PARTNERS, L.P.

By: Warburg Pincus XI, L.P., its general partner

By: WP Global LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss

Name: Robert B. Knauss

Title: Partner

WARBURG PINCUS PRIVATE EQUITY XI-B, L.P.

By: Warburg Pincus XI, L.P., its general partner

By: WP Global LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss

Name: Robert B. Knauss

Title: Partner

WARBURG PINCUS PRIVATE EQUITY XI-C, L.P.

By: Warburg Pincus (Cayman) XI, L.P., its general partner

By: Warburg Pincus XI-C, LLC, its general partner

By: Warburg Pincus (Bermuda) Private Equity GP Ltd., its sole member

By: /s/ Robert B. Knauss

Name: Robert B. Knauss

Title: Partner

BULL CO-INVEST, L.P.

By: WP Bull Manager, LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss

Name: Robert B. Knauss

Title: Partner

GTCR FUND XI/A LP

By: GTCR Partners XI/A&C LP, its general partner

By: GTCR Investment XI LLC, its general partner

By: /s/ Constantine S. Mihas

Name: Constantine S. Mihas

Title: Manager

GTCR FUND XI/C LP

By: GTCR Partners XI/A&C LP, its general partner

By: GTCR Investment XI LLC, its general partner

By: /s/ Constantine S. Mihas

Name: Constantine S. Mihas

Title: Manager

GTCR CO-INVEST XI LP

By: GTCR Investment XI LLC, its general partner

By: /s/ Constantine S. Mihas

Name: Constantine S. Mihas

Title: Manager

HOLDER:

ANN R. KLEE

By: /s/ Ann R. Klee _____

Name: Ann R. Klee

HOLDER:

MATTHEW J. KLABEN DECLARATION OF TRUST

By: /s/ Matthew J. Klaben

Name: Matthew J. Klaben

HOLDER:

MICHAEL B. PETRAS, JR. TRUST

By: /s/ Michael B. Petras, Jr.

Name: Michael B. Petras, Jr.

HOLDER:

MICHAEL P. RUTZ

By: /s/ Michael P. Rutz

Name: Michael P. Rutz

HOLDER:

SCOTT J. LEFFLER

By: /s/ Scott J. Leffler

Name: Scott J. Leffler

FORM OF JOINDER AGREEMENT

[____], 20[____]

THIS JOINDER AGREEMENT (the “Agreement”) is made as of the date first written above by [____] (the “Joining Party”).

W I T N E S S E T H

WHEREAS, Sotera Health Company, a Delaware corporation (the “Company”), is a party to that certain Amended and Restated Registration Rights Agreement, dated as of [•], 2020 (as the same may be amended from time to time, the “Registration Rights Agreement”) (Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Registration Rights Agreement);

[WHEREAS, Section 3.06 of the Registration Rights Agreement provides that as a condition to becoming a party to the Registration Rights Agreement and with the prior written consent of both Sponsors, a Person must execute and deliver to the Company a joinder agreement pursuant to which such Person agrees to be bound by the terms and conditions of the Registration Rights Agreement as if such Person were a party thereto, whereupon such Person will be treated as a Holder for all purposes of the Registration Rights Agreement;]¹

[WHEREAS, the Joining Party is a Permitted Assignee of a Sponsor;]²

[WHEREAS, the Joining Party is a Permitted Assignee of a Holder;]³

WHEREAS, the Joining Party holds Company Shares and desires to become a Holder under the Registration Rights Agreement by executing a copy of this Agreement; and

WHEREAS, the Joining Party has reviewed the terms of the Registration Rights Agreement and determined that it is desirable and in the Joining Party’s best interest to execute this Agreement.

NOW, THEREFORE, the Joining Party hereby agrees as follows:

1. Joinder of Registration Rights Agreement. By executing this Agreement, the Joining Party (a) accepts and agrees to be bound by all of the terms and provisions of the Registration Rights Agreement as if it were an original signatory thereto, (b) shall be added to Schedule A of the Registration Rights Agreement as a [Sponsor and]⁴ Holder and (c) shall be deemed to be, and shall be entitled to all of the rights and subject to all of the obligations of a [Sponsor and]⁵ Holder thereunder who is listed on Schedule A thereto.

¹ Note to Form: To be deleted if Joining Party is a Permitted Assignee of a Sponsor or other Holder.

² Note to Form: To be included if Joining Party is a Permitted Assignee of a Sponsor.

³ Note to Form: To be included if Joining Party is a Permitted Assignee of a Holder other than a Sponsor.

⁴ Note to Form: To be included if Joining Party is a Permitted Assignee of a Sponsor.

⁵ Note to Form: To be included if Joining Party is a Permitted Assignee of a Sponsor.

2. Representations and Warranties.

(i) This Agreement constitutes a valid and binding obligation enforceable against the Joining Party in accordance with its terms.

(ii) The Joining Party has received a copy of the Registration Rights Agreement. The Joining Party has read and understands the terms of the Registration Rights Agreement and has been afforded the opportunity to ask questions concerning the Company and the Registration Rights Agreement.

3. [Consent of the Sponsors. The acknowledgement of this Agreement by both Sponsors shall constitute the prior written consent of the Sponsors for purposes of Section 3.06 of the Registration Rights Agreement.]⁶

4. Full Force and Effect. Except as expressly modified by this Agreement, all of the terms, covenants, agreements, conditions and other provisions of the Registration Rights Agreement shall remain in full force and effect in accordance with its terms.

5. Notices. All notices provided to the Joining Party shall be sent or delivered to [____], unless and until the Company has received written notice from the Joining Party of a changed address.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed entirely within such state.

[Signature page follows]

⁶ Note to Form: To be deleted if Joining Party is a Permitted Assignee of a Sponsor or other Holder.

IN WITNESS WHEREOF, the Joining Party has executed and delivered this Agreement as of the date first above written.

JOINING PARTY:

[]

[Signature Page to Joinder to Sterigenics-Nordion Registration Rights Agreement]

Acknowledged and Accepted:

SOTERA HEALTH COMPANY

By: _____
Name:
Title:

[WARBURG PINCUS SPONSOR]⁷

By: _____
Name:
Title:

[GTCR SPONSOR]⁸

By: _____
Name:
Title:

⁷ Note to Form: To be deleted if Joining Party is a Permitted Assignee of a Sponsor or other Holder.

⁸ Note to Form: To be deleted if Joining Party is a Permitted Assignee of a Sponsor or other Holder.

STOCKHOLDERS AGREEMENT
BY AND AMONG
SOTERA HEALTH COMPANY

AND

THE STOCKHOLDERS PARTY HERETO

Dated as of November 19, 2020

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STOCKHOLDERS AGREEMENT

This STOCKHOLDERS AGREEMENT (this “Agreement”), dated as of November 19, 2020, is entered into by and among Sotera Health Company, a Delaware corporation (the “Company”), and each of the stockholders of the Company whose name appears on the signature pages hereto and any Person (as defined below) who executes a Joinder Agreement in the form of Exhibit A hereto (each, a “Stockholder” and collectively, the “Stockholders”).

WITNESSETH:

WHEREAS, the Company is currently contemplating an initial public offering (the “IPO”) of shares of its common stock, par value \$0.01 per share;

WHEREAS, each Stockholder that is party to this Agreement on the date hereof is also a limited partner of Sotera Health Topco Parent, L.P. (“Topco Parent”), a Delaware limited partnership and a party to the amended and restated agreement of limited partnership of Topco Parent dated as of June 30, 2020 (the “LPA”);

WHEREAS, the Company was a direct wholly-owned Subsidiary of Topco Parent and on the date hereof, Topco Parent distributed its Common Stock to the limited partners of Topco Parent and such limited partners became the stockholders of the Company; and

WHEREAS, in connection with, and effective upon, the execution of the underwriting agreement to be entered into in connection with the Company’s proposed IPO, the Company and the Stockholders wish to set forth certain understandings between such parties, including with respect to certain governance matters.

NOW, THEREFORE, in consideration of the mutual promises of the parties hereto, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed by and among the Company and the Stockholders as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Certain Definitions. As used in this Agreement, the following terms have the following meanings:

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly Controls, is Controlled by, or is under common Control with, such Person; provided, that no Stockholder shall be deemed an Affiliate of the Company or any of its Subsidiaries or Topco Parent for purposes of this Agreement; provided, further, that no securityholder of the Company shall be deemed an Affiliate of any other securityholder of the Company solely by reason of an investment in the Company; and provided, further, that a portfolio company of a Sponsor shall not be deemed to be an Affiliate of such Sponsor.

“Agreement” has the meaning set forth in the preamble.

“Board” means the board of directors of the Company.

“Business Day” means any day of the year on which national banking institutions in New York, New York are open to the public for conducting business and are not required or authorized to close.

“Closing” means the closing of the IPO.

“Co-Invest LPA” means the Amended and Restated Agreement of Limited Partnership of the Co-Investor, dated as of May 15, 2015.

“Co-Invest Partner” means a Person (other than Warburg Pincus) who is or was a limited partner in the Co-Investor.

“Co-Investor” means Bull Co-Invest L.P., which shall act through the WP Designated Sponsor Fund except as expressly provided otherwise herein.

“Common Stock” means the common stock, par value \$0.01 per share, of the Company and any securities issued in respect thereof, or in substitution therefor, in connection with any stock split, stock dividend or combination, or any reclassification, recapitalization, merger, consolidation, share exchange or other similar reorganization.

“Company” has the meaning set forth in the preamble.

“Company Confidential Information” has the meaning set forth in Section 6.05.

“Company Shares” means issued and outstanding shares of Common Stock.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and “Controlled” has a correlative meaning.

“Credit Agreement” means that certain Credit Agreement, dated as of December 13, 2019, by and among the Company, Sotera Health Holdings, LLC, a Delaware limited liability company and direct wholly-owned Subsidiary of the Company, the lenders and issuing banks party thereto and JEFFERIES FINANCE LLC, as first lien administrative agent and first lien collateral agent, together with all other agreements and documents entered into pursuant to the terms thereof or in connection therewith, in all cases, as amended, modified or supplemented from time to time, and any successor credit agreement or other financing used to refinance the initial credit agreement or any subsequent agreement.

“Designated Sponsor Directors” means the WP Directors and the GTCR Directors, collectively.

“Designated Sponsor Fund” means the WP Designated Sponsor Fund or the GTCR Designated Sponsor Fund, or both, as the context requires.

“Director Indemnitee” has the meaning set forth in Section 2.02(b)(ii).

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, and the rules and regulations promulgated thereunder.

“External Recipients” has the meaning set forth in Section 6.05.

“Existing Shares” has the meaning set forth in Section 4.01(a).

“Fund Indemnitors” has the meaning set forth in Section 2.02(b)(ii).

“GTCR” means GTCR Fund XI/A VCOC, GTCR Fund XI/C VCOC, GTCR Co-Invest XI LP and their respective Affiliates.

“GTCR Designated Sponsor Fund” means each of the GTCR Fund XI/A VCOC and the GTCR Fund XI/C VCOC or such other GTCR Stockholder designated by GTCR (in writing to the Partnership) as a GTCR Designated Sponsor Fund from time to time. For purposes of the rights of a Designated Sponsor Fund under this Agreement, all GTCR Designated Sponsor Funds shall collectively be regarded as a single Designated Sponsor Fund.

“GTCR Director” has the meaning set forth in Section 2.01(c)(ii).

“GTCR Fund XI/A VCOC” means GTCR Fund XI/A LP.

“GTCR Fund XI/C VCOC” means GTCR Fund XI/C LP.

“GTCR Stockholders” means, collectively, GTCR Fund XI/A VCOC, GTCR Fund XI/C VCOC, GTCR Co-Invest XI LP and their respective Affiliates that are, from time to time, stockholders of the Company, each of which shall act through the applicable GTCR Designated Sponsor Fund except as expressly provided otherwise herein.

“Identified Person” has the meaning set forth in Section 6.03(a).

“Indemnification Agreements” has the meaning set forth in Section 2.01(i)(ii).

“Indenture” means that certain Indenture, dated as of the December 13, 2019, by and among the Company, Sotera Health Holdings, LLC, a Delaware limited liability company and direct wholly-owned Subsidiary of the Company, as issuer, the subsidiary note parties party thereto and Wilmington Trust, National Association, as second lien notes collateral agent, calculation agent and trustee, together with all other agreements and documents entered into pursuant to the terms thereof or in connection therewith, in all cases, as amended, modified or supplemented from time to time, and any successor indenture or any subsequent agreement.

“Initial Holding Period” has the meaning set forth in Section 4.01(a).

“Investment Company Act” means the Investment Company Act of 1940, as amended from time to time, and the rules and regulations promulgated thereunder.

“Internal Recipients” has the meaning set forth in Section 6.05.

“IPO” has the meaning set forth in the recitals.

“LPA” has the meaning set forth in the recitals.

“Management Stockholder” means a Stockholder (including, with respect to any estate planning, personal services or similar vehicle, its Affiliates) who provides or has in the past provided Services.

“Necessary Action” means, with respect to a specified result, all actions (to the extent permitted by applicable laws and stock exchange regulations) necessary to cause such result, including (i) voting or providing a written consent or proxy with respect to the Company Shares, (ii) calling and attending meetings in person or by proxy for purposes of obtaining a quorum and causing the adoption of stockholders’ resolutions and amendments to the Company’s certificate of incorporation or by-laws, (iii) causing members of the Board (to the extent such members were nominated or designated by the Person obligated to undertake the Necessary Action, and subject to any fiduciary duties that such members may have as directors of the Company) to act in a certain manner or causing them to be removed in the event they do not act in such a manner, (iv) executing agreements and instruments, and (v) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result.

“Parties” means the Company and the Stockholders.

“Permitted Recipients” has the meaning set forth in Section 6.05.

“Permitted Transferee” means with respect to any Management Stockholder, any spouse, lineal descendant, parent, heir, sibling, executor, administrator, testamentary trust, trustee or legatee of such Management Stockholder or any trust or other Person in which the sole (direct or indirect) beneficiaries or other equity holders thereof are such Management Stockholder or any of the other Persons referred to herein.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, governmental entity or any other entity.

“Preferred Stock” means any preferred stock, par value \$0.01 per share, of the Company and any securities issued in respect thereof, or in substitution therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or other similar reorganization.

“Public Offering” means any public offering and sale of equity securities of the Company or its successor for cash pursuant to an effective registration statement (other than on Form S-4, S-8 or a comparable form) under the Securities Act.

“Private Sale” means a sale of Company Shares for consideration in a privately negotiated transaction, including a block trade (but for the avoidance of doubt, a Private Sale shall exclude a Public Sale, any distribution-in-kind by the Sponsors to direct or indirect limited partners and a Transfer by a Sponsor to an Affiliate).

“Private Sale Eligible Shares” means, with respect to a Management Stockholder, a number of Company Shares equal to the product of (i) the number of Company Shares then owned by Management Stockholder subject to the restrictions on Transfer set forth in Section 4.01 multiplied by (ii) a fraction, the numerator of which is the number of Company Shares sold by the Sponsors in a

Private Sale and the denominator of which is the total number of Company Shares held by Sponsors immediately prior to such Private Sale.

“Public Sale” means any sale of Company Shares (i) to the public pursuant to an offering registered under the Securities Act or (ii) to the public through a broker, dealer or market maker pursuant to the provisions of Rule 144 promulgated under the Securities Act.

“Public Sale Eligible Shares” means, with respect to a Management Stockholder, a number of Company Shares equal to the product of (i) the number of Company Shares then owned by Management Stockholder subject to the restrictions on Transfer set forth in Section 4.01 multiplied by (ii) a fraction, the numerator of which is the number of Company Shares sold by the Sponsors in such Public Sale and the denominator of which is the total number of Company Shares held by Sponsors immediately prior to such Public Sale.

“Registration Rights Agreement” means the Amended and Restated Registration Rights Agreement dated as of the date hereof, by and among the WP Stockholders, the GTCR Stockholders, the Co-Investor, the Company and the other parties thereto, as amended, modified or supplemented from time to time.

“Securities Act” means the Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder.

“Services” means the provision of services to Topco Parent, the Company or any of their respective Subsidiaries as an employee, manager, director or independent contractor of Topco Parent or the Company or as an employee, manager, director or independent contractor of any of their respective Subsidiaries.

“Sponsor” means either (i) the WP Stockholders together or (ii) the GTCR Stockholders together, and “Sponsors” means, collectively, the WP Stockholders and the GTCR Stockholders.

“Sponsor Affiliated Person” has the meaning set forth in Section 6.05.

“Stockholder” has the meaning set forth in the preamble.

“Stockholders” has the meaning set forth in the preamble.

“Subsidiary” of any Person means any Person (i) of which a majority of the outstanding voting securities or other voting equity interests are owned, directly or indirectly, by such first Person or any Subsidiary of such first Person or (ii) with respect to which such Person or any of its Subsidiaries is a general partner or managing member or is allocated or has the right to be allocated (through partnership interests or otherwise) a majority of such second Person’s gains or losses; provided, that the Company shall not be deemed a Subsidiary of any Sponsor.

“Transfer” means, with respect to any Company Shares, a direct or indirect transfer, sale, exchange, assignment, pledge, hypothecation or other encumbrance or other disposition of such Company Shares, including by way of a merger, consolidation, division, share exchange, business combination or otherwise, including the grant of an option or other right, whether directly or indirectly, whether voluntarily, involuntarily or by operation of law.

“Topco Parent” has the meaning set forth in the recitals.

“Trading Day” means a day on which the Company Shares are traded on the Nasdaq Global Select Market or any other market in which such securities are quoted for purchase and sale.

“Transferred”, “Transferring” and “Transferee” shall each have a correlative meaning to the term “Transfer.”

“VWAP” means the volume weighted average of the trading prices of shares of the Company Shares on the Nasdaq Global Select Market or any other market in which such securities are quoted for purchase and sale (as reported by Bloomberg L.P. or, if not reported therein, in another authoritative source mutually selected by the parties) during the twenty (20) consecutive Trading Days preceding the date of a Transfer; provided that if, from the beginning of the twenty-first (21st) Trading Day prior to the date of such Transfer until the date of such Transfer, there shall occur any change, or the record date for any change, in the outstanding shares of Company Shares as a result of any reclassification, recapitalization, stock split or combination, exchange or readjustment of shares, or any stock dividend, in each case other than pursuant to the terms of any equity-based compensation or incentive plan sponsored by the Company that is in effect and disclosed by the Company with the SEC prior to such date, the VWAP shall be equitably adjusted to reflect such change.

“Warburg Pincus” means Warburg Pincus Private Equity XI, L.P. and its Affiliates (other than the Co-Investor).

“WP Designated Sponsor Fund” means Warburg Pincus Private Equity XI, L.P. or one of its Affiliates designated by Warburg Pincus (in writing to the Company) as the WP Designated Sponsor Fund from time to time.

“WP Director” has the meaning set forth in Section 2.01(c)(i).

“WP Stockholders” means, collectively, Warburg Pincus Private Equity XI, L.P., Warburg Pincus XI Partners, L.P., WP XI Partners, L.P., Warburg Pincus Private Equity XI-B, L.P., Warburg Pincus Private Equity XI-C, L.P., the Co-Investor and their respective Affiliates that are, from to time, stockholders of the Company, each of which shall act through the WP Designated Sponsor Fund except as expressly provided otherwise herein.

Section 1.02. Other Interpretive Provisions. (a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(a) The words “hereof”, “herein”, “hereunder” and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement; and subsection, Section and Exhibit references are to this Agreement unless otherwise specified.

(b) The term “including” is not limiting and means “including without limitation.”

(c) The captions and headings of this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement.

(d) Whenever the context requires, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms.

(e) For all purposes under this Agreement, when determining the percentage represented by the number of Company Shares owned by any Stockholder at any time relative to the number of Company Shares owned by such Stockholder as of immediately following the Closing, such determination shall be equitably adjusted to appropriately account for any stock split, reverse stock split, stock dividend (including any dividend or distribution of securities convertible into capital stock), reorganization, reclassification, combination, recapitalization or other like change with respect to the Company Shares occurring after the Closing and prior to such determination, to the extent necessary to provide the parties with the same effect as contemplated by this Agreement prior to such stock split, reverse stock split, stock dividend, reorganization, reclassification, combination, recapitalization or other like change.

ARTICLE II

CORPORATE GOVERNANCE

Section 2.01. The Board.

(a) Composition of Initial Board. Prior to the Closing, the Sponsors shall take all Necessary Action to cause: (i) the Board, as of immediately following the Closing, to comprise the following nine (9) directors: James C. Neary, Stephanie Geveda, Ruoxi Chen, David A. Donnini, Constantine S. Mihas, Sean L. Cunningham, Michael B. Petras, Jr., Ann R. Klee, and Vincent K. Petrella and (ii) the Chairman of the Board, as of immediately following the Closing, to be Michael B. Petras, Jr.

(b) Classified Board.

(i) The Board shall be divided into three (3) classes of directors as follows: (A) the initial class I directors shall include James C. Neary, Constantine Mihas and Michael B. Petras, Jr., (B) the initial class II directors shall include Ruoxi Chen, David A. Donnini and Ann R. Klee, and (C) the initial class III directors shall include Stephanie Geveda, Sean L. Cunningham and Vincent K. Petrella.

(ii) The initial term of the class I directors shall expire at the first annual meeting of the stockholders following the date hereof at which directors are elected. The initial term of the class II directors shall expire at the second annual meeting of the stockholders following the date hereof at which directors are elected. The initial term of the class III directors shall expire at the third annual meeting of the stockholders

following the date hereof at which directors are elected. Following the expiration of the initial term of any class of directors, all subsequent terms of such class shall be for a period of three (3) years.

(c) WP and GTCR Designees.

(i) For so long as the WP Stockholders collectively own a number of Company Shares representing at least the percentage shown below of the number of Company Shares collectively owned by the WP Stockholders as of immediately following the Closing, there shall be included in the slate of nominees recommended by the Board for election as directors at each applicable annual or special meeting of stockholders at which directors are to be elected that number of individuals designated by the WP Designated Sponsor Fund that, if elected, will result in the WP Stockholders having the number of directors serving on the Board that is shown below (each such director, a "WP Director"). The WP Designated Sponsor Fund hereby designates three (3) of its five (5) WP Directors as James C. Neary, Stephanie Geveda and Ruoxi Chen.

Percent	Number of Directors
80% or greater	5
60% or greater	4
Less than 60% but greater than or equal to 40%	3
Less than 40% but greater than or equal to 20%	2
Less than 20% but greater than or equal to 6 2 / 3%	1
Less than 6 2 / 3%	0

(ii) For so long as the GTCR Stockholders collectively own a number of Company Shares representing the percentage shown below of the number of Company Shares collectively owned by the GTCR Stockholders as of immediately following the Closing, there shall be included in the slate of nominees recommended by the Board for election as directors at each applicable annual or special meeting of stockholders at which directors are to be elected that number of individuals designated by the GTCR Designated Sponsor Fund that, if elected, will result in the GTCR Stockholders having the number of directors serving on the Board that is shown below (each such director, a "GTCR Director"). The GTCR Designated Sponsor Fund hereby designates three (3) GTCR Directors as David A. Donnini, Constantine S. Mihas, Sean L. Cunningham.

Percent	Number of Directors
70% or greater	3
Less than 70% but greater than or equal to 40%	2
10% or greater	1
Less than 10%	0

(iii) In the event that any Designated Sponsor Fund has designated fewer than the total number of designees such Designated Sponsor Fund shall be entitled to designate pursuant to this Section 2.01, such Designated Sponsor Fund shall have the right, at any time and from time to time, to designate such additional designees to which it is entitled pursuant to this Section 2.01, in which case each Sponsor shall take all Necessary Action (including, as requested by such Designated Sponsor Fund, by increasing the size of the Board, electing such designees to the Board and causing the resignation of any directors other than the Designated Sponsor Directors) to enable such Designated Sponsor Fund to designate and effect the election or appointment of such additional individual or individuals.

(iv) Upon any decrease in the number of directors that a Designated Sponsor Fund is entitled to designate for election to the Board, each WP Director or GTCR Director, as applicable, shall be permitted to complete their remaining term in office. Following any such decrease and expiration of the next expiring term of a WP Director or GTCR Director, as applicable, the Parties shall take all Necessary Action to cause the authorized size of the Board to be reduced accordingly unless a majority of the remaining Designated Sponsor Directors, if any, determine not to reduce the authorized size of the Board.

(d) Reserved.

(e) Removal; Vacancies. Upon request by any Designated Sponsor Fund to (i) cause the removal of any of its respective designees to the Board, each Sponsor shall take all Necessary Action to cause the removal of any such designee at the request of the applicable Designated Sponsor Fund or (ii) designate for election to the Board a director to fill any vacancy created by reason of death, removal or resignation of any of its designees to the Board, and each Sponsor shall take all Necessary Action to cause any such vacancy to be filled by a replacement director designated by such Designated Sponsor Fund as promptly as reasonably practicable; provided, that, for the avoidance of doubt and notwithstanding anything to the contrary in this Section 2.01(e), no Designated Sponsor Fund shall have the right to designate a replacement director, and the Sponsors shall not be required to take any action to cause any vacancy to be filled by any such designee, to the extent that election or appointment of such designee to the Board would result in the Board having as members, at any time, a number of directors designated by such Designated Sponsor Fund in excess of the number of directors that such Designated Sponsor Fund is then entitled to designate for membership on the Board pursuant to Section 2.01(c).

(f) Additional Directors. Subject to the rights of holders of any series of Preferred Stock, for so long as any Designated Sponsor Fund has the right to designate at least one (1) director under this Agreement, without the consent of each Designated Sponsor Fund, the Company will take all Necessary Action to ensure that the number of directors serving on the Board shall not exceed

eleven (11); provided, that the number of directors may be increased if necessary to satisfy the requirements of applicable laws and stock exchange regulations.

(g) Quorum. The quorum for a meeting of the Board shall require:

(i) the presence of a majority of the directors then in office;

(ii) for so long as the WP Designated Sponsor Fund shall be entitled to designate any director pursuant to Section 2.01, at least one (1) WP Director; provided, however, that if a meeting of the Board called in accordance with the Company's certificate of incorporation and by-laws fails to achieve a quorum due to the absence of a WP Director, then any director or officer of the Company may send a new notice of meeting of the Board in accordance with the Company's certificate of incorporation and by-laws and a quorum at such meeting shall require only the presence of a majority of votes of all the directors then in office and, subject to the proviso to Section 2.01(g)(iii), for so long as the GTCR Designated Sponsor Fund shall be entitled to designate any director pursuant to Section 2.01, at least one (1) GTCR Director; and

(iii) for so long as the GTCR Designated Sponsor Fund shall be entitled to designate any director pursuant to Section 2.01, at least one (1) GTCR Director; provided, however, that if a meeting of the Board called in accordance with the Company's certificate of incorporation and by-laws fails to achieve a quorum due to the absence of a GTCR Director, then any director or officer of the Company may send a new notice of meeting of the Board in accordance with the Company's certificate of incorporation and by-laws and a quorum at such meeting shall require only the presence of a majority of votes of all the directors then in office and, subject to the proviso to Section 2.01(g)(ii), for so long as the WP Designated Sponsor Fund shall be entitled to designate any director pursuant to Section 2.01, at least one (1) WP Director.

Section 2.02. Indemnification.

(a) Each Sponsor and their respective Affiliates (provided, for the avoidance of doubt, that Subsidiaries of the Company shall not be considered Affiliates for this purpose), or any current, former, direct or indirect partner, manager, member, shareholder, employee, director, officer, management company, incorporator, successor or agent of such Person (collectively, the "Indemnified Persons") who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative (hereinafter a "Proceeding"), or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, by reason of the fact that he or she, or a Person of whom he or she is the legal representative, is or was a holder of equity securities of Topco Parent or the Company, shall be indemnified by the Company to the fullest extent permitted by applicable Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than said law permitted the Company to provide prior to such amendment) against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable expenses (including attorneys' fees) actually incurred by such Person in connection with such Proceeding; provided, that such Person had no reasonable cause to believe that such Person's conduct was unlawful; provided further, that, such actions or omissions on which such proceeding or threatened

proceeding are based were not found by a court of competent jurisdiction, upon entry of a final and non-appealable judgment to constitute fraud, gross negligence or willful misconduct. No amendment, modification or repeal of this Section 2.02(a) shall have the effect of limiting or denying any such rights with respect to actions taken or Proceedings arising prior to any amendment, modification or repeal. It is expressly acknowledged that the indemnification provided in this Section 2.02(a) could involve indemnification for negligence (other than gross negligence) or under theories of strict liability. Reasonable expenses incurred by an Indemnified Person who was, is or is threatened to be made a named defendant or respondent in a Proceeding shall be paid by the Company in advance of the final disposition of the Proceeding upon receipt of an undertaking by or on behalf of such Person to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Company.

(b) Fees, Expenses, Indemnification and Insurance.

(i) The Company shall (A) pay to each Designated Sponsor Director such fees or equity consideration as may be determined by the Board, (B) reimburse each Designated Sponsor Director for all reasonable out-of-pocket expenses incurred in connection with such director's attendance at meetings of the Board and any committee thereof, including reasonable travel, lodging and meal expenses, (C) enter into indemnification agreements with each Designated Sponsor Director agreeing to indemnify and advance expenses to such Designated Sponsor Director, in each case, to the maximum extent permitted by applicable law, (D) include in its certificate of incorporation or by-laws provisions for exculpation and indemnification of, and advancement of expenses to, the Designated Sponsor Directors, in each case to the maximum extent permitted by applicable law, and (E) obtain customary director and officer indemnity insurance, which insurance shall name as insured each Designated Sponsor Director.

(ii) The Company hereby acknowledges that, in addition to the rights provided to each Indemnified Person, each WP Director and each GTCR Director (each, a "Director Indemnitee") pursuant to this Agreement, the Company's certificate of incorporation, by-laws or any indemnification agreements that such directors may enter into with the Company from time to time to (the "Indemnification Agreements"), such Persons may have certain rights to indemnification and/or advancement of expenses provided by, and/or insurance obtained by, the Sponsors and/or certain of their Affiliates (excluding the Company and its Subsidiaries), whether now or in the future (collectively, the "Fund Indemnitors"). Notwithstanding anything to the contrary in any of the Indemnification Agreements or this Agreement, the Company hereby agrees that, with respect to its indemnification and advancement obligations to the Indemnified Persons, each WP Director and each GTCR Director under the Indemnification Agreements, this Agreement or otherwise, the Company (A) is the indemnitor of first resort (i.e., its obligations to indemnify the Indemnified Persons, each WP Director and each GTCR Director are primary and any obligation of the Fund Indemnitors or their insurers to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the Indemnified Persons, each WP Director and each GTCR Director is secondary and excess), (B) shall be required to advance the full amount of expenses incurred by each Indemnified Persons, each WP Director and each GTCR

Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by each Indemnified Persons, each WP Director and each GTCR Director or on his or her behalf to the extent legally permitted and as required by this Agreement, the Company's certificate of incorporation, bylaws or any the Indemnification Agreements, without regard to any rights such Director Indemnitees may have against the Fund Indemnitors or their insurers, and (C) irrevocably waives, relinquishes and releases the Fund Indemnitors and such insurers from any and all claims against the Fund Indemnitors or such insurers for contribution, by way of subrogation or any other recovery of any kind in respect thereof. In furtherance and not in limitation of the foregoing, the Company agrees that in the event that any Fund Indemnitor or its insurer should advance any expenses or make any payment to an Indemnified Person, a WP Director or a GTCR Director for matters subject to advancement or indemnification by the Company pursuant to the Company's certificate of incorporation or bylaws, an Indemnification Agreement, this Agreement or otherwise, the Company shall promptly reimburse such Fund Indemnitor or insurer and that such Fund Indemnitor or insurer shall be subrogated to all of the claims or rights of such Indemnified Person, WP Director or GTCR Director under the Company's certificate of incorporation or bylaws, the Indemnification Agreements, this Agreement or otherwise, including to the payment of expenses in an action to collect. The Company agrees that any Fund Indemnitor or its insurer not a party hereto shall be an express third party beneficiary of this Section 2.02(b)(ii), able to enforce such clause according to its terms as if it were a party hereto. Nothing contained in the Indemnification Agreements is intended to limit the scope of this Section 2.02(b)(ii) or the other terms set forth in this Agreement or the rights of the Fund Indemnitors or their insurers hereunder.

Section 2.03. Financial Statements and Reports.

(a) The Company shall provide to each Sponsor, so long as such Sponsor's Designated Sponsor Fund shall be entitled to designate at least one (1) director pursuant to Section 2.01:

(i) monthly operating reports as soon as available and not later than thirty (30) days following the applicable month end;

(ii) budgets as and when prepared;

(iii) notice of events that, in the Board's determination, would reasonably be expected to have a material impact on the business operations of the Company and its Subsidiaries taken as a whole, including the commencement of criminal or material civil actions;

(iv) such other information as may reasonably be requested by a Sponsor or as is otherwise required by applicable law; and

(v) all information provided to all directors of the Company, in their capacity as such, including all meeting "pre-read" materials, proposed resolutions and minutes of meetings, except if doing so would, in the opinion of counsel to the

Company, jeopardize the attorney-client privilege for attorney-client privileged communications .

(b) Without limiting the generality of Section 6.05, the Company acknowledges and agrees that the WP Stockholders may disclose to the Co-Investor and the Co-Invest Limited Partners the information required to be disclosed pursuant to Section 7.04 of the Co-Invest LPA or any other agreement between the Co-Investor and a Co-Invest Limited Partner for so long as the Co-Investor and the Co-Invest Limited Partners are subject to a duty of confidentiality with respect to such information.

Section 2.04. Certain Acknowledgments.

(a) Each Party acknowledges and agrees that Topco Parent has fully satisfied its obligations under Section 9.02 of the LPA and does hereby forever waive, release and discharge Topco Parent to the fullest extent permitted by law from any and all actions, causes of action, claims, demands, demands for indemnification, damages, losses, liabilities, awards, judgments, costs, expenses, debts, dues and suits of every kind, nature and description whatsoever now existing or hereafter arising under Section 9.02 of the LPA.

(b) Each Party acknowledges and agrees that in connection with the distribution of Company Shares by Topco Parent to its limited partners in accordance with the LPA, fractional Company Shares that would otherwise have been distributable to Stockholders in accordance with Section 4.01 of the LPA have been rounded up or rounded down in the discretion of the board of managers of Topco Parent to ensure that the number of issued and outstanding Company Shares will be the same as the number disclosed in connection with the IPO. Notwithstanding such rounding, the Stockholders acknowledge and agree that such rounding is permitted under Section 4.01 and Article XIII of the LPA and Topco Parent shall have no liability for such rounding.

(c) Each Stockholder acknowledges and agrees that on or prior to the date hereof, such Stockholder has received a distribution of Company Shares and/or cash from Topco Parent in accordance with Section 4.01 of the LPA and that the Company Shares and cash distributed to the limited partners of Topco Parent in such distribution constitute substantially all of the assets of Topco Parent. Accordingly, Topco Parent has or will enter into dissolution following such distribution pursuant to Section 10.01 of the LPA. Each Stockholder further acknowledges and agrees that following the dissolution and completion of the winding up of Topco Parent, the certificate of limited partnership of Topco Parent will be canceled by a filing with the Secretary of State of the State of Delaware and all equity interests in Topco Parent will be canceled for no consideration and Topco Parent shall cease to exist.

Section 2.05. Voting Agreement; Certain Actions.

(a) Each Sponsor agrees to take all Necessary Action, including by casting all votes to which such Stockholder is entitled in respect of its Company Shares, whether at any annual or special meeting, by written consent or otherwise, so as to cause the election, removal and replacement of directors in the manner contemplated in Section 2.01 and to otherwise give the fullest effect possible to the provisions of this Article II.

(b) The Company agrees, to the extent permitted by applicable laws and stock exchange regulations, to include in the slate of nominees recommended by the Board for election at

any meeting of stockholders called for the purpose of electing directors the individuals designated pursuant to Section 2.01 and to nominate and recommend each such individual to be elected as a director as provided herein, and to solicit proxies or consents in favor thereof, and take all Necessary Action to otherwise give the fullest effect possible to the provisions of this Article II.

Section 2.06. Committees.

(a) The Board may designate one or more committees of the Board, each committee to consist of one or more directors. To the extent permitted by applicable laws and stock exchange regulations, the Sponsors shall be represented on each committee of the Board in proportion to the number of directors each Sponsor's Designated Sponsor Fund is permitted to appoint pursuant to Section 2.01(c); provided that each Sponsor shall, to the extent permitted by applicable laws and stock exchange regulations, be entitled to at least one (1) director on each committee; provided further, that each Designated Sponsor Fund may, within its sole discretion, decide not to designate any of its Designated Sponsor Directors to serve on one or more committees of the Board. As used in this Agreement, the term "committee" shall refer to any committee of the Board and any subcommittee of any such committee.

(b) Without limiting the generality of the foregoing Section 2.06(a), for so long as the WP Designated Sponsor Fund shall be entitled to designate at least one (1) director pursuant to Section 2.01, the Chairman of the Compensation Committee shall be a member of the Board selected by the WP Directors.

(c) The quorum for a meeting of any committee of the Board shall require:

(i) for so long as at least one (1) WP Director serves on such committee, at least one (1) WP Director that serves on such committee; provided, however, that if a meeting of such committee called in accordance with the Company's certificate of incorporation and bylaws and the charter or resolutions of the Board constituting such committee fails to achieve a quorum due to the absence of the WP Director(s), then any director or officer of the Company may send a new notice of meeting of such committee in accordance with the Company's certificate of incorporation and bylaws or the charter or resolutions of the Board constituting such committee and a quorum at such meeting shall require only the presence of a majority of votes of all the directors that serve on such committee and, subject to the proviso to Section 2.06(c)(ii), for so long as at least one (1) GTCR Director serves on such committee, at least one (1) GTCR Director; and

(ii) for so long as at least one (1) GTCR Director serves on such committee, at least one (1) GTCR Director that serves on such committee; provided, however, that if a meeting of such committee called in accordance with the Company's certificate of incorporation and by-laws and the charter or resolutions of the Board constituting such committee fails to achieve a quorum due to the absence of the GTCR Director(s), then any director or officer of the Company may send a new notice of meeting of such committee in accordance with the Company's certificate of incorporation and by-laws or the charter or resolutions of the Board constituting such committee and a quorum at such meeting shall require only the presence of a majority of votes of all the directors that serve on such committee and, subject to the proviso to Section 2.06(c)(i), for so

long as at least one (1) WP Director serves on such committee, at least one (1) WP Director.

ARTICLE III

APPROVAL RIGHTS

Section 3.01. Required Approvals. Subject to Section 3.02, the Company shall not take or commit to take, and (to the extent applicable) shall not cause or permit any of its Subsidiaries to take or commit to take, directly or indirectly, whether by amendment, merger, consolidation, reorganization or otherwise, any of the following actions without the approval of 75% of the total number of directors then in office.

(a) consummation of any acquisition of the stock (including a minority interest) or assets of any other entity (other than a Subsidiary of the Company), in a single transaction or a series of related transactions (whether by purchase, tender offer, exchange offer, merger, other business combination transaction or otherwise), with a value in excess of \$300 million in the aggregate;

(b) a consolidation, merger or other business combination of the Company with or into any other entity, or transfer (by lease, assignment, sale or otherwise) of all or substantially all of the Company's and its Subsidiaries' assets, taken as a whole, to another entity, or a "Change in Control" (or any similar term) as defined in the Company's or its Subsidiaries' indebtedness documents, other than any such consolidation, merger or other business combination solely between the Company and its Subsidiaries or between Subsidiaries of the Company;

(c) a disposition, in a single transaction or a series of related transactions, of any assets of the Company or any of its Subsidiaries with a value in excess of \$300 million in the aggregate or for consideration in excess of \$300 million, other than the sale of inventory or products in the ordinary course of business, other than a transaction solely between the Company and its Subsidiaries or between Subsidiaries of the Company;

(d) any change in the size of the Board, other than in accordance with Article II;

(e) any amendment, modification or repeal of any provision of the Company's certificate of incorporation or by-laws;

(f) a termination of the Chief Executive Officer or designation of a new Chief Executive Officer;

(g) any change in the composition of any committee of the Board;

(h) except for compensation arrangements approved by the Compensation Committee of the Board in the ordinary course and in accordance with the charter of the Compensation Committee of the Board, entry into, or expansion of existing, compensation arrangements with (i) any executive officer of the Company or (ii) Affiliates of (A) the Company (other than any Subsidiary of the Company) or (B) any executive officer of the Company;

(i) the issuance of additional shares of any class or series of capital stock or equity interests of the Company or any of its Subsidiaries, other than, (A) in the case of the Company, any

award under any stockholder approved equity compensation plan, (B) in the case of a Subsidiary of the Company, to the Company or another direct or indirect Subsidiary of the Company and (C) as required by the organizational documents of a Subsidiary of the Company or a contract to which a Subsidiary of the Company is party, in each case, that is in effect on the date hereof; or

(j) the incurrence of additional indebtedness, in a single transaction or a series of related transactions, by the Company or any of its Subsidiaries in an amount in excess of \$300 million outstanding at any one time, other than (i) intercompany debt among Subsidiaries of the Company or the Company and any Subsidiary and (ii) incurrence of additional indebtedness under the Credit Agreement or Indenture.

Section 3.02. Termination of Required Approvals. The approval rights set forth in Section 3.01 shall terminate at such time as neither the WP Designated Sponsor Fund nor the GTCR Designated Fund has the right individually to designate at least three (3) directors pursuant to Section 2.01.

ARTICLE IV

TRANSFERS.

Section 4.01. Limitations on Transfer.

(a) Until the sixth (6th) anniversary of the date hereof, no Management Stockholder may Transfer any of its Company Shares held on the date hereof (excluding, for the avoidance of doubt, any Company Shares acquired pursuant to equity awards issued under the Company's 2020 Omnibus Incentive Plan) ("Existing Shares") or securities of the Company or its Subsidiaries issued in respect of such Existing Shares, or in substitution for Existing Shares, in connection with any stock split, stock dividend or combination, or any reclassification, recapitalization, merger, consolidation, share exchange or other similar reorganization; provided, that such prohibition shall not apply to Transfers (i) to a Permitted Transferee that is being effected for bona fide estate planning or similar purposes, (ii) made pursuant to applicable laws of descent or distribution or to such Management Stockholder's legal guardian in the case of mental incapacity, (iii) with the prior written consent of a majority of the members of the Compensation Committee of the Board, (iv) in connection with a merger of the Company or solely to tender into a tender or exchange offer commenced by a third party or by the Company; provided, that with respect to an unsolicited tender or exchange offer commenced by a third party, such Transfer shall be permitted only if the Board is affirmatively publicly recommending to the Company's shareholders that such shareholders tender into such offer, (v) of vested Company Shares in a Public Sale (A) at such time as the Sponsors sell Company Shares in a Public Sale; provided however, that the Management Stockholder may only Transfer a number of vested Company Shares up to the number of Public Sale Eligible Shares, or (B) pursuant to the penultimate sentence of this Section 4.01(a), (vi) of vested Company Shares in a Public Sale or Private Sale following a Private Sale by the Sponsors up to the number of Private Sale Eligible Shares and (vii) to a bona fide charity or donor-advised fund organized under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; provided that no Management Stockholder may make Transfers pursuant to this clause (vii) in a single calendar year in excess of the lesser of (A) \$3,000,000 worth of Company Shares determined based on the VWAP at the time of such Transfer and (B) ten percent (10%) of the Company Shares subject to the restrictions on Transfer set forth in this Section 4.01 held by such Management Stockholder at the beginning of the calendar year in which such Transfer takes place. If at the time of a Public Sale by the Sponsors, the Management Stockholder is not permitted to, or chooses not to Transfer all such Public Sale Eligible Shares and Private Sale Eligible Shares, the Management Stockholder shall retain the right to Transfer at a future date in a Public Sale, a number of vested Company Shares equal to the lesser of (x) the number of vested Company Shares then owned by the Management Stockholder as of such future date and (y) that portion of such Public Sale Eligible Shares and Private Sale Eligible Shares which the Management Stockholder was not permitted to Transfer, or chose not to Transfer in a prior Public Sale. For the avoidance of doubt, the number of Public Sale Eligible Shares and Private Sale Eligible Shares shall be cumulative and increase with each Public Sale or Private Sale by the Sponsors, but be reduced for the number of vested Company Shares Transferred by a Management Stockholder pursuant to Section 4.01(a)(iv) or Section 4.01(a)(v).

(b) The limitations on Transfers of Company Shares set forth in this Article IV are in addition to any restrictions set forth in the Registration Rights Agreement, any "lock up" restrictions imposed by the underwriters in connection with any Public Offering, any other plan, program, contract,

agreement or policy pursuant to which the Company Shares may be subject, and any restrictions imposed by applicable law.

(c) Any purported Transfer of Company Shares other than in accordance with this Agreement shall be null and void, and the Company shall refuse to recognize any such Transfer for any purpose and shall not, and shall cause any transfer agent not to, reflect in its records any change in record ownership of Company Shares pursuant to any such Transfer.

(d) Except as provided in the Registration Rights Agreement, any Stockholder that proposes to Transfer Company Shares in accordance with the terms and conditions hereof shall be responsible for any expenses incurred by the Company in connection with such Transfer.

Section 4.02. Rights and Obligations of Transferees. Any Transferee of Company Shares that is an Affiliate or Permitted Transferee of any Stockholder shall be required, at the time of and as a condition to such Transfer, to become a party to this Agreement by executing and delivering a Joinder Agreement in the form of Exhibit A hereto (and thereby making the representations and warranties set forth in Article V hereof) and such other documents as may be necessary, in the reasonable opinion of the Sponsors (or, if either Sponsor's Designated Sponsor Fund shall have ceased to have the right to designate any directors pursuant to Section 2.01, the reasonable opinion of the Sponsor whose Designated Sponsor Fund continues to have the right to designate at least one (1) director pursuant to Section 2.01), to make such Person a party hereto, whereupon such Transferee will be treated as a Stockholder for all purposes of this Agreement; provided, that no Transferee of Company Shares shall be required to become a party to this Agreement if such Transferee acquired such Company Shares (a) after the sixth (6th) anniversary of the date hereof (or the foregoing transfer restrictions otherwise have expired) or (b) in a sale to the public in a Public Sale or in a permissible Private Sale.

Section 4.03. Legends.

(a) Each certificate representing Company Shares, if any, issued to a Stockholder shall bear a legend on the reverse side thereof substantially in the following form in addition to any other legend determined by the Company or as required by applicable law or by agreement with the Company (and, in the case of uncertificated Company Shares, notice of such legend shall be given in accordance with applicable law):

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD, UNLESS IT HAS BEEN REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE (AND, IN SUCH CASE, AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY MAY BE REQUESTED BY THE COMPANY TO THE EFFECT THAT SUCH OFFER OR SALE IS NOT REQUIRED TO BE REGISTERED UNDER THE SECURITIES ACT).

THIS SECURITY MAY BE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN A STOCKHOLDERS AGREEMENT, DATED AS OF NOVEMBER 19, 2020 (AS MAY BE AMENDED OR RESTATED FROM TIME TO TIME), A COPY OF WHICH MAY BE OBTAINED FROM THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES FREE OF CHARGE.

(b) Upon the permitted sale of any Company Shares (i) in a Public Offering, (ii) in compliance with Rule 144 under the Securities Act, or (iii) pursuant to another exemption from registration under the Securities Act, or upon the termination of this Agreement in accordance with its terms, upon the written request of the holder of such Company Shares, any certificates representing such Company Shares shall be replaced, at the expense of the Company, with certificates or instruments not bearing the legends required by Section 4.03(a); provided, that the Company may condition any replacement of certificates pursuant to clause (iii) of this Section 4.03(b) on the receipt of an opinion of legal counsel reasonably satisfactory to the Company stating that such Company Shares are freely transferable under the Securities Act.

(c) If any Company Shares cease to be subject to any and all restrictions on Transfer and all other obligations set forth in this Agreement, upon the written request of the holder of such Company Shares, any certificates representing such Company Shares shall be replaced, at the expense of the Company, with certificates or instruments not bearing the second paragraph of the legends required by Section 4.03(a).

Section 4.04. Notice. Each Sponsor shall provide the Company with notice of a Transfer to a third party of Company Shares held by such Sponsor (excluding Transfers to Affiliates) reasonably promptly after such Transfer and in any event within ten (10) Trading Days following such Transfer.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Section 5.01. Representations and Warranties of the Parties. Each of the Parties hereby represents and warrants to each other Party that on the date hereof:

(a) Such Party has the necessary legal capacity or power and authority to enter into this Agreement and to carry out its obligations hereunder. To the extent applicable, such Party is duly organized and validly existing under the laws of its jurisdiction of organization, and the execution of this Agreement, and the consummation of the transactions contemplated herein, have been authorized by all necessary corporate or other action, and no other act or proceeding, corporate or otherwise, on its part is necessary to authorize the execution of this Agreement or the consummation of any of the transactions contemplated hereby. This Agreement has been duly executed by such Party and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and any implied covenant of good faith and fair dealing.

(b) The execution and delivery by such Party of this Agreement and the performance of its obligations hereunder do not and will not (i) conflict with, or result in the breach of any provision of the constitutive documents of such Party; (ii) result in any violation, breach, conflict, default or event of default (or an event which with notice, lapse of time, or both, would constitute a default or event of default), or give rise to any right of acceleration or termination or any additional payment obligation, under the terms of any material contract, agreement or permit to which such Party is a party or by which such Party's assets or operations are bound or affected; or (iii) violate, in any material respect, any law applicable to such Party, the Company or any of its Subsidiaries.

(c) Other than any consents that have already been obtained, no consent, waiver, approval, authorization, exemption, registration, license or declaration is required to be made or obtained by such Party in connection with (i) the execution, delivery or performance of this Agreement or (ii) the consummation of any of the transactions currently contemplated herein, excluding, for the avoidance of doubt, any transactions contemplated herein solely as a result of one or more amendments to this Agreement following the date hereof.

(d) If such Party is a Stockholder, such Party understands that Company Shares cannot be sold or otherwise disposed of unless they are registered under the Securities Act and applicable U.S. state securities laws or unless an exemption from such registration is available, and that registration of Company Shares is subject to the terms and conditions set forth in the Registration Rights Agreement, and that accordingly such Stockholder is able and is prepared to bear the economic risk of making an investment in the Company and to suffer a complete loss of investment.

Section 5.02. Entitlement of the Parties to Rely on Representations and Warranties

. The representations and warranties contained in Section 5.01 may be relied upon by the Parties in connection with the entering into of this Agreement.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Termination. This Agreement shall terminate automatically (without any action by any Party):

(a) as to each Stockholder, as of the date that such Stockholder no longer owns any Company Shares; and

(b) as to all the Parties, as of the date that no Designated Sponsor Fund has the right to designate any directors pursuant to Section 2.01.

Section 6.02. Certificate of Incorporation and By-Laws

. The provisions of this Agreement shall be controlling as among the Parties hereto and if any such provisions or the operation thereof conflict with the provisions of the Company's certificate of incorporation or by-laws, and the Parties shall take all action to enforce or cause the enforcement of the terms hereof. Without limiting the foregoing, the Sponsors and the Company agree to take all Necessary Action to amend the Company's certificate of incorporation or by-laws so as to avoid any conflict with the provisions hereof.

Section 6.03. Corporate Opportunity.

(a) Regulation of Certain Affairs. In recognition and anticipation that (i) certain partners, principals, directors, officers, members, managers, employees and/or other representatives of the Sponsors (each of the foregoing Persons other than the Sponsors, an "Identified Person") may serve as directors, officers or agents of the Company or its Subsidiaries, and (b) the Sponsors may now engage and may continue to engage in the same or similar activities (which shall include other business activities that overlap with or compete with those in which the Company or its Subsidiaries, directly or indirectly, may engage) or related lines of business in which the Company or its Subsidiaries, directly or indirectly, may engage, and/or may have an interest in the same or similar areas of corporate opportunities as the Company or its Subsidiaries, directly or indirectly, may have an interest, the provisions of this Section 6.03 are set forth to regulate and define the conduct of certain affairs of the Company and its Subsidiaries with respect to certain classes or categories of business opportunities as they may involve the Sponsors and the Identified Persons, and the powers, rights, duties and liabilities of the Company and its Subsidiaries and their respective officers, directors and stockholders in connection therewith.

(b) Competition and Corporate Opportunities. To the fullest extent permitted by law, (i) the Sponsors and the Identified Persons shall have the right to, and shall have no duty (contractual, fiduciary or otherwise) not to, directly or indirectly engage in the same or similar business activities or lines of business as the Company or any of its Subsidiaries, on its own account, or in partnership with, or as an employee, officer, director or stockholder of any other person, including those lines of business deemed to be competing with the Company or any of its Subsidiaries, (ii) none of the Company or its stockholders or any of its Subsidiaries or their stockholders or equityholders shall have any rights in and to the business ventures of any Sponsor or Identified Person or the income or profits derived therefrom, (iii) each of the Sponsor and the Identified Persons may do business with any potential or actual customer or supplier of the Company or any of its Subsidiaries, (iv) each of the Sponsors and the Identified Persons may employ or otherwise engage any officer or employee of the Company or any of its Subsidiaries, and (v) the Company, on behalf of itself, its Subsidiaries and its and their respective stockholders, renounces any interest or expectancy of the Company and its Subsidiaries in, or in being offered an opportunity to participate in, any business opportunity that may from time to time be presented to any Sponsor or any Identified Person, even if the opportunity is one that the Company or its Subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, (vi) no Sponsor or Identified Person shall have any duty to communicate or offer such business opportunity to the Company or any of its Subsidiaries or shall be liable to the Company or any of its Subsidiaries or any of their respective stockholders for breach of any fiduciary or other duty (contractual, fiduciary or otherwise), as a director or officer or otherwise, by reason of the fact that such Sponsor or Identified Person pursues or acquires such

business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Company or its Subsidiaries unless, in the case of any such person who is a director or officer of the Company, such business opportunity is expressly offered to such director or officer in writing solely in his or her capacity as a director or officer of the Company.

(c) The Sponsors and the Company shall take all Necessary Action to cause the Company's certificate of incorporation to include the renunciation on corporate opportunities by the Company and its Subsidiaries contemplated by Section 6.03(a) and Section 6.03(b) hereof. The Company's certificate of incorporation shall not be deemed to be in conflict with this Section 6.03 to the extent it provides a broader waiver or renunciation by the Company or its Subsidiaries of corporate opportunities that may be offered to or pursued by any Sponsor or Identified Person or provides other protections or benefits to any Sponsor or Identified Person with respect thereto. The Company acknowledges and agrees that the resolutions of the Board approving this Agreement shall constitute a resolution adopted pursuant to Section 122(17) of the DGCL adopting this Section 6.03, including the waiver and renunciation of the corporate opportunities identified herein.

Section 6.04. Publicity. The Company grants permission to the Sponsors to use the name and logo of the Company and its Subsidiaries in marketing materials used by each such Sponsor and its respective Affiliates. The Sponsors and/or their respective Affiliates, as the case may be, shall include a trademark attribution notice giving notice of the Company's and/or its Subsidiaries' ownership of their trademarks in any marketing materials in which the Company's and/or its Subsidiaries' name and logo appear.

Section 6.05. Sharing of Information. Except as set forth in this Section 6.05, the Sponsors shall maintain the confidentiality of the Company Confidential Information (as defined below) and cause the Sponsor Affiliated Persons (as defined below) and Internal Recipients (as defined below) to maintain the confidentiality of the Company Confidential Information. Notwithstanding anything to the contrary contained in this Agreement, the Company hereby acknowledges and agrees that each of the Sponsors and its Affiliates, the Sponsor Designated Directors, or any officer of the Company that is an Affiliate of a Sponsor (each, a "Sponsor Affiliated Person") may, to the fullest extent permitted by applicable law, use for their own benefit and disclose to their respective Affiliates, directors, officers, representatives, agents and employees and professional advisers (the "Internal Recipients") and to (a) the investors, limited partners or members of the applicable Sponsor or its related investment funds and their respective representatives (and, to the extent required for such limited partners' or members' internal reporting obligations, Affiliates of such limited partners or members), (b) persons who have expressed a bona fide interest in becoming investors, limited partners or members of the applicable Sponsor or its related investment funds, (c) potential transferees of the applicable Sponsor's equity securities in the Company, (d) potential participants in future transactions involving the applicable Sponsor, any of its Affiliates or their related investment funds (potentially involving the Company or otherwise), and (e) such other persons as the applicable Sponsor shall deem reasonably necessary in connection with the conduct of its investment and business activities (the "External Recipients" and together with the Internal Recipients, the "Permitted Recipients"), any and all non-public information with respect to the Company or its Affiliates or Subsidiaries (including any Person in which the Company holds, or contemplates acquiring, an investment) ("Company Confidential Information") that is in the possession of such Sponsor Affiliated Person on the date hereof or disclosed after the date of this Agreement to such Sponsor Affiliated Person by or on behalf

of the Company or its Subsidiaries, including pursuant to Section 2.03; provided, that the Permitted Recipients agree to keep such Company Confidential Information confidential on the same terms that the Sponsor requires with respect to its own confidential information; and provided further that the Sponsor Affiliated Persons and the Permitted Recipients may disclose any Company Confidential Information (x) as has become generally available to the public, was or has come into the possession of the relevant Sponsor Affiliated Person or Permitted Recipient on a non-confidential basis without a breach of any confidentiality obligations by such Person disclosing such Company Confidential Information, or has been independently developed by the Sponsor Affiliated Person or Permitted Recipient without use of the Company Confidential Information, (y) to the extent necessary in order to comply with any law, order, regulation or ruling applicable to the applicable Sponsor, or such Sponsor Affiliated Person or Permitted Recipient, or to a regulatory agency with applicable jurisdiction, and (z) as may be required in response to any summons or subpoena or in connection with any litigation or arbitration; provided, in the case of clauses (y) and (z), that such Sponsor, Sponsor Affiliated Person or Permitted Recipient provides prior written notice of such required disclosure to the Company and takes all commercially reasonable and lawful actions to avoid and/or minimize the extent of such disclosure.

Section 6.06. Notices. In the event a notice or other document is required to be sent hereunder to the Company or any Stockholder, such notice or other document shall be in writing and shall be considered given and received, in all respects when personally delivered, or when sent by express or courier service or United States registered or certified mail, return receipt requested and postage and other fees prepaid, or by electronic mail, on the day such notice or document is personally delivered or delivered by electronic mail or on the third Business Day following the day on which such notice or other document is delivered to any such commercial delivery service as aforesaid. Any notice and document shall be addressed to the party entitled to receive such notice or other document (a) in the case of the Company, at:

9100 South Hills Boulevard, Suite 300
Broadview Heights, OH 44147
Attention: General Counsel
Email: MKlaben@soterahealth.com

with a copy (which shall not constitute notice) to:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
Attention: David Lopez
Attention: Matthew P. Salerno
Email: dlopez@cgsh.com
Email: msalerno@cgsh.com

and (b) in the case of any Stockholder, at such Stockholder's address shown on Exhibit B hereto, or at such other address as any such party shall request in a written notice sent to the Company. Any party hereto or its legal representatives may effect a change of address for purposes of this Agreement by giving written notice of such change to the Company, and the Company shall, upon the request of any party hereto, notify such party of such change in the manner provided herein. Until such notice of change of address is properly given, the addresses set forth herein shall be effective for all purposes.

Section 6.07. Amendments. The terms and provisions of this Agreement may be modified or amended at any time and from time to time only by approval of Stockholders that collectively own a majority of the Company Shares then owned by all Stockholders; provided, that any amendment (other than amendments made to Exhibit B hereto in accordance with the terms of this Agreement) that would have a disproportionate material adverse effect on any Stockholder relative to another Stockholder (other than as a result of such Stockholder electing not to exercise any rights granted to such Stockholder pursuant to the terms of this Agreement) shall require the written consent of that Stockholder. All Stockholders shall receive notice of any amendment to this Agreement.

Section 6.08. Governing Law; Jurisdiction. This Agreement and any dispute arising out of, relating to or in connection with this Agreement, shall be construed (both as to validity and performance), interpreted and enforced in accordance with the laws of the State of Delaware, without regard to any conflicts of law provisions thereof that would result in the application of the laws of any other jurisdiction. Any action against any party relating to the foregoing shall be brought exclusively in the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware lacks jurisdiction, the state or federal courts in the State of Delaware) and appellate courts thereof. The parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection that they may now or hereafter have to the laying of venue of any such action brought in such court or any defense of inconvenient forum for the maintenance of such action. Each party agrees that service of summons and complaint or any other process that might be served in any action may be made on such party by sending or delivering a copy of the process to the party to be served by registered mail, return receipt requested, at the address of the party provided for the giving of notices in Section 6.06. Nothing in this Section 6.08, however, shall affect the right of any party to serve legal process in any other manner permitted by law.

Section 6.09. Waiver of Jury Trial. THE PARTIES ACKNOWLEDGE AND AGREE THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) EACH SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) EACH SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (IV) EACH SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 6.09.

Section 6.10. Entire Agreement. This Agreement, together with the Registration Rights Agreement, embodies the entire agreement and understanding of the Parties and supersedes all prior agreements and understandings between the Parties with respect to the subject matter hereof and thereof.

Section 6.11. Waivers. No waiver of any breach of any of the terms of this Agreement shall be effective unless such waiver is made expressly in writing and executed and delivered by the party against whom such waiver is claimed. No waiver of any breach shall be deemed to be a further or continuing waiver of such breach or a waiver of any other or subsequent breach. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof, or the exercise of any other right, power or remedy.

Section 6.12. Successors and Assigns. All covenants and agreements contained in this Agreement shall bind and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, legal representatives, and permitted assigns, whether so expressed or not.

Section 6.13. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal, or unenforceable such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability, without invalidating the remainder of such provision or the remaining provisions of this Agreement, unless the severance of such provision could be in opposition to the parties' intent with respect to such provision or the economic or legal substance of the transactions contemplated hereby would be affected in any manner materially adverse to any party hereto, in which case the parties will negotiate revisions to this Agreement to preserve as nearly as possible or nearly as practicable the economic or legal substance of such invalid, illegal or unenforceable provision.

Section 6.14. Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Company and each Stockholder shall execute and deliver any additional documents and instruments and perform any additional acts that the Sponsors jointly, and reasonably, determine (or, if either Sponsor's Designated Sponsor Fund shall have ceased to have the right to designate any directors pursuant to Section 2.01, that the Sponsor whose Designated Sponsor Fund continues to have the right to designate at least one (1) director pursuant to Section 2.01 determines) to be necessary or appropriate to effectuate and perform the provisions of this Agreement and those transactions.

Section 6.15. Counterparts; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Facsimile, .pdf and other electronic signatures to this Agreement shall have the same effect as original signatures.

Section 6.16. Third Party Beneficiaries. Except as provided in Section 2.02, Section 2.03, Section 2.04, Section 6.03, Section 6.05, Section 6.17 and Section 6.22, this Agreement does not

create any rights, claims or benefits inuring to any Person that is not a party hereto, and it does not create or establish any third party beneficiary hereto.

Section 6.17. No Third Party Liability. This Agreement may only be enforced against the named parties hereto. All claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), may be made only against the entities that are expressly identified as parties hereto; and no past, present or future controlling person, management company, portfolio company, director, manager, officer, employee, incorporator, member, partner, stockholder, Affiliate, agent, attorney or representative of any party hereto (including any Person negotiating or executing this Agreement on behalf of a party hereto), unless party to this Agreement, shall have any liability or obligation with respect to this Agreement or with respect any claim or cause of action (whether in contract or in tort, at law or in equity, or otherwise) that may arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including a representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement).

Section 6.18. Binding Effect; Assignment. Except as otherwise provided in this Agreement to the contrary, this Agreement shall be binding upon and inure to the benefit of the Company, the Stockholders and their respective heirs, legal representatives, executors, administrators, successors and permitted assigns. The rights and obligations under this Agreement shall not be assignable without the prior written consent of the Sponsors (or, if either Sponsor's Designated Sponsor Fund shall have ceased to have the right to designate any directors pursuant to Section 2.01, the prior written consent of the Sponsor whose Designated Sponsor Fund continues to have the right to designate at least one (1) director pursuant to Section 2.01), and any attempted assignment of rights or obligations in violation of this Section 6.18 shall be null and void.

Section 6.19. Specific Performance. It is hereby agreed and acknowledged that it will be impossible to measure in money the damages that would be suffered if the parties fail to comply with any of the obligations herein imposed on them and that, in the event of any such failure, an aggrieved Person will be irreparably damaged and will not have an adequate remedy at law. Any such party shall, therefore, be entitled (in addition to any other remedy to which such party may be entitled at law or in equity) to injunctive relief, including specific performance, to enforce such obligations, without the posting of any bond and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law.

Section 6.20. Time of the Essence. The parties agree that time shall be of the essence in the performance of this Agreement.

Section 6.21. No Promotion. The Company and each Stockholder agrees that it will not, without the prior written consent of the applicable Sponsor, in each instance, (a) use in advertising, publicity, or otherwise the name of Warburg Pincus LLC, GTCR LLC, any Sponsor or any of their respective Affiliates, or any partner or employee of a Sponsor, nor any trade name, trademark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof owned by Warburg Pincus LLC, GTCR LLC, any Sponsor, or their respective Affiliates, or (b) represent, directly or indirectly, that any product or any service provided by the Company has been approved or endorsed by

Warburg Pincus LLC, GTCR LLC, any Sponsor or any of their Affiliates. The Company shall obtain the written consent from the applicable Designated Sponsor Fund prior to the Company's issuance of any public statement regarding any Sponsor.

Section 6.22. Exculpation Among Stockholders. Each Stockholder acknowledges that it is not relying upon any other Person in making its investment or decision to invest in the Company (other than the Company pursuant to any written agreement). Each Stockholder agrees that no Stockholder nor their respective Affiliates, controlling persons, officers, directors, partners, agents or employees of any Stockholder shall be liable to any other Stockholder for any action heretofore or hereafter taken or omitted to be taken by any of them in connection with their purchase or acquisition of any Company Shares, except with respect to breaches hereof.

[SIGNATURE PAGES FOLLOW]

IN WITNESS HEREOF, the Parties have duly executed this Agreement as of the date first above written.

COMPANY

SOTERA HEALTH COMPANY

By: /s/ Matthew J. Klaben

Name: Matthew J. Klaben

Title: Senior Vice President, General Counsel and Secretary

[Signature Page to Stockholders Agreement]

STOCKHOLDERS

WARBURG PINCUS PRIVATE EQUITY XI, L.P.

By: Warburg Pincus XI, L.P., its general partner

By: WP Global LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss_____

Name: Robert B. Knauss

Title: Partner

WARBURG PINCUS XI PARTNERS, L.P.

By: Warburg Pincus XI, L.P., its general partner

By: WP Global LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss_____

Name: Robert B. Knauss

Title: Partner

WP XI PARTNERS, L.P.

By: Warburg Pincus XI, L.P., its general partner

By: WP Global LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss_____

Name: Robert B. Knauss

Title: Partner

WARBURG PINCUS PRIVATE EQUITY XI-B, L.P.

By: Warburg Pincus XI, L.P., its general partner

By: WP Global LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss

Name: Robert B. Knauss

Title: Partner

WARBURG PINCUS PRIVATE EQUITY XI-C, L.P.

By: Warburg Pincus (Cayman) XI, L.P., its general partner

By: Warburg Pincus XI-C, LLC, its general partner

By: Warburg Pincus (Bermuda) Private Equity GP Ltd., its sole member

By: /s/ Robert B. Knauss

Name: Robert B. Knauss

Title: Partner

BULL CO-INVEST, L.P.

By: WP Bull Manager, LLC, its general partner

By: Warburg Pincus & Co., its managing member

By: /s/ Robert B. Knauss

Name: Robert B. Knauss

Title: Partner

GTCR FUND XI/A LP

By: GTCR Partners XI/A&C LP, its general partner

By: GTCR Investment XI LLC, its general partner

By: /s/ Constantine S. Mihas

Name: Constantine S. Mihas

Title: Manager

GTCR FUND XI/C LP

By: GTCR Partners XI/A&C LP, its general partner

By: GTCR Investment XI LLC, its general partner

By: /s/ Constantine S. Mihas

Name: Constantine S. Mihas

Title: Manager

GTCR CO-INVEST XI LP

By: GTCR Investment XI LLC, its general partner

By: /s/ Constantine S. Mihas

Name: Constantine S. Mihas

Title: Manager

THE CLEVELAND FOUNDATION

By: /s/ Rosanne St. Potter_____

Name: Rosanne St. Potter

Title: SVP & CFO, Cleveland Foundation

[Signature Page to Stockholders Agreement]

EXHIBIT A

JOINDER TO STOCKHOLDERS AGREEMENT

This Joinder Agreement (this "Joinder Agreement") is made as of the date written below by the undersigned (the "Joining Party") in accordance with the Stockholders Agreement dated as of November 19, 2020 (the "Stockholders Agreement") by and among Sotera Health Company and certain other persons named therein, as the same may be amended from time to time. Capitalized terms used, but not defined, herein shall have the meaning ascribed to such terms in the Stockholders Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by its execution of this Joinder Agreement, the Joining Party shall be deemed to be a party to and "Stockholder" under the Stockholders Agreement as of the date hereof and shall have all of the rights and obligations of the Stockholder from whom it has acquired Company Shares (to the extent permitted by the Stockholders Agreement) as if the Joining Party had executed the Stockholders Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Stockholders Agreement. The Joining Party hereby makes, as of the date hereof, the representations and warranties set forth in Article V of the Stockholders Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the date written below.

Date:

[NAME OF JOINING PARTY].

By: __

Name:

Title:

Address for Notices:

AGREED ON THIS __ day of _____, 20__:

SOTERA HEALTH COMPANY

By: _____

Name:

Title:

Address for Notices:

* * *

Spouse's Joinder Agreement

The undersigned, being the spouse of _____, agrees to be bound by the provisions of this Joinder Agreement, to the extent applicable to the undersigned.

By: _____

Name:

SENIOR MANAGEMENT AGREEMENT

THIS SENIOR MANAGEMENT AGREEMENT (this “Agreement”) is made as of May 21, 2020, by and among Sotera Health LLC, a Delaware limited liability company (the “Company”), and Michael P. Rutz (“Executive”). Capitalized terms used but not otherwise defined herein are defined in Section 4 hereof; provided, that if any term is not defined herein, then such term shall have the same meaning assigned to it in the LP Agreement (as defined below).

WHEREAS, the Company desires to employ Executive as Chief Operating Officer for Sterigenics U.S., LLC (“Sterigenics”) and, following the Transition (as defined below), as President, Sterigenics and Executive wishes to accept such employment; and

WHEREAS, the Company and Executive wish to enter into an agreement containing the terms and conditions pursuant to which the Company will employ Executive.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

1. Employment. The Company agrees to employ Executive, and Executive accepts such employment, for the period beginning on May 13, 2020 (or such earlier date as agreed to by the Executive and the Company, such date the “Effective Date”) and ending upon his Separation pursuant to Section 1(c) hereof (the “Employment Period”).

(a) Position; Duties; Principal Place of Employment.

(i) During the Employment Period, Executive shall serve as Chief Operating Officer for Sterigenics and, following the Transition, as President, Sterigenics and shall have the normal duties, responsibilities and authority implied by the respective position he holds during the Employment Period, including, without limitation, the responsibilities associated with the respective position and such other activities as are reasonably directed by the Chief Executive Officer of the Company.

(ii) Executive shall report to the Chief Executive Officer of the Company, and Executive shall devote his best efforts and his full business time and attention to the business and affairs of Sterigenics, the Company and its Subsidiaries. Executive will not engage in any other business, profession or occupation for compensation or otherwise which would conflict or interfere with the performance of his duties and responsibilities either directly or indirectly without the prior written consent of the Board.

(iii) Executive’s principal place of employment shall be the Company’s Oak Brook office in the greater Chicago, Illinois area. Executive acknowledges and agrees that Executive may be required to travel from time to time, as reasonably

requested by the Chief Executive Officer of the Company, in order to perform his duties under this Agreement.

(iv) The Company and Executive mutually intend and expect Executive's transition to the position of President, Sterigenics by December 31, 2020, unless earlier determined by the Chief Executive Officer of the Company, in his sole discretion (the "Transition").

(b) Salary, Bonus and Benefits.

(i) The Company will pay Executive a base salary of \$430,000 per annum (as the same may be modified from time to time in the sole discretion of the Board and shall be reviewed by the Board at least once during each fiscal year, the "Annual Base Salary"). In no event shall the Annual Base Salary be reduced outside of a reduction of base salaries applicable to all members of the Corporate Executive Council. During the Employment Period, Executive shall be eligible to earn an annual bonus (the "Annual Bonus") in respect of each fiscal year, beginning with the 2020 fiscal year, occurring during the Employment Period subject to Executive's continued employment through the payment date of the Annual Bonus, provided, that for the 2020 fiscal year, Executive's Annual Bonus will be pro-rated based on the Effective Date. The Annual Bonus will be at a target opportunity of 60% of the Annual Base Salary (the "Annual Bonus Opportunity"), as determined by the Board based upon the performance of Executive and the achievement by the Company and its Affiliates of budgetary and other objectives set by the Board after consultation with Executive (the "Performance Criteria"). The Performance Criteria shall be set no later than April 1 of each calendar year during the Employment Period.

(ii) During the Employment Period, Executive will be entitled to (A) participate in all other employee benefit plans, programs and arrangements of the Company and its Subsidiaries as may be in effect from time to time and that apply to employees of the Company and its Subsidiaries generally or to their respective senior executives, as the case may be, subject to, and on a basis consistent with, the terms, conditions and overall administration of such plans, programs and arrangements as may be in effect from time to time, (B) participate in and receive any fringe benefits and perquisites that may become available to the senior executive employees of the Company and its Subsidiaries as may be in effect from time to time and (C) reimbursement for all business-related out-of-pocket expenses in a manner consistent with the Company's business expense reimbursement policies, as may be in effect from time to time. Nothing in this Agreement shall preclude the Company from amending or terminating any such plans, programs, arrangements, perquisites or policies at any time in its sole discretion. During the Employment Period, Executive shall be entitled to 4 weeks of paid vacation per calendar year, provided, that for the calendar year in which the Effective Date occurs, Executive's vacation allowance will be pro-rated based on the Effective Date.

(iii) In connection with Executive's employment with the Company, Executive will receive a one-time lump sum cash payment equal to \$50,000 (the "Sign-

On Bonus") payable by the Company on the first payroll cycle following the Effective Date.

(iv) In connection with Executive's employment with the Company through the date of the consummation of a Sale of the Company (as defined in the LP Agreement), as soon as reasonably practicable, but not more than 30 days following the date of a Sale of the Company, Executive will receive a one-time lump sum cash payment (the "CIC Bonus"), less applicable tax withholdings, equal to \$1,500,000. For the avoidance of doubt, if Executive is not employed by the Company through the consummation of a Sale of the Company, the Executive shall not be entitled to receive the CIC Bonus.

(v) If Executive's employment with the Company is terminated (A) by Executive without Good Reason (not due to Executive's death or Disability) or (B) by the Company for Cause, in each of (A) or (B), prior to the second (2nd) anniversary of the Effective Date, Executive will, within five (5) business days of such termination, repay to the Company a pro-rata portion of the Sign-On Bonus, with such pro-rata portion equal to the full amount of the Sign-On Bonus, reduced by one twenty-fourth (1/24th) for each full month of Executive's employment with the Company.

(c) Separation.

(i) The Employment Period will continue until (A) Executive resigns his employment with or without Good Reason, (B) Executive's death or Disability or (C) Executive's employment is terminated by the Company with or without Cause. For the avoidance of doubt, the termination of the Employment Period and Executive's employment due to Executive's death or Disability shall not be considered a termination of Executive's employment without Cause. Any termination of the Employment Period and Executive's employment with the Company (other than a termination of employment due to Executive's death) shall be communicated by a written notice (the "Notice of Termination") that states the basis of such termination and is delivered to the non-terminating party, in accordance with Section 5 hereof. For purposes of this Agreement, the date of Separation shall mean (1) if the termination of Executive's employment occurs due to Executive's death, the date of Executive's death, (2) if the termination of Executive's employment occurs due to Executive's Disability, the date on which Executive receives a Notice of Termination from the Company, (3) if the termination of Executive's employment occurs due to Executive's resignation without Good Reason, the date specified in the Notice of Termination from Executive, which must be at least ninety (90) days following the date of delivery of the Notice of Termination to the Company, unless the date of Separation is accelerated by the Company to any date following delivery of the Notice of Termination by Executive, and (4) if the termination of Executive's employment occurs for any other reason, the date set forth in the Notice of Termination, provided that (x) such date must accommodate any applicable cure periods expressly provided to the parties hereunder to the extent such cure periods have not yet lapsed and (y) the parties may otherwise agree on a later date.

(ii) Within 30 days following the date of Executive's Separation for any reason, Executive will receive a cash payment equal to the sum of (A) any accrued but unpaid Annual Base Salary through the date of the Separation, (B) any accrued and unused vacation days, if any, at his per-business-day Annual Base Salary rate and (C) any unpaid business expense reimbursements due to Executive in accordance with Section 1(b) above ((A), (B) and (C) collectively, the "Accrued Obligations").

(iii) If Executive's employment is terminated by the Company without Cause or by Executive for Good Reason then during the Severance Period (as defined below), the Company shall (A) continue to pay to Executive his Annual Base Salary, payable in equal installments on the Company's regular salary payment dates as in effect on the date of Separation (the "Continued Salary") and (B) Executive shall be treated as if he had continued to be an active employee of the Company for all purposes under the Company's health insurance plans (with Executive required to pay for the employee paid portion of such health insurance coverage), provided however, that if Executive is prohibited from continuing to participate in the Company's health insurance plan as if he had continued to be an active employee of the Company and Executive timely elects COBRA continuation coverage under the Company's health insurance plans, the Company shall reimburse Executive on a monthly basis for the difference between the monthly COBRA premium paid for by Executive during the Severance Period over the amount of the monthly premium the Executive was required to pay as an active employee under the Company's health insurance plan as of his date of Separation) (the "COBRA Benefit") and collectively with the Continued Salary, the "Severance Benefits"); provided, further, that if Executive becomes re-employed with another employer that offers Executive coverage under a medical insurance plan, Executive shall be obligated to provide the Company with written notice of his new employment within 5 business days of obtaining such new employment and the Company's provision of the COBRA Benefit shall cease and the Company shall have no further obligation in connection therewith. The "Severance Period" means a period of 12 months following the date of Separation.

(iv) Notwithstanding anything herein to the contrary, (A) payment of the Severance Benefits shall commence on the sixtieth (60th) day following the date of Separation (the "Release Date") subject to Executive's execution and delivery to the Company of a general release in substantially the form of Exhibit A attached hereto (and such release being in full force and effect and having not been timely revoked in accordance with its terms) (the "Release Requirement") and (B) Executive shall be entitled to receive such Severance Benefits only so long as Executive has not breached any of the provisions of such general release or Section 2 or Section 3 hereof. If the Release Requirement is satisfied, then the portion of the Severance Benefits which would otherwise have been paid during the period between the date of Separation and the Release Date shall instead be paid as soon as reasonably practicable following the Release Date. If the Release Requirement is not satisfied as of the Release Date, Executive shall not be entitled to any Severance Benefits and the Company shall have no further obligations in connection with the Severance Benefits.

(v) Except (x) as specifically set forth in this Agreement and (y) for accrued benefits earned and vested as of Executive's date of Separation under an employee benefit plan maintained by the Company and governed by the Employee Retirement Income Security Act, including any claim to continued health coverage under COBRA, Executive covenants and agrees that Executive shall not be entitled to any other form of severance or termination payments or benefits from the Company or any of its Subsidiaries, including, without limitation, payments or benefits otherwise payable under any severance plan, program, policies, practices or arrangements of the Company or any of its Subsidiaries.

(vi) Executive agrees that in the event his employment with the Company is terminated for any reason, he will cease using and return to the Company any and all property of the Company or any of its Subsidiaries which Executive possessed or had control over at any time (including, but not limited to, company provided credit cards, building or office access cards, keys, computer equipment, cell phones or home office equipment) by no later than Executive's date of Separation.

(d) Code Section 409A Compliance.

(i) The intent of the parties is that payments and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations and guidance promulgated thereunder (collectively "Code Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on Executive by Code Section 409A or damages for failing to comply with Code Section 409A.

(ii) Notwithstanding anything herein to the contrary, (A) the Severance Benefits shall be paid only in connection with a termination of Executive's employment that constitutes a "separation from service" within the meaning of Code Section 409A and (B) if Executive is a "specified employee" as such term is defined under Code Section 409A, payment of the Severance Benefits shall be delayed for a period of six (6) months following Executive's separation of employment to the extent and up to an amount necessary to ensure such payments are not subject to the penalties and interest under Code Section 409A. If the payments are delayed as a result of the previous sentence, then on the first business day following the end of such six (6) month period (or such earlier date upon which such amount can be paid under Code Section 409A without resulting in a prohibited distribution), the Company shall pay Executive a lumpsum amount equal to the cumulative amount that would have otherwise been payable to Executive during such period.

(iii) For purposes of compliance with Code Section 409A, (A) all expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by

Executive, (B) any right to reimbursement or inkind benefits is not subject to liquidation or exchange for another benefit and (C) no such reimbursement, expenses eligible for reimbursement, or inkind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or inkind benefits to be provided, in any other taxable year.

(iv) For purposes of Code Section 409A, Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments.

(v) Notwithstanding any other provision of this Agreement to the contrary, in no event shall any payment under this Agreement that constitutes "nonqualified deferred compensation" for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

2. Confidential Information.

(a) Obligation to Maintain Confidentiality. Executive acknowledges that all information, observations and data (including trade secrets) obtained by him during the course of his employment with the Company concerning the business or affairs of the Company and its Subsidiaries and Affiliates ("Confidential Information") are the property of the Company and its Subsidiaries and Affiliates, including information concerning acquisition opportunities in or reasonably related to the Company's business or industry of which Executive becomes aware during the Employment Period. Therefore, Executive agrees that he will not disclose to any unauthorized Person or use for his own account, other than as required in the good faith performance of his duties hereunder, any Confidential Information without the Board's written consent, unless and to the extent that the Confidential Information (A) becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions to act or (B) is required to be disclosed pursuant to any applicable law or court order or pursuant to a request by a governmental entity, provided that in the event of a request described in clause (B), Executive shall (i) promptly notify the Company of the existence, terms and circumstances surrounding such a request, (ii) consult with the Company on the advisability of taking steps to resist or narrow such request, and (iii) cooperate with the Company, in its efforts to obtain an order or other reliable assurance that confidential treatment will be accorded to such portion of the Confidential Information that is required to be disclosed. Executive shall deliver to the Company at his Separation, or at any other time the Company may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies thereof) relating to the Confidential Information, Work Product (as defined below) or the business of the Company and its Subsidiaries and Affiliates (including, without limitation, all acquisition prospects, lists and contact information) which he may then possess or have under his control. Notwithstanding anything herein to the contrary, nothing in this Agreement shall (x) prohibit Executive from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934, as amended, or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of

federal law or regulation, or (y) require notification or prior approval by the Company of any reporting described in provision (x). Executive is not authorized to disclose communications with counsel that were made for the purpose of receiving legal advice or that contain legal advice or that are protected by the attorney work product or similar privilege. Furthermore, Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law or (2) in a complaint or other document filed in a lawsuit or proceeding, if such filings is made under seal.

(b) Ownership of Property. Executive acknowledges that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, processes, programs, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any Confidential Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) that relate to the Company's or any of its Subsidiaries or Affiliates' actual or anticipated business, research and development, or existing or future products or services and that are conceived, developed, contributed to, made, or reduced to practice by Executive (either solely or jointly with others) while employed by the Company or any of its Subsidiaries or Affiliates (including any of the foregoing that constitutes any proprietary information or records) ("Work Product") belong to the Company or the relevant Subsidiaries or Affiliate, and Executive hereby assigns, and agrees to assign, all of the above Work Product to the Company or to such Subsidiaries or Affiliate. Any copyrightable work prepared in whole or in part by Executive in the course of his work for any of the foregoing entities shall be deemed a "work made for hire" under the copyright laws, and the Company or any of its Subsidiaries or Affiliates shall own all rights therein. To the extent that any such copyrightable work is not a "work made for hire," Executive hereby assigns and agrees to assign to the Company or any of its Subsidiaries or Affiliates all right, title, and interest, including without limitation, copyright in and to such copyrightable work. Executive shall promptly disclose such Work Product and copyrightable work to the Company and perform all actions reasonably requested by the Company and at the Company's expense (whether during or after the Employment Period) to establish and confirm the Company's or the relevant Subsidiaries or Affiliate's ownership (including, without limitation, assignments, consents, powers of attorney, and other instruments).

(c) Third Party Information. Executive understands that the Company and its Subsidiaries and Affiliates will receive from third parties confidential or proprietary information ("Third Party Information") subject to a duty on the Company's and its Subsidiaries and Affiliates' part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the Employment Period and thereafter, and without in any way limiting the provisions of Section 2(a) above, Executive will hold Third Party Information in the strictest confidence and, except as required in the good faith performance of his duties hereunder, will not disclose to anyone (other than personnel and consultants of the Company or any of its Subsidiaries and Affiliates who need to know such information in connection with their work for the Company or any of its Subsidiaries and Affiliates) or use, except in connection with his work

for the Company or any of its Subsidiaries and Affiliates, Third Party Information unless expressly authorized by a member of the Board in writing.

(d) Use of Information of Prior Employers. During the Employment Period, Executive will not improperly use or disclose any confidential information or trade secrets, if any, of any former employers or any other Person to whom Executive has an obligation of confidentiality, and will not bring onto the premises of the Company or any of its Subsidiaries or Affiliates any unpublished documents or any property belonging to any former employer or any other Person to whom Executive has an obligation of confidentiality unless consented to in writing by the former employer or Person. Executive will use in the performance of his duties only information which is (i) generally known and used by persons with training and experience comparable to Executive's and which is (x) common knowledge in the industry or (y) is otherwise legally in the public domain, (ii) otherwise provided or developed by the Company or any of its Subsidiaries or Affiliates or (iii) in the case of materials, property or information belonging to any former employer or other Person to whom Executive has an obligation of confidentiality, approved for such use in writing by such former employer or Person. In furtherance of the foregoing, concurrently with the execution of this Agreement, Executive shall execute and deliver to the Company a certificate in the form of Exhibit B attached hereto.

3. Noncompetition; Nonsolicitation; Non-Disparagement. Executive acknowledges that in the course of his employment with the Company he will become familiar with the Company's and its Affiliates' trade secrets and with other confidential information concerning the Company and its Affiliates and that his services will be of special, unique and extraordinary value to the Company and its Affiliates. Therefore, Executive agrees that:

(a) Noncompetition.

(i) During the Employment Period and the 12-month period thereafter (such period, together with the Employment Period, is referred to herein as the "Restricted Period"), Executive shall not directly or indirectly own, manage, control, participate in, consult with, render services for, or in any manner engage in, (x) any business or enterprise that provides outsourced or contract sterilization or ionization services, microbiological or analytical laboratory testing services, or the production, processing, distribution, supply or installation of radiation sources or irradiators, from within the Restricted Territory or for any customer or other Person located in the Restricted Territory or (y) any business or enterprise that the Company or any of its Affiliates engage in during the Employment Period ((x) and (y) together, the "Business"). For purposes of this Agreement, "Restricted Territory" means the United States, Canada and each other country in which the Company or any of its Affiliates currently has, has had or has prepared or taken steps to conduct any operations, in each case, as of the date of Separation.

(ii) Nothing contained in this Section 3(a) shall prohibit Executive from (x) being a passive owner of not more than 2% of the outstanding stock of any class of a corporation that is publicly traded, so long as Executive has no active participation in the business of such corporation or (y) working for a division, entity or subgroup of any

of such companies that engages in the Business so long as neither such division, entity or subgroup nor Executive engages in the Business.

(b) Nonsolicitation.

(i) During the Restricted Period, Executive shall not directly or indirectly through another entity: (A) induce or attempt to induce any employee of the Company or any of its Affiliates to leave the employ of the Company or any of its Affiliates, or in any way interfere with the relationship between the Company or its Affiliates and any employee thereof or (B) hire any person who was an employee of the Company or any of its Affiliates within 180 days after such person ceased to be an employee of the Company or any of its Affiliates.

(ii) During the Restricted Period, Executive shall not directly or indirectly through another entity, induce or attempt to induce any customer, supplier, licensee or other business relation of the Company or any of its Affiliates to cease doing business with the Company or such Affiliates or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and the Company or such Affiliates.

(c) Mutual Non-Disparagement. Executive agrees that he will not, any time during the Employment Period and thereafter, directly or indirectly, other than in connection with the good faith performance of his duties hereunder, disparage (A) the Sponsors, (B) the Company or any of its Affiliates (the "Company Group"), (C) the business, property or assets of the Sponsors or any member of the Company Group, or (D) any of the former, current or future officers, directors, employees or shareholders of the Sponsor or any member of the Company Group. The Company agrees to instruct its executive officers not to, directly or indirectly, other than in connection with the good faith performance of their duties or exercise of their rights, disparage Executive. Nothing in this Section 3(c) shall be construed to limit the ability of any Person to disclose information and documents, or give truthful testimony, pursuant to a subpoena, court order or a government investigative matter consistent with and/or subject to and in accordance with Section 2.

(d) Enforcement. If, at the time of enforcement of Section 2 or this Section 3, a court holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum duration, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum duration, scope and area permitted by law. Because Executive's services are unique and because Executive has access to confidential information, the parties hereto agree that money damages would be an inadequate remedy for any breach of this Agreement. Therefore, in the event a breach or threatened breach of this Agreement, the Company or any of its Affiliates and/or their respective successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security).

(e) Additional Acknowledgments. Executive acknowledges that the provisions of this Section 3 are in consideration of: (i) employment with the Company, (ii) the grant of Class B Units of Topco and (iii) additional good and valuable consideration as set forth in this Agreement. In addition, Executive agrees and acknowledges that the restrictions contained in Section 2 and this Section 3 do not preclude Executive from earning a livelihood, nor do they unreasonably impose limitations on Executive's ability to earn a living. In addition, Executive acknowledges that (x) the business of the Company and its Affiliates will be conducted throughout the United States and other jurisdictions where the Company or its Affiliates conduct business during the Employment Period, (y) notwithstanding the state of organization or principal office of the Company or any of its Affiliates, or any of their respective executives or employees (including Executive), it is expected that the Company and its Affiliates will have business activities and have valuable business relationships within its industry throughout the United States, Canada and other jurisdictions where the Company or any of its Affiliates conduct business during the Employment Period and (z) as part of his responsibilities, Executive will be traveling throughout the United States, Canada and other jurisdictions where the Company or its Affiliates conduct business during the Employment Period in furtherance of the Company and its Affiliates' business and its relationships. Executive agrees and acknowledges that the potential harm to the Company and its Affiliates of the nonenforcement of any provision of Section 2 or this Section 3 outweighs any potential harm to Executive of its enforcement by injunction or otherwise. Executive acknowledges that he has carefully read this Agreement and consulted with legal counsel of his choosing regarding its contents, has given careful consideration to the restraints imposed upon Executive by this Agreement and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of the Company and its Affiliates now existing or to be developed in the future. Executive expressly acknowledges and agrees that each and every restraint imposed by this Agreement is reasonable with respect to subject matter, time period and geographical area.

GENERAL PROVISIONS

4. Definitions.

"Affiliate" means (i) with respect to any particular Person, any Person controlling, controlled by or under common control with such Person or an Affiliate of such Person, and (ii) with respect to any of the Sponsors, any general or limited partner of such Sponsor, any employee or owner of any such partner, or any other Person controlling, controlled by or under common control with such Sponsor; provided that any portfolio company of a Sponsor, other than Topco and its Subsidiaries, will not be deemed to be an Affiliate.

"Board" means the board of managers of Topco.

"Cause" means (i) Executive's intentional unauthorized use or disclosure of the confidential information or trade secrets of the Company and its Affiliates, the Sponsors or any of its Affiliates or any of their respective customers or suppliers, which use or disclosure causes or is likely to cause a Material Injury (as defined below) to any such Person, (ii) conviction of, or a plea of "guilty" or "no contest" to, a felony under the laws of the United States, Canada or any province or state thereof or the laws of any other jurisdiction in which Executive resides, (iii)

Executive's engagement in any fraud, willful misconduct or gross neglect in the performance of his duties hereunder, or in any other willful misconduct which has directly caused a Material Injury to the Company or any of its Affiliates, the Sponsors or any of their Affiliates or any of their respective customers or suppliers, (iv) Executive willfully engaging in any act or omission involving dishonesty, breach of trust, unethical business conduct or moral turpitude, in each case involving the Company or any of its Affiliates, the Sponsors or any of their Affiliates or any of their respective customers or suppliers and which act or omission causes or is demonstrably likely to cause a Material Injury to any such Person, (v) Executive's intentional failure to perform lawful assigned duties after receiving written notification from the Board and Executive's failure to correct such deficiencies within 30 days after receiving such written notification or (vi) any breach by Executive of this Agreement, including any Exhibits hereto.

"Disability" means Executive becoming disabled for purposes of the long-term disability plan of the Company for which Executive is eligible, or if no long-term disability plan exists, then, "Disability" shall mean that by virtue of ill health or other disability Executive is unable to perform substantially and continuously the duties assigned to him for more than 180 consecutive or non-consecutive days out of any consecutive 12-month period. Any question regarding the existence of Executive's Disability on which Executive and the Company cannot agree will be determined by a qualified independent physician selected by the Company, with the prior written approval of Executive, such approval not to be unreasonably withheld, which will be final and conclusive for all purposes of this Agreement.

"Good Reason" means, without Executive's consent, (i) any material reduction in Executive's title, status or authority, (ii) any material reduction of Executive's responsibilities or assignment of duties inconsistent with his position, (iii) any material reduction of (1) Executive's Annual Base Salary as set forth in Section 1(b)(i) (except for a reduction of Executive's Annual Base Salary in connection with a reduction of base salaries applicable to all members of the Corporate Executive Council), (2) the Annual Bonus Opportunity as set forth in Section 1(b)(i), (3) Executive's other compensation or (4) the aggregate value of Executive's benefits, (iv) relocation of Executive's primary place of employment to more than 50 miles from the current location, or (v) the failure of the Company to name Executive President, Sterigenics by December 31, 2020; provided that, in order for an event to constitute Good Reason for any purpose hereunder, Executive must, within 30 days after the occurrence of such event, provide the Company with written notice of his objection to such event and of his resignation, which resignation shall be effective on the 30th day following the Company's receipt of such notice (or on such other day mutually agreed upon by the Company and Executive), and, even if such notice is timely delivered, such event shall not constitute Good Reason for any purpose hereunder if substantially all detriment otherwise resulting to Executive from such action can be cured by appropriate action which the Company causes to be taken within 30 days following the Company's receipt of Executive's written notice.

"LP Agreement" means the Agreement of Limited Partnership of Sotera Health Topco Parent, L.P. dated as of October 31, 2016, as amended November 7, 2017 and August 6, 2019, and as otherwise amended from time to time pursuant to its terms.

“Material Injury” means any change, event, circumstance or effect to the business, assets (including intangible assets), capitalization, financial condition, prospects, operations or results of operations of the Company taken as a whole with its Affiliates, except to the extent that any such change, event, circumstance or effect results from changes in general economic conditions or changes affecting the industry generally in which the Company operates, that has a material adverse effect on the interests of the equityholders of the Company and its Affiliates as a whole. In the event of any dispute concerning the existence of Cause and/or Material Injury in any circumstance involving a termination of Executive and Executive claims that Cause or Material Injury did not exist, Executive will have the burden of proof by a preponderance of the evidence.

“Person” means an individual, a partnership, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, investment fund, any other business entity and a governmental entity or any department, agency or political subdivision thereof.

“Separation” means Executive ceasing to be employed by the Company and its respective Affiliates for any reason.

“Sponsor” shall have the meaning set forth in the LP Agreement.

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, association, or business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association, or other business entity (other than a corporation), a majority of partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association, or other business entity (other than a corporation) if such Person or Persons shall be allocated a majority of limited liability company, partnership, association, or other business entity gains or losses or shall be or control any managing director or general partner of such limited liability company, partnership, association, or other business entity. For purposes hereof, references to a “Subsidiary” of any Person shall be given effect only at such times that such Person has one or more Subsidiaries, and, unless otherwise indicated, the term “Subsidiary” refers to a Subsidiary of Sotera Health Topco, Inc.

“Topco” shall mean Sotera Health Topco Parent, L.P..

5. Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when (i) delivered personally to the recipient, (ii) sent to the recipient by reputable express courier service (charges prepaid), (iii) mailed to the recipient by certified or

registered mail, return receipt requested and postage prepaid or (iv) telecopied to the recipient (with hard copy sent to the recipient by reputable overnight courier service (charges prepaid) that same day) if telecopied before 5:00 p.m. CST on a business day, and otherwise on the next business day. Such notices, demands and other communications shall be sent to the parties at the addresses indicated below (or such other address or to the attention of such other Person as the recipient party shall have specified by prior written notice to the sending party):

If to Company:

Sotera Health LLC
c/o Warburg Pincus LLC
450 Lexington Avenue
New York, NY 10017
Attn: General Counsel
Facsimile No.: (212) 878-9351

with copies (which shall not constitute notice) to:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
Attn: Michael J. Albano

If to Executive, to the most recent address shown on the records of the Company.

6. General Provisions.

(a) Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

(b) Fees. The Company agrees to reimburse Executive for up to \$5,000 in attorney's fees incurred by Executive in connection with the review, negotiation and documentation of this Agreement and any related documents, including, for the avoidance of doubt, any documentation in connection with the grant of equity interests in Topco. Any such reimbursement to be paid as soon as reasonably practicable, but in no event more than thirty (30) days, following receipt by the Company of reasonable documentation evidencing such expenses, including, without limitation, appropriate invoices and time detail from the applicable service provider.

(c) Complete Agreement. This Agreement, those documents expressly referred to herein and other documents of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way, including, but not limited to, any employment, severance, bonus or similar agreements with the Company or any of its Subsidiaries or Affiliates.

(d) Clawback. Notwithstanding anything in this Agreement to the contrary, Executive acknowledges that if Topco, the Company or any of its Affiliates are required by law or the requirements of an exchange on which the Company's or any of its Affiliates' shares are listed for trading, to recoup compensation paid to Executive pursuant to this Agreement or otherwise, Executive agrees to comply with the clawback policy adopted by the Company or any of its Affiliates.

(e) No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

(f) Counterparts. This Agreement may be executed in separate counterparts (including by means of facsimile), each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

(g) Successors and Assigns. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit of and be enforceable by the Company and Executive and their respective successors and assigns. Neither the Company nor Executive may assign their rights or obligations under this Agreement to any third party without the prior written consent of the other party; provided, however, that the Company may assign this Agreement without the prior written consent of Executive in connection with a corporate reorganization, restructuring, sale, merger or other similar event.

(h) Choice of Law. The laws of the State of Delaware will govern all questions concerning the relative rights of the Company and all other questions concerning the construction, validity and interpretation of this Agreement and the exhibits hereto, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

(i) Executive's Participation. During the Employment Period and thereafter, Executive shall participate with the Company and its Affiliates in any disputes with third parties, internal investigation or administrative, regulatory or judicial proceeding as reasonably requested by the Company (including, without limitation, Executive being available to the Company upon reasonable notice for interviews and factual investigations, appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into Executive's possession, all at times and on schedules that are reasonably consistent with Executive's other permitted activities and commitments). In the event

the Company requires Executive's participation in accordance with this paragraph after the Employment Period, Executive's availability shall be subject to his other employment and/or business obligations and the Company shall reimburse Executive for reasonable travel and other outofpocket expenses actually incurred (including lodging and meals, upon submission of receipts).

(j) Arbitration. Any dispute, claim or controversy arising under or in connection with this Agreement or Executive's employment hereunder or the termination thereof shall (except to the extent otherwise provided in Section 3(d) with respect to injunctive relief) be settled exclusively by arbitration administered by the American Arbitration Association (the "AAA") and carried out in Cleveland. The arbitration shall be conducted in accordance with the AAA's Commercial Arbitration Rules in effect at the time of the arbitration (the "AAA Rules"), except as modified herein. There shall be one arbitrator mutually selected by the Company and Executive, within thirty (30) days of receipt by respondent of the demand for arbitration. If the Company and Executive cannot mutually agree on an arbitrator within thirty (30) days, then an arbitrator shall be promptly appointed by the AAA in accordance with the AAA Rules.

(i) The arbitration hearings shall (except to the extent otherwise reasonably provided by the arbitrator for good cause or as otherwise mutually agreed by the parties) commence within forty-five (45) days after the appointment of the arbitrator; the arbitration shall (except to the extent otherwise reasonably provided by the arbitrator for good cause or as otherwise mutually agreed by the parties) be completed within sixty (60) days of commencement of the hearings; and the arbitrator's award shall be made within thirty (30) days following such completion.

(ii) The arbitrator may award any form of relief permitted under this Agreement and applicable law, including damages and temporary or permanent injunctive relief, except that the arbitral tribunal is not empowered to award damages in excess of compensatory damages, and each party hereby irrevocably waives any right to recover punitive, exemplary or similar damages with respect to any dispute. The arbitrator shall have no jurisdiction to vary the express terms of this Agreement. The Company and Executive shall equally bear all costs, fees and expenses of the arbitration, provided, however, that each party shall bear its own attorney's fees. The arbitrator may award attorney's fees. The award shall be in writing and shall state the reasons for the award.

(iii) The decision rendered by the arbitrator shall be final and binding on the parties and may be entered in any court of competent jurisdiction. The parties waive, to the fullest extent permitted by law, any rights to appeal to, or to seek review of such award by, any court. The parties further agree to obtain the arbitral tribunal's agreement to preserve the confidentiality of the arbitration.

(k) Amendment and Waiver. The provisions of this Agreement may be amended and waived only with the prior written consent of the Company and Executive.

(l) Insurance. The Company, in its discretion, may apply for and procure in its own name and for its own benefit life and/or disability insurance on Executive in any amount or amounts considered available. Executive agrees to cooperate in any medical or other examination, supply any information, and to execute and deliver any applications or other instruments in writing as may be reasonably necessary to obtain and constitute such insurance. Executive hereby represents that he has no reason to believe that his life is not insurable at rates now prevailing for healthy men of his age.

(m) Business Days. If any time period for giving notice or taking action hereunder expires on a day which is a Saturday, Sunday or holiday in the state in which the Company's chief executive office is located, the time period shall be automatically extended to the business day immediately following such Saturday, Sunday or holiday.

(n) Indemnification and Reimbursement of Payments on Behalf of Executive. The Company and its Affiliates shall be entitled to deduct or withhold from any amounts owing from the Company or any of its Affiliates to Executive any federal, state, local or foreign withholding taxes, excise taxes, or employment taxes ("Taxes") imposed with respect to Executive's compensation or other payments from the Company or any of its Affiliates or Executive's ownership interest in Topco, including, without limitation, wages, bonuses, dividends, the receipt of equity and/or the receipt or vesting of restricted equity.

(o) Termination. This Agreement (except for the provisions of Sections 1(a) and 1(b)(i)-(iv)) shall survive a Separation and shall remain in full force and effect after such Separation.

(p) Delivery. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or by email via portable document format (.pdf), shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall reexecute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or email via portable document format (.pdf) to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or by email via portable document format (.pdf) as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

(q) Golden Parachute Cutback.

(i) If the aggregate of all amounts and benefits due to Executive (or his beneficiaries), under this Agreement or any plan, program, agreement or arrangement of the Company Group (or any payments, benefits or entitlements by or on behalf of any Person that effectuates a related transaction) (collectively, "Change in Control Benefits"), would cause Executive to have "parachute payments" as such term is defined in and

under Section 280G of the Code, and would result in the imposition of excise taxes pursuant to Section 4999 of the Code, Executive and the Company shall cooperate to avoid the imposition of or minimize such excise taxes, including by attempting to procure a vote in satisfaction of the shareholder approval requirements described in Treasury Regulation section 1.280G-1 Q&A7. If such a vote is not held, or if following such vote Executive nevertheless is subject to excise taxes on any Change in Control Benefits, the Company Group will reduce (or cause to be reduced) any such payments and benefits so that the Parachute Value of all Change in Control Benefits, in the aggregate, equals the Safe Harbor Amount minus \$1,000.00, but only if, by reason of such reduction, the Net After-Tax Benefit shall exceed the Net After-Tax Benefit if such reduction were not made (a “Required Reduction”). The determinations with respect to this Section 6(q)(i) shall be made by an independent auditor (the “Auditor”). The Auditor shall be a nationally-recognized United States public accounting firm chosen, and paid for, by the Company in consultation with Executive. Notwithstanding any provision to the contrary in this Agreement or in any other applicable any plan, program, agreement or arrangement of the Company Group, any Required Reduction shall be implemented as follows: first, by reducing any cash payments to be made to Executive under Section 1(c) above; second, by cancelling any outstanding equity-based compensation awards that would otherwise constitute parachute payments and third, cancelling any other payments due to Executive. In the case of the reductions to be made pursuant to each of the above-mentioned clauses, the payment and/or benefit amounts to be reduced, and the acceleration of vesting to be cancelled, shall be reduced or cancelled in the inverse order of their originally scheduled dates of payment or vesting, as applicable, and shall be so reduced (x) only to the extent that the payment and/or benefit otherwise to be paid, or the vesting of the award that otherwise would be accelerated, would be treated as a “parachute payment” within the meaning of Section 280G(b)(2)(A) of the Code, and (y) only to the extent necessary to achieve the Required Reduction.

(ii) It is possible that after the determinations and selections made pursuant to Section 6(q)(i) Executive will receive Change in Control Benefits that are, in the aggregate, either more or less than the limitations provided in Section 6(q)(i) above (hereafter referred to as an “Excess Payment” or “Underpayment”, respectively). In the event that it is determined (1) pursuant to a final and conclusive determination (x) by arbitration under Section 6(j) above, (y) by a court of competent jurisdiction, or (z) an Internal Revenue Service proceeding, or (2) by the Auditor upon request by Executive or the Companies, that an Excess Payment has been made, then Executive shall refund the Excess Payment to the Companies promptly on demand, together with an additional payment in an amount equal to the product obtained by multiplying the Excess Payment times the applicable annual federal rate (as determined in and under Section 1274 (d) of the Code), or such higher rate as is necessary to ensure that the Change in Control Benefits are less than the Safe Harbor Amount, times a fraction whose numerator is the number of days elapsed from the date of Executive’s receipt of such Excess Payment through the date of such refund and whose denominator is 365. In the event that it is determined (1) pursuant to a final and conclusive determination (x) by arbitration under Section 6(j) above, (y) by a court of competent jurisdiction, or (z) an Internal Revenue

Service proceeding, or (2) by the Auditor upon request by Executive or the Company, that an Underpayment has occurred, a member of the Company Group shall pay an amount equal to the Underpayment to Executive within ten (10) days of such determination.

(iii) All determinations made by the Auditor under this Section 6(q) shall be binding upon the Company Group and Executive and shall be made as soon as reasonably practicable following the event giving rise to the Change in Control Benefits, or such later date on which a Change in Control Benefit has been paid.

(iv) Definitions. The following terms shall have the following meanings for purposes of this Section 6(q).

(1) “Net After-Tax Benefit” shall mean the present value (as determined in accordance with Section 280G(d)(4) of the Code) of the Change in Control Benefits net of all taxes imposed on Executive with respect thereto under Sections 1 and 4999 of the Code and under applicable state and local laws, determined by applying the highest marginal rate under Section 1 of the Code and under state and local laws which applied to Executive’s taxable income for the immediately preceding taxable year, or such other rate(s) as Executive certifies is likely to apply to Executive in the relevant tax year(s).

(2) “Parachute Value” of a Change in Control Benefit shall mean the present value as of the date of the change of control for purposes of Section 280G of the Code of the portion of such Change in Control Benefit that constitutes a “parachute payment” under Section 280G(b)(2) of the Code and its implementing regulations, as determined by the Auditor for purposes of determining whether and to what extent the Parachute Tax will apply to such Change in Control Benefit.

(3) The “Safe Harbor Amount” means 2.99 times Executive’s “base amount,” within the meaning of Section 280G(b)(3) of the Code and its implementing regulations.

(r) Representations and Acknowledgements.

(i) Executive acknowledges (A) that he has read and understands the Agreement, is fully aware of its legal effect, has not acted in reliance upon any representations or promises made by the Company other than those contained in writing herein, and has entered into this Agreement freely based on his own judgment and (B) that the execution, delivery and performance of this Agreement does not violate any applicable law, regulation, order, judgment or decree and upon the execution and delivery of this Agreement by the parties, this Agreement shall be a valid and binding obligation, enforceable in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors’ rights generally.

(ii) The Company represents and warrants that (A) it is fully authorized to enter into this Agreement and to discharge the obligations set forth in it, (B) the execution, delivery and performance of this Agreement does not violate any applicable law, regulation, order, judgment or decree and (C) upon the execution and delivery of this Agreement by the parties, this Agreement shall be a valid and binding obligation, enforceable in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Senior Management Agreement on the date first above written.

SOTERA HEALTH LLC

By: /s/ Michael B. Petras, Jr. _____

Name: Michael B. Petras, Jr.

Title: Chief Executive Officer

[Signature Page to Senior Management Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Senior Management Agreement on the date first above written.

/s/ Michael P. Rutz
Michael P. Rutz

[Signature Page to Senior Management Agreement]

GENERAL RELEASE

I, Michael P. Rutz, in consideration of and subject to the performance by Sotera Health LLC, a Delaware limited liability company (together with its subsidiaries, the "Company"), of its obligations under the Senior Management Agreement, dated as of May 21, 2020 (the "Agreement"), do hereby release and forever discharge as of the date hereof the Company, the Sponsors and each of their respective Affiliates (as defined in the Agreement), and all present and former directors, officers, agents, representatives, employees, successors and assigns of the Company, the Sponsors and each of their respective Affiliates and the Company's direct and indirect owners (collectively, the "Released Parties") to the extent provided below.

1. Effective as of the date of Separation (as defined in the Agreement), I have resigned from any and all positions and titles I hold with the Released Parties.
2. I understand that other than the Accrued Obligations (as defined in the Agreement), any payments or benefits paid or granted to me under Section 1(c) of the Agreement represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the payments and benefits specified in Section 1(c) of the Agreement unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter or breach this General Release. I also acknowledge and represent that I have received all payments and benefits that I am entitled to receive (as of the date hereof) by virtue of my employment with the Company.
1. Except as provided in Section 5 below and except for the provisions of the Agreement which expressly survive the termination of my employment with the Company, I knowingly and voluntarily (for myself, my heirs, executors, administrators and assigns) release and forever discharge the Released Parties from any and all claims, suits, controversies, actions, causes of action, crossclaims, counterclaims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys' fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against any of the Released Parties which I, my spouse, or any of my heirs, executors, administrators or assigns, may have, which arise out of or are connected with my employment with, or my separation or termination from, the Company (including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy,

contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) (all of the foregoing are collectively referred to herein as the "Claims").

2. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action or other matter covered by Section 2 above.
3. I agree that this General Release does not waive or release any Claims (i) challenging that my waiver of any and all claims under the Age Discrimination in Employment Act of 1967 pursuant to this General Release is a knowing and voluntary waiver, (ii) to bring to the attention of the Equal Employment Opportunity Commission claims of discrimination; provided, however, that I do release my right to secure any damages for alleged discriminatory treatment, (iii) for accrued benefits earned and vested as of my separation from employment under an employee benefit plan maintained by any Released Party and governed by the Employee Retirement Income Security Act, including any claim to continued health coverage under COBRA, (iv) with respect to any rights I may have as a unitholder pursuant to Agreement of Limited Partnership of the Company, dated as of October 31, 2016, as amended November 7, 2017 and August 6, 2019, and as otherwise may be amended from time to time, (v) with respect to any rights I may have to indemnification as an officer of the Company and (vi) that cannot be released as a matter of law.
4. In signing this General Release, I acknowledge and intend that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to the terms of the Agreement. I further agree that in the event I should bring a Claim seeking damages against the Company, or in the event I should seek to recover against the Company in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims. I further agree that I am not aware of any pending charge or complaint of the type described in Section 2 above as of the execution of this General Release.
5. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by the Company, any Released Party or myself of any improper or unlawful conduct.
6. Except as prohibited by applicable law, I agree that I will forfeit all amounts payable by the Company pursuant to the Agreement if I challenge the validity of this General

Release. I also agree that if I violate this General Release by suing the Company or the other Released Parties for any Claims released pursuant to this General Release, I will pay all costs and expenses of defending against the suit incurred by the Released Parties, including reasonable attorneys' fees, and return all payments received by me pursuant to the Agreement.

7. I agree that this General Release is confidential and agree not to disclose any information regarding the terms of this General Release, except to my immediate family and any tax, legal or other counsel I have consulted regarding the meaning or effect hereof or as required by law, and I will instruct each of the foregoing not to disclose the same to anyone.
8. Notwithstanding anything herein to the contrary, nothing in this General Release shall (i) prohibit me from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934, as amended, or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of federal or state law or regulation, or (ii) require notification or prior approval by the Company of any reporting described in provision (i). I am not authorized to disclose communications with counsel that were made for the purpose of receiving legal advice or that contain legal advice or that are protected by the attorney work product or similar privilege. Furthermore, I shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law or (2) in a complaint or other document filed in a lawsuit or proceeding, if such filings is made under seal.
9. Any non-disclosure provision in this General Release does not prohibit or restrict me (or my attorney) from responding to any inquiry about this General Release or its underlying facts and circumstances by the Securities and Exchange Commission (SEC), the National Association of Securities Dealers, Inc. (NASD) or any other self-regulatory organization, or any governmental entity.
10. I agree not to disparage the Company, its past and present investors, officers, directors or employees or its affiliates and to keep all confidential and proprietary information about the past or present business affairs of the Company and its affiliates confidential unless a prior written release from the Company is obtained. I further agree that as of the date hereof, I have returned to the Company any and all property, tangible or intangible, relating to its business, which I possessed or had control over at any time (including, but not limited to, company-provided credit cards, building or office access cards, keys, computer equipment, manuals, files, documents, records, software, customer data base and other data) and that I shall not retain any copies, compilations, extracts, excerpts, summaries or other notes of any such manuals, files, documents, records, software, customer data base or other data.

11. Notwithstanding anything in this General Release to the contrary, this General Release shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Agreement after the date hereof.
12. I agree and acknowledge that this General Release shall be governed by Delaware law. Whenever possible, each provision of this General Release shall be interpreted in, such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or its validity and enforceability in any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

- (i) I HAVE READ IT CAREFULLY;
- (ii) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE EQUAL PAY ACT OF 1963, THE AMERICANS WITH DISABILITIES ACT OF 1990; AND THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED;
- (iii) I VOLUNTARILY CONSENT TO EVERYTHING IN IT;
- (iv) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;
- (v) I HAVE HAD AT LEAST 21 DAYS FROM THE DATE OF MY RECEIPT OF THIS RELEASE SUBSTANTIALLY IN ITS FINAL FORM ON _____, _____ TO CONSIDER IT, AND THE CHANGES MADE SINCE THE _____, _____ VERSION OF THIS RELEASE ARE NOT MATERIAL AND WILL NOT RESTART THE REQUIRED 21DAY PERIOD;
- (vi) THE CHANGES TO THE AGREEMENT SINCE _____, _____ EITHER ARE NOT MATERIAL OR WERE MADE AT MY REQUEST.
- (vii) I UNDERSTAND THAT I HAVE SEVEN DAYS AFTER THE EXECUTION OF THIS RELEASE TO REVOKE IT AND THAT THIS RELEASE SHALL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED;

- (viii) I HAVE SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY AND WITH THE ADVICE OF ANY COUNSEL RETAINED TO ADVISE ME WITH RESPECT TO IT; AND
- (ix) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY ME.

DATE: __ __

Michael P. Rutz

**REPRESENTATIONS REGARDING
THIRD PARTY CONFIDENTIAL INFORMATION**

I, Michael P. Rutz (“Executive”), as a condition to, and in consideration of, my employment at Sotera Health LLC (“Employer”), a subsidiary of Sotera Health Topco Parent, L.P. (the “Parent”), represents, warrants and acknowledges the following:

1. My acceptance of employment with the Company and the performance of my duties hereunder (x) will not conflict with or result in a violation of, a breach of, or a default under, any contract, agreement or understanding to which I am a party or am otherwise bound and (y) will not violate any non-solicitation, non-competition or other similar covenant or agreement of a prior employer.

2. I understand and acknowledge that the Parent, Employer, and their subsidiaries respect the confidential information and trade secrets of other entities. I acknowledge that Parent has informed me that neither it, Employer or any of their subsidiaries want, nor intend to willingly use, confidential information and/or trade secrets that are the property of a third party.

3. I will not disclose to Parent, Employer or any of their subsidiaries any confidential, proprietary or trade secret information of other entities. I will not bring to Parent, Employer or any of their subsidiaries, nor will I provide to Parent, Employer or any of their subsidiaries, copies of any documents, electronic media or tangible things that contain or refer to confidential, proprietary or trade secret information that is the property of any other party that is now or hereafter in my possession, unless consented to in writing by such other party.

4. My acknowledgement of Parent’s, Employer’s and their subsidiaries’ respect for third party confidential information includes, but is not limited to, the following representations:

i. I do not possess any confidential information that belonged to a prior employer, whether that confidential information was ever: (i) in my possession as a hard copy document; (ii) on a work, home or laptop computer; (iii) on a blackberry, PDA or cell phone; or (iv) on an external hard drive, thumb drive or any other piece of external media that permits the storage of electronic or hard copy information, in each of (i) – (iii), unless such possession of confidential information was consented to in writing by a prior employer.

ii. I have not provided, and, except as consented to in writing by a prior employer, will not provide any confidential information to Parent, Employer or any of their subsidiaries that belonged to a prior employer, regardless of whether such confidential information was: (i) in my possession as a hard copy document; (ii) on a work, home or laptop computer; (iii) on a blackberry, PDA or cell phone; (iv) on an external hard drive, thumb drive or any other piece of external media that permits the storage of electronic or hard copy information; or (v) in my mind prior to my employment with Employer.

I make these representations and agreements this 21 day of May, 2020.

/s/ Michael P. Rutz
Michael P. Rutz

INCREMENTAL FACILITY AMENDMENT TO FIRST LIEN CREDIT AGREEMENT, dated as of December 17, 2020 (this "Amendment"), is made and entered into by and among SOTERA HEALTH COMPANY, a Delaware corporation ("Holdings"), SOTERA HEALTH HOLDINGS, LLC, a Delaware limited liability company (the "Borrower"), each of the entities listed under the caption "Incremental Amendment Revolving Lenders" on the signature pages hereto (each, an "Incremental Amendment Revolving Lender" and, collectively, the "Incremental Amendment Revolving Lenders"), Jefferies Finance LLC, as Administrative Agent (solely in such capacity, the "Administrative Agent"), each Issuing Bank (as defined in the Credit Agreement) and, for purposes of Sections 7 and 9 hereof only, the other Loan Parties as of the date hereof.

RECITALS:

WHEREAS, reference is made to the First Lien Credit Agreement dated as of December 13, 2019 (as amended, supplemented or otherwise modified to the date hereof, the "Credit Agreement"), by and among Holdings, the Borrower, the lenders from time to time party thereto and the Administrative Agent;

WHEREAS, it is intended that the Borrower will obtain an Incremental Revolving Commitment Increase for general corporate purposes of the Borrower and its subsidiaries and to fund any working capital needs (the "Transactions");

WHEREAS, subject to the terms and conditions of the Credit Agreement, and pursuant to Section 2.20 of the Credit Agreement, the Borrower has requested that (a) the Incremental Amendment Revolving Lenders provide an Incremental Revolving Commitment Increase in an aggregate principal amount of \$157,500,000.00 (the "Incremental Amendment Revolving Commitment Increase") (b) the Incremental Amendment Revolving Lenders provide Letter of Credit Sublimits in an aggregate principal amount of \$103,600,000 (the "Incremental Amendment LC Commitments") and (c) the Credit Agreement be amended in the manner provided for herein; and

WHEREAS, (a) the Incremental Amendment Revolving Lenders are willing to provide the Incremental Amendment Revolving Commitment Increase and (b) the Incremental Amendment Revolving Lenders are willing to provide the Incremental Amendment LC Commitments, in each case, to the Borrower on the Incremental Amendment Effective Date (as defined below) and the parties hereto wish to amend the Credit Agreement on the terms and subject to the conditions set forth herein and in the Credit Agreement.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. *Defined Terms; Interpretation; Etc.* Capitalized terms used and not defined herein shall have the meanings assigned to such terms in the Credit Agreement. This Amendment is an "Incremental Facility Amendment" and a "Loan Document", each as defined in the Credit Agreement.

SECTION 2. *Amendments.* Subject to the occurrence of the Incremental Amendment Effective Date (as defined below):

(a) The preliminary statements to the Credit Agreement are hereby amended by inserting the following new paragraph at the end thereof: “The Borrower has requested that the Lenders extend credit to the Borrower in the form of \$157,500,000 million in Amendment No. 1 Revolving Commitment Increase on the Amendment No. 1 Effective Date.”

(b) Section 1.01 of the Credit Agreement is hereby amended by inserting in appropriate alphabetical order the following new definitions:

“**Amendment No. 1**” means Incremental Amendment No. 1 to this Agreement dated as of December 17, 2020.

“**Amendment No. 1 Effective Date**” means December 17, 2020, the date of effectiveness of Amendment No. 1.

“**Amendment No. 1 Revolving Commitment Increase**” means the obligation of each Incremental Amendment Revolving Lender (as defined in Amendment No. 1) to provide Incremental Revolving Commitments to the Borrower on the Amendment No. 1 Effective Date in an aggregate principal amount equal to \$157,500,000.

“**Citigroup Letter of Credit Sublimit**” means an amount equal to \$14,800,000.00. Letters of Credit issued pursuant to the Citigroup Letter of Credit Sublimit will be issued by Citibank, N.A. in its capacity as an “Issuing Bank”.

“**Citizens Letter of Credit Sublimit**” means an amount equal to \$8,222,222.22. Letters of Credit issued pursuant to the Citizens Letter of Credit Sublimit will be issued by Citizens Bank, N.A.. in its capacity as an “Issuing Bank”.

“**Credit Suisse Letter of Credit Sublimit**” means an amount equal to \$23,020,000.00. Letters of Credit issued pursuant to the Credit Suisse Letter of Credit Sublimit will be issued by Credit Suisse AG, Cayman Islands Branch in its capacity as an “Issuing Bank”.

“**Goldman Sachs Letter of Credit Sublimit**” means an amount equal to \$23,020,000.00. Letters of Credit issued pursuant to the Goldman Sachs Letter of Credit Sublimit will be issued by Goldman Sachs Bank USA in its capacity as an “Issuing Bank”.

“**Jefferies Letter of Credit Sublimit**” means an amount equal to \$13,155,555.55. Letters of Credit issued pursuant to the Jefferies Letter of Credit Sublimit will be issued by Jefferies Finance LLC in its capacity as an “Issuing Bank”.

“**Keybank Letter of Credit Sublimit**” means an amount equal to \$16,444,444.44. Letters of Credit issued pursuant to the Keybank Letter of Credit Sublimit will be issued by KeyBank National Association in its capacity as an “Issuing Bank”.

(c) The definition of “Issuing Bank” is hereby amended by replacing it in its entirety with:

“Issuing Bank” means each of (a) Citibank, N.A., (b) Citizens Bank, N.A., (c) Credit Suisse AG, Cayman Islands Branch (provided that Credit Suisse AG, Cayman Islands Branch shall only be required to issue standby Letters of Credit), (d) Goldman Sachs Bank USA, (e) Jefferies Finance LLC (provided that Jefferies Finance LLC shall only be required to issue standby Letters of Credit denominated in U.S. Dollars and will cause any Letters of Credit issued pursuant to the Jefferies Letter of Credit Sublimit to be issued by unaffiliated financial institutions and such Letters of Credit shall be treated as issued by Jefferies Finance LLC for all purposes under the Loan Documents), (f) JPMorgan Chase Bank, N.A., (g) KeyBank National Association, (h) Royal Bank of Canada (provided that Royal Bank of Canada shall only be required to issue standby Letters of Credit) and (i) each Revolving Lender that shall have become an Issuing Bank hereunder as provided in Section 2.05(k) (other than any Person that shall have ceased to be an Issuing Bank as provided in Section 2.05(l)), each in its capacity as an issuer of Letters of Credit hereunder. Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates or branches of such Issuing Bank, in which case the term “Issuing Bank” shall include any such Affiliate or such branch with respect to Letters of Credit issued by such Affiliate or such branch.

(d) The definition of “JPM Letter of Credit Sublimit” is hereby amended by replacing it in its entirety with the following:

“**JPM Letter of Credit Sublimit**” means an amount equal to \$79,933,333.33. Letters of Credit issued pursuant to the JPM Letter of Credit Sublimit will be issued by JPMorgan Chase Bank, N.A.. in its capacity as an “Issuing Bank”.

(e) The definition of “Letter of Credit Sublimit” is hereby amended by replacing it in its entirety with the following:

“**Letter of Credit Sublimit**” means the sum of the Citigroup Letter of Credit Sublimit, the Citizens Letter of Credit Sublimit, the Credit Suisse Letter of Credit Sublimit, the Goldman Sachs Letter of Credit Sublimit, the Jefferies Letter of Credit Sublimit, the JPM Letter of Credit Sublimit, the KeyBank Letter of Credit Sublimit and the RBC Letter of Credit Sublimit. The Letter of Credit Sublimit is part of and not in addition to the aggregate Revolving Commitments.

(f) The definition of “Revolving Commitment” is hereby amended by replacing it in its entirety with the following:

“**Revolving Commitment**” means, with respect to each Lender, the commitment, if any, of such Lender to make Revolving Loans and to acquire participations in Letters of Credit and Swingline Loans hereunder, expressed as an amount representing the maximum possible aggregate amount of such

Lender's Revolving Exposure hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08 and (b) reduced or increased from time to time pursuant to (i) assignments by or to such Lender pursuant to an Assignment and Assumption, Incremental Facility Amendment, (ii) a Refinancing Amendment, (iii) an Incremental Revolving Commitment Increase, (iv) (without duplication of the foregoing clause (iii)) the Amendment No. 1 Revolving Commitment Increase, (v) a Loan Modification Agreement or (vi) an Additional/Replacement Revolving Commitment. The initial amount of each Lender's Revolving Commitment is set forth on Schedule 2.01(A), with respect to the Amendment No. 1 Revolving Commitment Increase, Schedule I of Amendment No. 1, or, in each case, in the Assignment and Assumption, Loan Modification Agreement or Refinancing Amendment pursuant to which such Lender shall have assumed its Revolving Commitment, as the case may be. As of the Effective Date, the initial aggregate amount of the Lenders' Revolving Commitments is \$190,000,000. As of the Amendment No. 1 Effective Date, the aggregate amount of the Lenders' Revolving Commitments is \$347,500,000.

(g) The fourth sentence of Section 2.05(b) is hereby amended by replacing it with the following:

“A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of any Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension, (i) subject to Section 9.04(b)(ii), the Applicable Fronting Exposure of each Issuing Bank shall not exceed its Revolving Commitment, (ii) the aggregate Revolving Exposures shall not exceed the aggregate Revolving Commitments and (iii) (r) the aggregate LC Exposure of Citibank, N.A. shall not exceed the Citigroup Letter of Credit Sublimit, (s) the aggregate LC Exposure of Citizens Bank, N.A. shall not exceed the Citizens Letter of Credit Sublimit, (t) the aggregate LC Exposure of Credit Suisse AG, Cayman Islands Branch shall not exceed the Credit Suisse Letter of Credit Sublimit, (u) the aggregate LC Exposure of Goldman Sachs Bank USA shall not exceed the Goldman Sachs Letter of Credit Sublimit, (v) the aggregate LC Exposure of Jefferies Finance LLC shall not exceed the Jefferies Letter of Credit Sublimit, (w) the aggregate LC Exposure of JPMorgan Chase Bank, N.A. shall not exceed the JPM Letter of Credit Sublimit, (x) the aggregate LC Exposure of KeyBank National Association shall not exceed the Keybank Letter of Credit Sublimit, (y) the aggregate LC Exposure of Royal Bank of Canada shall not exceed the RBC Letter of Credit Sublimit and (z) the aggregate LC Exposure shall not exceed the Letter of Credit Sublimit. Letters of Credit will be available to be issued up to an aggregate face amount not to exceed the Letter of Credit Sublimit.”

SECTION 3. Incremental Revolving Commitment Increase. (a) Each Incremental Amendment Revolving Lender hereby agrees, severally and not jointly, to make an Incremental Amendment Revolving Commitment Increase to the Borrower on the Incremental Amendment Effective Date in an aggregate principal amount equal to the amount set forth opposite such Incremental Amendment Revolving Lender's name on Schedule I attached hereto, on the terms set forth herein and in the Credit

Agreement (as amended hereby), and subject to the conditions set forth below. The Incremental Amendment Revolving Commitment Increase is an “Incremental Revolving Commitment Increase” as contemplated by Section 2.20 of the Credit Agreement and shall be deemed to be “Revolving Commitments” as defined in the Credit Agreement (as amended hereby) for all purposes of the Credit Agreement and the other Loan Documents having terms and provisions identical to those applicable to the Revolving Commitments outstanding on the date hereof immediately prior to the Incremental Amendment Effective Date (the “Existing Revolving Commitments”) except as otherwise set forth in this Amendment. The Incremental Amendment Revolving Commitment Increase shall be incurred pursuant to clause II(a) of the definition of “Incremental Cap” in accordance with Section 2.20(a).

(a) The Incremental Amendment Revolving Commitment Increase will constitute an Incremental Revolving Commitment Increase to the Existing Revolving Commitments and will, together with the Existing Revolving Commitments, be treated as one Class of Revolving Commitments.

(b) Each Incremental Amendment Revolving Lender that is an Additional Revolving Lender (i) confirms that a copy of the Credit Agreement and the other applicable Loan Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment and make an Incremental Revolving Commitment Increase and an Incremental Amendment LC Commitment, have been made available to such Incremental Amendment Revolving Lender; (ii) agrees that it will (together with any affiliates that it acts through as it deems appropriate), independently and without reliance upon the Administrative Agent or Jefferies Finance LLC in its capacity as the Administrative Agent, or any other Lender or agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement or the other applicable Loan Documents, including this Amendment; (iii) appoints and authorizes the Administrative Agent and the Collateral Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to the Administrative Agent and the Collateral Agent, as the case may be, by the terms thereof, together with such powers as are reasonably incidental thereto; and (iv) acknowledges and agrees that upon the Incremental Amendment Effective Date (as defined below) (x) such Incremental Amendment Revolving Lender shall be a “Lender” and an “Additional Revolving Lender” under, and for all purposes of, the Credit Agreement and the other Loan Documents, and shall be subject to and bound by the terms thereof, and shall perform all the obligations of and shall have all rights of a Lender and an Additional Revolving Lender thereunder and (y) such Incremental Amendment Revolving Lender shall be an “Issuing Bank” under, and for all purposes of, the Credit Agreement and the other Loan Documents, and shall be subject to and bound by the terms thereof, and shall perform all the obligations and have all the rights of an Issuing Bank thereunder.

(c) To the extent their respective consent is required under Section 9.04(b) of the Credit Agreement, each of the First Lien Administrative Agent, the Borrower and each Issuing Bank hereby consents to the identity of the Incremental Amendment Revolving Lenders.

(d) On the Incremental Amendment Effective Date, each Revolving Lender that is not an Incremental Amendment Revolving Lender (each, a “Non-Increasing Revolving Lender”) will automatically and without further act be deemed to have assigned to each Incremental Amendment Revolving Lender, and each such Incremental Amendment Revolving Lender will automatically and without further act be deemed to have assumed, a portion of the participations in outstanding Letters of Credit under the Credit Agreement of such Non-Increasing Revolving Lender such that, after giving effect to each such deemed assignment and assumption of participations, the participations under the Credit Agreement in Letters of Credit will be held by the Revolving Lenders pro rata in accordance with their Applicable Percentages.

SECTION 4. ***Type of Amendments.*** The Borrower, the Administrative Agent and the Issuing Banks hereby agree that all amendments set forth herein are, in the reasonable opinion of the Administrative Agent, the Borrower and the Issuing Banks, necessary to effectuate the provisions of Section 2.20 of the Credit Agreement.

SECTION 5. ***Conditions Precedent to the Incremental Revolving Commitment Increase.*** This Amendment, and each Incremental Amendment Revolving Lender’s obligation to provide (i) the Incremental Amendment Revolving Commitment Increase and the (ii) Incremental Amendment LC Commitments, in each case, pursuant to this Amendment, shall become effective as of the date on which the following conditions precedent are satisfied or waived (such date, the “Incremental Amendment Effective Date”):

(a) The Administrative Agent (or its counsel) shall have received from Holdings, the Borrower, each other Loan Party and each Incremental Amendment Revolving Lender and each other Issuing Bank either (i) a counterpart of this Amendment signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include facsimile or other electronic transmission of a signed counterpart of this Amendment) that such party has signed a counterpart of this Amendment.

(b) The Administrative Agent shall have received a written opinion (addressed to the Administrative Agent, the Incremental Amendment Revolving Lenders and each other Issuing Bank and dated the Incremental Amendment Effective Date) of each of (i) Cleary Gottlieb Steen & Hamilton LLP, New York counsel for the Loan Parties and (ii) Richards, Layton & Finger, P.A., Delaware counsel for the Loan Parties, in each case in form and substance reasonably satisfactory to the Administrative Agent.

(c) The Administrative Agent shall have received a certificate of each Loan Party, dated the Incremental Amendment Effective Date, in form and substance reasonably satisfactory to the Administrative Agent, executed by any Responsible Officer of such Loan Party and including or attaching the documents or certifications, as applicable, referred to in paragraph (d) of this Section below.

(d) The Administrative Agent shall have received (i) as to each Loan Party, either (x) a copy of each Organizational Document of such Loan Party certified, to the extent applicable, as of a recent date by the applicable

Governmental Authority or (y) written certification by such Loan Party's secretary, assistant secretary or other Responsible Officer that such Loan Party's Organizational Documents most recently certified and delivered to the Administrative Agent prior to the Incremental Amendment Effective Date pursuant to the Loan Documents remain in full force and effect on the Incremental Amendment Effective Date without modification or amendment since such original delivery, (ii) as to each Loan Party, either (x) signature and incumbency certificates of the Responsible Officers of such Loan Party executing the Loan Documents to which it is a party or (y) written certification by such Loan Party's secretary, assistant secretary or other Responsible Officer that such Loan Party's signature and incumbency certificates most recently delivered to the Administrative Agent prior to the Incremental Amendment Effective Date pursuant to the Loan Documents remain true and correct as of the Incremental Amendment Effective Date, (iii) copies of resolutions of the board of directors and/or similar governing bodies of each Loan Party approving and authorizing the execution, delivery and performance of the Loan Documents to which it is a party, certified as of the Incremental Amendment Effective Date by a secretary, an assistant secretary or a Responsible Officer of such Loan Party as being in full force and effect without modification or amendment, and (iv) a good standing certificate (to the extent such concept exists) from the applicable Governmental Authority of each Loan Party's jurisdiction of incorporation, organization or formation as of a reasonably recent date.

(e) The Administrative Agent shall have received a certificate from the chief financial officer of the Borrower certifying as to the solvency of the Borrower and its Subsidiaries on a consolidated basis after giving effect to the Transactions, substantially in the form of Exhibit P of the Credit Agreement.

(f) The Administrative Agent shall have received (i) for the account of the Revolving Lenders the commitment fees accrued pursuant to Section 2.12(a) of the Credit Agreement to but excluding the Incremental Effective Date and (ii) for the account of the Revolving Lenders the participation fees with respect to participations in Letters of Credit accrued pursuant to Section 2.12(b) of the Credit Agreement to but excluding the Incremental Effective Date.

(g) The Borrower shall have paid, to the extent invoiced at least one Business Day prior to the Incremental Amendment Effective Date, all reasonable and documented out-of-pocket expenses (including reasonable and documented fees, charges and disbursements of counsel (subject to Section 8 below)) required to be reimbursed or paid on or prior to the Incremental Amendment Effective Date.

(h) The Administrative Agent shall have received, at least three Business Days prior to the Incremental Amendment Effective Date, all documentation and other information about the Borrower and the other Loan Parties as shall have been reasonably requested in writing at least ten Business Days prior to the Incremental Amendment Effective Date by the Administrative Agent that they shall have reasonably determined is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including without limitation the USA PATRIOT Act.

(i) Each of the representations set forth in Section 6 of this Amendment shall be true and correct.

(j) The Borrower shall not have any Revolving Loans outstanding on the Incremental Amendment Effective Date.

The Administrative Agent shall notify Holdings, the Borrower, the Lenders and the Issuing Banks of the Incremental Amendment Effective Date, and such notice shall be conclusive and binding.

SECTION 6. **Representations and Warranties.** The Borrower hereby represents and warrants that:

(a) As of the Incremental Amendment Effective Date, the representations and warranties of each Loan Party set forth in the First Lien Loan Documents shall be true and correct in all material respects on and as of the date of the Incremental Amendment Effective Date; provided that, in each case, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; provided further that, in each case, any representation and warranty that is qualified as to “materiality,” “Material Adverse Effect” or similar language shall be true and correct in all respects on the date of such credit extension or on such earlier date, as the case may be.

(b) As of December 17, 2020, (i) no Default or Event of Default shall have occurred and be continuing and (ii) the Borrower shall have been in Pro Forma Compliance with the Financial Performance Covenant for the Test Period then last ended.

SECTION 7. **Reaffirmation of Guarantees and Security Interests.** Each Loan Party hereby acknowledges its receipt of a copy of this Amendment and its review of the terms and conditions hereof and consents to the terms and conditions of this Amendment and the transactions contemplated hereby, including any extension of credit under the Incremental Amendment Revolving Commitment Increase. Each Loan Party hereby (a) affirms and confirms its guarantees, pledges, grants and other undertakings under the Credit Agreement and the other Loan Documents to which it is a party, (b) agrees that (i) each Loan Document to which it is a party shall continue to be in full force and effect and (ii) all guarantees, pledges, grants and other undertakings thereunder shall continue to be in full force and effect and shall accrue to the benefit of the Secured Parties, including the Incremental Amendment Revolving Lenders, and (c) acknowledges that from and after the date hereof, the Incremental Amendment Revolving Commitment Increase and the Incremental Amendment LC Commitment from time to time outstanding shall be deemed to be Secured Obligations.

SECTION 8. **Expenses; Indemnity; Damage Waiver.** Sections 9.03(a), (b), (d), (e), (f) and (g) of the Credit Agreement are hereby incorporated, *mutatis mutandis*, by reference as if such Sections were set forth in full herein.

SECTION 9. **Miscellaneous.**

(a) **Notice.** For purposes of the Credit Agreement, the initial notice address of each Incremental Amendment Revolving Lender shall be as set forth below its signature below.

(b) **Tax Forms.** Each Incremental Amendment Revolving Lender shall have delivered to the Administrative Agent and the Borrower such forms, certificates or other evidence with respect to United States federal income tax withholding matters as such Incremental Amendment Revolving Lender may be required to deliver to the Administrative Agent and the Borrower pursuant to Section 2.17(f) of the Credit Agreement.

(c) **[Reserved].**

(d) **Amendment, Modification and Waiver.** This Amendment may not be amended nor may any provision hereof be waived except pursuant to a writing signed by each of the parties hereto.

(e) **Entire Agreement.** This Amendment, the Credit Agreement (as amended hereby) and the other Loan Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof.

(f) **Governing Law.** This Amendment shall be construed in accordance with and governed by the laws of the State of New York.

(g) **Jurisdiction.** Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Amendment, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in any Loan Document shall affect any right that the Administrative Agent, any Incremental Amendment Revolving Lender or the Issuing Banks may otherwise have to bring any action or proceeding relating to this Amendment against Holdings or the Borrower or their respective properties in the courts of any jurisdiction.

(h) **Waiver of Objection to Venue and Forum Non Conveniens.** Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Amendment in any court referred to in Section 9(g) above. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(i) **Consent to Service of Process.** Each party to this Amendment irrevocably consents to service of process in the manner provided for notices in Section 9.01 of the Credit Agreement. Nothing in any Loan Document will affect the right of any party to this Amendment to serve process in any other manner permitted by law.

(j) **WAIVER OF JURY TRIAL.** EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AMENDMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

(k) **Severability.** Any term or provision of this Amendment which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Amendment or affecting the validity or enforceability of any of the terms or provisions of this Amendment in any other jurisdiction. If any provision of this Amendment is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

(l) **Counterparts.** This Amendment may be executed in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof. Any signature to this Amendment may be delivered by facsimile, electronic mail (including pdf) or any electronic signature complying with the U.S. federal ESIGN Act of 2000 or the New York Electronic Signature and Records Act or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes to the fullest extent permitted by applicable law. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Amendment. Each of the parties hereto represents and warrants to the other parties hereto that it has the corporate capacity and authority to execute this Amendment through electronic means and there are no restrictions for doing so in that party's constitutive documents.

(m) **Headings.** The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

(n) ***Continued Effectiveness.*** Notwithstanding anything contained herein, the terms of this Amendment are not intended to and do not serve to effect a novation as to the Credit Agreement. The parties hereto expressly do not intend to extinguish the Credit Agreement. Instead, it is the express intention of the parties hereto to reaffirm the indebtedness created under the Credit Agreement which is secured by the Collateral and the Liens and guarantees thereunder. The Credit Agreement (as amended hereby) and each of the Loan Documents remain in full force and effect.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

SOTERA HEALTH HOLDINGS, LLC,
as Borrower

By: /s/ Scott J. Leffler
Name: Scott J. Leffler
Title: Chief Financial Officer and Treasurer

SOTERA HEALTH COMPANY,
as Holdings

By: /s/ Scott J. Leffler
Name: Scott J. Leffler
Title: Chief Financial Officer and Treasurer

[Signature Page to Incremental Facility Amendment]

Jefferies finance llc, as Administrative Agent

By: /s/ Paul Chisholm
Name: Paul Chisholm
Title: Managing Director

[Signature Page to Incremental Facility Amendment]

JP MORGAN CHASE BANK, N.A., as an Incremental Amendment
Revolving Lender and Issuing Bank

By: /s/ Dawn Lee Lum
Name: Dawn Lee Lum
Title: Executive Director

[Signature Page to Incremental Facility Amendment]

ROYAL BANK OF CANADA, as an Issuing Bank

By: /s/ Diana Lee
Name: Diana Lee
Title: Authorized Signatory

[Signature Page to Incremental Facility Amendment]

CITIBANK, N.A., as an Incremental Amendment Revolving
Lender and Issuing Bank

By: /s/ Stanislav Andreev
Name: Stanislav Andreev
Title: Vice President

[Signature Page to Incremental Facility Amendment]

CITIZENS BANK, N.A., as an
Incremental Amendment Revolving Lender and Issuing Bank

By: Matthew /s/
Kuchta _____ Name:
Matthew Kuchta
SVP Title:

[Signature Page to Incremental Facility Amendment]

CREDIT SUISSE AG, CAYMAN
ISLANDS BRANCH, as an Incremental Amendment Revolving Lender
and Issuing Bank

By: Whitney /s/
Gaston

Name:

Whitney Gaston

Title:

Authorized Signatory

By: Andrew /s/
Griffin

Name:

Andrew Griffin

Title:

Authorized Signatory

[Signature Page to Incremental Facility Amendment]

GOLDMAN SACHS BANK USA, as an
Incremental Amendment Revolving Lender and Issuing Bank

By: Rebecca /s/
Kratz _____ Name:
Rebecca Kratz
Authorized Signatory Title:

[Signature Page to Incremental Facility Amendment]

KEYBANK NATIONAL ASSOCIATION,
as an Incremental Amendment Revolving Lender and Issuing Bank

By: Matthew D. Dunson /s/ D. Dunson
Name: Matthew D. Dunson
Title: Vice President

[Signature Page to Incremental Facility Amendment]

With respect only to Section 7 and Section 9:

Sotera Health LLC
Sterigenics U.S., LLC
Nelson Laboratories, LLC
Sotera Health Services, LLC

By: /s/ Scott J. Leffler
Name: Scott J. Leffler
Title: Chief Financial Officer and Treasurer

[Signature Page to Incremental Facility Amendment]

With respect only to Section 7 and Section 9:

Nelson Laboratories Holdings, LLC
Nelson Laboratories Fairfield Holdings, LLC

By: /s/ Bruce T. Krarup
Name: Bruce T. Krarup
Title: Vice President, Treasurer and Secretary

[Signature Page to Incremental Facility Amendment]

With respect only to Section 7 and Section 9:

Sterigenics Radiation Technologies Holdings, LLC
Sterigenics Radiation Technologies, LLC
Iotron Industries USA Inc.

By: /s/ Matthew D. Shimkus
Name: Matthew D. Shimkus
Title: Vice President, Treasurer and Secretary

[Signature Page to Incremental Facility Amendment]

Schedule I

As of the Incremental Amendment Effective Date:

<u>Incremental Amendment Revolving Lender</u>	<u>Incremental Revolving Commitment Increase</u>
Credit Suisse AG, Cayman Islands Branch	\$35,000,000.00
KeyBank National Association	\$25,000,000.00
Citibank, N.A.	\$22,500,000.00
Goldman Sachs Bank USA	\$35,000,000.00
Jefferies Finance LLC	\$20,000,000.00
Citizens Bank, N.A.	\$12,500,000.00
JPMorgan Chase Bank, N.A.	\$7,500,000.00
Total:	\$157,500,000.00

REFINANCING AMENDMENT TO FIRST LIEN CREDIT AGREEMENT, dated as of January 20, 2021 (this "Amendment"), is made and entered into by and among Sotera Health Company, a Delaware corporation ("Holdings"), Sotera Health Holdings, LLC, a Delaware limited liability company (the "Borrower"), each of the entities listed under the caption "Refinancing Lenders" on the signature pages hereto (each, a "Refinancing Lender" and, collectively the "Refinancing Lenders"), each of the Revolving Lenders party to the Credit Agreement, as listed under the caption "Revolving Lenders" on the signature pages hereto, and Jefferies Finance LLC ("Jefferies Finance"), as First Lien Administrative Agent (solely in such capacity, the "First Lien Administrative Agent") and as First Lien Collateral Agent (solely in such capacity, the "First Lien Collateral Agent").

RECITALS:

WHEREAS, reference is made to the First Lien Credit Agreement dated as of December 13, 2019 (as amended by the Incremental Facility Amendment to First Lien Credit Agreement, dated as of December 17, 2020, and as otherwise amended, supplemented or otherwise modified and as in effect immediately prior to the Refinancing Closing Date (as defined below), the "Credit Agreement"), by and among Holdings, the Borrower, the lenders from time to time party thereto and the First Lien Administrative Agent (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, subject to the terms and conditions of the Credit Agreement, and pursuant to Section 2.21 of the Credit Agreement, the Borrower has requested that (a) the Refinancing Lenders make term loans in an aggregate principal amount of \$1,763,100,000 for the purposes of refinancing all of the outstanding Term Loans under the Credit Agreement (the "Refinancing"), and the Refinancing Lenders are willing to provide such term loans on the terms and conditions set forth in this Amendment and (b) the Credit Agreement be amended in the manner provided herein (the transactions described in this paragraph, collectively, the "Transactions");

WHEREAS, the Refinancing Lenders are willing to provide the Refinancing Loans (as defined below) to the Borrower on the Refinancing Closing Date (as defined below) and the parties hereto wish to amend the Credit Agreement on the terms and subject to the conditions set forth herein and in the Credit Agreement;

WHEREAS, in connection with the making of the Refinancing Loans on the Refinancing Closing Date, it is expected that the Refinancing Arranger (as defined below) will fund the making of the Refinancing Loans (as defined below) in cash; and

WHEREAS, in connection with this Amendment, the Borrower and the Lenders party hereto (together constituting the Required Lenders) are willing to acknowledge the resignation by Jefferies Finance as First Lien Administrative Agent, First Lien Collateral Agent and Swingline Lender and appoint JPMorgan Chase Bank, N.A. ("JPMorgan") to act as the Successor Agent (as defined below) under the First Lien Loan Documents, in each case, effective as of the Successor Agent Appointment Date (as defined below).

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Each Refinancing Lender hereby commits, severally and not jointly, to provide term loans (the "Refinancing Loans") to the Borrower on the Refinancing Closing Date in an aggregate principal amount equal to the amount set forth opposite such Refinancing Lender's name on Schedule I

attached hereto, on the terms set forth herein and in the Credit Agreement (as amended hereby), and subject to the conditions set forth below. The Refinancing Loans are “Other First Lien Term Loans” as contemplated by Section 2.21 of the Credit Agreement and shall be deemed to be “Term Loans” as defined in the Credit Agreement (as amended hereby) for all purposes of the Credit Agreement and the other First Lien Loan Documents. To the extent not previously paid, all Refinancing Loans shall be due and payable on the Term Maturity Date.

2. Each Refinancing Lender (i) confirms that a copy of the Credit Agreement and the other applicable First Lien Loan Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment and make a Refinancing Loan, have been made available to such Refinancing Lender; (ii) agrees that it will, independently and without reliance upon the First Lien Administrative Agent, J.P. Morgan Securities LLC in its capacity as the lead arranger and bookrunner with respect to this Amendment (the “Refinancing Arranger”), or any other Lender or agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement or the other applicable First Lien Loan Documents, including this Amendment; (iii) appoints and authorizes the First Lien Administrative Agent and the First Lien Collateral Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other First Lien Loan Documents as are delegated to the First Lien Administrative Agent and the First Lien Collateral Agent, as the case may be, by the terms thereof, together with such powers as are reasonably incidental thereto; and (iv) acknowledges and agrees that upon the Refinancing Closing Date such Refinancing Lender shall be a “Lender” and an “Additional Term Lender” under, and for all purposes of, the Credit Agreement and the other First Lien Loan Documents, and shall be subject to and bound by the terms thereof, and shall perform all the obligations of and shall have all rights of a Lender and an Additional Term Lender thereunder.

3. Each Refinancing Lender hereby agrees to make its respective Refinancing Loans on the following terms and conditions. Each Refinancing Lender and Revolving Lender approves the amendments set for in this Amendment:

(a) [intentionally omitted]

(b) Borrowing; Applicable Rate. The Refinancing Loans shall be made as a single Borrowing on the Refinancing Closing Date. The “Applicable Rate” as defined in the Credit Agreement with respect to the Refinancing Loans shall be a percentage per annum equal to (i) 1.75% in the case of ABR Loans and (ii) 2.75% in the case of Eurodollar Loans. Unless previously terminated, the commitments of the Refinancing Lenders pursuant to Section 1 shall terminate upon the making of the Refinancing Loans on the Refinancing Closing Date.

(c) Original Issue Discount. Refinancing Loans will be funded to the Borrower on the Refinancing Closing Date at par.

(d) Repricing Soft-Call Premium. In the event that, on or prior to the six month anniversary of the Refinancing Closing Date, the Borrower (x) makes any prepayment of Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement (as amended hereby) resulting in a Repricing Transaction, the Borrower shall pay to the First Lien Administrative Agent, for the ratable account of each of the applicable Term Lenders, (I) a prepayment premium of 1.00% of the principal amount of the Term Loans being prepaid in connection with such Repricing Transaction and (II) in the case of clause (y), an amount equal to 1.00% of the aggregate amount of the

applicable Term Loans outstanding immediately prior to such amendment that are subject to an effective pricing reduction pursuant to such amendment.

(e) Repayment of Initial Term Loans. The Initial Term Loans, together with any accrued interest and other amounts owing with respect thereto, shall be repaid or paid, as applicable, with the proceeds of the Refinancing Loans, together with cash on hand of the Borrower, immediately following the funding of the Refinancing Loans on the Refinancing Closing Date.

(f) Other Terms and Conditions. Annex I hereto sets forth additional terms, conditions and agreements applicable to this Amendment and the Refinancing Loans. The date on which (x) the First Lien Administrative Agent shall have received a counterpart signature page of this Refinancing Amendment duly executed by Holdings, the Borrower, each other Loan Party (as to the Acknowledgement (as defined in Annex I)), the Refinancing Lenders, the Revolving Lenders and the First Lien Administrative Agent and (y) the conditions specified in Section II of Annex I are satisfied (or waived in accordance with Section 4) shall be referred to as the "Refinancing Closing Date".

(g) Additional Amendments. Subject to the occurrence of the Refinancing Closing Date and the consummation of the Refinancing, the Borrower, the First Lien Administrative Agent, the Refinancing Lenders (which, upon the consummation of the Refinancing, together with the Revolving Lenders shall constitute the Required Lenders) and the Revolving Lenders agree that the Credit Agreement is hereby amended by deleting the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and adding the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Credit Agreement, as amended hereby, attached as Exhibit A hereto.

(h) Credit Agreement Governs. Except as set forth in this Amendment (including Annex I hereto), the Refinancing Loans shall otherwise be subject to the provisions of the Credit Agreement and the other First Lien Loan Documents.

(i) Representations. Each of Holdings and the Borrower represents and warrants that:

(i) the representations and warranties of each Loan Party set forth in the First Lien Loan Documents are and shall be true and correct in all material respects on and as of the Refinancing Closing Date; *provided* that, to the extent that such representations and warranties specifically refer to an earlier date, they are and shall be true and correct in all material respects as of such earlier date; *provided further* that any representation and warranty that is qualified as to materiality, "Material Adverse Effect" or similar language is and shall be true and correct in all respects on the Refinancing Closing Date or on such earlier date, as the case may be; and

(ii) at the time of and immediately after giving effect to the Refinancing Loans, no Default or Event of Default shall have occurred and be continuing.

(j) Notices. For purposes of the Credit Agreement, the initial notice address of each Refinancing Lender shall be as set forth below its signature below.

(k) Tax Forms. Each Refinancing Lender shall have delivered to the First Lien Administrative Agent and the Borrower such forms, certificates or other evidence with respect to United States federal income tax withholding matters as such Refinancing Lender may be required to deliver to First Lien Administrative Agent and the Borrower pursuant to Section 2.17(f) of the Credit Agreement.

(l) Recordation of the Refinancing Loans. Upon execution and delivery hereof, and the funding of the Refinancing Loans, the First Lien Administrative Agent will record in the Register the Refinancing Loans made by each Refinancing Lender.

(m) Borrower Consent to Assignments. Pursuant to Section 9.04(b)(i)(A) of the Credit Agreement (as amended hereby), no consent of the Borrower shall be required for an assignment by any Joint Lead Arranger (or its Affiliate) to the extent that an assignment by such Joint Lead Arranger (or such Affiliate) is made in the primary syndication of the Refinancing Loans to Eligible Assignees to whom the Borrower has consented or to any other Joint Lead Arranger (or its Affiliate).

(n) Consent to First Lien Administrative Agent Resignation and Appointment.

(i) Jefferies Finance hereby provides notice to the Lenders, the Issuing Banks and the Borrower of its intention to resign as First Lien Administrative Agent, First Lien Collateral Agent and Swingline Lender effective as of the Successor Agent Appointment Date. The Borrower and the Lenders party hereto (together constituting the Required Lenders) hereby (x) acknowledge the resignation by Jefferies Finance as First Lien Administrative Agent, First Lien Collateral Agent and Swingline Lender effective as of the Successor Agent Appointment Date,

(y) consent to this Amendment being deemed as the notice of resignation by Jefferies Finance required pursuant to Section 8.06 of the Credit Agreement as of the Successor Agent Appointment Date and (z) waive any applicable notice periods required pursuant to the Credit Agreement.

(ii) Pursuant to Section 8.06 of the Credit Agreement, each Lender party hereto (together constituting the Required Lenders) hereby appoints JPMorgan to act as the successor First Lien Administrative Agent, First Lien Collateral Agent and Swingline Lender (in such capacity, the "Successor Agent") under the First Lien Loan Documents, in each case, effective as of the Successor Agent Appointment Date. As of the Successor Agent Appointment Date, the Successor Agent will accept the appointment to act as the successor First Lien Administrative Agent, First Lien Collateral Agent and Swingline Lender under the First Lien Loan Documents pursuant to the Successor Agent Agreement (as defined below). The Lenders party hereto (together constituting the Required Lenders) and the Borrower each (y) agree that such appointment of the Successor Agent and the acceptance thereof by the Successor Agent are effective under the First Lien Loan Documents and binding on each of the parties hereto and such consent is the consent required pursuant to Section 8.06 of the Credit Agreement and (z) waive any applicable notice periods required pursuant to the Credit Agreement. Each of the parties hereto agrees to execute all documents reasonably necessary to evidence the appointment of the Successor Agent as the successor First Lien Administrative Agent, First Lien Collateral Agent and Swingline Lender.

(iii) The Lenders party hereto (together constituting the Required Lenders) acknowledge that the definitive resignation of Jefferies Finance as First Lien Administrative Agent, First Lien Collateral Agent and Swingline Lender under the First Lien Loan Documents and JPMorgan's appointment as Successor Agent in such capacities will be reflected in a Resignation, Consent and Appointment Agreement (or similar document) (the "Successor Agent Agreement") to be reasonably negotiated in good faith among the Borrower, JPMorgan and Jefferies Finance. The effectiveness of Jefferies Finance's resignation as First Lien Administrative Agent, First Lien Collateral Agent and Swingline Lender under the First Lien Loan Documents and JPMorgan's appointment as Successor Agent in such capacities will be the day of effectiveness of the Successor Agent Agreement (such date, the "Successor Agent Appointment Date"). The Lenders party hereto (together constituting the Required Lenders)

hereby consent to the execution by the Borrower, the other Loan Parties, Jefferies Finance, as First Lien Administrative Agent, First Lien Collateral Agent and Swingline Lender, and JPMorgan, as the Successor Agent, of the Successor Agent Agreement and the effectiveness of the foregoing without the need to obtain the further consent of any Lender. The Lenders party hereto (together constituting the Required Lenders) acknowledge and agree that the Successor Agent Agreement may include amendments, restatements, supplements, modifications or waivers to the Credit Agreement or one or more of the other First Lien Loan Documents deemed reasonably necessary or appropriate by the Borrower, Jefferies Finance and JPMorgan to effectuate the purpose of the Successor Agent Agreement, and the Lenders party hereto (together constituting the Required Lenders) consent to such amendments, restatements, supplements, modifications and waivers without the need to obtain the further consent of any Lender.

(iv) For the avoidance of doubt, the parties hereto acknowledge and agree that Jefferies Finance shall remain as Issuing Bank and shall retain all rights and obligations as Issuing Bank under the Credit Agreement and JPMorgan shall have no rights or obligation as Issuing Bank under the Credit Agreement other than those rights and obligations that JPMorgan had as Issuing Bank under the Credit Agreement immediately prior to the occurrence of the Successor Agent Appointment Date.

4. Amendment, Modification and Waiver. This Amendment may not be amended nor may any provision hereof be waived except pursuant to a writing signed by each of the parties hereto.

5. Entire Agreement. This Amendment, the Credit Agreement and the other First Lien Loan Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof.

6. Expenses; Indemnity; Damage Waiver. Sections 9.03(a), (b), (d), (e), (f) and (g) of the Credit Agreement are hereby incorporated, *mutatis mutandis*, by reference as if such Sections were set forth in full herein. The terms and conditions of Sections 9.03(a), (b), (d), (e), (f) and (g) of the Credit Agreement shall apply, *mutatis mutandis*, to the Refinancing Arranger, in its capacity as such, as if each reference to the First Lien Administrative Agent under the Credit Agreement were a reference to the Refinancing Arranger hereunder, including, for the avoidance of doubt, liabilities, losses, damages, claims, costs, expenses and disbursements arising out of the arrangement and syndication of the Incremental Term Loans; provided that, notwithstanding anything else therein, such expense reimbursement provisions of Section 9.03(a) of the Credit Agreement shall only apply as provided hereinabove if the Refinancing Closing Date occurs.

7. Governing Law; Jurisdiction; Waiver of Objection to Venue and Forum Non- Conveniens; Consent to Service of Process.

(a) This Amendment shall be construed in accordance with and governed by the laws of the State of New York.

(b) Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Amendment, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the

parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in any First Lien Loan Document shall affect any right that the First Lien Administrative Agent or any Refinancing Lender may otherwise have to bring any action or proceeding relating to this Amendment against Holdings or the Borrower or their respective properties in the courts of any jurisdiction.

(c) Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Amendment in any court referred to in Section 7(b) above. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Amendment irrevocably consents to service of process in the manner provided for notices in Section 9.01 of the Credit Agreement. Nothing in any First Lien Loan Document will affect the right of any party to this Amendment to serve process in any other manner permitted by law.

8. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AMENDMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

9. Severability. Any term or provision of this Amendment which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Amendment or affecting the validity or enforceability of any of the terms or provisions of this Amendment in any other jurisdiction. If any provision of this Amendment is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

10. Counterparts.

(a) This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Amendment constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Amendment shall become effective when it shall have been executed by the First Lien Administrative Agent and when the First Lien Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(b) Delivery of an executed counterpart of a signature page of this Amendment, that is an Electronic Signature (as defined below) transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require the First Lien Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the First Lien Administrative Agent has agreed to accept any Electronic Signature, the First Lien Administrative Agent and each of the Lenders (including the Refinancing Lenders) shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Borrower or any other Loan Party without further verification thereof and without any obligation to review the appearance or form of any such Electronic signature and (ii) upon the request of the First Lien Administrative Agent or any Lender (including any Refinancing Lender), any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Borrower hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the First Lien Administrative Agent, the Lenders (including the Refinancing Lenders), and the Borrower, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Amendment, any other First Lien Loan Document and/or any other document signed in connection with this Amendment and the transactions contemplated thereby, shall have the same legal effect, validity and enforceability as any paper original, and (ii) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Amendment, any other First Lien Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Amendment, such other First Lien Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto. “Electronic Signature” means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

11. First Lien Loan Document. This Amendment constitutes a “Refinancing Amendment” and a “First Lien Loan Document”, each as defined in the Credit Agreement, for all purposes of the Credit Agreement and the other First Lien Loan Documents.

12. Continued Effectiveness. Notwithstanding anything contained herein, the terms of this Amendment (including the Acknowledgment) are not intended to and do not serve to effect a novation as to the Credit Agreement. The parties hereto expressly do not intend to extinguish the Credit Agreement. Instead, it is the express intention of the parties hereto to reaffirm the indebtedness created under the Credit Agreement which is secured by the Collateral and the Liens and guarantees thereunder. The Credit Agreement (as amended hereby) and each of the First Lien Loan Documents remain in full force and effect.

13. Headings. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Amendment as of the date first written above.

REFINANCING LENDERS:

JPMORGAN CHASE BANK, N.A., as a Refinancing Lender and
Revolving Lender

By: /s/ Dawn Lee Lum _____

Name: Dawn Lee Lum

Title: Executive Director

[*Sotera – Refinancing Amendment*]

Consented to by:

JEFFERIES FINANCE LLC,

as First Lien Administrative Agent, First Lien Collateral Agent and
Revolving Lender

By: /s/ Paul Chisholm

Name: Paul Chisholm

Title: Managing Director

By: _____

Name:

Title:

[Sotera – Refinancing Amendment]

CREDIT SUISSE AG, CAYMAN ISLANDS BANK,
as Revolving Lender

By: /s/ Whitney Gaston

Name: Whitney Gaston

Title: Authorized Signatory

By: /s/ Nawshaer Safi

Name: Nawshaer Safi

Title: Authorized Signatory

[*Sotera – Refinancing Amendment*]

GOLDMAN SACHS BANK USA,
as Revolving Lender

By: /s/ Charles Johnston

Name: Charles Johnston

Title: Authorized Signatory

[Sotera – Refinancing Amendment]

BARCLAYS BLANK PLC,
as Revolving Lender

By: /s/ Ronnie Glenn

Name: Ronnie Glenn

Title: Director

[Sotera – Refinancing Amendment]

CITIBANK, N.A.,
as Revolving Lender

By: /s/ Stanislav Andreev

Name: Stanislav Andreev

Title: Vice President

[Sotera – Refinancing Amendment]

ROYAL BANK OF CANADA,
as Revolving Lender

By: /s/ Diana Lee
Name: Diana Lee
Title: Authorized Signatory

[Sotera – Refinancing Amendment]

BNP PARIBAS,
as Revolving Lender

By: /s/ Charles Romano

Name: Charles Romano

Title: Director

By: /s/ Yung Wu

Name: Yung Wu

Title: Vice President

[Sotera – Refinancing Amendment]

CITIZENS BANK, N.A.,
as Revolving Lender

By: /s/ Matthew Kuchta

Name: Matthew Kuchta

Title: SVP

[*Sotera – Refinancing Amendment*]

KEYBANK NATIONAL ASSOCIATION,
as Revolving Lender

By: /s/ Matthew D. Dunson

Name: Matthew D. Dunson

Title: Vice President

ING CAPITAL LLC,
as Revolving Lender

By: /s/ Yael Hayim

Name: Yael Hayim

Title: Director

By: /s/ Roy De Jongh

Name: Roy De Jongh

Title: Vice President

[Sotera – Refinancing Amendment]

PSP INVESTMENTS CREDIT USA LLC,
as Revolving Lender

By: /s/ Alyssa Roland

Name: Alyssa Roland

Title: Authorized Signatory

By: /s/ Kerry Dolan

Name: Kerry Dolan

Title: Authorized Signatory

[Sotera – Refinancing Amendment]

ACKNOWLEDGMENT

Each of the undersigned Loan Parties hereby acknowledges its receipt of a copy of this Amendment and its review of the terms and conditions hereof and consents to the terms and conditions of this Amendment and the Transactions contemplated hereby, including the extension of credit in the form of Refinancing Loans. Each Loan Party hereby (a) affirms and confirms its guarantees, pledges, grants and other undertakings under the Credit Agreement and the other First Lien Loan Documents to which it is a party, (b) agrees that (i) each First Lien Loan Document to which it is a party shall continue to be in full force and effect and (ii) all guarantees, pledges, grants and other undertakings thereunder shall continue to be in full force and effect and shall accrue to the benefit of the Secured Parties, including the Refinancing Lenders, and (c) acknowledges that from and after the date hereof, all Refinancing Loans from time to time outstanding shall be deemed to be Secured Obligations.

[Remainder of page left intentionally blank]

[Sotera – Refinancing Amendment]

Sotera Health LLC
Sterigenics U.S., LLC
Nelson Laboratories, LLC
Sotera Health Services, LLC

/s/ Scott J. Leffler

Name: Scott J. Leffler
Title: Chief Financial Officer and Treasurer

Nelson Laboratories Holdings, LLC
Nelson Laboratories Fairfield Holdings, LLC

/s/ Bruce T. Krarup

Name: Bruce T. Krarup
Title: Vice President, Treasurer and Secretary

Sterigenics Radiation Technologies Holdings, LLC
Sterigenics Radiation Technologies, LLC
Sterigenics Radiation Technologies IN, Inc.

/s/ Matthew D. Shimkus

Name: Matthew D. Shimkus
Title: Vice President, Treasurer and Secretary

[Signature Page to Sotera Refinancing Amendment Acknowledgement]

SCHEDULE I TO
REFINANCING AMENDMENT

<u>Refinancing Lender</u>	<u>Type of Commitment</u>	<u>Principal Amount</u>
JPMorgan Chase Bank, N.A.	Term Loan Commitments	\$1,763,100,000

OTHER TERMS AND CONDITIONS

I. Additional Representations and Warranties.

To induce the Refinancing Lenders to enter into this Amendment and to make the Refinancing Loans pursuant to Section 2.21 of the Credit Agreement, Holdings and the Borrower hereby represent and warrant as of the Refinancing Closing Date that:

1. Corporate Power; Authorization; Enforceable Obligations.

(a) Each Loan Party has the corporate or other organizational power and authority to execute, deliver and perform its obligations under this Amendment (including the Acknowledgment thereof attached hereinabove (the "Acknowledgment")) and, in the case of the Borrower, to borrow the Refinancing Loans under the Credit Agreement. Each Loan Party has taken all necessary corporate or other action to authorize the execution, delivery and performance of this Amendment and, in the case of the Borrower, to authorize the Refinancing Loans on the terms and conditions of this Amendment.

(b) This Amendment (including the Acknowledgment) has been duly authorized, executed and delivered on behalf of each Loan Party. This Amendment (including the Acknowledgment) constitutes a legal, valid and binding obligation of each Loan Party, enforceable against each such Loan Party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity (regardless of whether considered in a proceeding in equity or law) and the implied covenants of good faith and fair dealing.

2. No Legal Bar. The execution, delivery and performance of this Amendment (including the Acknowledgment) by each Loan Party and the borrowing of the Refinancing Loans and the use of the proceeds thereof (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect, (b) will not violate (i) the Organizational Documents of, or (ii) any Requirements of Law applicable to, Holdings, any Intermediate Parent, the Borrower or any Restricted Subsidiary, (c) will not violate or result in a default under any indenture or other agreement or instrument binding upon Holdings, any Intermediate Parent, the Borrower or any Restricted Subsidiary or their respective assets, or give rise to a right thereunder to require any payment, repurchase or redemption to be made by Holdings, any Intermediate Parent, the Borrower or any Restricted Subsidiary, or give rise to a right of, or result in, termination, cancellation or acceleration of any obligation thereunder and (d) will not result in the creation or imposition of any Lien on any asset of Holdings, any Intermediate Parent, the Borrower or any Restricted Subsidiary (other than Liens created under the First Lien Loan Documents) except (in the case of each of clauses (a), (b)(ii) and (c) of this paragraph) to the extent that the failure to obtain or make such consent, approval, registration, filing or action, or such violation, default or right, as the case may be, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

3. Solvency. The Borrower and its Subsidiaries are (when taken as a whole on a consolidated basis), and immediately after giving effect to the making of the Refinancing Loans and the repayment of the Initial Term Loans will be, solvent (as determined in the manner contemplated by Section 3.14 of the Credit Agreement).

II. Conditions to the Refinancing Closing Date.

In addition to the other conditions set forth in this Amendment and in Section 2.21 of the Credit Agreement (as applicable), the agreement of each Refinancing Lender to (x) make its Refinancing Loan on the Refinancing Closing Date and (y) amend the Credit Agreement in the manner as provided herein is subject to the satisfaction of the following conditions precedent:

(a) The First Lien Administrative Agent shall have received a written opinion (addressed to the First Lien Administrative Agent and the Lenders and dated the Refinancing Closing Date) of (i) Cleary Gottlieb Steen & Hamilton LLP, New York counsel for the Loan Parties and (ii) Richards, Layton & Finger, P.A., Delaware counsel for the Loan Parties, in each case in form and substance reasonably satisfactory to the First Lien Administrative Agent. Each of Holdings and the Borrower hereby requests such counsel to deliver such opinion.

(b) The First Lien Administrative Agent shall have received a certificate of each Loan Party, dated the Refinancing Closing Date, in form and substance reasonably satisfactory to the First Lien Administrative Agent, executed by any Responsible Officer of such Loan Party and including or attaching the documents or certifications, as applicable, referred to in paragraph (c) of this Section below.

(c) The First Lien Administrative Agent shall have received (i) as to each Loan Party, either (x) a copy of each Organizational Document of such Loan Party certified, to the extent applicable, as of a recent date by the applicable Governmental Authority or (y) written certification by such Loan Party's secretary, assistant secretary or other Responsible Officer that such Loan Party's Organizational Documents most recently certified and delivered to the First Lien Administrative Agent prior to the Refinancing Closing Date pursuant to the First Lien Loan Documents remain in full force and effect on the Refinancing Closing Date without modification or amendment since such original delivery, (ii) as to each Loan Party, either (x) signature and incumbency certificates of the Responsible Officers of such Loan Party executing the First Lien Loan Documents to which it is a party or (y) written certification by such Loan Party's secretary, assistant secretary or other Responsible Officer that such Loan Party's signature and incumbency certificates most recently delivered to the First Lien Administrative Agent prior to the Refinancing Closing Date pursuant to the First Lien Loan Documents remain true and correct as of the Refinancing Closing Date, (iii) copies of resolutions of the board of directors and/or similar governing bodies of each Loan Party approving and authorizing the execution, delivery and performance of the First Lien Loan Documents to which it is a party, certified as of the Refinancing Closing Date by a secretary, an assistant secretary or a Responsible Officer of such Loan Party as being in full force and effect without modification or amendment, and (iv) a good standing certificate (to the extent such concept exists) from the applicable Governmental Authority of each Loan Party's jurisdiction of incorporation, organization or formation as of a reasonably recent date.

(d) The First Lien Administrative Agent shall have received a Borrowing Request with respect to the Refinancing Loans not later than 12:00p.m., New York City time, one Business Day before the Refinancing Closing Date and otherwise in accordance with the requirements of Section 2.03 of the Credit Agreement.

(e) The First Lien Administrative Agent or the Refinancing Arranger, as applicable, shall have received all fees and other amounts (which may, at the First Lien Administrative Agent's option in consultation with the Borrower and the Refinancing Arranger, be offset against, or paid directly with proceeds of, the Refinancing Loans made on the Refinancing Closing Date) previously agreed in writing by the First Lien Administrative Agent or the Refinancing Arranger, as applicable, and the Borrower to be due and payable on or prior to the Refinancing Closing Date, including, to the extent invoiced at least two Business Days prior to the Refinancing Closing Date, reimbursement or payment of

all out-of-pocket expenses (including reasonable fees, charges and disbursements of counsel) required to be reimbursed or paid by any Loan Party.

(f) The First Lien Administrative Agent shall have received a certificate from the chief financial officer of the Borrower certifying as to the solvency of the Borrower and its Subsidiaries on a consolidated basis after giving effect to the Transactions, substantially in the form of Exhibit P to the Credit Agreement.

(g) Each of the representations set forth in Section 2(i) of this Amendment shall be true and correct.

(g) The First Lien Administrative Agent and the Refinancing Arranger shall have received, at least three Business Days prior to the Refinancing Closing Date, all documentation and other information about the Borrower and the other Loan Parties as shall have been reasonably requested in writing at least ten Business Days prior to the Refinancing Closing Date by the First Lien Administrative Agent or the Refinancing Arranger that they shall have reasonably determined is required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including without limitation the USA PATRIOT Act.

EXHIBIT A

Please see attached.

“Additional Lender” means any Additional Revolving Lender or any Additional Term Lender, as applicable.

“Additional/Replacement Revolving Commitment” has the meaning assigned to such term in Section 2.20(a).

“Additional Revolving Lender” means, at any time, any bank, financial institution or other institutional lender or investor (other than any natural person) or any Person that would be an Affiliated Lender that agrees to provide any portion of any (a) Incremental Revolving Commitment Increase or Additional/Replacement Revolving Commitments pursuant to an Incremental Facility Amendment in accordance with Section 2.20 or (b) Credit Agreement Refinancing Indebtedness in the form of Other Revolving Commitments pursuant to a Refinancing Amendment in accordance with Section 2.21; provided that each Additional Revolving Lender shall be subject to the approval of the First Lien Administrative Agent (and, if such Additional Revolving Lender will provide an Incremental Revolving Commitment Increase or any Additional/Replacement Revolving Commitment, each Issuing Bank and the Swingline Lender), in each case only if such consent would be required under Section 9.04(b) for an assignment of Revolving Loans or Revolving Commitments, as applicable, to such bank, financial institution or other institutional lender or investor (such approval in each case not to be unreasonably withheld, conditioned or delayed) and the Borrower.

“Additional Term Lender” means, at any time, any bank, financial institution or other institutional lender or investor (other than any natural person) or any Person that would be an Affiliated Lender that agrees to provide any portion of any (a) First Lien Incremental Term Loans pursuant to an Incremental Facility Amendment in accordance with Section 2.20 or (b) Credit Agreement Refinancing Indebtedness in the form of Other First Lien Term Loans or Other First Lien Term Commitments pursuant to a Refinancing Amendment in accordance with Section 2.21; provided that each Additional Term Lender shall be subject to the approval of the First Lien Administrative Agent if such consent would be required under Section 9.04(b) for an assignment of Term Loans or Term Commitments, as applicable, to such bank, financial institution or other institutional lender or investor (such approval in each case not to be unreasonably withheld, conditioned or delayed) and the Borrower.

“Adjusted BA Rate” means, with respect to any Eurodollar Borrowing denominated in Canadian Dollars for any Interest Period, an interest rate per annum equal to (i) the BA Rate for such Interest Period multiplied by (ii) the Statutory Reserve Rate; provided that, with respect to the Term Loans only, the Adjusted BA Rate for any Interest Period shall not be less than 1.00% per annum.

“Adjusted EURIBOR” means, with respect to any Eurodollar Borrowing denominated in Euros for any Interest Period, an interest rate per annum equal to (i) EURIBOR for such Interest Period multiplied by (ii) the Statutory Reserve Rate.

“Adjusted LIBO Rate” means, with respect to any Eurodollar Borrowing denominated in ~~Dollars or an Alternative~~ any Agreed Currency (other than Canadian Dollars or Euros) for any Interest Period, an interest rate per annum equal to (i) the LIBO Rate for such Interest Period multiplied by (ii) the Statutory Reserve Rate; provided that, with respect to the Term Loans only, the Adjusted LIBO Rate for any Interest Period shall not be less than ~~1.00~~ 0.50% per annum.

“Administrative Questionnaire” means an administrative questionnaire in a form supplied by the First Lien Administrative Agent.

“Affected Class” has the meaning specified in Section 2.24(a).

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to a specified Person, another Person that directly or indirectly Controls or is Controlled by or is under common Control with the Person specified. For purposes of this Agreement

and the other First Lien Loan Documents, Jefferies LLC and its Affiliates shall be deemed to be Affiliates of Jefferies Finance LLC and its Affiliates.

“Affiliated Debt Fund” means any Affiliated Lender that is a bona fide diversified debt fund primarily engaged in, or that advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course.

“Affiliated Lender” means, at any time, any Lender that is an Investor, a Sponsor, or an Affiliate of an Investor or a Sponsor (other than Holdings, the Borrower or any of their respective Subsidiaries) at such time, to the extent that such Investor, such Sponsor, or the Affiliates of an Investor or a Sponsor constitute an Affiliate of Holdings, the Borrower or their respective Subsidiaries.

“Agent” means the First Lien Administrative Agent, the First Lien Collateral Agent, each Joint Lead Arranger and any successors and assigns of the foregoing in such capacity, and “Agents” means two or more of them.

“Agent Parties” has the meaning given to such term in Section 9.01(c).

“Agreed Currencies” means Dollars and each Alternative Currency.

“Agreement” has the meaning given to such term in the preliminary statements hereto. “Agreement Currency” has the meaning assigned to such term in Section 9.17.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the ~~Federal Funds Effective~~NYFRB Rate in effect on such day plus $\frac{1}{2}$ of ~~1.00~~1% and (c) the Adjusted LIBO Rate for ~~the applicable Loan~~ a one month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) ~~for a deposit in Dollars with a maturity of one month plus 1.00~~1%; provided that, ~~solely for purposes of the foregoing purpose of this definition,~~ the Adjusted LIBO Rate for any day shall be ~~calculated using the LIBO Rate based on the rate per annum determined by the First Lien Administrative Agent by reference to the ICE Benchmark Administration Interest Settlement Rates (as set forth by any service selected by the First Lien Administrative Agent that has been nominated by the ICE Benchmark Administration Limited (or any Person which takes over the administration of that rate) as an authorized information vendor for the purpose of displaying such rates) (the “ICE LIBOR”) as published by Reuters (or such other commercially available source providing quotations of ICE LIBOR as may be designated by the First Lien Administrative Agent from time to time) on such day~~ LIBO Screen Rate (or if the LIBO Screen Rate is not available for such one month Interest Period, the LIBO Interpolated Rate) at approximately 11:00 a.m. (London time) ~~for a deposit in Dollars with a maturity of one month. If the First Lien Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate or the Adjusted LIBO Rate for any reason, including the inability or failure of the First Lien Administrative Agent to obtain sufficient quotations in accordance with the terms of the definition of Federal Funds Effective Rate, the Alternate Base Rate shall be determined without regard to clause (b) or (c), as applicable, of the preceding sentence until the circumstances giving rise to such inability no longer exist on such day.~~ Any change in the Alternate Base Rate due to a change in the Prime Rate, the ~~Federal Funds Effective~~NYFRB Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the ~~Federal Funds Effective~~NYFRB Rate or the Adjusted LIBO Rate, respectively. Notwithstanding the foregoing, with respect to the Term Loans only, the Alternate Base Rate will be deemed to be 0.00% per annum if the Alternate Base Rate calculated pursuant to the foregoing provisions would otherwise be less than 0.00% per annum.

“Alternative Currency” means Canadian Dollars, Euros, Sterling and each other currency (other than Dollars) that is requested by the Borrower and approved in accordance with Section 1.07.

“Alternative Currency Equivalent” means, ~~at any time, with respect to any amount denominated~~ for any amount of any Alternative Currency, at the time of determination thereof, (a) if such amount is

expressed in such Alternative Currency, such amount and (b) if such amount is expressed in Dollars, the equivalent of such amount thereof in the applicable in such Alternative Currency as determined by the First Lien Administrative Agent or the relevant Issuing Bank, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent LC Revaluation Date or other applicable date of determination) using the rate of exchange for the purchase of such Alternative Currency with Dollars. last provided (either by publication or otherwise provided to the First Lien Administrative Agent) by the applicable Reuters source on the Business Day (New York City time) immediately preceding the date of determination or if such service ceases to be available or ceases to provide a rate of exchange for the purchase of such Alternative Currency with Dollars, as provided by such other publicly available information service which provides that rate of exchange at such time in place of Reuters chosen by the First Lien Administrative Agent in its sole discretion (or if such service ceases to be available or ceases to provide such rate of exchange, the equivalent of such amount in Dollars as determined by the First Lien Administrative Agent using any method of determination it deems appropriate in its sole discretion).

“Applicable Account” means, with respect to any payment to be made to the First Lien Administrative Agent hereunder, the account specified by the First Lien Administrative Agent from time to time for the purpose of receiving payments of such type.

“Applicable Discount” has the meaning assigned to such term in Section 2.11(a)(ii)(C)(2). “Applicable Fronting Exposure”

means, with respect to any Person that is an Issuing Bank or the

Swingline Lender at any time, the sum of (a) the aggregate amount of all Letters of Credit issued by such Person in its capacity as an Issuing Bank (if applicable) that remains available for drawing at such time, (b) the aggregate amount of all LC Disbursements made by such Person in its capacity as an Issuing Bank (if applicable) that have not yet been reimbursed by or on behalf of the Borrower at such time and (c) the aggregate principal amount of all Swingline Loans made by such Person in its capacity as a Swingline Lender (if applicable) outstanding at such time.

“Applicable Percentage” means, at any time with respect to any Revolving Lender, the percentage of the aggregate Revolving Commitments represented by such Lender’s Revolving Commitment at such time (or, if the Revolving Commitments have terminated or expired, such Lender’s share of the total Revolving Exposure at that time); provided that, with respect to Letters of Credit, LC Disbursements, LC Exposure, Swingline Exposure and Swingline Loans, “Applicable Percentage” shall mean the percentage of the aggregate Revolving Commitments represented by such Lender’s Revolving Commitment at such time (or, if the Revolving Commitments have terminated or expired, such Lender’s share of the total Revolving Exposure at that time); provided further that, at any time any Revolving Lender shall be a Defaulting Lender, “Applicable Percentage” shall mean the percentage of the total Revolving Commitments (disregarding any such Defaulting Lender’s Revolving Commitment) represented by such Lender’s Revolving Commitment. If the Revolving Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the applicable Revolving Commitments most recently in effect, giving effect to any assignments pursuant to this Agreement and to any Lender’s status as a Defaulting Lender at the time of determination.

“Applicable Rate” means, for any day, (a) with respect to any Term Loan, (i) ABR plus 3.501.75% per annum, in the case of an ABR Loan, or (ii) the Adjusted LIBO Rate plus 4.502.75% per annum, in the case of a Eurodollar Loan, and (b) with respect to any ABR Loan or Eurodollar Loan (other than a Term Loan), the applicable rate per annum set forth below under the caption “ABR Spread”, “Adjusted LIBO Rate or Adjusted BA Rate Spread” or “Adjusted EURIBOR Spread” as the case may be, based upon the Senior Secured First Lien Net Leverage Ratio as of the end of the fiscal quarter of the Borrower for which consolidated financial statements have theretofore been most recently delivered pursuant to Section 5.01(a) or 5.01(b); provided that, for purposes of clause (b) above, until the date of the delivery of the consolidated financial statements pursuant to Section 5.01(b) as of and for the fiscal year ended December 31, 2019, the Applicable Rate shall be based on the rates per annum set forth in Category 1:

such time or, if the Borrower is unable to determine the Average Exchange Rate based on the Bloomberg Key Cross Currency Rates Page for any reason, publicly reported currency exchange rate information in consultation with the First Lien Administrative Agent; provided further that, if an amount that is to otherwise be converted using the foregoing methodology has been hedged, swapped or otherwise effectively converted into another currency pursuant to a Swap Agreement to which any Loan Party is a party, the currency exchange rate so utilized for that amount shall be as set forth in such Swap Agreement (copies of which shall be made available to the First Lien Administrative Agent upon request).

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.14(f).

“BA Rate” means, for any Interest Period with respect to a Eurodollar Borrowing denominated in Canadian Dollars, the rate per annum equal to the average discount rate for Canadian Dollar bankers’ acceptances of the appropriate face amount for such Interest Period as quoted on the Reuters Screen CDOR page (or such other page as is a replacement page for such bankers’ acceptances) as of 10:00 a.m., Toronto, Ontario time, on the date of determination.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable ~~EEA~~ Resolution Authority in respect of any liability of an ~~EEA~~ Affected Financial Institution.

“Bail-In Legislation” means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Code” means Title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

“Benchmark” means, initially, Relevant Rate; provided that if a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to Relevant Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.14(b) or (c).

“Benchmark Replacement” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date; provided that, in the case of any Loan denominated in an Alternative Currency, “Benchmark Replacement” shall mean the alternative set forth in (3) below:

(1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement

benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for syndicated credit facilities denominated in the applicable Agreed Currency at such time and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion; provided further that, solely with respect to a Loan denominated in Dollars, notwithstanding anything to the contrary in this Agreement or in any other First Lien Loan Document, upon the occurrence of a Term SOFR Transition Event, and the delivery of a Term SOFR Notice, on the applicable Benchmark Replacement Date the "Benchmark Replacement" shall revert to and shall be deemed to be the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, as set forth in clause (1) of this definition (subject to the first proviso above).

If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other First Lien Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement;

(1) for purposes of clauses (1) and (2) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the First Lien Administrative Agent:

(a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;

(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) purposes of clause (3) of the definition of "Benchmark Replacement," the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the First Lien Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in the applicable Agreed Currency at such time;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the First Lien Administrative Agent in its reasonable discretion.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or

prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the First Lien Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the First Lien Administrative Agent in a manner substantially consistent with market practice (or, if the First Lien Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the First Lien Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the First Lien Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other First Lien Loan Documents).

“Benchmark Replacement Date” means, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein; or

(3) in the case of a Term SOFR Transition Event, the date that is thirty (30) days after the date a Term SOFR Notice is provided to the Lenders and the Borrower pursuant to Section 2.14(c); or

(4) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the First Lien Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case which states that the administrator

of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.14 and

(y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any First Lien Loan Document in accordance with Section 2.14.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Board of Directors” means, with respect to any Person, (a) in the case of any corporation, the board of directors of such Person or any committee thereof duly authorized to act on behalf of such board, (b) in the case of any limited liability company, the board of managers, board of directors, manager or managing member of such Person or the functional equivalent of the foregoing or any committee thereof duly authorized to act on behalf of such board, manager or managing member, (c) in the case of any partnership, the board of directors or board of managers of the general partner of such Person and (d) in any other case, the functional equivalent of the foregoing.

“Board of Governors” means the Board of Governors of the Federal Reserve System of the United States of America.

“Borrower” has the meaning assigned to such term in the preliminary statements hereto. “Borrower Materials” has the

meaning assigned to such term in the last paragraph of Section 5.01. “Borrower Offer of Specified Discount Prepayment”

means the offer by the Borrower to make a

voluntary prepayment of Term Loans at a Specified Discount to par pursuant to Section 2.11(a)(ii)(B).

“Borrower Solicitation of Discount Range Prepayment Offers” means the solicitation by the Borrower of offers for, and the corresponding acceptance by a Term Lender of, a voluntary prepayment of Term Loans at a specified range at a discount to par pursuant to Section 2.11(a)(ii)(C).

“Borrower Solicitation of Discounted Prepayment Offers” means the solicitation by the Borrower of offers for, and the subsequent acceptance, if any, by a Term Lender of, a voluntary prepayment of Term Loans at a discount to par pursuant to Section 2.11(a)(ii)(D).

ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Converted Restricted Subsidiary” has the meaning given such term in the definition of “Consolidated EBITDA.”

“Converted Unrestricted Subsidiary” has the meaning given such term in the definition of “Consolidated EBITDA.”

“Copyright” has the meaning assigned to such term in the First Lien Collateral Agreement.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Covered Jurisdiction” means each of (a) the United States (or any state, commonwealth or territory thereof or the District of Columbia) and (b) any other jurisdiction as agreed in writing by the First Lien Administrative Agent and the Borrower.

“Credit Agreement Refinancing Indebtedness” means Indebtedness issued, incurred or otherwise obtained by the Borrower (including by means of the extension or renewal of existing Indebtedness) in exchange for, or to extend, renew, replace or refinance, in whole or part, existing Term Loans, Revolving Loans (or unused Revolving Commitments) or First Lien Incremental Equivalent Debt (“Refinanced Debt”); provided that such exchanging, extending, renewing, replacing or refinancing Indebtedness (a) is in an original aggregate principal amount not greater than the aggregate principal amount of the Refinanced Debt (plus any premium, accrued interest and fees and expenses incurred in connection with such exchange, extension, renewal, replacement or refinancing),

(b) (i) does not mature earlier than or, except in the case of Revolving Commitments, have a Weighted Average Life to Maturity shorter than the Refinanced Debt and (ii) if such Indebtedness is unsecured or secured by the Collateral on a junior lien basis to the Secured Obligations, does not mature or have scheduled amortization or payments of principal prior to the maturity date of the Refinanced Debt (except in the case of customary bridge loans which, subject to customary conditions (including no payment or bankruptcy event of default), would either automatically be converted into or required to be exchanged for permanent refinancing that does not mature earlier than the Refinanced Debt, (c) shall not be guaranteed by any entity that is not a Loan Party, (d) in the case of any secured Indebtedness (i) is not secured by any assets not securing the Secured Obligations and (ii) if not comprising Other First Lien Term Loans or Other Revolving Commitments hereunder that are secured on a pari passu basis with the Secured Obligations, is subject to a Customary Intercreditor Agreement(s) and (e) has covenants and events of default (excluding, for the avoidance of doubt, pricing, interest rate margins, rate floors, discounts, fees, premiums and prepayment or redemption provisions) that are not materially more favorable (when taken as a whole) to the lenders or investors providing such Indebtedness than the covenants and events of default of this Agreement (when taken as a whole) are to the Lenders (unless (x) such covenants or other provisions are applicable only to periods after the maturity date of the Refinanced Debt at the time of such refinancing or (y) the Revolving Lenders or the Lenders under the ~~Initial~~ Term Loans, as applicable, also receive the benefit of such more favorable covenants and events of default (together with, at the election of the Borrower, any applicable “equity cure” provisions with respect to any financial maintenance covenant) (it being understood that, to the extent that any covenant, event of default or guarantee is added or modified for the benefit of any such Indebtedness, no consent shall be required by the First Lien Administrative Agent or any of the Lenders if such covenant, event of default or guarantee is (i) also added or modified for the benefit of any corresponding Loans remaining outstanding after the issuance or incurrence of such Indebtedness, (ii) with respect to any “springing” financial maintenance covenant or other covenant only applicable to, or for the benefit of, a revolving credit facility, also added for the benefit of each revolving credit facility hereunder (and not for the benefit of any term loan facility hereunder) and/or (iii) only applicable after the Latest Maturity Date at the time of such refinancing); provided, however, that the conditions in clauses (b) and (e) above shall not apply to any ABL Facility. For the avoidance of doubt, it is understood and agreed that (x) notwithstanding anything in this Agreement to the contrary, in the case of any Indebtedness incurred to modify, refinance, refunding, extend, renew or replace Indebtedness initially incurred in reliance on and measured by reference to a percentage of Consolidated EBITDA at the time of incurrence, and such modification, refinancing, refunding, extension, renewal or replacement would cause the percentage of Consolidated EBITDA to be exceeded if calculated based on the

percentage of Consolidated EBITDA on the date of such modification, refinancing, refunding, extension, renewal or replacement, such percentage of Consolidated EBITDA restriction shall not be deemed to be exceeded so long as such incurrence otherwise constitutes “Credit Agreement Refinancing Indebtedness” and (y) such Credit Agreement Refinancing Indebtedness. Notwithstanding anything to the contrary, no Credit Agreement Refinancing Indebtedness shall be subject to any “most favored nation” pricing adjustments set forth in this Agreement.

“Cure Amount” has the meaning assigned to such term in Section 7.02(a). “Cure Right” has the meaning assigned to such term in Section 7.02(a).

“Customary Intercreditor Agreement” means (a) to the extent executed in connection with the incurrence of Indebtedness secured by Liens on the Collateral which are intended to rank equal in priority to the Liens on the Collateral securing the Secured Obligations, at the option of the Borrower, either (i) an intercreditor agreement substantially in the form of the First Lien Pari Passu Intercreditor Agreement (with such modifications as may be necessary or appropriate in light of prevailing market conditions and reasonably acceptable to the First Lien Administrative Agent) or (ii) a customary intercreditor agreement in form and substance reasonably acceptable to the First Lien Administrative Agent, which agreement shall provide that the Liens on the Collateral securing such Indebtedness shall rank equal in priority to the Liens on the Collateral securing the Secured Obligations and (b) to the extent executed in connection with the incurrence of Indebtedness secured by Liens on the Collateral which are intended to rank junior to the Liens on the Collateral securing the Secured Obligations, at the option of the Borrower, either (i) an intercreditor agreement substantially in the form of the First/Second Lien Intercreditor Agreement (with such modifications as may be necessary or appropriate in light of prevailing market conditions and reasonably acceptable to the First Lien Administrative Agent) or (ii) a customary intercreditor agreement in form and substance reasonably acceptable to the First Lien Administrative Agent and the Borrower, which agreement shall provide that the Liens on the Collateral securing such Indebtedness shall rank junior to the Liens on the Collateral securing the Secured Obligations. With regard to any changes in light of prevailing market conditions as set forth above in clauses (a)(i) or (b)(i) or with regard to clauses (a)(ii) or (b)(ii), such changes or agreement, as applicable, shall be posted to the Lenders not less than five (5) Business Days before execution thereof and, if the Required Lenders shall not have objected to such changes within three (3) Business Days after posting, then the Required Lenders shall be deemed to have agreed that the First Lien Administrative Agent’s entry into such intercreditor agreement (including with such changes) is reasonable and to have consented to such intercreditor agreement (including with such changes) and to the First Lien Administrative Agent’s execution thereof.

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for business loans; provided that, if the First Lien Administrative Agent decides that any such convention is not administratively feasible for the First Lien Administrative Agent, then the First Lien Administrative Agent may establish another convention in its reasonable discretion.

“Debtor Relief Laws” means the Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions (domestic or foreign) from time to time in effect and affecting the rights of creditors generally.

“Default” means any event or condition that constitutes an Event of Default or that upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“Defaulting Lender” means, subject to Section 2.22(b), any Lender that (a) has failed to perform any of its funding obligations hereunder, including in respect of its Loans or participations in respect of Letters of Credit or Swingline Loans, within two (2) Business Days of the date required to be funded by it hereunder unless such Lender notifies the First Lien Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, (b) has notified the Borrower, the First Lien Administrative Agent, any Issuing Bank, any Swingline Lender or any Lender

“Disqualified Lenders” means (i) those Persons identified by the Borrower to the First Lien Administrative Agent in writing prior to November 21, 2019 as being “Disqualified Lenders”, (ii) those Persons who are competitors of the Borrower and its Subsidiaries (other than any bona fide diversified debt investment fund) and are identified by the Sponsor or the Borrower to the First Lien Administrative Agent from time to time in writing which designation shall become effective two (2) Business Days after delivery of each such written designation to the First Lien Administrative Agent, but which shall not apply retroactively to disqualify any Persons that previously acquired an assignment or participation interest in any Loan prior to such second Business Day after such written designation, (iii) Excluded Affiliates, (iv) in the case of each Person identified pursuant to clauses (i) or (ii) above, any of their Affiliates that are either (x) identified in writing by the Sponsor or the Borrower to the First Lien Administrative Agent from time to time or (y) known or reasonably identifiable as an Affiliate of any such Person and (v) any Lender that has made an incorrect representation or warranty or deemed representation or warranty with respect to not being a Net Short Lender, in each case as provided in the final sentence of Section 9.02(h). Upon inquiry by any Lender to the First Lien Administrative Agent as to whether a specified potential assignee or prospective participant is a Disqualified Lender, the First Lien Administrative Agent shall be permitted to disclose to such Lender (x) whether such specific potential assignee or prospective participant is a Disqualified Lender or (y) the identity of any other Disqualified Lender which the First Lien Administrative Agent reasonably believes may be an Affiliate of such specified potential assignee or prospective participant.

“Dollar Amount” means, at any time:

(a) with respect to an amount denominated in Dollars, such amount;

(b) with respect to any amount denominated in a currency other than Dollars, where a determination of such amount is required to be made under any First Lien Loan Document by the First Lien Administrative Agent or any Issuing Bank, the equivalent amount thereof in Dollars as determined by the First Lien Administrative Agent or such Issuing Bank, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent LC Revaluation Date or other applicable date of determination) for the purchase of Dollars with such Alternative Currency; and

(c) with respect to any amount denominated in a currency other than Dollars, where a determination of such amount is required to be made under any First Lien Loan Document by Holdings, any Intermediate Parent, the Borrower or any Restricted Subsidiary, the equivalent amount thereof in Dollars as determined on the basis of the Average Exchange Rate for such currency.

“Dollars” or “\$” refers to lawful money of the United States of America.

“Domestic Foreign Holdco” means any Subsidiary substantially all of whose assets (directly and/or indirectly through one or more Subsidiaries) are capital stock (and, if applicable, debt) of one or more Subsidiaries that are CFCs.

“Early Opt-in Election” means

(a) in the case of Loans denominated in Dollars, the occurrence of:

(1) a notification by the First Lien Administrative Agent to (or the request by the Borrower to the First Lien Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding Dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) the joint election by the First Lien Administrative Agent and the Borrower to trigger a fallback from LIBO Rate and the provision by the First Lien Administrative Agent of written notice of such election to the Lenders; and

(b) in the case of Loans denominated in any Alternative Currency, the occurrence of:

(1) (i) a determination by the First Lien Administrative Agent or (ii) a notification by the Required Lenders to the First Lien Administrative Agent (with a copy to the Borrower) that the First Lien Required Lenders have determined that syndicated credit facilities denominated in the applicable Alternative Currency being executed at such time, or that include language similar to that contained in Section 2.14 are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace the Relevant Rate, and

(2) (i) the election by the First Lien Administrative Agent or (ii) the election by the Required Lenders to declare that an Early Opt-in Election has occurred and the provision, as applicable, by the First Lien Administrative Agent of written notice of such election to the Borrower and the Lenders or by the Required Lenders of written notice of such election to the First Lien Administrative Agent.

“ECF Percentage” means, with respect to the prepayment required by Section 2.11(d) with respect to any fiscal year of the Borrower, if the Senior Secured First Lien Net Leverage Ratio (prior to giving effect to the applicable prepayment pursuant to Section 2.11(d), but after giving effect to any voluntary prepayments made pursuant to Section 2.11(a) or otherwise in manner not prohibited by Section 9.04(g) prior to the date of such prepayment) as of the end of such fiscal year is (a) greater than 5.00 to 1.00, 50% of Excess Cash Flow for such fiscal year, (b) greater than 4.50 to 1.00 but less than or equal to 5.00 to 1.00, 25% of Excess Cash Flow for such fiscal year and (c) less than or equal to 4.50 to 1.00, 0% of Excess Cash Flow for such fiscal year.

“EEA Financial Institution” shall mean (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” shall mean any of the member states of the European Union, Iceland, Liechtenstein, Norway and the United Kingdom.

“EEA Resolution Authority” shall mean any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” means December 13, 2019.

“Effective Yield” means, as to any Indebtedness, the effective yield on such Indebtedness in the reasonable determination of the First Lien Administrative Agent and the Borrower and consistent with generally accepted financial practices, taking into account the applicable interest rate margins, any interest rate floors (the effect of which floors shall be determined in a manner set forth in the proviso below) or similar devices and all fees, including upfront or similar fees or original issue discount paid with respect to the initial incurrence of any Class of Loans or series of Indebtedness, as applicable (amortized over the shorter of (a) the remaining Weighted Average Life to Maturity of such Indebtedness and (b) the four years following the date of incurrence thereof) payable generally to lenders or other institutions providing such Indebtedness, but excluding any arrangement, syndication, commitment, prepayment, structuring, ticking or other similar fees payable in connection therewith that are not generally shared with the relevant Lenders and, if applicable, consent fees for an amendment paid generally to consenting Lenders and, solely for purposes of determining the effective yield for purposes of Section ~~2.113(ad)(i)~~ of Refinancing Amendment No. 1, any original issue discount, upfront fees or other fees payable in connection with the ~~Initial~~ Refinancing Amendment No. 1 Term Loans issued on the Refinancing Amendment No. 1 Effective Date; provided that with respect to any Indebtedness that includes a “LIBOR floor” or “Base Rate floor,” (i) to the extent that the LIBO Rate or Alternate Base Rate (without giving effect to any floors in such definitions), as applicable, on the date that the Effective Yield is being calculated is less than such floor, the amount of such difference shall be deemed added to the interest rate margin for such Indebtedness for the purpose of calculating the Effective Yield and (ii) to the extent that the LIBO Rate or Alternate Base Rate (without giving effect to any floors

to terminate or to appoint a trustee to administer any plan or plans in respect of which such Loan Party or ERISA Affiliate would be deemed to be an employer under Section 4069 of ERISA; (g) the incurrence by a Loan Party or any ERISA Affiliate of any liability with respect to the withdrawal or partial withdrawal from any Multiemployer Plan; (h) the receipt by a Loan Party or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from a Loan Party or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability, or the failure of a Loan Party or any ERISA Affiliate to pay when due, after the expiration of any applicable grace period, any installment payment with respect to any Withdrawal Liability; or (i) the withdrawal of a Loan Party or any ERISA Affiliate from a Plan subject to Section 4063 of ERISA during a plan year in which such entity was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA.

“EU Bail-In Legislation Schedule” shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“EURIBOR Interpolated Rate” means, at any time, with respect to any Eurodollar Borrowing denominated in Euros and for any Interest Period, the rate per annum (rounded to the same number of decimal places as the EURIBOR Screen Rate) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the EURIBOR Screen Rate for the longest period (for which the EURIBOR Screen Rate is available for Euros) that is shorter than the Impacted EURIBOR Rate Interest Period; and (b) the EURIBOR Screen Rate for the shortest period (for which the EURIBOR Screen Rate is available for Euros) that exceeds the Impacted EURIBOR Rate Interest Period, in each case, at such time; provided that, if any EURIBOR Interpolated Rate shall be less than 0.00% , such rate shall be deemed to be 0.00% for the purposes of this Agreement.

“EURIBOR” means, with respect to any Eurodollar Borrowing denominated in Euros and for any Interest Period, the EURIBOR Screen Rate at approximately 11:00 a.m., Brussels time, two TARGET Days prior to the commencement of such Interest Period; provided that, if the EURIBOR Screen Rate shall not be available at such time for such Interest Period (an “Impacted EURIBOR Rate Interest Period”) with respect to Euros then EURIBOR shall be the EURIBOR Interpolated Rate.

~~“EURIBOR” means, for any Interest Period with respect to a Eurodollar Borrowing denominated in Euros, the rate per annum equal to (i) the Euro Screen Rate” means, means the euro interbank offered rate administered by the Banking Federation of the European Union (or such other commercially available source providing quotations of that rate as may be designated by the First Lien Administrative Agent from time to time, including any Person that takes over European Money Markets Institute (or any other person which takes over the administration of that rate) as published by for the relevant period displayed on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters), on Reuters Page EURIBOR01 (or any replacement Reuters page that displays that rate) at approximately Thomson Reuters as of 11:00 a.m., Brussels time, two TARGET Days prior to the commencement of such Interest Period, for Euro deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period or (ii) if such published rate is not available at such time for any reason, then the “EURIBOR” for such Interest Period shall be the Interpolated Rate. If such page or service ceases to be available, the First Lien Administrative Agent may specify another page or service displaying the relevant rate after consultation with the Borrower . If the EURIBOR Screen Rate shall be less than 0.00% , the EURIBOR Screen Rate shall be deemed to be 0.00% for purposes of this Agreement.~~

“Euro” means the lawful single currency of the European Union.

“Eurodollar” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to (i) the Adjusted LIBO Rate (in the case of Loans denominated in Dollars or any Alternative Currency other than Canadian Dollars and Euros), (ii) the Adjusted BA Rate (in the case of Revolving Loans denominated in Canadian Dollars) or (iii) Adjusted EURIBOR (in the case of Revolving Loans denominated in Euros).

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the LIBO Rate or EURIBOR, as applicable.

“Foreign Lender” means a Lender that is not a United States Person (as defined in Section 7701(a)(30) of the Code).

“Form Intercreditor Agreements” means (a) an intercreditor agreement substantially in the form of the First Lien Pari Passu Intercreditor Agreement, (b) an intercreditor agreement substantially in the form of the First/Second Lien Intercreditor Agreement and/or (c) an Intercreditor agreement substantially in the form of the ABL Intercreditor Agreement, as applicable.

“Funded Debt” means all Indebtedness of the Borrower and its Restricted Subsidiaries for borrowed money that matures more than one year from the date of its creation or matures within one year from such date that is renewable or extendable, at the option of such Person, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including Indebtedness in respect of the Loans.

“GAAP” means generally accepted accounting principles in the United States of America, as in effect from time to time; provided, however, that if the Borrower notifies the First Lien Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in GAAP or in the application thereof on the operation of such provision (or if the First Lien Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, (a) all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under FASB Accounting Standards Codification 825-Financial Instruments, or any successor thereto (including pursuant to the FASB Accounting Standards Codification), to value any Indebtedness of any subsidiary at “fair value,” as defined therein and (b) the amount of any Indebtedness under GAAP with respect to Capital Lease Obligations shall be determined in accordance with the definition of Capital Lease Obligations.

“General Restricted Payment Reallocated Amount” means any amount that, at the option of Holdings or the Borrower, has been reallocated from Section 6.07(a)(viii) to clause (C) of the proviso in Section 6.04(m), which shall be deemed to be a utilization of the basket set forth in Section 6.07(a)(viii).

“Governmental Approvals” means all authorizations, consents, approvals, permits, licenses and exemptions of, registrations and filings with, and reports to, Governmental Authorities.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether federal, state, provincial, territorial, local or otherwise, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra national bodies such as the European Union or the European Central Bank).

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or (d) as an account

party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness; provided that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business or customary and reasonable indemnity obligations in effect on the Effective Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined in good faith by a Financial Officer. The term "Guarantee" as a verb has a corresponding meaning.

"Hazardous Materials" means all explosive, radioactive, hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum by-products or distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other hazardous or toxic substances, wastes, chemicals, pollutants, contaminants of any nature and in any form regulated pursuant to any Environmental Law.

"Holdings" means (a) prior to any IPO, Initial Holdings and (b) upon and after an IPO, (i) if the IPO Entity is Initial Holdings or any Person of which Initial Holdings is a Subsidiary, Initial Holdings or (ii) if the IPO Entity is an Intermediate Parent, the IPO Entity.

~~"ICE LIBOR" has the meaning assigned to such term in the definition of "Alternate Base Rate."~~

"Identified Participating Lenders" has the meaning assigned to such term in Section 2.11(a)(ii)(C)(3).

"Identified Qualifying Lenders" has the meaning specified in Section 2.11(a)(ii)(D)(3). "Immaterial Subsidiary" means any Subsidiary other than a Material Subsidiary.

~~"Impacted EURIBOR Rate Interest Period" has the meaning assigned to such term in the definition of "EURIBOR."~~

~~"Impacted LIBO Rate Interest Period" has the meaning assigned to such term in the definition of "LIBO Rate."~~

"Impacted Loans" has the meaning assigned to such term in Section 2.14(b).

"Incremental Cap" means, as of any date of determination, the sum of (I)(a) the greater of (i) \$288,000,000 and (ii) 75% of Consolidated EBITDA for the most recently ended Test Period as of such date, calculated on a Pro Forma Basis; plus (b) the sum of (i) the aggregate principal amount of all First Lien Term Loans, First Lien Incremental Equivalent Debt and/or any other Indebtedness secured by the Collateral on a pari passu basis with, or senior to, the Secured Obligations voluntarily prepaid (including purchases and redemptions of the Loans, First Lien Incremental Equivalent Debt and/or any other Indebtedness secured by the Collateral on a pari passu basis with, or senior to, the Secured Obligations by the Borrower and its Subsidiaries (to the extent retired) at or below par, in which case the amount of voluntary prepayments of Loans shall be deemed to be the amount paid in cash, and with respect to any reduction in the outstanding amount of any loan resulting from the application of any "yank-a-bank" provisions, the amount paid in cash), (ii) the aggregate amount of all First Lien Term Loans repurchased and prepaid pursuant to Section 2.11(a)(ii) or otherwise in a manner not prohibited by Section 9.04(g) and (iii) all reductions of Revolving Commitments (and, in the case of any revolving loans, a corresponding commitment reduction), in each case prior to such date (other than, in each case, prepayments, repurchases and commitment reductions with the proceeds of the incurrence of Credit Agreement Refinancing Indebtedness or other long-term Indebtedness), minus (c) (i) the amount of all First Lien Incremental Facilities and all First Lien Incremental Equivalent Debt incurred in reliance on the foregoing clauses (a) and/or (b) and (ii) the amount of all Second Lien Incremental Equivalent Debt incurred in reliance on the foregoing clauses (a) and/or (b) plus (II) (a) in the case of any First Lien Incremental Facilities or First Lien Incremental Equivalent Debt secured by the Collateral on a pari passu basis with the Secured Obligations, the maximum aggregate principal amount that can be incurred

purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“Intermediate Parent” means any Subsidiary of Holdings of which the Borrower is a subsidiary.

~~“Interpolated Rate” means (a) in relation to the “LIBO Rate” for any Loan, the rate which results from interpolating on a linear basis between: (i) the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service) for the longest period (for which that rate is available) which is less than the Interest Period and (ii) the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service) for the shortest period (for which that rate is available) which exceeds the Interest Period, each as of approximately 11:00 A.M., London, England time, two (2) Business Days prior to the commencement of such Interest Period or (ii) in relation to “EURIBOR” for any Loan, the rate which results from interpolating on a linear basis between: (i) the rate appearing on Reuters Page EURIBOR01 (or on any successor or substitute page of such service) for the longest period (for which that rate is available) which is less than the Interest Period and (ii) the rate appearing on Reuters Page EURIBOR01 (or on any successor or substitute page of such service) for the shortest period (for which that rate is available) which exceeds the Interest Period, each as of approximately 11:00 A.M., London, England time, two (2) Business Days prior to the commencement of such Interest Period.~~

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests or debt or other securities of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of Indebtedness of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person (excluding, in the case of the Borrower and its Subsidiaries (i) intercompany advances arising from their cash management, tax, and accounting operations and (ii) intercompany loans, advances, or Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business) or (c) the purchase or other acquisition (in one transaction or a series of transactions) of all or substantially all of the property and assets or business of another Person or assets constituting a business unit, line of business or division of such Person. The amount, as of any date of determination, of (a) any Investment in the form of a loan or an advance shall be the principal amount thereof outstanding on such date, minus any cash payments actually received by such investor representing interest in respect of such Investment (to the extent any such payment to be deducted does not exceed the remaining principal amount of such Investment and without duplication of amounts increasing the Available Amount or the Available Equity Amount), but without any adjustment for write-downs or write-offs (including as a result of forgiveness of any portion thereof) with respect to such loan or advance after the date thereof, (b) any Investment in the form of a Guarantee shall be equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof, as determined in good faith by a Financial Officer, (c) any Investment in the form of a transfer of Equity Interests or other non-cash property by the investor to the investee, including any such transfer in the form of a capital contribution, shall be the Fair Market Value (as determined in good faith by a Financial Officer) of such Equity Interests or other property as of the time of the transfer, minus any payments actually received by such investor representing a return of capital of, or dividends or other distributions in respect of, such Investment (to the extent such payments do not exceed, in the aggregate, the original amount of such Investment and without duplication of amounts increasing the Available Amount or the Available Equity Amount), but without any other adjustment for increases or decreases in value of, or write-ups, write-downs or write-offs with respect to, such Investment after the date of such Investment, and (d) any Investment (other than any Investment referred to in clause (a), (b) or (c) above) by the specified Person in the form of a purchase or other acquisition for value of any Equity Interests, evidences of Indebtedness or other securities of any other Person shall be the original cost of such Investment (including any Indebtedness assumed in connection therewith), plus (i) the cost of all additions thereto and minus (ii) the amount of any portion of such Investment that has been repaid to the investor in cash as a repayment of principal or a return of capital, and of any cash payments actually received by such investor representing interest, dividends or other distributions in respect of such Investment (to the extent the amounts referred to in clause (ii) do not, in the aggregate, exceed the original cost of such Investment plus the costs of additions thereto and without duplication of amounts increasing the Available Amount or the Available Equity Amount), but without any other adjustment for increases or decreases in value of, or write-ups, write-downs or write-offs with respect to, such Investment after the date of such Investment. For purposes of Section 6.04, if an

Investment involves the acquisition of more than one Person, the amount of such Investment shall be allocated among the acquired Persons in accordance with GAAP; provided that pending the final determination of the amounts to be so allocated in accordance with GAAP, such allocation shall be as reasonably determined by a Financial Officer.

“Investor” means a holder of Equity Interests in Holdings (or any direct or indirect parent thereof). “IPO” means (x) the initial underwritten public offering (other than a public offering pursuant to a registration statement on Form S-8) of common Equity Interests in the IPO Entity or (y) the listing for trading of common Equity Interests in the IPO Entity on a securities exchange of recognized national or international standing, approved by the IPO Entity.

“IPO Entity” means, at any time upon and after an IPO, Initial Holdings, a parent entity of Initial Holdings or an Intermediate Parent, as the case may be, the Equity Interests of which were issued or sold pursuant to, or otherwise the subject of, the IPO; provided that, immediately following the IPO, the Borrower is a direct or indirect Wholly Owned Subsidiary of such IPO Entity and such IPO Entity owns, directly or through its subsidiaries, substantially all the businesses and assets owned or conducted, directly or indirectly, by the Borrower immediately prior to the IPO.

“ISDA Definition” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“ISP” means, with respect to any standby Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be reasonably acceptable to the applicable Issuing Bank and in effect at the time of issuance of such Letter of Credit).

“Issuing Bank” means each of (a) JPMorgan Chase Bank, N.A., (b) Royal Bank of Canada (provided that Royal Bank of Canada shall only be required to issue standby Letters of Credit) and (c) each Revolving Lender that shall have become an Issuing Bank hereunder as provided in Section 2.05(k) (other than any Person that shall have ceased to be an Issuing Bank as provided in Section 2.05(l)), each in its capacity as an issuer of Letters of Credit hereunder. Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates or branches of such Issuing Bank, in which case the term “Issuing Bank” shall include any such Affiliate or such branch with respect to Letters of Credit issued by such Affiliate or such branch.

“Jefferies” has the meaning given to such term in the preliminary statements hereto.

“Joint Lead Arranger” means each of Jefferies Finance LLC (acting through such of its affiliates or branches as it deems appropriate), JPMorgan Chase Bank, N.A., Barclays Bank PLC, Royal Bank of Canada, RBC Capital Markets, ING Capital LLC, BNP Paribas and BNP Paribas Securities Corp., each in their capacity as joint lead arranger and joint bookrunner, and any permitted successors and assigns of the foregoing.

“JPM Letter of Credit Sublimit” means an amount equal to \$75,000,000. Letters of Credit issued pursuant to the JPM Letter of Credit Sublimit will be issued by JPMorgan Chase Bank, N.A. in its capacity as an “Issuing Bank”.

“Judgment Currency” has the meaning assigned to such term in Section 9.17.

“Junior Debt Payment Reallocated Amount” means any amount that, at the option of Holdings or the Borrower, has been reallocated from Section 6.07(b)(iv) to clause (D) of the proviso in Section 6.04(m), which shall be deemed to be a utilization of the basket set forth in Section 6.07(b)(iv).

“LIBO Interpolated Rate” means, at any time, with respect to any Eurodollar Borrowing denominated in any Agreed Currency (other than Canadian Dollars or Euros) and for any Interest Period, the rate per annum (rounded to the same number of decimal places as the LIBO Screen Rate) determined by the First Lien Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the LIBO Screen Rate for the longest period (for which the LIBO Screen Rate is available for the applicable Agreed Currency) that is shorter than the Impacted LIBO Rate Interest Period; and (b) the LIBO Screen Rate for the shortest period (for which the LIBO Screen Rate is available for the applicable Agreed Currency) that exceeds the Impacted LIBO Rate Interest Period, in each case, at such time.

“LIBO Rate” means, for any Interest Period with respect to any Eurodollar Borrowing denominated in any Agreed Currency (other than Canadian Dollars and Euros), the rate per annum equal to (i) the ICE Benchmark Administration LIBOR Rate or the successor thereto if the ICE Benchmark Administration is no longer making a LIBOR rate available, as published by Reuters (or such other commercially available source providing quotations of ICE LIBOR as may be designated by the First Lien Administrative Agent from time to time) Euros) and for any Interest Period, the LIBO Screen Rate at approximately 11:00 a.m., London time, two (2) London Banking Business Days prior to the commencement of such Interest Period, for deposits in the relevant currency (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period or (ii) if such published rate is not, provided that if the LIBO Screen Rate shall not be available at such time for any reason, then the “LIBO Rate” for such Interest Period shall be the (an “Impacted LIBO Rate Interest Period”) with respect to such Agreed Currency then the LIBO Rate shall be the LIBO Interpolated Rate.

“LIBO Screen Rate” means, for any day and time, with respect to any Eurodollar Borrowing denominated in any Agreed Currency (other than Canadian Dollars or Euros) and for any Interest Period, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for such Agreed Currency for a period equal in length to such Interest Period as displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the First Lien Administrative Agent in its reasonable discretion).

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset.

“Limited Condition Transaction” means (a) any Permitted Acquisition (including by way of merger or amalgamation), Investment or irrevocably declared Restricted Payment by the Borrower or any Restricted Subsidiary permitted pursuant to this Agreement whose consummation is not conditioned upon the availability of, or on obtaining, third party financing (or, if such a condition does exist, the Borrower or any Restricted Subsidiary, as applicable, would be required to pay any fee, liquidated damages or other amount or be subject to any indemnity, claim or other liability as a result of such third party financing not having been available or obtained) or (b) any prepayment, repurchase or redemption of Indebtedness requiring irrevocable notice in advance of such prepayment, repurchase or redemption.

“Loan Guarantors” means Holdings, any Intermediate Parent and the Subsidiary Loan Parties. “Loan Modification Agreement”

means a Loan Modification Agreement, in form reasonably

satisfactory to the First Lien Administrative Agent, among the Borrower, the First Lien Administrative Agent and one or more Accepting Lenders, effecting one or more Permitted Amendments and such other amendments hereto and to the other First Lien Loan Documents as are contemplated by Section 2.24.

than as a result of payments made in respect thereof) shall be deemed to constitute the receipt by the Borrower at such time of Net Proceeds in the amount of such reduction.

“New Project” shall mean (a) each facility which is either a new facility, branch or office or an expansion, relocation, remodeling or substantial modernization of an existing facility, branch or office owned by the Borrower or its Subsidiaries which in fact commences operations and (b) each creation (in one or a series of related transactions) of a business unit to the extent such business unit commences operations or each expansion (in one or a series of related transactions) of business into a new market.

“Net Short Lender” has the meaning assigned to such term in Section 9.02(h).

“Non-Accepting Lender” has the meaning assigned to such term in Section 2.24(c).

“Non-Cash Charges” means (a) any impairment charge or asset write-off or write-down related to intangible assets (including goodwill), long-lived assets, and Investments in debt and equity securities pursuant to GAAP, (b) all losses from Investments recorded using the equity method, (c) all Non-Cash Compensation Expenses, (d) the non-cash impact of acquisition method accounting, (e) depreciation and amortization (including, without limitation, as they relate to acquisition accounting, amortization of deferred financing fees or costs, Capitalized Software Expenditures and amortization of unrecognized prior service costs and actuarial gains and losses related to pension and other post-employment benefits) and (f) other non-cash charges (provided, in each case, that if any non-cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period).

“Non-Cash Compensation Expense” means any non-cash expenses and costs that result from the issuance of stock-based awards, partnership interest-based awards and similar incentive based compensation awards or arrangements.

“Non-Consenting Lender” has the meaning assigned to such term in Section 9.02(c).

“Non-Wholly Owned Subsidiary” of any Person means any subsidiary of such Person other than a Wholly Owned Subsidiary.

“Not Otherwise Applied” means, with reference to the Available Amount or the Available Equity Amount, as applicable, that such amount was not previously applied pursuant to Sections 6.04(m), 6.07(a)(viii) and 6.07(b)(iv).

“Note” means a promissory note of the Borrower, in substantially the form of Exhibit O, payable to a Lender in a principal amount equal to the principal amount of the Revolving Commitment or Term Loans, as applicable, of such Lender.

“NYFRB Rate” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined be less than 0% , such rate shall be deemed to be 0% for purposes of this Agreement.

“NYFRB’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source.

“OFAC” has the meaning specified in Section 3.17(b).

“Offered Amount” has the meaning assigned to such term in Section 2.11(a)(ii)(D)(1). “Offered Discount” has the meaning assigned to such term in Section 2.11(a)(ii)(D)(1).

“Organizational Documents” means, with respect to any Person, the charter, articles or certificate of organization or incorporation and bylaws or other organizational or governing documents of such Person.

“Other First Lien Term Commitments” means one or more Classes of term loan commitments hereunder that result from a Refinancing Amendment or a Loan Modification Agreement.

“Other First Lien Term Loans” means one or more Classes of Term Loans that result from a Refinancing Amendment or a Loan Modification Agreement.

“Other Revolving Commitments” means one or more Classes of Revolving Commitments hereunder or extended Revolving Commitments that result from a Refinancing Amendment or a Loan Modification Agreement.

“Other Revolving Loans” means one or more classes of Revolving Loans made pursuant to any Other Revolving Commitment or a Loan Modification Agreement.

“Other Taxes” means any and all present or future recording, stamp, documentary, excise, transfer, sales, property or similar Taxes, charges or levies arising from any payment made under any First Lien Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any First Lien Loan Document.

“Overnight Bank Funding Rate” means, for any day, the rate comprised of both overnight [federal funds and overnight Eurodollar borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the Federal Reserve Bank of New York as set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the Federal Reserve Bank of New York as an overnight bank funding rate.](#)

“Participant” has the meaning assigned to such term in Section 9.04(c)(i). “Participant Register” has the meaning assigned to such term in Section 9.04(c)(ii).

“Participating Lender” has the meaning assigned to such term in Section 2.11(a)(ii)(C)(2). “Patent” has the meaning assigned to such term in the First Lien Collateral Agreement.

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“Perfection Certificate” means a certificate substantially in the form of Exhibit C.

“Permitted Acquisition” means the purchase or other acquisition, by merger, amalgamation, consolidation or otherwise, by the Borrower or any Subsidiary of any Equity Interests in, or all or substantially all the assets of (or all or substantially all the assets constituting a business unit, division, product line or line of business of), any Person; provided that (a) in the case of any purchase or other acquisition of Equity Interests in a Person, (i) such Person, upon the consummation of such purchase or acquisition, will be a Subsidiary (including as a result of a merger, amalgamation or consolidation between any Subsidiary and such Person), or (ii) such Person is merged or amalgamated into or consolidated with a Subsidiary and such Subsidiary is the surviving entity of such merger, amalgamation or consolidation, (b) the business of such Person, or such assets, as the case may be, constitute a business permitted by Section 5.16, (c) with respect to each such purchase or other acquisition, all actions required to be taken with respect to such newly created or acquired Subsidiary (including each subsidiary thereof) or assets in order to satisfy the requirements set forth in clauses (a), (b), (c) and (d) of the definition of the

“Qualified Securitization Facility” means any Securitization Facility that meets the following conditions: (a) the board of directors of the Borrower shall have determined in good faith that such Securitization Facility (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Borrower and the applicable Securitization Subsidiary and (b) the financing terms, covenants, termination events and other provisions thereof shall be market terms (as determined in good faith by the Borrower).

“Qualifying Lender” has the meaning assigned to such term in Section 2.11(a)(ii)(D)(3).

“RBC Letter of Credit Sublimit” means an amount equal to \$50,000,000. Letters of Credit issued pursuant to the RBC Letter of Credit Sublimit will be issued by Royal Bank of Canada in its capacity as an “Issuing Bank”.

“Reference Time” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the LIBO Rate, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not the LIBO Rate, the time determined by the First Lien Administrative Agent in its reasonable discretion.

“Refinanced Debt” has the meaning assigned to such term in the definition of “Credit Agreement Refinancing Indebtedness.”

“Refinancing” means (a) the refinancing of all indebtedness of the Borrower under the Credit Agreement dated as of May 15, 2015, as amended as of August 18, 2015, April 4, 2017, June 30, 2017, October 31, 2017, November 24, 2017, April 2, 2019, April 12, 2019 and as of August 5, 2019 and as may be further amended, restated, or otherwise modified on or prior to the date hereof, among Holdings, Borrower, the lenders party thereto, Jefferies Finance LLC, as administrative agent, (b) the receipt by the First Lien Administrative Agent of reasonably satisfactory evidence of the discharge (or the making of arrangements for discharge) of all commitments and Liens thereunder (other than Liens permitted by Section 6.02) and (c) redemption of the Existing Notes; it being agreed that the delivery of customary duly executed payoff and release letters to the First Lien Administrative Agent shall be satisfactory evidence.

“Refinancing Amendment” means an amendment to this Agreement in form and substance reasonably satisfactory to the First Lien Administrative Agent and the Borrower executed by each of (a) the Borrower and Holdings, (b) the First Lien Administrative Agent and (c) each Additional Lender and Lender that agrees to provide any portion of the Credit Agreement Refinancing Indebtedness being incurred pursuant thereto, in accordance with Section 2.21.

“Refinancing Amendment No. 1” means the Refinancing Amendment to First Lien Credit Agreement dated as of January [●], 2021.

“Refinancing Amendment No. 1 Effective Date” means January [●], 2021, the date of effectiveness of Refinancing Amendment No. 1.

“Refinancing Amendment No. 1 Term Loans” means the “Refinancing Loans” as defined in Refinancing Amendment No. 1.

“Register” has the meaning assigned to such term in Section 9.04(b)(iv).

“Registered Equivalent Notes” means, with respect to any notes originally issued in a Rule 144A or other private placement transaction under the Securities Act of 1933, substantially identical notes (having the same Guarantees) issued in a dollar-for-dollar exchange therefor pursuant to an exchange offer registered with the SEC.

“Regulated Bank” means an Approved Bank that is (i) a U.S. depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation; (ii) a corporation organized under section 25A of

the U.S. Federal Reserve Act of 1913; (iii) a branch, agency or commercial lending company of a foreign bank operating pursuant to approval by and under the supervision of the Board under 12 CFR part 211; (iv) a non-U.S. branch of a foreign bank managed and controlled by a U.S. branch referred to in clause (iii); or (v) any other U.S. or non-U.S. depository institution or any branch, agency or similar office thereof supervised by a bank regulatory authority in any jurisdiction.

“Reimbursement Date” has the meaning assigned to such term in Section 2.05(f).

“Related Funds” means with respect to any Lender that is an Approved Fund, any other Approved Fund that is managed by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, controlling persons, trustees, administrators, managers, advisors and representatives of such Person and of each of such Person’s Affiliates and permitted successors and assigns of each of the foregoing.

“Release” means any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) and including the environment within any building, or any occupied structure, facility or fixture.

“Relevant Governmental Body” means (i) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or, in each case, any successor thereto and (ii) with respect to a Benchmark Replacement in respect of Loans denominated in any Alternative Currency, (a) the central bank for the currency in which such Benchmark Replacement is denominated or any central bank or other supervisor which is responsible for supervising either (1) such Benchmark Replacement or (2) the administrator of such Benchmark Replacement or (b) any working group or committee officially endorsed or convened by (1) the central bank for the currency in which such Benchmark Replacement is denominated, (2) any central bank or other supervisor that is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement, (3) a group of those central banks or other supervisors or (4) the Financial Stability Board or any part thereof.

“Relevant Rate” means (i) with respect to any Eurodollar Borrowing denominated in an Agreed Currency (other than Canadian Dollars or Euros), the LIBO Rate or (ii) with respect to any Eurodollar Borrowing denominated in Euros, EURIBOR, as applicable.

“Relevant Screen Rate” means (i) with respect to any Eurodollar Borrowing denominated in an Agreed Currency (other than Canadian Dollars or Euros), the LIBO Screen Rate or (ii) with respect to any Eurodollar Borrowing denominated in Euros, the EURIBOR Screen Rate, as applicable.

“Removal Effective Date” has the meaning assigned to such term in Section 8.06.

“Repricing Transaction” means (a) the incurrence by the Borrower or any Loan Guarantor of any Indebtedness in the form of term loans equal in right of payment to the First Lien Loan Document Obligations and secured by the Collateral on a pari passu basis with the Secured Obligations that are broadly syndicated to banks and other institutional investors (i) for the primary purpose (as reasonably determined by the Borrower) of reducing the Effective Yield for the respective Type of such Indebtedness to less than the Effective Yield for the ~~Initial~~ Refinancing Amendment No. 1 Term Loans of the respective equivalent Type, but excluding Indebtedness incurred in connection with (A) a Change of Control, (B) an IPO or (C) any material acquisition, merger or consolidation, material Investment or material Disposition and (ii) the proceeds of which are used to prepay (or, in the case of a conversion, deemed to prepay or replace), in whole or in part, outstanding principal of ~~Initial~~ Refinancing Amendment No. 1 Term Loans or (b) any amendment of this Agreement for the primary purpose

of reducing the Effective Yield for the ~~Initial~~ [Refinancing Amendment No. 1](#) Term Loans (e.g., by way of amendment, waiver or otherwise), except for a reduction in connection with (A) a Change of Control, (B) an IPO or (C) any material acquisition, merger or consolidation, material Investment or material Disposition. Any determination by the First Lien Administrative Agent with respect to whether a Repricing Transaction shall have occurred shall be conclusive and binding on all Lenders holding the [Refinancing Amendment No. 1](#) Term Loans.

“Required Additional Debt Terms” means with respect to any Indebtedness, (a) such Indebtedness does not mature earlier than the Term Maturity Date (except in the case of customary bridge loans which subject to customary conditions (including no payment or bankruptcy event of default), would either automatically be converted into or required to be exchanged for permanent refinancing that does not mature earlier than the Term Maturity Date), (b) such Indebtedness does not have mandatory redemption features (other than customary asset sale, insurance and condemnation proceeds events, change of control offers or events of default or, if term loans, excess cash flow prepayments applicable to periods before the Latest Maturity Date) that could result in redemptions of such Indebtedness prior to the Latest Maturity Date, (c) such Indebtedness is not guaranteed by any entity that is not a Loan Party, (d) if secured, such Indebtedness (i) is not secured by any assets other than Collateral and (ii) is subject to the First/Second Lien Intercreditor Agreement and/or a Customary Intercreditor Agreement(s), as applicable and (e) the terms and conditions of such Indebtedness (excluding pricing, interest rate margins, rate floors, discounts, fees, premiums and prepayment or redemption provisions) are not materially more favorable (when taken as a whole) to the lenders or investors providing such Indebtedness than the terms and conditions of this Agreement (when taken as a whole) are to the Lenders (unless (x) such terms or conditions are applicable only to periods after the Latest Maturity Date at such time or (y) the Lenders also receive the benefit of such more favorable terms and conditions) (together with, at the election of the Borrower, any applicable “equity cure” provisions with respect to any financial maintenance covenant) (it being understood that, to the extent that any covenant, event of default, guarantee or other provision is added or modified for the benefit of any such Indebtedness, no consent shall be required by the First Lien Administrative Agent or any of the Lenders if such covenant, event of default or guarantee is either (i) also added or modified for the benefit of any corresponding Loans remaining outstanding after the issuance or incurrence of any such Indebtedness in connection therewith, (ii) with respect to any “springing” financial maintenance covenant or other covenant that is (x) more restrictive on the Borrower and its Restricted Subsidiaries than the Financial Performance Covenant or other corresponding covenant hereunder and (y) only applicable to, or for the benefit of, a revolving credit facility, in each case also added for the benefit of each revolving credit facility hereunder (and not for the benefit of any term loan facility hereunder) or (iii) only applicable after the Latest Maturity Date at such time); provided that the conditions in clauses (a), (b) and (e) shall not apply to an ABL Facility; provided, further, that a certificate of a Responsible Officer of the Borrower delivered to the First Lien Administrative Agent at least five (5) Business Days prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such resulting Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement, shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the First Lien Administrative Agent notifies the Borrower within such five (5) Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees).

“Required Lenders” means, at any time, Lenders having Revolving Exposures, Term Loans and unused Revolving Commitments (other than Swingline Commitments) representing more than 50% of the aggregate Revolving Exposures, outstanding Term Loans and unused Revolving Commitments (other than Swingline Commitments) at such time; provided that to the extent set forth in Section 9.02 or Section 9.04 whenever there are one or more Defaulting Lenders, the total outstanding Term Loans and Revolving Exposures of, and the unused Commitments of, each Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

“Required Revolving Lenders” means, at any time, Revolving Lenders having Revolving Exposures and unused Commitments (exclusive of Swingline Commitments) representing more than 50.0% of the aggregate Revolving Exposures and unused Commitments (exclusive of Swingline Commitments) at such time; provided that to the extent set forth in Section 9.02 or Section 9.04 whenever there are one or more Defaulting Lenders, the total outstanding Revolving Exposures of, and the unused Revolving Commitments of, each Defaulting Lender, shall be excluded for purposes of making a determination of Required Revolving Lenders.

“Requirements of Law” means, with respect to any Person, any statutes, laws, treaties, rules, regulations, statutory instruments, orders, decrees, writs, injunctions or determinations of any arbitrator or court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Resignation Effective Date” has the meaning assigned to such term in Section 8.06.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means the chief executive officer, president, vice president, chief financial officer, treasurer or assistant treasurer, or other similar officer, manager or a member of the Board of Directors of a Loan Party and with respect to certain limited liability companies or partnerships that do not have officers, any manager, sole member, managing member or general partner thereof, and as to any document delivered on the Effective Date or thereafter pursuant to paragraph (a)(i) of the definition of the term “Collateral and Guarantee Requirement,” any secretary or assistant secretary of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower or any Restricted Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests in the Borrower or any Restricted Subsidiary or any option, warrant or other right to acquire any such Equity Interests in the Borrower or any Restricted Subsidiary.

“Restricted Prepayment Event” has the meaning assigned to such term in Section 2.11(g).

“Restricted Subsidiary” means any Subsidiary of the Borrower other than an Unrestricted Subsidiary.

“Retained Declined Proceeds” has the meaning assigned to such term in Section 2.11(e).

“Revolving Availability Period” means the period from and including the Effective Date to but excluding the earlier of the Revolving Maturity Date and the date of termination of the Revolving Commitments.

“Revolving Commitment” means, with respect to each Lender, the commitment, if any, of such Lender to make Revolving Loans and to acquire participations in Letters of Credit and Swingline Loans hereunder, expressed as an amount representing the maximum possible aggregate amount of such Lender’s Revolving Exposure hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08 and (b) reduced or increased from time to time pursuant to (i) assignments by or to such Lender pursuant to an Assignment and Assumption, Incremental Facility Amendment, (ii) a Refinancing Amendment, (iii) an Incremental Revolving Commitment Increase, (iv) a Loan Modification Agreement or (v) an Additional/Replacement Revolving Commitment. The initial amount of each Lender’s Revolving Commitment is set forth on Schedule 2.01(A) or, in each case, in the Assignment and Assumption, Loan Modification Agreement or Refinancing Amendment pursuant to which such Lender shall have assumed its Revolving Commitment, as the case may be. As of the Effective Date, the initial aggregate amount of the Lenders’ Revolving Commitments is \$190,000,000.

“Revolving Exposure” means, with respect to any Revolving Lender at any time, the sum of the outstanding principal amount of such Revolving Lender’s Revolving Loans and its LC Exposure and its Swingline Exposure at such time.

May 15, 2015 among the Borrower, the guarantors named on the signature pages thereto and Wilmington Trust, National Association, as trustee.

“Senior Representative” means, with respect to any series of Indebtedness permitted by this Agreement to be secured by the Collateral on a pari passu or junior basis with the Secured Obligations, the trustee, administrative agent, collateral agent, security agent or similar agent under the indenture or agreement pursuant to which such Indebtedness is issued, incurred or otherwise obtained, as the case may be, and each of their successors in such capacities.

“Senior Secured First Lien Net Leverage Ratio” means, as of any date of determination, the ratio, on a Pro Forma Basis, of (a) Consolidated Senior Secured First Lien Net Indebtedness as of such date to (b) Consolidated EBITDA for the most recently ended Test Period.

“Senior Secured Net Leverage Ratio” means, as of any date of determination, the ratio, on a Pro Forma Basis, of (a) Consolidated Senior Secured Indebtedness as of such date to (b) Consolidated EBITDA for the most recently completed Test Period.

“Settlement” means the transfer of cash or other property with respect to any credit or debit card charge, check or other instrument, electronic funds transfer, or other type of paper-based or electronic payment, transfer, or charge transaction for which a Person acts as a processor, remitter, funds recipient or funds transmitter in the ordinary course of its business.

“Settlement Asset” means any cash, receivable or other property, including a Settlement Receivable, due or conveyed to a Person in consideration for a Settlement made or arranged, or to be made or arranged, by such Person or an Affiliate of such Person.

“Settlement Indebtedness” means any payment or reimbursement obligation in respect of a Settlement Payment.

“Settlement Lien” means any Lien relating to any Settlement or Settlement Indebtedness (and may include, for the avoidance of doubt, the grant of a Lien in or other assignment of a Settlement Asset in consideration of a Settlement Payment, Liens securing intraday and overnight overdraft and automated clearing house exposure, and similar Liens).

“Settlement Payment” means the transfer, or contractual undertaking (including by automated clearing house transaction) to effect a transfer, of cash or other property to effect a Settlement.

“Settlement Receivable” means any general intangible, payment intangible, or instrument representing or reflecting an obligation to make payments to or for the benefit of a Person in consideration for a Settlement made or arranged, or to be made or arranged, by such Person.

“SOFR” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator’s Website at approximately 8:00 a.m. (New York City time) on the immediately succeeding Business Day.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the NYFRB’s website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“Swingline Commitment” means the commitment of the Swingline Lender to make Swingline Loans up to an aggregate principal amount not to exceed \$35,000,000.

“Swingline Exposure” means, at any time, the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Revolving Lender at any time shall be its Applicable Percentage of the aggregate Swingline Exposure at such time.

“Swingline Lender” means (a) the First Lien Administrative Agent, (b) JPMorgan Chase Bank, N.A. and (c) each Revolving Lender that shall have become a Swingline Lender hereunder as provided in Section 2.04(d) (other than any Person that shall have ceased to be a Swingline Lender as provided in Section 2.04(e)), each in its capacity as a lender of Swingline Loans hereunder.

“Swingline Loan” means a Loan made pursuant to Section 2.04.

“TARGET Day” means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system (or, if such payment system ceases to be operative, such other payment system (if any) determined by the First Lien Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euros.

“Tax Distributions” has the meaning assigned to such term in Section 6.07(a)(vii)(A). “Tax Group” has the meaning assigned to such term in Section 6.07(a)(vii)(A).

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Commitment” means, with respect to each Lender, the commitment, if any, of such Lender to make a Term Loan hereunder on the Effective Date, expressed as an amount representing the maximum principal amount of the Term Loan to be made by such Lender hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08 and (b) reduced or increased from time to time pursuant to (i) assignments by or to such Lender pursuant to an Assignment and Assumption, (ii) a Refinancing Amendment, (iii) an Incremental Facility Amendment in respect of any Term Loans or (iv) a Loan Modification Agreement. The amount of each Lender’s Term Commitment as of the Effective Date is set forth on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Term Commitment, Incremental Facility Amendment, Loan Modification Agreement or Refinancing Amendment, as the case may be. As of the Effective Date, the total Term Commitment is \$2,120,000,000.00.

“Term Lender” means a Lender with a Term Commitment or an outstanding Term Loan.

“Term Loans” means Initial Term Loans, Other First Lien Term Loans and First Lien Incremental Term Loans, as the context requires.

“Term Maturity Date” means (i) December 13, 2026 (or, if such day is not a Business Day, the immediately preceding Business Day) or (ii), with respect to any Term Lender that has the maturity date of its Term Loans pursuant to a Permitted Amendment, the extended maturity date set forth in any such Loan Modification Agreement.

“Term SOFR” means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“Term SOFR Notice” means a notification by the Administrative Agent to the Lenders and the Borrower of the occurrence of a Term SOFR Transition Event.

“Term SOFR Transition Event” means the determination by the Administrative Agent that (a) Term SOFR has been recommended for use by the Relevant Governmental Body, (b) the administration of Term SOFR is administratively feasible for the Administrative Agent and (c) a Benchmark Transition Event or an Early Opt-in Election, as applicable, has previously occurred resulting in a Benchmark Replacement in accordance with Section 2.14 that is not Term SOFR.

“Termination Date” means the date on which all Commitments have expired or been terminated, all Secured Obligations have been paid in full in cash (other than (x) Secured Swap Obligations not yet due and payable, (y) Secured Cash Management Obligations not yet due and payable and (z) contingent indemnification obligations not yet accrued and payable) and all Letters of Credit have expired or been terminated (other than Letters of Credit that have been cash collateralized or backstopped in an amount, by an institution and otherwise pursuant to arrangements reasonably satisfactory to the applicable Issuing Bank).

“Test Period” means, at any date of determination, (x) for the purposes of (i) the definition of “Applicable Rate”, (ii) the definition of “Commitment Fee Percentage”, (iii) Section 2.11(d) and (iv) Section 6.11, the period of four consecutive fiscal quarters of the Borrower then last ended as of such time for which financial statements have been delivered pursuant to Section 5.01(a) or (b) and (y) for all other purposes in this Agreement, the most recent period of twelve consecutive months of the Borrower ended on or prior to such time, in respect of which the financial information necessary to calculate the relevant ratio is internally available.

“Total Net Leverage Ratio” means, as of any date of determination, the ratio, on a Pro Forma Basis, of (a) Consolidated Total Net Indebtedness as of such date to (b) Consolidated EBITDA for the most recently ended Test Period.

“Trademark” has the meaning assigned to such term in the First Lien Collateral Agreement. “Transaction Costs” means all fees, costs and expenses incurred or payable by Holdings, the Borrower or any other Subsidiary in connection with the Transactions.

“Transactions” means (a) the First Lien Financing Transactions and the Second Lien Financing Transactions, (b) the Refinancing and (c) the payment of the Transaction Costs.

“Type,” when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate, Adjusted BA Rate, Adjusted EURIBOR, Alternate Base Rate or Canadian Base Rate.

“UCC” or “Uniform Commercial Code” means the Uniform Commercial Code as in effect from time to time in the State of New York; provided, however, that, at any time, if by reason of mandatory provisions of law, any or all of the perfection or priority of the First Lien Collateral Agent’s security interest in any item or portion of the Collateral is governed by the Uniform Commercial Code as in effect in a U.S. jurisdiction other than the State of New York, the term “UCC” and “Uniform Commercial Code” shall mean the Uniform Commercial Code as in effect, at such time, in such other jurisdiction for purposes of the provisions hereof relating to such perfection or priority and for purposes of definitions relating to such provisions.

“UCP” means, with respect to any commercial Letter of Credit, the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce, in its Publication No. 600 (or such later version thereof as may be reasonably acceptable to the applicable Issuing Bank and in effect at the time of issuance of such Letter of Credit). On an exception basis and if specifically requested by the Borrower, a standby Letter of Credit may be issued subject to UCP.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time

to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Undisclosed Administration” means, in relation to a Lender or its direct or indirect parent company, the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian, or other similar official by a supervisory authority or regulator under or based on the law in the country where such Lender or such parent company is subject to home jurisdiction, if applicable law requires that such appointment not be disclosed.

“United States Tax Compliance Certificate” has the meaning assigned to such term in Section 2.17(f)(ii)(C).

“Unrestricted Subsidiary” means any Subsidiary designated by the Borrower as an Unrestricted Subsidiary pursuant to Section 5.13 subsequent to the Effective Date.

“USA PATRIOT Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended from time to time.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (b) the then outstanding principal amount of such Indebtedness.

“Wholly Owned Restricted Subsidiary” means any Restricted Subsidiary that is a Wholly Owned Subsidiary.

“Wholly Owned Subsidiary” means, with respect to any Person at any date, a subsidiary of such Person of which securities or other ownership interests representing 100% of the Equity Interests (other than (a) directors’ qualifying shares and (b) nominal shares issued to foreign nationals to the extent required by applicable Requirements of Law) are, as of such date, owned, controlled or held by such Person or one or more Wholly Owned Subsidiaries of such Person or by such Person and one or more Wholly Owned Subsidiaries of such Person.

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule., and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

(and each Division of any limited liability company or other Person that is a Subsidiary, Restricted Subsidiary, Unrestricted Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

SECTION 1.12 Interest Rate; LIBOR Notification.

The interest rate on a Loan denominated in Dollars or an Alternative Currency may be derived from an interest rate benchmark that is, or may in the future become, the subject of regulatory reform. Regulators have signaled the need to use alternative benchmark reference rates for some of these interest rate benchmarks and, as a result, such interest rate benchmarks may cease to comply with applicable laws and regulations, may be permanently discontinued, and/or the basis on which they are calculated may change. The London interbank offered rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. In July 2017, the U.K. Financial Conduct Authority announced that, after the end of 2021, it would no longer persuade or compel contributing banks to make rate submissions to the ICE Benchmark Administration (together with any successor to the ICE Benchmark Administrator, the "IBA") for purposes of the IBA setting the London interbank offered rate. As a result, it is possible that commencing in 2022, the London interbank offered rate may no longer be available or may no longer be deemed an appropriate reference rate upon which to determine the interest rate on Eurodollar Loans. In light of this eventuality, public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of the London interbank offered rate. Upon the occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-In Election, Section 2.14(b) and (c) provide a mechanism for determining an alternative rate of interest. The First Lien Administrative Agent will promptly notify the Borrower, pursuant to Section 2.14(e), of any change to the reference rate upon which the interest rate on Eurodollar Loans is based. However, the First Lien Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "LIBO Rate" (or "EURIBOR", as applicable) or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation, (i) any such alternative, successor or replacement rate implemented pursuant to Section 2.14(b) or (c), whether upon the occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, and (ii) the implementation of any Benchmark Replacement Conforming Changes pursuant to Section 2.14(d)), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the LIBO Rate (or "EURIBOR", as applicable) or have the same volume or liquidity as did the London interbank offered rate (or the euro interbank offered rate, as applicable) prior to its discontinuance or unavailability.

ARTICLE II THE CREDITS

SECTION 2.01 Commitments.

Subject to the terms and conditions set forth herein, (a) each Term Lender agrees to make Term Loans to the Borrower on the Effective Date denominated in Dollars in a principal amount not exceeding such Term Lender's Term Commitment and (b) each Revolving Lender agrees to make Revolving Loans of the applicable Class to the Borrower denominated in Dollars or an Alternative Currency, from time to time during the Revolving Availability Period in an aggregate principal amount which will not result in such Revolving Lender's Revolving Exposure of such Class exceeding such Revolving Lender's Revolving Commitment of such Class. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Revolving Loans. Amounts repaid or prepaid in respect of Term Loans may not be reborrowed.

SECTION 2.02 Loans and Borrowings.

(a) Each (i) Loan (other than a Swingline Loan) shall be made as part of a Borrowing consisting of Loans of the same Class and Type made by the Lenders ratably in accordance with their respective

bank guarantee application or other agreement submitted by a Borrower to, or entered into by the Borrower with, the applicable Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(b) Issuance, Amendment, Renewal or Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower shall deliver in writing by hand delivery or facsimile (or transmit by electronic communication, if arrangements for doing so have been approved by the recipient) to the applicable Issuing Bank and the First Lien Administrative Agent (at least five (5) Business Days before the requested date of issuance, amendment, renewal or extension (or, in the case of any such request to be made on the Effective Date, one (1) Business Day) or such shorter period as the applicable Issuing Bank and the First Lien Administrative Agent may agree) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension, as the case may be (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (d) of this Section 2.05), the amount and currency of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend, as the case may be, such Letter of Credit. Each such notice shall be in the form of Exhibit R, appropriately completed (each, a “Letter of Credit Request”). If requested by the applicable Issuing Bank, the Borrower also shall submit a letter of credit application on such Issuing Bank’s standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of any Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension, (i) subject to Section 9.04(b)(ii), the Applicable Fronting Exposure of each Issuing Bank shall not exceed its Revolving Commitment, except that the Applicable Fronting Exposure of Royal Bank of Canada may exceed its Revolving Commitment to the extent the RBC Letter of Credit Sublimit exceeds its Revolving Commitment, (ii) the aggregate Revolving Exposures shall not exceed the aggregate Revolving Commitments and (iii) (x) the aggregate LC Exposure of JPMorgan Chase Bank, N.A. shall not exceed the JPM Letter of Credit Sublimit, (y) the aggregate LC Exposure of Royal Bank of Canada shall not exceed the RBC Letter of Credit Sublimit and (z) the aggregate LC Exposure shall not exceed the Letter of Credit Sublimit. Letters of Credit will be available to be issued up to an aggregate face amount not to exceed the Letter of Credit Sublimit. To the extent there is more than one Issuing Bank, the Borrower will use reasonable efforts to request Letters of Credit from each Issuing Bank in such a way that the aggregate LC Exposure of any Issuing Bank as a percentage of all the aggregate LC Exposures of all of the Issuing Banks in respect of all Letters of Credit issued under this Agreement shall be generally in line with such Issuing Bank’s proportionate share of the Letter of Credit Sublimit; it being understood, for the avoidance of doubt, that the Borrower shall have no obligation to request Letters of Credit pursuant to the foregoing to the extent the Borrower determines, in its sole discretion, that any such request would not be feasible or commercially beneficial. No Issuing Bank shall be under any obligation to issue any Letter of Credit if (i) any order, judgment or decree of any Governmental Authority or arbitrator shall enjoin or restrain such Issuing Bank from issuing the Letter of Credit, or any Requirements of Law applicable to such Issuing Bank or any directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Bank shall prohibit the issuance of letters of credit generally or the Letter of Credit in particular or shall impose upon such Issuing Bank with respect to the Letter of Credit any restriction, reserve or capital requirement (for which such Issuing Bank is not otherwise fully compensated hereunder) not in effect on the Effective Date, or shall impose upon such Issuing Bank any unreimbursed loss, cost or expense which was not applicable on the Effective Date and which such Issuing Bank in good faith deems material to it, (ii) the issuance of such Letter of Credit would violate one or more policies of such Issuing Bank now or hereafter in effect and applicable to letters of credit generally, (iii) except as otherwise agreed in writing by the First Lien Administrative Agent and the applicable Issuing Bank, such Letter of Credit is to be denominated in a currency other than Dollars or an Alternative Currency, (iv) except as otherwise agreed by the First Lien Administrative Agent and such Issuing Bank, the Letter of Credit is in an initial stated amount less than \$100,000, in the case of a commercial Letter of Credit, or \$500,000, in the case of a standby Letter of Credit, or (v) any Lender is at that time a Defaulting Lender, if after giving effect to Section 2.22(a)(iv), any Defaulting Lender Fronting Exposure remains outstanding, unless such Issuing Bank has entered into arrangements, including the delivery of cash collateral, reasonably satisfactory to such Issuing Bank with the Borrower or such Lender to eliminate such Issuing Bank’s Defaulting Lender Fronting Exposure arising from either the Letter of Credit then proposed to be issued or such Letter of Credit and all other LC Exposure as to which such Issuing Bank has Defaulting Lender Fronting Exposure. No Issuing Bank shall be under any obligation (i) to amend or extend any Letter of Credit if (x) such Issuing Bank would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof or (y) the beneficiary of such Letter of

(iii) Euros shall bear interest at Adjusted EURIBOR, in each case for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) Notwithstanding the foregoing, if upon the occurrence and during the continuance of any Event of Default under paragraph (a), (b), (h) or (i) of Section 7.01 any principal of or interest on any Loan or any fee or other amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2.00% per annum plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section 2.13 or (ii) in the case of any other amount, 2.00% per annum plus the rate applicable to ABR Revolving Loans as provided in paragraph (a) of this Section 2.13; provided that no amount shall be payable pursuant to this Section 2.13(c) to a Defaulting Lender so long as such Lender shall be a Defaulting Lender; provided, further that no amounts shall accrue pursuant to this Section 2.13(c) on any overdue amount, reimbursement obligation in respect of any LC Disbursement or other amount payable to a Defaulting Lender so long as such Lender shall be a Defaulting Lender.

(d) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and, in the case of Revolving Loans, upon termination of the Revolving Commitments, provided that

(i) interest accrued pursuant to paragraph (c) of this Section 2.13 shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan prior to the end of the Revolving Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Eurodollar Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(e) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate, the Canadian Base Rate or the BA Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate, Canadian Base Rate, Adjusted LIBO Rate, Adjusted BA Rate or Adjusted EURIBOR shall be determined by the First Lien Administrative Agent, and such determination shall be conclusive absent manifest error.

SECTION 2.14 Alternate Rate of Interest.

~~(a)~~ If(a) Subject to clauses (b), (c), (d), (e), (f) and (g) of this Section 2.14, if at least two (2) Business Days prior to the commencement of any Interest Period for a Eurodollar Borrowing:

(i) the First Lien Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate, the Adjusted BA Rate or Adjusted EURIBOR, as applicable, for such Interest Period; or

(ii) the First Lien Administrative Agent is advised by the Required Lenders that the Adjusted LIBO Rate, the Adjusted BA Rate or Adjusted EURIBOR, as applicable, for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for such Interest Period (in each case with respect to the Loans impacted by this clause (b) or clause (a) above, "Impacted Loans");

then the First Lien Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone or facsimile as promptly as practicable thereafter and, until the First Lien Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) in the event any Loans denominated in Dollars or Canadian Dollars are so affected, (x) any Interest Election Request that requests the conversion of any Borrowing in Dollars or Canadian Dollars to, or continuation of any Borrowing in Dollars or Canadian Dollars as, a Eurodollar Borrowing in Dollars or Canadian Dollars shall be ineffective and (y) if any Borrowing Request requests a Eurodollar Borrowing in Dollars or Canadian Dollars, then such Borrowing shall be made as an ABR Borrowing, and (ii) in the event any Loans denominated in an Alternative Currency (other than Canadian Dollars) are so affected, the relevant interest rate shall be determined in accordance with clause (ii) of the

definition of “LIBO Rate” or “EURIBOR”, as applicable; provided, however, that, in each case, the Borrower may revoke any Borrowing Request that is pending when such notice is received.

~~(b) withstanding the foregoing, if (i) the First Lien Administrative Agent has made such determination described in clause (a)(i) of this Section 2.14 or is advised by the Required Lenders of their determination described in clause (a)(ii) of this Section 2.14, and in each case such circumstances are unlikely to be temporary, (ii) a public statement or publication of information has been made by or on behalf of the administrator of the applicable LIBO Rate announcing that such administrator has ceased or will cease to provide such LIBO Rate, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such LIBO Rate, (iii) a public statement or publication of information has been made by the regulatory supervisor for the administrator of the applicable LIBO Rate, the U.S. Federal Reserve System, an insolvency official with jurisdiction over the administrator for the applicable LIBO Rate, a resolution authority with jurisdiction over the administrator for LIBOR or a court or an entity with similar insolvency or resolution authority over the administrator for the applicable LIBO Rate, which states that the administrator of such LIBO Rate has ceased or will cease to provide such LIBO Rate permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such LIBO Rate or (iv) the supervisor for the administrator of the applicable LIBO Rate or a Governmental Authority having jurisdiction over the First Lien Administrative Agent has made a public statement identifying a specific date after which the London interbank offered rate shall no longer be used for determining interest rates for loans, then in each case the First Lien Administrative Agent and the Borrower shall endeavor to establish an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable; provided that, until so amended, such Impacted Loans will be handled as otherwise provided pursuant to the terms of this Section 2.14; provided, further, that, in the case of Term Loans, such alternate rate of interest to the LIBO Rate shall have a floor of zero. Notwithstanding anything to the contrary in Section 9.02, such amendment shall become effective without any further action or consent of any other party to this Agreement, unless and solely to the extent that there shall not exist a broadly accepted comparable successor benchmark rate on the date of such proposed amendment (as reasonably determined by the First Lien Administrative Agent and the Borrower), in which case such amendment shall become effective with respect to each Class without any further action or consent of any other party to this Agreement so long as the First Lien Administrative Agent shall not have received, within five Business Days of the date notice of amendment is provided to the Lenders, a written notice from the Required Lenders of such Class stating that such Required Lenders object to such amendment.~~

(b) Notwithstanding anything to the contrary herein or in any other First Lien Loan Document, if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any First Lien Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other First Lien Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any First Lien Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other First Lien Loan Document so long as the First Lien Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(c) Notwithstanding anything to the contrary herein or in any other First Lien Loan Document and subject to the proviso below in this paragraph, solely with respect to a Dollar Loan, if a Term SOFR Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any First Lien Loan Document

in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other First Lien Loan Document; provided that, this clause (c) shall not be effective unless the First Lien Administrative Agent has delivered to the Lenders and the Borrower a Term SOFR Notice. For the avoidance of doubt, the First Lien Administrative Agent shall not be required to deliver a Term SOFR Notice after a Term SOFR Transition Event and may do so in its sole discretion.

(d) In connection with the implementation of a Benchmark Replacement, the First Lien Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other First Lien Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other First Lien Loan Document.

(e) The First Lien Administrative Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (f) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the First Lien Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.14, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.14.

(f) Notwithstanding anything to the contrary herein or in any other First Lien Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or the LIBO Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the First Lien Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the First Lien Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the First Lien Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(g) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Eurodollar Borrowing of, conversion to or continuation of Eurodollar Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, either (x) the Borrower will be deemed to have converted any request for a Eurodollar Borrowing denominated in Dollars or Canadian Dollars into a request for a Borrowing of or conversion to ABR Loans or (y) any Eurodollar Borrowing denominated in an Alternative Currency (other than Canadian Dollars) shall be ineffective. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR. Furthermore, if any Eurodollar Loan in Dollars or any Alternative Currency is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Eurodollar Loan, then (i) if such Eurodollar Loan is denominated in Dollars or Canadian Dollars, then on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), such Loan shall be converted by the First Lien Administrative Agent to, and shall constitute, an ABR Loan denominated in

Dollars or Canadian Dollars, as the case may be, on such day or (ii) if such Eurodollar Loan is denominated in any Agreed Currency (other than Dollars or Canadian Dollars), then such Loan shall, on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), at the Borrower's election prior to such day: (A) be prepaid by the Borrower on such day or (B) be converted by the First Lien Administrative Agent to, and (subject to the remainder of this subclause (B)) shall constitute, an ABR Loan denominated in Dollars (in an amount equal to the Dollar Equivalent of such Alternative Currency) on such day (it being understood and agreed that if the Borrower does not so prepay such Loan on such day by 12:00 noon, local time, the First Lien Administrative Agent is authorized to effect such conversion of such Eurodollar Loan into an ABR Loan denominated in Dollars), and, in the case of such subclause (B), upon any subsequent implementation of a Benchmark Replacement in respect of such Agreed Currency pursuant to this Section 2.14, such ABR Loan denominated in Dollars shall then be converted by the First Lien Administrative Agent to, and shall constitute, a Eurodollar Loan denominated in such original currency (in an amount equal to the Alternative Currency Equivalent of such Agreed Currency) on the day of such implementation, giving effect to such Benchmark Replacement in respect of such Agreed Currency.

SECTION 2.15 Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender or any Issuing Bank (except any such reserve requirement reflected in the Adjusted LIBO Rate, the Adjusted BA Rate or Adjusted EURIBOR, as applicable); or

(ii) impose on any Lender or any Issuing Bank or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Eurodollar Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurodollar Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or Issuing Bank of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or issue any Letter of Credit) or to reduce the amount of any sum received or receivable by such Lender or Issuing Bank hereunder (whether of principal, interest or otherwise), then, from time to time upon request of such Lender or Issuing Bank, the Borrower will pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Bank, as the case may be, for such increased costs actually incurred or reduction actually suffered.

(b) If any Lender or Issuing Bank determines that any Change in Law regarding capital requirements has the effect of reducing the rate of return on such Lender's or Issuing Bank's capital or on the capital of such Lender's or Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender, or the Letters of Credit issued by such Issuing Bank, to a level below that which such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or Issuing Bank's holding company with respect to capital adequacy), then, from time to time upon request of such Lender or Issuing Bank, the Borrower will pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction actually suffered.

(c) A certificate of a Lender or an Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or Issuing Bank or its holding company in reasonable detail, as the case may be, as specified in paragraph (a) or (b) of this Section 2.15 delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender or Issuing Bank, as the case may be, the amount shown as due on any such certificate within 15 days after receipt thereof.

and Swingline Loans, accrued but unpaid interest thereon, accrued but unpaid fees and all other amounts payable to it hereunder from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), (C) the Borrower or such assignee shall have paid (unless waived) to the First Lien Administrative Agent the processing and recordation fee specified in Section 9.04(b)(ii) and (D) in the case of any such assignment resulting from a claim for compensation under Section 2.15, or payments required to be made pursuant to Section 2.17 or a notice given under Section 2.23, such assignment will result in a material reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise (including as a result of any action taken by such Lender under paragraph (a) above), the circumstances entitling the Borrower to require such assignment and delegation cease to apply. Each party hereto agrees that an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Borrower, the First Lien Administrative Agent and the assignee and that the Lender required to make such assignment need not be a party thereto.

SECTION 2.20 Incremental Credit Extensions.

(a) The Borrower may at any time or from time to time on one or more occasions after the Effective Date, by written notice delivered to the First Lien Administrative Agent, request (i) one or more additional Classes of term loans (each a “First Lien Incremental Term Facility”), (ii) one or more additional term loans of the same Class of any existing Class of term loans (each an “First Lien Incremental Term Increase”), (iii) one or more increases in the amount of the Revolving Commitments of any Class (each such increase, an “Incremental Revolving Commitment Increase”) and/or (iv) one or more additional Classes of Revolving Commitments (the “Additional/Replacement Revolving Commitments,” and, together with any First Lien Incremental Term Facility, First Lien Incremental Term Increase and the Incremental Revolving Commitment Increases, the “First Lien Incremental Facilities” and any Loans thereunder, the “Incremental Loans”); provided that, after giving effect to the effectiveness of any Incremental Facility Amendment referred to below and at the time that any such First Lien Incremental Facility is made or effected, (i) no Event of Default (except, in the case of the incurrence or provision of any First Lien Incremental Facility in connection with a Permitted Acquisition or other Investment not prohibited by the terms of this Agreement, no Specified Event of Default) shall have occurred and be continuing and (ii) the Borrower shall be in Pro Forma Compliance with the Financial Performance Covenant for the Test Period then last ended (regardless of whether such Financial Performance Covenant is applicable at such time and without deducting in calculating the numerator of such Senior Secured First Lien Net Leverage Ratio any cash proceeds thereof). Notwithstanding anything to the contrary herein, the aggregate principal amount of the First Lien Incremental Facilities that can be incurred at any time shall not exceed the Incremental Cap at such time. Each First Lien Incremental Facility shall be in a minimum principal amount of \$5,000,000 and integral multiples of \$1,000,000 in excess thereof if such Incremental Facilities are denominated in Dollars (unless the Borrower and the First Lien Administrative Agent otherwise agree); provided that such amount may be less than \$5,000,000 and to the extent such amount represents all the remaining availability under the aggregate principal amount of First Lien Incremental Facilities set forth above.

(b) ~~(i)~~ (i) The First Lien Incremental Term Facilities (a) shall (i) rank equal or junior in right of payment with the Term Loans, (ii) if secured, shall be secured only by the Collateral securing the Secured Obligations and (iii) only be guaranteed by the Loan Parties, (b) shall not mature earlier than the Term Maturity Date, (c) shall not have a shorter Weighted Average Life to Maturity than the remaining ~~Initial~~ Term Loans, (d) shall have a maturity date (subject to clause (b)), an amortization schedule (subject to clause (c)), interest rates (including through fixed interest rates), “most favored nation” provisions (if any), interest margins, rate floors, upfront fees, funding discounts, original issue discounts, financial covenants (if any), prepayment terms and premiums and other terms and conditions as determined by the Borrower and the Additional Term Lenders thereunder; provided that, for any First Lien Incremental Term Facility incurred that (x) ranks equal in right of payment with the ~~Initial~~Refinancing Amendment No. 1 Term Loans and is secured by the Collateral on a pari passu basis with the Secured Obligations and (y) is denominated in U.S. Dollars, in the event that the Effective Yield for any such First Lien Incremental Term Facility is greater than the Effective Yield for the ~~Initial~~Refinancing Amendment No. 1 Term Loans by more than 0.50% per annum, then the Effective Yield for the ~~Initial~~Refinancing Amendment No. 1 Term Loans shall be increased to the extent necessary so that the Effective Yield for the ~~Initial~~Refinancing Amendment No. 1 Term Loans is equal to the Effective Yield for such First Lien Incremental Term Facility minus 0.50% per annum (provided that the “LIBOR floor” applicable to the outstanding ~~Initial~~Refinancing Amendment

No. 1 Term Loans shall be increased to an amount not to exceed the “LIBOR floor” applicable to such First Lien Incremental Term Facility prior to any increase in the Applicable Rate applicable to such ~~Initial~~ Refinancing Amendment No. 1 Term Loans then outstanding); and (e) may otherwise have terms and conditions different from those of the Term Loans (including currency denomination); provided that (x) to the extent the terms and documentation with respect to such First Lien Incremental Term Loans are not consistent with the existing Term Loans (except with respect to matters contemplated by clauses (b), (c) and (d) above), the covenants, events of default and guarantees of any such First Lien Incremental Term Loans shall not be materially more restrictive to the Borrower, when taken as a whole, than the terms of the ~~Initial~~-Term Loans unless (1) Lenders under the ~~Initial~~-Term Loans also receive the benefit of such more restrictive terms (it being understood that, to the extent that any covenant, event of default or guarantee is added or modified for the benefit of any Incremental Term Facility, no consent shall be required from the First Lien Administrative Agent or any of the Term Lenders to the extent that such covenant, event of default or guarantee is also added or modified for the benefit of the existing Term Loans),

(2) any such provisions apply after the Term Maturity Date or (3) such terms are reasonably satisfactory to the First Lien Administrative Agent and the Borrower and (y) in no event shall it be a condition to the effectiveness of, or borrowing under, any such First Lien Incremental Term Loans that any representation or warranty of any Loan Party set forth herein be true and correct, except and solely to the extent required by the Additional Term Lenders providing such First Lien Incremental Term Loans. Any First Lien Incremental Term Increase shall be on the same terms and pursuant to the same documentation applicable to the Term Loans (except with respect to matters contemplated by clauses (b), (c) and (d) above). Any Incremental Term Facility shall be on terms and pursuant to documentation as determined by the Borrower and the Additional Term Lenders providing such Incremental Term Facility, subject to the restrictions and exceptions set forth above.

~~(i)~~ (ii) The First Lien Incremental Term Increases shall be treated the same as the Class of Term Loans being increased (including with respect to maturity date thereof), and shall be considered to be part of the Class of Term Loans being increased ~~and applicable to the Initial Term Loans~~ (excluding upfront fees and customary arranger fees); provided that (i) the pricing, interest rate margins, “most favored nation” (if any) provisions and rate floors on the Class of Term Loans being increased may be increased and additional upfront or similar fees may be payable to the lenders providing the First Lien Incremental Term Increase (without any requirement to pay such fees to any existing Term Lenders) and (ii) such First Lien Incremental Term Increase shall be subject to the “most favored nation” pricing adjustment (if applicable) set forth in the proviso to Section 2.20(b)(i) as if such First Lien Incremental Term Increase was a First Lien Incremental Term Facility incurred hereunder.

~~(ii)~~ (iii) The Incremental Revolving Commitment Increases shall be treated the same as the Class of Revolving Commitments being increased (including with respect to maturity date thereof), shall be considered to be part of the Class of Revolving Loans being increased and shall be on the same terms applicable to the Revolving Loans (excluding upfront fees and customary arranger fees); provided that if the pricing, interest rate margins, “most favored nation” (if any) provisions, rate floors and undrawn commitment fees on the Class of Revolving Commitments being increased may be increased and additional upfront or similar fees may be payable to the lenders providing the Incremental Revolving Commitment Increase (without any requirement to pay such fees to any existing Revolving Lenders)).

~~(iii)~~ (iv) The Additional/Replacement Revolving Commitments (a) shall (i) rank equal or junior in right of payment with the Revolving Loans, (ii) if secured, be secured only by the Collateral securing the Secured Obligations and (iii) only be guaranteed by the Loan Parties, (b) shall not mature earlier than the Revolving Maturity Date and shall require no scheduled amortization or mandatory commitment reduction prior to the Revolving Maturity Date, (c) shall have interest rates (including through fixed interest rates), interest margins, rate floors, upfront fees, undrawn commitment fees, funding discounts, original issue discounts, prepayment terms and premiums, financial covenants (if any) commitment reduction and termination terms and other terms and conditions as determined by the Borrower and the lenders of such commitments, (d) shall contain borrowing, repayment and termination of Commitment procedures as determined by the Borrower and the lenders of such commitments, (e) may include provisions relating to letters of credit, as applicable, issued thereunder, which issuances shall be on terms substantially similar (except for the overall size of such subfacilities, the fees payable in connection therewith and the identity of the letter of credit issuer, as applicable, which shall be determined by the Borrower, the lenders of such commitments and the applicable letter of credit issuers and borrowing, repayment and termination of commitment procedures with respect thereto, in each case which shall be specified in the applicable Incremental Facility Amendment) to the terms relating to the Letters of Credit with respect to the applicable Class of Revolving

(iii) Guarantees by the Borrower and any of the Restricted Subsidiaries in respect of Indebtedness of the Borrower or any Restricted Subsidiary otherwise permitted hereunder; provided that (A) such Guarantee is otherwise permitted by Section 6.04, (B) no Guarantee by any Restricted Subsidiary of any Junior Financing or the Second Lien Facilities shall be permitted unless such Restricted Subsidiary shall have also provided a Guarantee of the First Lien Loan Document Obligations pursuant to the First Lien Guarantee Agreement, and

(C) if the Indebtedness being Guaranteed is subordinated to the First Lien Loan Document Obligations, such Guarantee shall be subordinated to the Guarantee of the First Lien Loan Document Obligations on terms at least as favorable to the Lenders as those contained in the subordination of such Indebtedness;

(iv) Indebtedness of the Borrower owing to any Restricted Subsidiary or of any Restricted Subsidiary owing to any other Restricted Subsidiary or the Borrower, to the extent permitted by Section 6.04; provided that all such Indebtedness of any Loan Party owing to any Restricted Subsidiary that is not a Loan Party shall be subordinated to the First Lien Loan Document Obligations (to the extent any such Indebtedness is outstanding at any time after the date that is thirty (30) days after the Effective Date or such later date as the First Lien Administrative Agent may reasonably agree) (but only to the extent permitted by applicable law and not giving rise to adverse tax consequences) on terms (i) at least as favorable to the Lenders as those set forth in the form of intercompany note attached as Exhibit F or (ii) otherwise reasonably satisfactory to the First Lien Administrative Agent;

(v) (A) Indebtedness (including Capital Lease Obligations and purchase money Indebtedness) incurred, issued or assumed by the Borrower or any Restricted Subsidiary to finance the acquisition, purchase, lease, construction, repair, replacement or improvement of fixed or capital property, equipment or other assets; provided that such Indebtedness is incurred concurrently with or within 270 days after the applicable acquisition, purchase, lease, construction, repair, replacement or improvement, and (B) any Permitted Refinancing of any Indebtedness set forth in the immediately preceding clause (A) (or successive Permitted Refinancings thereof); provided, further that, at the time of any such incurrence of Indebtedness and after giving Pro Forma Effect thereto and the use of the proceeds thereof, the aggregate principal amount of Indebtedness that is outstanding in reliance on this clause (v) shall not exceed the greater of (A) \$80,000,000 and (B) 20% of Consolidated EBITDA for the most recently ended Test Period as of such time;

(vi) Indebtedness in respect of Swap Agreements incurred in the ordinary course of business and not for speculative purposes;

(vii) (A) Indebtedness of the Borrower, any Restricted Subsidiary or any Person that becomes a Restricted Subsidiary (or of any Person not previously a Restricted Subsidiary that is merged, amalgamated or consolidated with or into the Borrower or a Restricted Subsidiary) either (a) incurred or issued and/or (b) assumed after the Effective Date in connection with any Permitted Acquisition or any other Investment not prohibited by Section 6.04; provided that, with respect to clause (a) above, (i) to the extent such obligor or any guarantor is a Loan Party, such Indebtedness is secured by the Collateral on a pari passu basis with the Secured Obligations, (ii) after giving effect to each such incurrence, issuance and/or assumption of such Indebtedness on a Pro Forma Basis, (I) the Senior Secured First Lien Net Leverage Ratio as of such time is less than or equal to, at the Borrower's option, either (x) 5.50 to 1.00 for the most recently ended Test Period or (y) the Senior Secured First Lien Net Leverage Ratio immediately prior to such Permitted Acquisition or Investment (and related issuance and/or incurrence of Consolidated Senior Secured First Lien Net Indebtedness), (II) the Borrower shall be in Pro Forma Compliance with the Financial Performance Covenant for the most recently ended Test Period (regardless of whether such Financial Performance Covenant is applicable at such time) and

(III) no Specified Event of Default shall exist or result therefrom (at the time of execution of a binding agreement in respect thereof), and (iii) with respect to any such newly incurred Indebtedness, (1) such Indebtedness does not mature earlier than the Term Maturity Date as of the Effective Date (except in the case of customary bridge loans which, subject to customary conditions (including no payment or bankruptcy event of default), would either automatically be converted into or required to be exchanged for permanent refinancing that does not mature earlier than the Term Maturity Date as of the Effective Date), (2) such Indebtedness does not have a shorter Weighted Average Life to Maturity than the ~~Initial~~remaining Term Loans (except in the case of customary bridge loans which, subject to customary conditions (including no payment or bankruptcy event of default), would either automatically be converted into or required to be exchanged for permanent refinancing Indebtedness that does not have a shorter Weighted Average Life to Maturity than such remaining

Term Loans) and (3) the covenants, events of default and guarantees of such Indebtedness (excluding pricing, interest rate margins, rate floors, discounts, fees, premiums and prepayment or redemption provisions) are not materially more favorable (when taken as a whole) to the lenders or investors providing such Indebtedness than the terms and conditions of this Agreement (when taken as a whole) are to the Lenders (unless (1) Lenders under the existing Term Loans and Revolving Commitments, also receive the benefit of such more favorable terms (together with, at the election of the Borrower, any applicable “equity cure” provisions with respect to any financial maintenance covenant) (it being understood that, to the extent that any covenant, event of default or guarantee is added or modified for the benefit of any such Indebtedness, no consent shall be required from the First Lien Administrative Agent or any Lender to the extent that such covenant, event of default or guarantee is either (i) also added or modified for the benefit of any corresponding Loans remaining outstanding after the issuance or incurrence of any such Indebtedness in connection therewith or (ii) with respect to any “springing” financial maintenance covenant or other covenant that is (x) more restrictive on the Borrower and its Restricted Subsidiaries than the Financial Performance Covenant or other corresponding covenant hereunder and (y) only applicable to, or for the benefit of, a revolving credit facility, also added for the benefit of each revolving credit facility hereunder (and not for the benefit of any term loan facility hereunder)), (2) such provisions are applicable only to periods after the Latest Maturity Date at such time, or (3) such terms are otherwise reasonably satisfactory to the First Lien Administrative Agent and the Borrower); provided that a certificate of a Responsible Officer of Holdings delivered to the First Lien Administrative Agent promptly after the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such resulting Indebtedness or copies of the principal documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement, shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the First Lien Administrative Agent notifies the Borrower within five (5) Business Days that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees); and (B) any Permitted Refinancing of Indebtedness incurred pursuant to the foregoing subclause (A); provided further that the aggregate principal amount of Indebtedness of which the primary obligor or a guarantor is a Restricted Subsidiary that is not a Loan Party outstanding in reliance on this clause (vii)(A)(a) or (vii)(B) (solely with respect to any Permitted Refinancing of any Indebtedness incurred pursuant to clause (vii)(A)(a)) (together with the aggregate principal amount of Indebtedness of which the primary obligor or a guarantor is a Restricted Subsidiary that is not a Loan Party outstanding in reliance on Sections 6.01(a)(viii) and 6.01(a)(ix)) shall not exceed, at the time of incurrence thereof and after giving Pro Forma Effect thereto, the greater of \$80,000,000 and 20% of Consolidated EBITDA for the most recently ended Test Period as of such time;

(viii) (A) Indebtedness of the Borrower, any Restricted Subsidiary or any Person that becomes a Restricted Subsidiary (or of any Person not previously a Restricted Subsidiary that is merged, amalgamated or consolidated with or into the Borrower or a Restricted Subsidiary) either (a) incurred or issued and/or (b) assumed after the Effective Date in connection with any Permitted Acquisition or any other Investment not prohibited by Section 6.04; provided that, with respect to clause (a) above, (i) to the extent such obligor or any guarantor is a Loan Party, such Indebtedness is secured by the Collateral on a junior or subordinated basis to the Secured Obligations, (ii) after giving effect to each such incurrence and/or issuance of such Indebtedness on a Pro Forma Basis, the Senior Secured Net Leverage Ratio as of such time is less than or equal to, at the Borrower’s option, either (x) 7.50 to 1.00 for the most recently ended Test Period or (y) the Senior Secured Net Leverage Ratio immediately prior to such Permitted Acquisition or Investment (and related incurrence and/or issuance of Indebtedness) and (iii) with respect to any such newly incurred Indebtedness, (1) such Indebtedness does not mature earlier than the Term Maturity Date as of the Effective Date (except in the case of customary bridge loans which, subject to customary conditions (including no payment or bankruptcy event of default), would either automatically be converted into or required to be exchanged for permanent refinancing that does not mature earlier than the Term Maturity Date as of the Effective Date), (2) such Indebtedness does not have a shorter Weighted Average Life to Maturity than the ~~Initial~~remaining Term Loans (except in the case of customary bridge loans which, subject to customary conditions (including no payment or bankruptcy event of default), would either automatically be converted into or required to be exchanged for permanent refinancing Indebtedness which does not have a shorter Weighted Average Life to Maturity than the ~~Initial~~remaining Term Loans), (3) the other terms and conditions of such Indebtedness shall be as determined by the Borrower and the lenders providing such Indebtedness (subject to the restrictions and exceptions set forth above) and (4) with respect to clause (b) above, such Indebtedness is and remains the obligation of the Person and/or such Person’s subsidiaries that are acquired and such Indebtedness was not

(g) All amounts due under this Section 9.03 shall be payable not later than ten (10) Business Days after written demand therefor; provided, however, that any Indemnitee shall promptly refund an indemnification payment received hereunder to the extent that there is a final judicial determination that such Indemnitee was not entitled to indemnification with respect to such payment pursuant to this Section 9.03.

SECTION 9.04 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Bank that issues any Letter of Credit), except that (i) the Borrower may not assign or otherwise transfer any of their rights or obligations hereunder without the prior written consent of each Lender, each Issuing Bank and the acknowledgement of the First Lien Administrative Agent (and any attempted assignment or transfer by the Borrower without such consent shall be null and void), (ii) no assignment shall be made to any Defaulting Lender or any of its Subsidiaries, or any Persons who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (ii) and (iii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 9.04. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section 9.04), the Indemnitees and, to the extent expressly contemplated hereby, the Related Parties of each of the First Lien Administrative Agent, the Issuing Bank and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) ~~(i)~~ (i) Subject to the conditions set forth in paragraphs (b)(ii) and (f) below, any Lender may assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent (except with respect to assignments to competitors (as described in the definition of "Disqualified Lenders") of the Borrower) not to be unreasonably withheld or delayed) of (A) the Borrower; provided that no consent of the Borrower shall be required for an assignment (w) by any Joint Lead Arranger (or its Affiliate) to the extent that an assignment by such Joint Lead Arranger (or such Affiliate) is made in the primary syndication to Eligible Assignees to whom the Borrower has consented or to any other Joint Lead Arranger (or its Affiliate), (x) by a Term Lender to any Lender, an Affiliate of any Lender or an Approved Fund, (y) if a Specified Event of Default has occurred and is continuing (other than with respect to any assignment to a Disqualified Lender) or (z) by a Revolving Lender to another Revolving Lender, an Affiliate of a Revolving Lender or an Approved Fund; provided further that no assignee contemplated by the immediately preceding proviso shall be entitled to receive any greater payment under Section 2.15 or Section 2.17 than the applicable assignor would have been entitled to receive with respect to the assignment made to such assignee, unless the assignment to such assignee is made with the Borrower's prior written consent; provided further that the Borrower shall have the right to withhold its consent to any assignment if in order for such assignment to comply with applicable law, the Borrower would be required to obtain the consent of, or make any filing or registration with, any Governmental Authority, (B) the First Lien Administrative Agent; provided that no consent of the First Lien Administrative Agent shall be required for an assignment of a Term Loan or assignments pursuant to the proviso in clause (z) of Section 9.04(b) (i)(A) to (x) a Revolving Lender, an Affiliate of a Lender or an Approved Fund or (y) subject to Section 9.04(f) and (g), an Affiliated Lender, Holdings, the Borrower or any of its Subsidiaries and (C) solely in the case of Revolving Loans and Revolving Commitments, each Issuing Bank and the Swingline Lender (not to be unreasonably withheld or delayed); provided that, for the avoidance of doubt, no consent of any Issuing Bank or the Swingline Lender shall be required for an assignment of all or any portion of a Term Loan or Term Commitment. Notwithstanding anything in this Section 9.04 to the contrary, if the Borrower has not given the First Lien Administrative Agent written notice of its objection to an assignment of Term Loans within ten (10) Business Days after written notice of such assignment, the Borrower shall be deemed to have consented to such assignment.

~~(i)~~ (ii) Assignments shall be subject to the following additional conditions: (A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the trade date specified in the Assignment and Assumption with respect to such assignment or, if no trade date is so specified, as of the date the Assignment and Assumption with respect to such assignment is delivered to the First Lien Administrative Agent and

determined on an aggregate basis in the event of concurrent assignments to Related Funds or by Related Funds) shall, in the case of Revolving Loans, not be less than \$2,500,000 ~~(and integral multiples thereof)~~ or, in the case of a Term Loan, \$1,000,000 ~~(and integral multiples thereof)~~, unless the Borrower and the First Lien Administrative Agent otherwise consent (in each case, such consent not to be unreasonably withheld or delayed); provided that no such consent of the Borrower shall be required if a Specified Event of Default has occurred and is continuing, (B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement; provided that this clause (B) shall not be construed to prohibit assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans, (C) the parties to each assignment shall execute and deliver to the First Lien Administrative Agent an Assignment and Assumption via an electronic settlement system acceptable to the First Lien Administrative Agent or, if previously agreed with the First Lien Administrative Agent, manually execute and deliver to the First Lien Administrative Agent an Assignment and Assumption, and, in each case, together with a processing and recordation fee of \$3,500; provided that the First Lien Administrative Agent, in its sole discretion, may elect to waive or reduce such processing and recordation fee; provided further, that such processing and recordation fee shall not be payable in the case of assignments by any Agent or any Lender to any of its Affiliates; provided further that any such Assignment and Assumption shall include a representation by the assignee that the assignee is not a Disqualified Lender or an Affiliate of a Disqualified Lender; provided further that assignments made pursuant to Section 2.19(b) or Section 9.02(c) shall not require the signature of the assigning Lender to become effective, (D) the assignee, if it shall not be a Lender, shall deliver to the First Lien Administrative Agent any tax forms required by Section 2.17(f) and an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain Material Non-Public Information about the Borrower, the Loan Parties and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws and (E) unless the Borrower otherwise consents, no assignment of all or any portion of the Revolving Commitment of a Lender that is also the Swingline Lender or an Issuing Bank may be made unless (1) the assignee shall be or become a Swingline Lender and/or an Issuing Bank, as applicable, and assume a ratable portion of the rights and obligations of such assignor in its capacity as Swingline Lender and Issuing Bank, or (2) the assignor agrees, in its discretion, to retain all of its rights with respect to and obligations to make or issue Swingline Loans and Letters of Credit, as applicable, hereunder in which case the Applicable Fronting Exposure of such assignor may exceed such assignor's Revolving Commitment for purposes of Sections 2.04(a) and 2.05(b) by an amount not to exceed the difference between the assignor's Revolving Commitment prior to such assignment and the assignor's Revolving Commitment following such assignment; provided that no such consent of the Borrower shall be required if a Specified Event of Default has occurred and is continuing.

~~(b)(iii)~~ Subject to acceptance and recording thereof pursuant to paragraph (b)(v) of this Section 9.04, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of (and subject to the obligations and limitations of) Sections 2.15, 2.16, 2.17 and 9.03 and to any fees payable hereunder that have accrued for such Lender's account but have not yet been paid). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c)(i) of this Section 9.04.

~~(c)(iv)~~ The First Lien Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in the United States a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal and interest amounts of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). Notwithstanding the foregoing, in no event shall the First Lien Administrative Agent be obligated to ascertain, monitor or inquire as to whether any Lender is an Affiliated Lender, nor shall the First Lien Administrative Agent be obligated to monitor the aggregate amount of the Loans or Incremental Loans held by Affiliated Lenders. The entries in the Register shall be conclusive absent manifest error,

Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by the First Lien Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the First Lien Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the First Lien Administrative Agent from the Borrower in the Agreement Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the First Lien Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the First Lien Administrative Agent in such currency, the First Lien Administrative Agent agrees to return the amount of any excess to the Borrower (or to any other Person who may be entitled thereto under Requirements of Law).

SECTION 9.18 Acknowledgement and Consent to Bail-In of ~~EEA~~Affected Financial

Institutions.

Notwithstanding anything to the contrary in any First Lien Loan Document or in any other agreement, arrangement or understanding among any parties to any First Lien Loan Document, each party hereto acknowledges that any liability of any Lender that is an ~~EEA~~Affected Financial Institution arising under any First Lien Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of ~~an EEA~~the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by ~~an EEA~~the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an ~~EEA~~Affected Financial Institution;
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability
 - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such ~~EEA~~Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other First Lien Loan Document; or
 - (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of ~~any EEA~~the applicable Resolution Authority.

SECTION 9.19 Intercreditor Agreement.

(a) Each Secured Party hereby agrees that the First Lien Administrative Agent and/or First Lien Collateral Agent may enter into any intercreditor agreement and/or subordination agreement or amendment thereof pursuant to, or contemplated by, the terms of this Agreement (including with respect to Indebtedness permitted pursuant to Section 6.01, any applicable Liens on Collateral permitted pursuant to Section 6.02 and, in each case, together with the defined terms referenced therein) on its behalf and agrees to be bound by the terms thereof and, in each case, consents and agrees to the appointment of Jefferies (or its affiliated designee, representative, agent or successor) on its behalf as collateral agent, respectively, thereunder.

(b) Notwithstanding anything to the contrary in this Agreement or in any other First Lien Loan Document: (a) the Liens granted to the First Lien Collateral Agent in favor of the Secured Parties pursuant to the First Lien Loan Documents and the exercise of any right related to any Collateral shall be subject, in each case, to the terms of the Customary Intercreditor Agreements then in effect, (b) in the event of any conflict between the express terms and provisions of this Agreement or any other First Lien Loan Document, on the one hand, and of any Customary Intercreditor Agreements then in effect, on the other hand, the terms and provisions of the relevant

SOTERA HEALTH COMPANY

The following is a list of subsidiaries of Sotera Health Company, omitting subsidiaries which are dormant entities without any operations and holding no or *de minimis assets*, and which, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary as of March 9, 2021.

<u>Name of Subsidiary</u>	<u>Jurisdiction of Incorporation</u>
Auralux Enterprises Ltd.	Alberta
BioScience Laboratories, LLC	Delaware
Companhia Brasileira de Esterilização	Brazil
DEROSS Holding B.V.	Netherlands
Embrapart Participações LTDA	Brazil
Nelson Laboratories, LLC	Delaware
Nelson Laboratories Fairfield Holdings, LLC	Delaware
Nelson Laboratories Fairfield, Inc.	New Jersey
Nelson Laboratories Holdings, LLC	Delaware
Nelson Labs NV	Belgium
Nordion (Canada) Inc.	Canada
Nordion US Holdings LLC	Delaware
Nordion (US) Inc.	Delaware
REVISS Services (UK) Limited	United Kingdom
RSI Leasing, LLC	California
Sotera Health LLC	Delaware
Sotera Health Holdings, LLC	Delaware
Sotera Health Services, LLC	Delaware
Sterigenics Belgium Fleurus NV	Belgium
Sterigenics Belgium Petit Rechain S.A.	Belgium
Sterigenics Brasil Participações EIRELI	Brazil
Sterigenics Costa Rica, S.R.L.	Costa Rica
Sterigenics Denmark A/S	Denmark
Sterigenics EO Canada, Inc.	Canada
Sterigenics France S.A.S.	France
Sterigenics Germany GmbH	Germany
Sterigenics Italy S.p.A.	Italy
Sterigenics NV	Belgium
Sterigenics Radiation Technologies, LLC	Delaware
Sterigenics Radiation Technologies Canada, Inc.	British Columbia
Sterigenics Radiation Technologies Holdings, LLC	Delaware
Sterigenics Radiation Technologies IN, Inc.	Indiana
Sterigenics, S. de R.L. de C.V.	Mexico
Sterigenics S.A.S.	France
Sterigenics Shanghai E-beam Ltd.	China
Sterigenics Shanghai ETO Ltd.	China
Sterigenics Thailand, Ltd.	Thailand
Sterigenics UK Limited	United Kingdom
Sterigenics U.S., LLC	Delaware
STR 1 B.V.	Netherlands
STR 2 B.V.	Netherlands
STR C.V.	Netherlands
Unidade de Esterilização Cotia LTDA	Brazil

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-250894) pertaining to the Sotera Health Company 2020 Omnibus Incentive Plan of our report dated March 9, 2021, with respect to the consolidated financial statements and schedule of Sotera Health Company included in this Annual Report (Form 10-K) for the year ended December 31, 2020.

/s/ Ernst & Young LLP

Akron, Ohio
March 9, 2021

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael B. Petras, Jr., certify that:

1. I have reviewed this annual report on Form 10-K of Sotera Health Company;
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) 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
 - (c) 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 fiscal 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 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: March 9, 2021

/s/ Michael B. Petras, Jr.
Michael B. Petras, Jr.
Chairman and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT 2002**

I, Scott J. Leffler, certify that:

1. I have reviewed this annual report on Form 10-K of Sotera Health Company;
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) 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
 - (c) 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 fiscal 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 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: March 9, 2021

/s/ Scott J. Leffler
Scott J. Leffler
Chief Financial Officer and Treasurer
(Principal Financial Officer)

**CERTIFICATIONS OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), each of the undersigned officers of Sotera Health Company (the “Company”), do hereby certify, to each such officer’s knowledge, that the Annual Report on Form 10-K for the year ended 2020 of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 9, 2020

/s/ Michael B. Petras, Jr.

Michael B. Petras, Jr.

Title: Chairman and Chief Executive Officer

(Principal Executive Officer)

Dated: March 9, 2020

/s/ Scott J. Leffler

Scott J. Leffler

Title: Chief Financial Officer and Treasurer

(Principal Financial Officer)

The foregoing certifications are furnished and are not deemed filed with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (Exchange Act), and are not deemed to be incorporated by reference into any filing of Sotera Health Company under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that Sotera Health Company specifically incorporates them by reference.