

## Three Best-in-Class Businesses. One Mission: Safeguarding Global Health®

### Our Commitment to Safeguarding Global Health®

Sotera Health Company (NASDAQ: SHC) is a leading global provider of mission-critical end-to-end sterilization solutions, lab testing and advisory services for the healthcare industry. The name Sotera Health was inspired by Soteria, the Greek goddess of safety, and reflects the Company's unwavering commitment to its mission, Safeguarding Global Health®. 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.

#### Our Values



### We are a global leader in our markets

- **Provide mission-critical services** to blue-chip customers
  - >70% of revenue<sup>1</sup> from customers with multiyear contracts
  - No customer accounts for more than 4% of total revenue<sup>1</sup>
- **Vast network of 65 global facilities** to support customer requirements and growth
- In an increasingly regulated industry, we are a **global leader in technical and regulatory expertise**
- **Strong financial profile:**
  - Revenue growth every year since 2005 (including the financial crisis in 2008-09 and the pandemic in 2020)
  - Full-year Adjusted EBITDA margins<sup>2</sup> of >50%
- Our **track record, expertise and scale** provide competitive advantages and drive attractive returns
- Large and **growing total addressable market** of ~\$33 billion<sup>3</sup>
- **Well-positioned for growth** in global healthcare market, without reimbursement risk
- **Strong organic growth** coupled with highly disciplined acquisition strategy
- Established and **experienced management team** building on a strong platform

### Our Three Businesses

#### Sterilization services



#### Comprehensive sterilization services

Provider of mission-critical and government-mandated sterilization services

# of locations

48

# of customers

~2,800

Leader in sterilization services



#### Gamma technologies

Global leader in supply of cobalt-60, the key input for gamma sterilization

# of locations

2

# of customers

~40

#### Lab services



#### Expert lab testing and advisory services

Provider of mission-critical medical device and pharmaceutical lab testing and advisory services

# of locations

15

# of customers

~3,500

Leader in lab testing & advisory services

1. As of December 31, 2021.

2. Adjusted EBITDA Margin is equal to Adjusted EBITDA divided by net revenues, and is based on figures for the year ended December 31, 2021. For a reconciliation of GAAP to Non-GAAP results, please refer to the Non-GAAP Financial Measures provided on page 3.

3. Management Estimates, 2019.

## Opportunity for further growth driven by favorable macro trends

- Favorable demographic trends for healthcare worldwide
- Growth in R&D spending and innovation across healthcare
- Continued shift to outsourced sterilization and lab services; increasing customer share of wallet
- Original equipment manufacturers (OEMs) shift to comprehensive service providers
- Global trade and increasingly complex supply chains and regulatory environment

## Our global customers trust and value our expertise, creating deep relationships

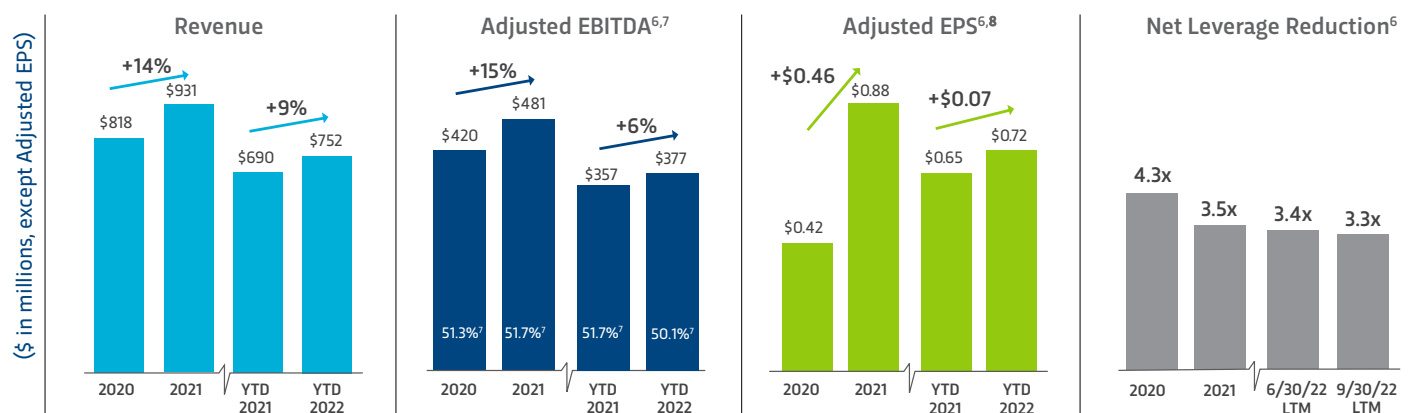


## Our integrated offering creates end-to-end solutions across the healthcare value chain



Customers coordinate transportation and logistics

## Our capabilities, scale and know-how enable strong financial results



4. Unique customer counts across three SHC segments as of December 31, 2021.

5. Based on YTD revenue as of December 31, 2021.

6. We define Adjusted EBITDA as Adjusted Net Income before interest expense and the mark-to-market impact of derivatives not accounted for as hedges, depreciation (including depreciation of Co-60 used in our operations) and income tax provision applicable to Adjusted Net Income.

7. Adjusted EBITDA margin, which is equal to Adjusted EBITDA divided by net revenues.

8. Adjusted EPS is defined as Adjusted Net Income divided by the weighted average number of diluted shares outstanding.

## Non-GAAP Financial Measures

<i>(unaudited)</i> (\$ in thousands, except per share amounts)	Year Ended December 31,		Nine Months Ended September 30,	
	2020	2021	2021	2022
<b>Net income (loss)</b>	<b>\$ (37,491)</b>	<b>\$ 117,121</b>	<b>\$ 81,124</b>	<b>\$ 86,149</b>
Amortization of intangible assets	80,255	86,742	65,299	61,596
Share-based compensation <sup>(a)</sup>	10,987	13,870	10,489	14,955
Capital restructuring bonuses <sup>(b)</sup>	2,702	—	—	—
(Gain) loss on foreign currency and derivatives not designated as hedging instruments, net <sup>(c)</sup>	(8,454)	(58)	885	(4,788)
Acquisition and divestiture related charges, net <sup>(d)</sup>	3,932	(6,018)	(2,003)	978
Business optimization project expenses <sup>(e)</sup>	2,524	948	780	1,609
Plant closure expenses <sup>(f)</sup>	2,649	2,327	1,564	3,776
Impairment of investment in unconsolidated affiliate <sup>(g)</sup>	—	—	—	9,613
Loss on extinguishment of debt <sup>(h)</sup>	44,262	20,681	20,677	—
Professional services relating to EO sterilization facilities <sup>(i)</sup>	36,671	45,656	33,492	50,238
Accretion of asset retirement obligation <sup>(j)</sup>	1,946	2,252	1,751	1,644
COVID-19 expenses <sup>(k)</sup>	2,677	761	596	154
Income tax benefit associated with pre-tax adjustments <sup>(l)</sup>	(43,536)	(38,500)	(32,772)	(25,337)
<b>Adjusted Net Income</b>	<b>\$ 99,124</b>	<b>\$ 245,782</b>	<b>\$ 181,882</b>	<b>\$ 200,587</b>
Interest expense, net <sup>(m)</sup>	215,259	74,192	58,585	53,974
Depreciation <sup>(n)</sup>	63,309	64,160	47,457	47,496
Income tax provision applicable to Adjusted Net Income <sup>(o)</sup>	42,167	97,095	68,630	74,579
<b>Adjusted EBITDA<sup>(p)</sup></b>	<b>\$ 419,859</b>	<b>\$ 481,229</b>	<b>\$ 356,554</b>	<b>\$ 376,636</b>
<b>Net Revenue</b>	<b>\$ 818,158</b>	<b>\$ 931,478</b>	<b>\$ 690,229</b>	<b>\$ 752,097</b>
<b>Adjusted EBITDA Margin</b>	<b>51.3 %</b>	<b>51.7 %</b>	<b>51.7 %</b>	<b>50.1 %</b>
<b>Weighted average number of shares outstanding</b>				
Basic	237,696	279,228	279,097	279,988
Diluted	237,696	279,382	279,253	280,093
<b>Earnings (loss) per share</b>				
Basic	\$ (0.16)	\$ 0.41	\$ 0.29	\$ 0.31
Diluted	(0.16)	0.41	0.29	0.31
<b>Adjusted earnings per share</b>				
Basic	\$ 0.42	\$ 0.88	\$ 0.65	\$ 0.72
Diluted	0.42	0.88	0.65	0.72

(a) Represents non-cash share-based compensation expense. (b) Represents cash bonuses for members of management primarily relating to the IPO. (c) Represents the effects of (i) fluctuations in foreign currency exchange rates, (ii) non-cash mark-to-fair value of embedded derivatives relating to certain customer and supply contracts at Nordion and (iii) unrealized gains and losses on interest rate caps not designated as hedging instruments. (d) Represents (i) certain direct and incremental costs related to the acquisitions of Regulatory Compliance Associates Inc., the noncontrolling interests in our China subsidiaries, BioScience Labs in 2021, Iotron in July 2020, Nelson Labs Fairfield in 2018 (including the first quarter 2021 gain on the mandatorily redeemable noncontrolling interest), 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, (iii) transition services income and non-cash deferred lease income associated with the terms of the divestiture of the Medical Isotopes business in 2018, (iv) a \$3.4 million gain recognized in the third quarter of 2021 related to the settlement of an insurance claim for Nordion, and (v) a \$5.1 million non-cash gain in the fourth quarter of 2021 arising from the derecognition of an ARO liability no longer attributable to Nordion pursuant to the terms of the sale of the Medical Isotopes business in 2018. (e) 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 recent acquisitions, operating structure realignment and other process enhancement projects. (f) Represents decommissioning costs, 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. (g) Represents an impairment charge on our equity method investment in a joint venture. (h) Represents expenses incurred in connection with the payoff of debt following the November 2020 IPO, the January 2021 Term Loan repricing, and full redemption of the First Lien Notes in August 2021, 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 litigation and other professional fees associated with our EO sterilization facilities. (j) Represents non-cash accretion of asset retirement obligations related to gamma and EO 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 incremental costs to implement workplace health and safety measures. For the year ended December 31, 2020, costs also included donations to related charitable causes and special bonuses for front-line personnel working on-site during lockdown periods. (l) Represents the income tax impact of adjustments calculated based on the tax rate applicable to each item. We eliminate the effect of tax rate changes as applied to tax assets and liabilities and unusual items from our presentation of adjusted net income. (m) The nine months ended September 30, 2022 excludes \$6.1 million of unrealized gains on interest rate derivatives not designated as hedging instruments. (n) Includes depreciation of Co-60 held at gamma irradiation sites. (o) 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). (p) \$82.6 million and \$85.3 million of the adjustments for the twelve months ended December 31, 2020 and 2021, respectively, and \$63.3 million and \$62.8 million and of the adjustments for the nine months ended September 30, 2021 and September 30, 2022, respectively, are included in cost of revenues, primarily consisting of amortization of intangible assets, depreciation, and accretion of asset retirement obligations.

## Non-GAAP Financial Measures

(unaudited) (\$ in thousands)	Year Ended December 31,		Twelve Months Ended	Twelve Months Ended
	2020	2021	June 30, 2022	September 30, 2022
Long-term debt	\$ 1,824,789	\$ 1,743,534	\$ 1,745,548	\$ 1,746,555
Current portion of finance leases	1,173	1,160	1,615	1,591
Finance leases less current portion	34,939	40,877	57,140	54,935
<b>Total Debt</b>	<b>\$ 1,860,901</b>	<b>\$ 1,785,571</b>	<b>\$ 1,804,303</b>	<b>\$ 1,803,081</b>
Add: unamortized debt issuance costs and debt discounts	38,761	20,016	18,002	16,995
Less: cash and cash equivalents	(102,454)	(106,924)	(139,564)	(164,961)
<b>Total Net Debt</b>	<b>\$ 1,797,208</b>	<b>\$ 1,698,663</b>	<b>\$ 1,682,741</b>	<b>\$ 1,655,115</b>
<b>Adjusted EBITDA<sup>(a)</sup></b>	<b>\$ 419,859</b>	<b>\$ 481,229</b>	<b>\$ 492,833</b>	<b>\$ 501,311</b>
<b>Net Leverage</b>	4.3x	3.5x	3.4x	3.3x

(a) Represents Adjusted EBITDA for the twelve months ended December 31, 2020, December 31, 2021, June 30, 2022, and September 30, 2022, respectively. Refer to the reconciliations of Adjusted EBITDA to net income (loss) for additional detail.

(unaudited) (\$ in thousands, except per share amounts)	Year Ended December 31,		Twelve Months	Twelve Months
	2020	2021	Ended June 30, 2022	Ended Sept 30, 2022
<b>Net income (loss)</b>	<b>\$ (37,491)</b>	<b>\$ 117,121</b>	<b>\$ 124,500</b>	<b>\$ 122,146</b>
Amortization of intangible assets	80,255	86,742	84,059	83,039
Share-based compensation <sup>(a)</sup>	10,987	13,870	17,267	18,336
Capital restructuring bonuses <sup>(b)</sup>	2,702	—	—	—
Gain on foreign currency and derivatives not designated as hedging instruments, net <sup>(c)</sup>	(8,454)	(58)	(7,044)	(5,731)
Acquisition and divestiture related charges, net <sup>(d)</sup>	3,932	(6,018)	(6,146)	(3,037)
Business optimization project expenses <sup>(e)</sup>	2,524	948	986	1,777
Plant closure expenses <sup>(f)</sup>	2,649	2,327	2,178	4,539
Impairment of investment in unconsolidated affiliate <sup>(g)</sup>	—	—	9,613	9,613
Loss on extinguishment of debt <sup>(h)</sup>	44,262	20,681	6,369	4
Professional services relating to EO sterilization facilities <sup>(i)</sup>	36,671	45,656	57,350	62,402
Accretion of asset retirement obligation <sup>(j)</sup>	1,946	2,252	2,217	2,145
COVID-19 expenses <sup>(k)</sup>	2,677	761	422	319
Income tax benefit associated with pre-tax adjustments <sup>(l)</sup>	(43,536)	(38,500)	(33,088)	(31,065)
<b>Adjusted Net Income</b>	<b>99,124</b>	<b>245,782</b>	<b>258,683</b>	<b>264,487</b>
Interest expense, net <sup>(m)</sup>	215,259	74,192	67,641	69,581
Depreciation <sup>(n)</sup>	63,309	64,160	64,709	64,199
Income tax provision applicable to Adjusted Net Income <sup>(o)</sup>	42,167	97,095	101,800	103,044
<b>Adjusted EBITDA<sup>(p)</sup></b>	<b>\$ 419,859</b>	<b>\$ 481,229</b>	<b>\$ 492,833</b>	<b>\$ 501,311</b>
<b>Net Revenue</b>	<b>\$ 818,158</b>	<b>\$ 931,478</b>	<b>\$ 970,806</b>	<b>\$ 993,346</b>
<b>Adjusted EBITDA Margin</b>	51.3 %	51.7 %	50.8 %	50.5 %
<b>Weighted average number of shares outstanding</b>				
Basic	237,696	279,228		
Diluted	237,696	279,382		
<b>Earnings (loss) per share</b>				
Basic	\$ (0.16)	\$ 0.41		
Diluted	(0.16)	0.41		
<b>Adjusted earnings per share</b>				
Basic	\$ 0.42	\$ 0.88		
Diluted	0.42	0.88		

## Non-GAAP Financial Measures

(a) Represents non-cash share-based compensation expense. (b) Represents cash bonuses for members of management primarily relating to the IPO. (c) Represents the effects of (i) fluctuations in foreign currency exchange rates, (ii) non-cash mark-to-fair value of embedded derivatives relating to certain customer and supply contracts at Nordion and (iii) unrealized gains and losses on interest rate caps not designated as hedging instruments. (d) Represents (i) certain direct and incremental costs related to the acquisitions of Regulatory Compliance Associates Inc., the noncontrolling interests in our China subsidiaries, BioScience Labs in 2021, lotron in July 2020, Nelson Labs Fairfield in 2018 (including the first quarter 2021 gain on the mandatorily redeemable noncontrolling interest), 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, (iii) transition services income and non-cash deferred lease income associated with the terms of the divestiture of the Medical Isotopes business in 2018, (iv) a \$3.4 million gain recognized in the third quarter of 2021 related to the settlement of an insurance claim for Nordion, and (v) a \$5.1 million non-cash gain in the fourth quarter of 2021 arising from the derecognition of an ARO liability no longer attributable to Nordion pursuant to the terms of the sale of the Medical Isotopes business in 2018. (e) 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 recent acquisitions, operating structure realignment and other process enhancement projects. (f) Represents decommissioning costs, 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. (g) Represents an impairment charge on our equity method investment in a joint venture. (h) Represents expenses incurred in connection with the payoff of debt following the November 2020 IPO, the January 2021 Term Loan repricing, and full redemption of the First Lien Notes in August 2021, 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 litigation and other professional fees associated with our EO sterilization facilities. (j) Represents non-cash accretion of asset retirement obligations related to gamma and EO 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 incremental costs to implement workplace health and safety measures. For the year ended December 31, 2020, costs also included donations to related charitable causes and special bonuses for front-line personnel working on-site during lockdown periods. (l) Represents the income tax impact of adjustments calculated based on the tax rate applicable to each item. We eliminate the effect of tax rate changes as applied to tax assets and liabilities and unusual items from our presentation of adjusted net income. (m) The twelve months ended June 30, 2022 and September 30, 2022 excludes \$9.4 million and \$6.1 million of unrealized gains on interest rate derivatives not designated as hedging instruments. (n) Includes depreciation of Co-60 held at gamma irradiation sites. (o) 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 (j). (p) \$82.6 million, \$85.3 million, \$83.5 million and \$84.7 million of the adjustments for the twelve months ended December 31, 2020, December 31, 2021, June 30, 2022, and September 30, 2022, respectively, are included in cost of revenues, primarily consisting of amortization of intangible assets, depreciation, and accretion of asset retirement obligations.

**This Investor Fact Sheet contains forward-looking statements.** The reader is cautioned not to rely on these statements, which are based on current expectations of future events. For important information about these statements, including the risks, uncertainties and other factors that could cause actual results to vary materially from the assumptions, expectations and projections expressed in any forward-looking statements, please refer to the Company's Form 10-K for the year ended December 31, 2021 and the Company's other SEC filings, including in the sections captioned "Cautionary Note Regarding Forward-Looking Statements" and "Item 1A. Risk Factors." Sotera Health Company does not undertake to update any forward-looking statement as a result of new information or future events or developments.