

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2022

or

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

For the transition period from _____ to _____

Commission File Number 001-38848

STERIS plc

(Exact name of registrant as specified in its charter)

Ireland
(State or other jurisdiction of
incorporation or organization)
70 Sir John Rogerson's Quay, Dublin 2, Ireland
(Address of principal executive offices)

98-1455064
(IRS Employer
Identification No.)
D02 R296
(Zip code)

353 1 232 2000
(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 Exchange on Which Registered
Ordinary Shares, \$0.001 par value	STE	New York Stock Exchange
2.700% Senior Notes due 2031	STE/31	New York Stock Exchange
3.750% Senior Notes due 2051	STE/51	New York Stock Exchange

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

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

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

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of ordinary shares outstanding as of August 4, 2022: 100,014,639

STERIS plc and Subsidiaries
Form 10-Q
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PART 1—FINANCIAL INFORMATION

As used in this Quarterly Report on Form 10-Q, STERIS plc and its consolidated subsidiaries together are called “STERIS,” the “Company,” “we,” “us,” or “our,” unless otherwise noted.

ITEM 1. FINANCIAL STATEMENTS

STERIS PLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands)

	June 30, 2022	March 31, 2022
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 316,327	\$ 348,320
Accounts receivable (net of allowances of \$23,121 and \$24,371, respectively)	763,788	799,041
Inventories, net	620,404	574,999
Prepaid expenses and other current assets	147,428	156,637
Total current assets	1,847,947	1,878,997
Property, plant, and equipment, net	1,573,337	1,552,576
Lease right-of-use assets, net	182,357	188,480
Goodwill	4,321,176	4,404,343
Intangibles, net	3,193,032	3,328,537
Other assets	70,157	70,661
Total assets	\$ 11,188,006	\$ 11,423,594
Liabilities and equity		
Current liabilities:		
Accounts payable	\$ 228,987	\$ 225,737
Accrued income taxes	37,553	26,873
Accrued payroll and other related liabilities	137,580	183,721
Short-term lease obligations	35,560	36,472
Short-term indebtedness	151,000	142,875
Accrued expenses and other	317,643	306,544
Total current liabilities	908,323	922,222
Long-term indebtedness	2,846,446	2,945,481
Deferred income taxes, net	790,819	780,619
Long-term lease obligations	150,215	155,056
Other liabilities	73,075	75,579
Total liabilities	\$ 4,768,878	\$ 4,878,957
Commitments and contingencies (see Note 8)		
Ordinary shares, with \$0.001 par value; 500,000 shares authorized; 100,090 and 100,067 ordinary shares issued and outstanding, respectively	4,738,746	4,742,920
Retained earnings	2,057,175	1,999,244
Accumulated other comprehensive (loss)	(388,373)	(209,808)
Total shareholders' equity	6,407,548	6,532,356
Noncontrolling interests	11,580	12,281
Total equity	6,419,128	6,544,637
Total liabilities and equity	\$ 11,188,006	\$ 11,423,594

See notes to consolidated financial statements.

STERIS PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,	
	2022	2021
Revenues:		
Product	\$ 637,076	\$ 489,279
Service	519,415	479,143
Total revenues	1,156,491	968,422
Cost of revenues:		
Product	332,855	271,406
Service	305,838	270,734
Total cost of revenues	638,693	542,140
Gross profit	517,798	426,282
Operating expenses:		
Selling, general, and administrative	334,626	393,752
Research and development	24,751	18,192
Restructuring expenses	26	14
Total operating expenses	359,403	411,958
Income from operations	158,395	14,324
Non-operating expenses, net:		
Interest expense	22,674	21,812
Fair value adjustment related to convertible debt, premium liability	—	22,923
Interest (income) and miscellaneous expense	770	(1,434)
Total non-operating expenses, net	23,444	43,301
Income (loss) before income tax expense	134,951	(28,977)
Income tax expense (credit)	24,196	(7,075)
Net income (loss)	110,755	(21,902)
Less: Net (loss) attributable to noncontrolling interests	(507)	(95)
Net income (loss) attributable to shareholders	\$ 111,262	\$ (21,807)
Net income (loss) per share attributed to shareholders		
Basic	\$ 1.11	\$ (0.24)
Diluted	\$ 1.10	\$ (0.24)
Cash dividends declared per share ordinary outstanding	\$ 0.43	\$ 0.40

See notes to consolidated financial statements.

STERIS PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(in thousands)
(Unaudited)

	Three Months Ended June 30,	
	2022	2021
Net income (loss)	\$ 110,755	\$ (21,902)
Less: Net income (loss) attributable to noncontrolling interests	(507)	(95)
Net income (loss) attributable to shareholders	111,262	(21,807)
Other comprehensive income (loss)		
Amortization of pension and postretirement benefit plans cost, (net of taxes of \$(6) and \$174, respectively)	29	(507)
Change in cumulative currency translation adjustment	(178,594)	24,933
Total other comprehensive income (loss)	(178,565)	24,426
Comprehensive income (loss)	\$ (67,303)	\$ 2,619

See notes to consolidated financial statements.

STERIS PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Three Months Ended June 30,	
	2022	2021
Operating activities:		
Net income (loss)	\$ 110,755	\$ (21,902)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion, and amortization	138,863	83,621
Deferred income taxes	5,304	456
Share-based compensation expense	8,963	26,600
Loss on the disposal of property, plant, equipment, and intangibles, net	(972)	824
Loss on sale of businesses, net	3,878	419
Fair value adjustment related to convertible debt, premium liability	—	22,923
Other items	10,412	(2,334)
Changes in operating assets and liabilities, net of effects of acquisitions:		
Accounts receivable, net	26,335	41,732
Inventories, net	(58,076)	(1,660)
Other current assets	6,755	(6,747)
Accounts payable	6,492	(4,614)
Accruals and other, net	(26,963)	(41,892)
Net cash provided by operating activities	231,746	97,426
Investing activities:		
Purchases of property, plant, equipment, and intangibles, net	(115,933)	(56,396)
Proceeds from the sale of property, plant, and equipment	1,288	217
Proceeds from the sale of businesses	5,228	—
Acquisition of businesses, net of cash acquired	—	(547,353)
Net cash used in investing activities	(109,417)	(603,532)
Financing activities:		
Proceeds from issuance of senior public notes	—	1,350,000
Proceeds from term loan	—	650,000
Payments on term loan	(111,875)	(125,000)
Payments on long-term obligations	—	(721,284)
Proceeds (payments) under credit facilities, net	37,011	(249,421)
Deferred financing fees and debt issuance costs	—	(17,227)
Acquisition related deferred or contingent consideration	(84)	(25,150)
Repurchases of ordinary shares	(24,679)	(10,670)
Cash dividends paid to ordinary shareholders	(43,008)	(34,148)
Stock option and other equity transactions, net	1,221	1,710
Net cash (provided by) used in financing activities	(141,414)	818,810
Effect of exchange rate changes on cash and cash equivalents	(12,908)	1,539
Increase (decrease) in cash and cash equivalents	(31,993)	314,243
Cash and cash equivalents at beginning of period	348,320	220,531
Cash and cash equivalents at end of period	\$ 316,327	\$ 534,774

See notes to consolidated financial statements.

STERIS PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in thousands, except per share amounts)
(Unaudited)

	Ordinary Shares		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total Equity
	Number	Amount				
Balance at March 31, 2022	100,067	4,742,920 \$	1,999,244 \$	(209,808) \$	12,281 \$	6,544,637
Comprehensive income:						
Net income (loss)	—	—	111,262	—	(507)	110,755
Other comprehensive income (loss)	—	—	—	(178,565)	—	(178,565)
Repurchases of ordinary shares	(126)	(14,356)	(10,323)	—	—	(24,679)
Equity compensation programs and other	149	10,182	—	—	—	10,182
Cash dividends – \$0.43 per ordinary share	—	—	(43,008)	—	—	(43,008)
Other changes in noncontrolling interest	—	—	—	—	(194)	(194)
Balance at June 30, 2022	100,090 \$	4,738,746 \$	2,057,175 \$	(388,373) \$	11,580 \$	6,419,128

	Ordinary Shares		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total Equity
	Number	Amount				
Balance at March 31, 2021	85,353	2,002,825 \$	1,939,408 \$	(61,243) \$	10,478 \$	3,891,468
Comprehensive income:						
Net income (loss)	—	—	(21,807)	—	(95)	(21,902)
Other comprehensive income	—	—	—	24,426	—	24,426
Repurchases of ordinary shares	(60)	(1,776)	(8,894)	—	—	(10,670)
Equity compensation programs and other	156	28,299	—	—	—	28,299
Cash dividends – \$0.40 per ordinary share	—	—	(34,148)	—	—	(34,148)
Issuance of shares for acquisition of Cantel Medical LLC ("Cantel")	14,297	2,689,317	—	—	—	2,689,317
Consideration related to equity component of Cantel convertible debt	—	175,555	—	—	—	175,555
Consideration related to Cantel equity compensation programs	—	18,173	—	—	—	18,173
Reclassification to Cantel convertible debt, premium liability	—	(175,555)	—	—	—	(175,555)
Other changes in noncontrolling interest	—	—	—	—	52	52
Balance at June 30, 2021	99,746 \$	4,736,838 \$	1,874,559 \$	(36,817) \$	10,435 \$	6,585,015

See notes to consolidated financial statements.

STERIS PLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
For the Three Months Ended June 30, 2022 and 2021
(dollars in thousands, unless noted and except per share amounts)

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

STERIS is a leading global provider of products and services that support patient care with an emphasis on infection prevention. WE HELP OUR CUSTOMERS CREATE A HEALTHIER AND SAFER WORLD by providing innovative healthcare, life sciences and dental products and services. We offer our Customers a unique mix of innovative consumable products, such as detergents, gastrointestinal (“GI”) endoscopy accessories, barrier product solutions, and other products and services, including: equipment installation and maintenance, microbial reduction of medical devices, dental instruments and tools, instrument and scope repair, laboratory testing services, outsourced reprocessing, and capital equipment products, such as sterilizers and surgical tables, automated endoscope reprocessors, and connectivity solutions such as operating room (“OR”) integration.

We operate and report in four reportable business segments: Healthcare, Applied Sterilization Technologies, Life Sciences, and Dental. We describe our business segments in Note 9 titled, “Business Segment Information.”

Our fiscal year ends on March 31. References in this Quarterly Report to a particular “year” or “year-end” mean our fiscal year. The significant accounting policies applied in preparing the accompanying consolidated financial statements of the Company are summarized below:

Interim Financial Statements

We prepared the accompanying unaudited consolidated financial statements of the Company according to accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and the instructions to the Quarterly Report on Form 10-Q and Rule 10-01 of Regulation S-X. This means that they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. Our unaudited interim consolidated financial statements contain all material adjustments (including normal recurring accruals and adjustments) management believes are necessary to fairly state our financial condition, results of operations, and cash flows for the periods presented.

These interim consolidated financial statements should be read together with the consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022. The Consolidated Balance Sheet at March 31, 2022 was derived from the audited consolidated financial statements at that date, but does not include all of the information and footnotes required by U.S. GAAP for complete financial statements.

Principles of Consolidation

We use the consolidation method to report our investment in our subsidiaries. Therefore, the accompanying consolidated financial statements include the accounts of the Company and its wholly-owned and majority-owned subsidiaries. We eliminate inter-company accounts and transactions when we consolidate these accounts. Investments in equity of unconsolidated affiliates, over which the Company has significant influence, but not control, over the financial and operating policies, are accounted for primarily using the equity method. These investments are immaterial to the Company's Consolidated Financial Statements.

Use of Estimates

We make certain estimates and assumptions when preparing financial statements according to U.S. GAAP that affect the reported amounts of assets and liabilities at the financial statement dates and the reported amounts of revenues and expenses during the periods presented. These estimates and assumptions involve judgments with respect to many factors that are difficult to predict and are beyond our control. Actual results could be materially different from these estimates. We revise the estimates and assumptions as new information becomes available. This means that operating results for the three month period ended June 30, 2022 are not necessarily indicative of results that may be expected for future quarters or for the full fiscal year ending March 31, 2023.

STERIS PLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)—(Continued)
For the Three Months Ended June 30, 2022 and 2021
(dollars in thousands, except as noted)

Revenue Recognition and Associated Liabilities

Revenue is recognized when obligations under the terms of the contract are satisfied and control of the promised products or services have transferred to the Customer. Revenues are measured at the amount of consideration that we expect to be paid in exchange for the products or services. Product revenue is recognized when control passes to the Customer, which is generally based on contract or shipping terms. Service revenue is recognized when the Customer benefits from the service, which occurs either upon completion of the service or as it is provided to the Customer. Our Customers include end users as well as dealers and distributors who market and sell our products. Our revenue is not contingent upon resale by the dealer or distributor, and we have no further obligations related to bringing about resale. Our standard return and restocking fee policies are applied to sales of products. Shipping and handling costs charged to Customers are included in Product revenues. The associated expenses are treated as fulfillment costs and are included in Cost of revenues. Revenues are reported net of sales and value-added taxes collected from Customers.

We have individual Customer contracts that offer discounted pricing. Dealers and distributors may be offered sales incentives in the form of rebates. We reduce revenue for discounts and estimated returns, rebates, and other similar allowances in the same period the related revenues are recorded. The reduction in revenue for these items is estimated based on historical experience and trend analysis to the extent that it is probable that a significant reversal of revenue will not occur. Estimated returns are recorded gross on the Consolidated Balance Sheets.

In transactions that contain multiple performance obligations, such as when products, maintenance services, and other services are combined, we recognize revenue as each product is delivered or service is provided to the Customer. We allocate the total arrangement consideration to each performance obligation based on its relative standalone selling price, which is the price for the product or service when it is sold separately.

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.

We do not capitalize sales commissions as substantially all of our sales commission programs have an amortization period of one year or less.

Certain costs to fulfill a contract are capitalized and amortized over the term of the contract if they are recoverable, directly related to a contract and generate resources that we will use to fulfill the contract in the future. At June 30, 2022, assets related to costs to fulfill a contract were not material to our Consolidated Financial Statements.

Refer to Note 9, titled "Business Segment Information" for disaggregation of revenue.

Product Revenue

Product revenues consist of revenues generated from sales of consumables and capital equipment. These contracts are primarily based on a Customer's purchase order and may include a Distributor, Dealer or Group Purchasing Organization ("GPO") agreement. We recognize revenue for sales of product when control passes to the Customer, which generally occurs either when the products are shipped or when they are received by the Customer. Revenue related to capital equipment products is deferred until installation is complete if the capital equipment and installation are highly integrated and form a single performance obligation.

Service Revenue

Within our Healthcare and Life Sciences segments, service revenues include revenue generated from parts and labor associated with the maintenance, repair and installation of capital equipment. These contracts are primarily based on a Customer's purchase order and may include a Distributor, Dealer, or Group Purchasing Organization ("GPO") agreement. For maintenance, repair and installation of capital equipment, revenue is recognized upon completion of the service. Healthcare service revenues also include outsourced reprocessing services and instrument repairs. Contracts for outsourced reprocessing services are primarily based on an agreement with a Customer, ranging in length from several months to 15 years. Outsourced reprocessing services revenue is recognized ratably over the contract term using a time-based input measure, adjusted for volume and other performance metrics, to the extent that it is probable that a significant reversal of revenue will not occur. Contracts for instrument repairs are primarily based on a Customer's purchase order, and the associated revenue is recognized upon completion of the repair.

We also offer preventive maintenance and separately priced extended warranty agreements to our Customers, which require us to maintain and repair our products over the duration of the contract. Generally, these contract terms are cancellable

STERIS PLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)—(Continued)
For the Three Months Ended June 30, 2022 and 2021
(dollars in thousands, except as noted)

without penalty and range from one to five years. Amounts received under these Customer contracts are initially recorded as a service liability and are recognized as service revenue ratably over the contract term using a time-based input measure.

Within our Applied Sterilization Technologies segment, service revenues include contract sterilization and laboratory services. Sales contracts for contract sterilization and laboratory services are primarily based on a Customer's purchase order and associated Customer agreement and revenues are generally recognized upon completion of the service.

Contract Liabilities

Payments received from Customers are based on invoices or billing schedules as established in contracts with Customers. Deferred revenue is recorded when payment is received in advance of performance under the contract. Deferred revenue is recognized as revenue upon completion of the performance obligation, which generally occurs within one year. During the first three months of fiscal 2023, \$57,528 of the March 31, 2022 deferred revenue balance was recorded as revenue. During the first three months of fiscal 2022, \$35,722 of the March 31, 2021 deferred revenue balance was recorded as revenue.

Refer to Note 6, titled "Additional Consolidated Balance Sheet Information" for Deferred revenue balances.

Service Liabilities

Payments received in advance of performance for cancellable preventive maintenance and separately priced extended warranty contracts are recorded as service liabilities. Service liabilities are recognized as revenue as performance is rendered under the contract.

Refer to Note 6, titled "Additional Consolidated Balance Sheet Information" for Service liability balances.

Remaining Performance Obligations

Remaining performance obligations reflect only the performance obligations related to agreements for which we have a firm commitment from a Customer to purchase and exclude variable consideration related to unsatisfied performance obligations. With regard to products, these remaining performance obligations include capital equipment and consumable orders which have not shipped. With regard to service, these remaining performance obligations primarily include installation, certification, and outsourced reprocessing services. As of June 30, 2022, the transaction price allocated to remaining performance obligations was approximately \$1,574,000. We expect to recognize approximately 62% of the transaction price within one year and approximately 31% beyond one year. The remainder has yet to be scheduled for delivery.

Recently Issued Accounting Standards Impacting the Company

Recently Issued Accounting Standards Impacting the Company are presented in the following table:

Standard	Date of Issuance	Description	Date of Adoption	Effect on the financial statements or other significant matters
Standards that have been adopted in fiscal 2023				
ASU 2021-08 "Business Combinations (Topic 805) Accounting for Contract Assets and Contract Liabilities from Contracts with Customers.	October 2021	The standard provides guidance to improve the accounting for acquired revenue contracts with Customers in a business combination by addressing diversity in practice and inconsistency related to the recognition of an acquired contract liability and payment terms and their effect on subsequent revenue recognized by the acquirer.	First Quarter Fiscal 2023	We adopted this standard effective April 1, 2022 with no material impact to our consolidated financial statements.

A detailed description of our significant and critical accounting policies, estimates, and assumptions is included in our consolidated financial statements included in our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022. Our significant and critical accounting policies, estimates, and assumptions have not changed materially from March 31, 2022.

2. Business Acquisitions and Divestitures

Acquisitions

STERIS PLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)—(Continued)
For the Three Months Ended June 30, 2022 and 2021
(dollars in thousands, except as noted)

On June 2, 2021, we acquired all outstanding equity interests in Cantel Medical LLC ("Cantel") through a U.S. subsidiary. The total consideration for Cantel common stock and stock equivalents was \$3,599,471. We funded the cash portion of the transaction consideration and repayment of a significant amount of Cantel's existing debt obligations with a portion of the proceeds from new debt, which is described in our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

In addition to the total purchase consideration, STERIS assumed and repaid \$721,284 of existing Cantel debt obligations and assumed Cantel's obligations associated with convertible senior notes issued on May 15, 2020, which is described our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

Fair Value of Assets Acquired and Liabilities Assumed

The table below presents the allocation of fair values of assets acquired and liabilities assumed on the acquisition date.

	March 31, 2022			
	(As previously reported)		Adjustments	Final
Cash	\$ 169,073		\$ —	\$ 169,073
Accounts receivable	172,226		—	172,226
Inventory	249,221		—	249,221
Property, plant and equipment	267,360		(1,282)	266,078
Lease right-of-use assets, net	59,720		—	59,720
Other assets	72,864		—	72,864
Intangible assets	2,942,000		—	2,942,000
Goodwill	1,522,381		22,088	1,544,469
Total assets acquired	5,454,845		20,806	5,475,651
Convertible debt, par value	168,000		—	168,000
Other current liabilities	247,549		5,595	253,144
Long-term lease obligations	47,856		—	47,856
Deferred income taxes, net	670,685		15,211	685,896
Long-term indebtedness	721,284		—	721,284
Total liabilities assumed	1,855,374		20,806	1,876,180
Net assets acquired	\$ 3,599,471		\$ —	\$ 3,599,471

Fiscal 2023 and 2022 first quarter acquisition and integration expenses totaled \$9,832 and \$140,996, respectively and were primarily related to the acquisition and integration of Cantel. Acquisition and integration expenses are reported in the selling, general and administrative expenses line of our Consolidated Statements of Income and include but are not limited to investment banker, advisory, legal, other professional fees, and certain employee-related expenses.

For more information on the acquisition of Cantel, refer to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

STERIS PLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)—(Continued)
For the Three Months Ended June 30, 2022 and 2021
(dollars in thousands, except as noted)

3. Inventories, Net

Inventories are stated at the lower of their cost and net realizable value determined by the first-in, first-out (“FIFO”) cost method. Inventory costs include material, labor, and overhead. Inventory costs include material, labor, and overhead. Inventories, net consisted of the following:

	June 30, 2022	March 31, 2022
Raw materials	\$ 211,453	\$ 195,035
Work in process	107,267	76,021
Finished goods	341,109	334,880
Reserve for excess and obsolete inventory	(39,425)	(30,937)
Inventories, net	\$ 620,404	\$ 574,999

4. Property, Plant and Equipment

Information related to the major categories of our depreciable assets is as follows:

	June 30, 2022	March 31, 2022
Land and land improvements ⁽¹⁾	\$ 82,795	\$ 84,015
Buildings and leasehold improvements	651,071	654,851
Machinery and equipment	899,970	903,649
Information systems	223,455	222,620
Radioisotope	603,761	597,641
Construction in progress ⁽¹⁾	402,795	356,013
Total property, plant, and equipment	2,863,847	2,818,789
Less: accumulated depreciation and depletion	(1,290,510)	(1,266,213)
Property, plant, and equipment, net	\$ 1,573,337	\$ 1,552,576

⁽¹⁾ Land is not depreciated. Construction in progress is not depreciated until placed in service.

STERIS PLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)—(Continued)
For the Three Months Ended June 30, 2022 and 2021
(dollars in thousands, except as noted)

5. Debt

Indebtedness was as follows:

	June 30, 2022	March 31, 2022
Short-term debt		
Term Loan, current portion	\$ 27,500	\$ 27,500
Delayed Draw Term Loan, current portion	32,500	24,375
Private Placement Senior Notes	91,000	91,000
Total short-term debt	\$ 151,000	\$ 142,875
Long-term debt		
Private Placement Senior Notes	\$ 745,032	\$ 758,726
Revolving Credit Facility	92,642	58,908
Deferred financing costs	(24,353)	(25,278)
Term Loan	65,625	177,500
Delayed Draw Term Loan	617,500	625,625
Senior Public Notes	1,350,000	1,350,000
Total long-term debt	\$ 2,846,446	\$ 2,945,481
Total debt	\$ 2,997,446	\$ 3,088,356

Additional information regarding our indebtedness is included in the notes to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

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6. Additional Consolidated Balance Sheet Information

Additional information related to our Consolidated Balance Sheets is as follows:

	June 30, 2022	March 31, 2022
Accrued payroll and other related liabilities:		
Compensation and related items	\$ 83,416	\$ 71,878
Accrued vacation/paid time off	14,108	13,669
Accrued bonuses	23,174	64,702
Accrued employee commissions	13,598	30,171
Other postretirement benefit obligations-current portion	1,190	1,190
Other employee benefit plans obligations-current portion	2,094	2,111
Total accrued payroll and other related liabilities	\$ 137,580	\$ 183,721
Accrued expenses and other:		
Deferred revenues	\$ 100,617	\$ 110,791
Service liabilities	47,737	51,365
Self-insured risk reserves-current portion	11,421	8,995
Accrued dealer commissions	34,450	31,700
Accrued warranty	13,443	14,108
Asset retirement obligation-current portion	517	1,181
Accrued interest	18,073	10,014
Other	91,385	78,390
Total accrued expenses and other	\$ 317,643	\$ 306,544
Other liabilities:		
Self-insured risk reserves-long-term portion	\$ 19,213	\$ 19,213
Other postretirement benefit obligations-long-term portion	7,070	7,335
Defined benefit pension plans obligations-long-term portion	3,601	1,772
Other employee benefit plans obligations-long-term portion	1,183	1,360
Accrued long-term income taxes	12,502	12,225
Asset retirement obligation-long-term portion	11,897	12,362
Other	17,609	21,312
Total other liabilities	\$ 73,075	\$ 75,579

7. Income Tax Expense

The effective income tax rates for the three-month periods ended June 30, 2022 and 2021 were 17.9% and 24.4%, respectively. The fiscal 2023 effective tax rate decreased when compared to fiscal 2022, primarily due to nonrecurring unfavorable items reported in the prior fiscal year.

Income tax expense is provided on an interim basis based upon our estimate of the annual effective income tax rate, adjusted each quarter for discrete items. In determining the estimated annual effective income tax rate, we analyze various factors, including projections of our annual earnings and taxing jurisdictions in which the earnings will be generated, the impact of state and local income taxes, our ability to use tax credits and net operating loss carry forwards, and available tax planning alternatives.

We operate in numerous taxing jurisdictions and are subject to regular examinations by various United States federal, state and local, as well as foreign jurisdictions. With the exception of formal acceptance of the settlement noted below, we are no longer subject to United States federal examinations for years before fiscal 2016 and, with limited exceptions, we are no longer subject to United States state and local, or non-United States, income tax examinations by tax authorities for years before fiscal 2016. We remain subject to tax authority audits in various jurisdictions wherever we do business.

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In the fourth quarter of fiscal 2021, we completed an appeals process with the U.S. Internal Revenue Service (the "IRS") regarding proposed audit adjustments related to deductibility of interest paid on intercompany debt for fiscal years 2016 through 2017. An agreement was reached on final interest rates, which also impacts subsequent years through 2020. We estimate the total federal, state, and local tax impact of the settlement to be approximately \$12,000, for the fiscal years 2016 through 2020, of which approximately \$7,500 has been paid through June 30, 2022.

In May 2021, we received two notices of proposed tax adjustment from the IRS regarding deemed dividend inclusions and associated withholding tax. The notices relate to the fiscal and calendar year 2018. The IRS adjustments would result in a cumulative tax liability of approximately \$50,000. We are contesting the IRS's assertions, and intend to pursue available remedies such as appeals and litigation, if necessary. We have not established reserves related to these notices. An unfavorable outcome is not expected to have a material adverse impact on our consolidated financial position but could be material to our consolidated results of operations and cash flows for any one period.

8. 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), product liability or regulation (e.g., based on product operation or claimed malfunction, failure to warn, failure to meet specification, or failure to comply with regulatory requirements), product exposure (e.g., claimed exposure to chemicals, asbestos, contaminants, radiation), property damage (e.g., claimed damage due to leaking equipment, fire, vehicles, chemicals), commercial claims (e.g., breach of contract, economic loss, warranty, misrepresentation), financial (e.g., taxes, reporting), employment (e.g., wrongful termination, discrimination, benefits matters), and other claims for damage and relief.

We believe we have adequately reserved for our current litigation and claims that are probable and estimable, and further believe that the ultimate outcome of these pending lawsuits and claims will not have a material adverse effect on our consolidated financial position or results of operations taken as a whole. Due to their inherent uncertainty, however, there can be no assurance of the ultimate outcome or effect of current or future litigation, investigations, claims or other proceedings (including without limitation the matters discussed below). For certain types of claims, we presently maintain insurance coverage for personal injury and property damage and other liability coverages in amounts and with deductibles that we believe are prudent, but there can be no assurance that these coverages will be applicable or adequate to cover adverse outcomes of claims or legal proceedings against us.

Civil, criminal, regulatory or other proceedings involving our products or services could possibly result in judgments, settlements or administrative or judicial decrees requiring us, among other actions, to pay damages or fines or effect recalls, or be subject to other governmental, Customer or other third party claims or remedies, which could materially effect our business, performance, prospects, value, financial condition, and results of operations.

For additional information regarding these matters, see the following portions of our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022, Item 1 titled "Business - Information with respect to our Business in General - Government Regulation" and "- Environmental Matters", and the "Risk Factors" in Item 1A titled "Product and service related regulations and claims".

From time to time, STERIS is also involved in legal proceedings as a plaintiff involving contract, patent protection, and other claims asserted by us. Gains, if any, from these proceedings are recognized when they are realized.

We are subject to taxation from United States federal, state and local, and non-U.S. jurisdictions. Tax positions are settled primarily through the completion of audits within each individual jurisdiction or the closing of statutes of limitation. Changes in applicable tax law or other events may also require us to revise past estimates. We describe income taxes further in Note 7 to our consolidated financial statements titled, "Income Tax Expense" in this Quarterly Report on Form 10-Q.

9. Business Segment Information

We report our financial information in four reportable business segments: Healthcare, Applied Sterilization Technologies, Life Sciences and Dental. Non-allocated operating costs that support the entire Company and items not indicative of operating trends are excluded from segment operating income.

Our Healthcare segment provides a comprehensive offering for healthcare providers worldwide, focused on sterile processing departments and procedural centers, such as operating rooms and endoscopy suites. Our products and services range

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from infection prevention consumables and capital equipment, as well as services to maintain that equipment; to the repair of re-usable procedural instruments; to outsourced instrument reprocessing services. In addition, our procedural solutions also include single-use devices and capital equipment infrastructure used primarily in operating rooms, ambulatory surgery centers, endoscopy suites, and other procedural areas.

Our Applied Sterilization Technologies ("AST") segment is a third-party service provider for contract sterilization, as well as testing services needed to validate sterility services for medical device and pharmaceutical manufacturers. Our technology-neutral offering supports Customers every step of the way, from testing through sterilization.

Our Life Sciences segment provides a comprehensive offering of products and services that support pharmaceutical manufacturing, primarily for vaccine and other biopharma Customers focused on aseptic manufacturing. These solutions include a full suite of consumable products, equipment maintenance and specialty services, and capital equipment.

Our Dental segment provides a comprehensive offering for dental practitioners and dental schools, offering instruments, infection prevention consumables and instrument management systems.

We disclose a measure of segment income that is consistent with the way management operates and views the business. The accounting policies for reportable segments are the same as those for the consolidated Company. Certain prior period costs were reallocated from the Healthcare segment to corporate to conform with current year presentation. The prior period segment operating income measure has been recast for comparability.

For the three months ended June 30, 2022, revenues from a single Customer did not represent ten percent or more of the Healthcare, Applied Sterilization Technologies or Life Sciences segment revenues. Three Customers collectively and consistently account for approximately 40.0% of our Dental segment revenue. The percentage associated with these three Customers collectively in any one period may vary due to the buying patterns of these three Customers as well as other Dental Customers. These three Customers collectively accounted for approximately 38.6% and 35.8% of our Dental segment revenues for the three months ended June 30, 2022 and 2021, respectively. Additional information regarding our segments is included in our consolidated financial statements included in our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

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Financial information for each of our segments is presented in the following table:

	Three Months Ended June 30,	
	2022	2021
Revenues:		
Healthcare	\$ 698,526	\$ 602,817
Applied Sterilization Technologies	220,911	208,902
Life Sciences	132,207	121,471
Dental	104,847	35,232
Total revenues	\$ 1,156,491	\$ 968,422
Segment operating income (loss):		
Healthcare	\$ 156,497	\$ 138,373
Applied Sterilization Technologies	109,315	101,927
Life Sciences	55,305	49,088
Dental	19,596	10,119
Corporate	(75,943)	(77,273)
Total segment operating income	\$ 264,770	\$ 222,234
Less: Adjustments		
Amortization of acquired intangible assets ⁽¹⁾	\$ 93,929	\$ 41,741
Acquisition and integration related charges ⁽²⁾	9,832	140,996
Tax restructuring costs ⁽³⁾	173	(49)
(Gain) on fair value adjustment of acquisition related contingent consideration ⁽¹⁾	(3,100)	—
Net loss on divestiture of businesses ⁽¹⁾	3,878	419
Amortization of inventory and property "step up" to fair value ⁽¹⁾	1,637	24,789
Restructuring charges ⁽⁴⁾	26	14
Total income from operations	\$ 158,395	\$ 14,324

⁽¹⁾ For more information regarding our recent acquisitions and divestitures refer to note 2 titled, "Business Acquisitions and Divestitures" of our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

⁽²⁾ Acquisition and integration related charges include transaction costs and integration expenses associated with acquisitions.

⁽³⁾ Costs incurred in tax restructuring.

⁽⁴⁾ For more information regarding our restructuring efforts refer to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

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Additional information regarding our fiscal 2023 and fiscal 2022 first quarter revenue is disclosed in the following tables:

	Three Months Ended June 30,	
	2022	2021
Healthcare:		
Consumables	\$ 252,032	\$ 206,692
Capital equipment	179,134	150,890
Service	267,360	245,235
Total Healthcare Revenues	\$ 698,526	\$ 602,817
Total Applied Sterilization Technologies Revenues	\$ 220,911	\$ 208,902
Life Sciences:		
Consumables	\$ 59,557	\$ 56,536
Capital equipment	40,499	32,745
Service	32,151	32,190
Total Life Sciences Revenues	\$ 132,207	\$ 121,471
Dental Revenues	\$ 104,847	\$ 35,232
Total Revenues	\$ 1,156,491	\$ 968,422

Additional geographic information regarding our revenues and property, plant and equipment, net is presented in the following tables:

	Three Months Ended June 30,	
	2022	2021
Revenues:		
Ireland	\$ 18,176	\$ 21,945
United States	834,101	679,250
Other locations	304,214	267,227
Total Revenues	\$ 1,156,491	\$ 968,422

10. Shares and Preferred Shares

Ordinary shares

We calculate basic earnings per share based upon the weighted average number of shares outstanding. We calculate diluted earnings per share based upon the weighted average number of shares outstanding plus the dilutive effect of share equivalents calculated using the treasury stock method.

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The following is a summary of shares and share equivalents outstanding used in the calculations of basic and diluted earnings per share:

<u>Denominator (shares in thousands):</u>	<u>Three Months Ended June 30,</u>	
	2022	2021
Weighted average shares outstanding—basic	100,082	90,152
Dilutive effect of share equivalents	640	840
Weighted average shares outstanding and share equivalents—diluted	100,722	90,992

Options to purchase the following number of shares were outstanding but excluded from the computation of diluted earnings per share because the combined exercise prices, unamortized fair values, and assumed tax benefits upon exercise were greater than the average market price for the shares during the periods, so including these options would be anti-dilutive:

<u>(shares in thousands)</u>	<u>Three Months Ended June 30,</u>	
	2022	2021
Number of share options	291	273

Additional Authorized Shares

The Company has an additional authorized share capital of 50,000,000 preferred shares of \$0.001 par value each, plus 25,000 deferred ordinary shares of €1.00 par value each, in order to satisfy minimum statutory capital requirements for all Irish public limited companies.

11. Repurchases of Ordinary Shares

On May 7, 2019, our Board of Directors authorized a share repurchase program resulting in a share repurchase authorization of approximately \$78,979 (net of taxes, fees and commissions). On July 30, 2019, our Board of Directors approved an increase in the May 7, 2019 authorization of an additional amount of \$300,000 (net of taxes, fees and commissions). As of June 30, 2022, there was approximately \$294,649 (net of taxes, fees and commissions) of remaining availability under a Board authorized share repurchase program. The share repurchase program has no specified expiration date.

Under the authorization, the Company may repurchase its shares from time to time through open market purchases, including 10b5-1 plans. Any share repurchases may be activated, suspended or discontinued at any time. Due to the uncertainty surrounding the COVID-19 pandemic, share repurchases were suspended on April 9, 2020. The suspension was lifted effective February 10, 2022, enabling the Company to resume stock repurchases pursuant to the prior authorizations.

During the first three months of fiscal 2023, we repurchased 68,177 of our ordinary shares for the aggregate amount of \$14,283 (net of fees and commissions) pursuant to the authorizations.

During the first three months of fiscal 2023, we obtained 57,704 of our ordinary shares in the aggregate amount of \$11,737 in connection with share based compensation award programs. During the first three months of fiscal 2022, we obtained 59,648 of our ordinary shares in the aggregate amount of \$10,670 in connection with share based compensation award programs.

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12. Share-Based Compensation

We maintain a long-term incentive plan that makes available shares for grants, at the discretion of the Compensation and Organizational Development Committee of the Board of Directors, to officers, directors, and key employees in the form of stock options, restricted shares, restricted share units, stock appreciation rights and share grants. We satisfy share award incentives through the issuance of new ordinary shares.

Stock options provide the right to purchase our shares at the market price on the date of grant, or for options granted to employees in fiscal 2019 and thereafter, 110% of the market price on the date of grant, subject to the terms of the option plan and agreements. Generally, one-fourth of the stock options granted to employees become exercisable for each full year of employment following the grant date. Stock options granted generally expire 10 years after the grant date, or in some cases earlier if the option holder is no longer employed by us. Restricted shares and restricted share units generally cliff vest after a four year period or vest in tranches of one-fourth of the number granted for each year of employment after the grant date. As of June 30, 2022, 2,812,252 ordinary shares remained available for grant under the long-term incentive plan.

The fair value of stock option awards was estimated at their grant date using the Black-Scholes-Merton option pricing model. This model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable, characteristics that are not present in our option grants. If the model permitted consideration of the unique characteristics of employee stock options, the resulting estimate of the fair value of the stock options could be different. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in our Consolidated Statements of Income. The expense is classified as cost of goods sold or selling, general and administrative expenses in a manner consistent with the employee's compensation and benefits.

The following weighted-average assumptions were used for options granted during the first three months of fiscal 2023 and 2022:

	Fiscal 2023	Fiscal 2022
Risk-free interest rate	2.41 %	1.16 %
Expected life of options	5.8 years	5.8 years
Expected dividend yield of stock	0.80 %	0.97 %
Expected volatility of stock	24.45 %	24.41 %

The risk-free interest rate is based upon the U.S. Treasury yield curve. The expected life of options is reflective of historical experience, vesting schedules and contractual terms. The expected dividend yield of stock represents our best estimate of the expected future dividend yield. The expected volatility of stock is derived by referring to our historical stock prices over a time frame similar to that of the expected life of the grant. An estimated forfeiture rate of 2.54% and 2.85% was applied in fiscal 2023 and 2022, respectively. This rate is calculated based upon historical activity and represents an estimate of the granted options not expected to vest. If actual forfeitures differ from this calculated rate, we may be required to make additional adjustments to compensation expense in future periods. The assumptions used above are reviewed at the time of each significant option grant, or at least annually.

A summary of share option activity is as follows:

	Number of Options	Weighted Average Exercise Price	Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at March 31, 2022	1,560,954	\$ 138.37		
Granted	222,384	250.06		
Exercised	(20,640)	53.20		
Forfeited	(6,326)	200.62		
Outstanding at June 30, 2022	1,756,372	\$ 153.29	6.9 years	\$ 105,081
Exercisable at June 30, 2022	1,109,471	\$ 118.70	5.8 years	\$ 97,397

We estimate that 624,686 of the non-vested stock options outstanding at June 30, 2022 will ultimately vest.

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The aggregate intrinsic value in the table above represents the total pre-tax difference between the \$206.15 closing price of our ordinary shares on June 30, 2022 over the exercise prices of the stock options, multiplied by the number of options outstanding or outstanding and exercisable, as applicable. The aggregate intrinsic value is not recorded for financial accounting purposes and the value changes daily based on the daily changes in the fair market value of ordinary shares.

The total intrinsic value of stock options exercised during the first three months of fiscal 2023 and fiscal 2022 was \$3,897 and \$5,469, respectively. Net cash proceeds from the exercise of stock options were \$1,221 and \$1,710 for the first three months of fiscal 2023 and fiscal 2022, respectively.

The weighted average grant date fair value of stock option grants was \$50.04 and \$36.24 for the first three months of fiscal 2023 and fiscal 2022, respectively.

Stock appreciation rights (“SARS”) carry generally the same terms and vesting requirements as stock options except that they are settled in cash upon exercise and therefore, are classified as liabilities. As of May 24, 2021, we no longer have outstanding SARS.

A summary of the non-vested restricted share and share unit activity is presented below:

	Number of Restricted Shares	Number of Restricted Share Units	Weighted-Average Grant Date Fair Value
Non-vested at March 31, 2022	485,510	33,677	\$ 157.37
Granted	119,588	5,824	227.46
Vested	(137,898)	(6,218)	121.81
Forfeited	(6,167)	(766)	164.04
Non-vested at June 30, 2022	461,033	32,517	\$ 155.01

Restricted shares and restricted share unit grants are valued based on the closing stock price at the grant date. The value of restricted shares and units that vested during the first three months of fiscal 2023 was \$17,570.

As of June 30, 2022, there was a total of \$88,105 in unrecognized compensation cost related to non-vested share-based compensation granted under our share-based compensation plan. We expect to recognize the cost over a weighted average period of 2.4 years.

Cantel Share Based Compensation Plan

In connection with the acquisition of Cantel, outstanding, non-vested Cantel restricted share units were replaced with STERIS restricted share units.

A total of 280,402 STERIS restricted share units replaced Cantel awards based on a ratio of one Cantel restricted share unit to 0.4262 STERIS restricted share units. Cantel time based restricted share units were replaced with STERIS restricted share units with the same three-year pro-rata vesting terms based on the original award date. Performance based Cantel restricted share units were replaced with time based STERIS restricted share units that vest pro rata over the remaining one, two or three anniversaries from the original Cantel award date. The number of Cantel performance restricted share units was replaced based on the original target achievement level. All replacement restricted share units retained dividend accumulation rights.

The fair value of each STERIS restricted share unit awarded on June 2, 2021 to replace outstanding non-vested Cantel restricted share units was \$191.18 based on the closing price of STERIS ordinary shares on June 2, 2021. Approximately \$18,173 of the total \$53,607 grant date fair value was attributable to pre-acquisition services provided and was recorded as a component of purchase consideration in connection with the acquisition of Cantel.

Recognition of unamortized share-based compensation expense totaling \$197 and \$18,545, for the first quarter of fiscal 2023 and 2022, respectively was accelerated in connection with the planned termination of certain Cantel executive level employees in fiscal 2023. As a result of the formal notices provided and the terms of the Cantel share based compensation plans and Cantel Executive Severance and Change of Control Plan, the remaining service required under the awards became non-substantive requiring acceleration of the remaining related compensation cost.

As of June 30, 2022, there was a total of \$4,438 in unrecognized compensation cost related to non-vested STERIS restricted share units awarded to replace Cantel restricted share units. We expect to recognize the cost over a weighted average of 1.0 year.

A summary of the non-vested restricted share units activity associated with the Cantel share-based compensation plans is presented below:

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	Number of Restricted Share Units		Weighted-Average Grant Date Fair Value
Non-vested at March 31, 2022	45,722	\$	191.18
Vested	(2,578)		191.18
Forfeited	(1,318)		191.18
Non-vested at June 30, 2022	41,826	\$	191.18

13. Financial and Other Guarantees

We generally offer a limited parts and labor warranty on capital equipment. The specific terms and conditions of those warranties vary depending on the product sold and the countries where we conduct business. We record a liability for the estimated cost of product warranties at the time product revenues are recognized. The amounts we expect to incur on behalf of our Customers for the future estimated cost of these warranties are recorded as a current liability on the accompanying Consolidated Balance Sheets. Factors that affect the amount of our warranty liability include the number and type of installed units, historical and anticipated rates of product failures, and material and service costs per claim. We periodically assess the adequacy of our recorded warranty liabilities and adjust the amounts as necessary.

Changes in our warranty liability during the first three months of fiscal 2023 were as follows:

	Warranties	
Balance, March 31, 2022	\$	14,108
Warranties issued during the period		3,285
Settlements made during the period		(3,950)
Balance, June 30, 2022	\$	13,443

14. Derivatives and Hedging

From time to time, we enter into forward contracts to hedge potential foreign currency gains and losses that arise from transactions denominated in foreign currencies, including inter-company transactions. We may also enter into commodity swap contracts to hedge price changes in nickel that impact raw materials included in our cost of revenues. During the first quarter of fiscal 2023, we also entered into forward foreign currency contracts in order to hedge a portion of our expected non-U.S. dollar denominated earnings against our reporting currency, the U.S. dollar. These foreign currency exchange contracts will mature during fiscal 2023. We did not elect hedge accounting for these forward foreign currency contracts; however, we may seek to apply hedge accounting in future scenarios. We do not use derivative financial instruments for speculative purposes.

None of these contracts are designated as hedging instruments and do not receive hedge accounting treatment; therefore, changes in their fair value are not deferred but are recognized immediately in the Consolidated Statements of Income. At June 30, 2022, we held foreign currency forward contracts to sell 34.9 million euros. At June 30, 2022 we held commodity swap contracts to buy 601.2 thousand pounds of nickel.

Balance sheet location	Asset Derivatives		Liability Derivatives	
	Fair Value at June 30, 2022	Fair Value at March 31, 2022	Fair Value at June 30, 2022	Fair Value at March 31, 2022
Prepaid & Other	\$ 1,330	\$ 2,780	\$ —	\$ —
Accrued expenses and other	\$ —	\$ —	\$ 783	\$ 198

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The following table presents the impact of derivative instruments and their location within the Consolidated Statements of Income:

	Location of gain (loss) recognized in income	Amount of gain (loss) recognized in income	
		Three Months Ended June 30,	
		2022	2021
Foreign currency forward contracts	Selling, general and administrative	\$ 2,349	\$ 1,428
Commodity swap contracts	Cost of revenues	\$ (2,824)	\$ 664

15. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. We estimate the fair value of financial assets and liabilities using available market information and generally accepted valuation methodologies. The inputs used to measure fair value are classified into three tiers. These tiers include Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring the entity to develop its own assumptions.

The following table shows the fair value of our financial assets and liabilities at June 30, 2022 and March 31, 2022:

	Fair Value Measurements							
	Carrying Value		Quoted Prices in Active Markets for Identical Assets		Significant Other Observable Inputs		Significant Unobservable Inputs	
			Level 1		Level 2		Level 3	
	June 30,	March 31,	June 30,	March 31,	June 30,	March 31,	June 30,	March 31,
Assets:								
Cash and cash equivalents	\$ 316,327	\$ 348,320	\$ 316,327	\$ 348,320	\$ —	\$ —	\$ —	\$ —
Forward and swap contracts ⁽¹⁾	1,330	2,780	—	—	1,330	2,780	—	—
Equity investments ⁽²⁾	7,178	8,520	7,178	8,520	—	—	—	—
Other investments	2,140	2,272	2,140	2,272	—	—	—	—
Liabilities:								
Forward and swap contracts ⁽¹⁾	\$ 783	\$ 198	\$ —	\$ —	\$ 783	\$ 198	\$ —	\$ —
Deferred compensation plans ⁽²⁾	1,036	1,240	1,036	1,240	—	—	—	—
Total debt ⁽³⁾	2,997,446	3,088,356	—	—	2,725,916	2,991,680	—	—
Contingent consideration obligations	7,518	10,550	—	—	—	—	7,518	10,550

⁽¹⁾ The fair values of forward and swap contracts are based on period-end forward rates and reflect the value of the amount that we would pay or receive for the contracts involving the same notional amounts and maturity dates.

⁽²⁾ We maintain a frozen domestic non-qualified deferred compensation plan covering certain employees, which allows for the deferral of payment of previously earned compensation for an employee-specified term or until retirement or termination. Amounts deferred can be allocated to various hypothetical investment options (compensation deferrals have been frozen under the plan). We hold investments to satisfy the future obligations of the plan. Employees who made deferrals are entitled to receive distributions of their hypothetical account balances (amounts deferred, together with earnings (losses)). We also hold an investment in the common stock of Servizi Italia, S.p.A, a leading provider of integrated linen washing and outsourced sterile processing services to hospital Customers. Changes in the fair value of these investments are recorded in the "Interest income and miscellaneous expense line" of the Consolidated Statement of Income. During the first quarter of fiscal 2023 and 2022, we recorded a (losses) of \$(936) and \$(16), respectively, related to these investments.

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For the Three Months Ended June 30, 2022 and 2021
(dollars in thousands, except as noted)

⁽³⁾ We estimate the fair value of our debt using discounted cash flow analyses, based on estimated current incremental borrowing rates for similar types of borrowing arrangements.

⁽⁴⁾ Contingent consideration obligations arise from business acquisitions. The fair values are based on discounted cash flow analyses reflecting the possible achievement of specified performance measures or events and captures the contractual nature of the contingencies, commercial risk, and the time value of money. Contingent consideration obligations are classified in the consolidated balance sheets as accrued expense (short-term) and other liabilities (long-term), as appropriate based on the contractual payment dates.

The changes in Level 3 assets and liabilities measured at fair value on a recurring basis at June 30, 2022 are summarized as follows:

	Contingent Consideration
Balance at March 31, 2022	\$ 10,550
Adjustments	(3,100)
Additions	106
Payments	(21)
Currency translation adjustments	(17)
Balance at June 30, 2022	\$ 7,518

STERIS PLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)—(Continued)
For the Three Months Ended June 30, 2022 and 2021
(dollars in thousands, except as noted)

16. Reclassifications Out of Accumulated Other Comprehensive Income (Loss)

Amounts in Accumulated Other Comprehensive Income (Loss) are presented net of the related tax. Currency Translation is not adjusted for income taxes. Changes in our Accumulated Other Comprehensive Income (Loss) balances, net of tax, for the three months ended June 30, 2022 and 2021 were as follows:

	Defined Benefit Plans ⁽¹⁾	Currency Translation ⁽²⁾	Total Accumulated Other Comprehensive Income (Loss)
Balance at March 31, 2022	\$ 1,276	\$ (211,084)	\$ (209,808)
Other Comprehensive (Loss) Income before reclassifications	154	(178,594)	(178,440)
Amounts reclassified from Accumulated Other Comprehensive (Loss) Income	(125)	—	(125)
Net current-period Other Comprehensive (Loss) Income	29	(178,594)	(178,565)
Balance at June 30, 2022	\$ 1,305	\$ (389,678)	\$ (388,373)

⁽¹⁾ The amortization (gain) of defined benefit pension items is reported in the Interest income and miscellaneous expense line of our Consolidated Statements of Income.

⁽²⁾ The effective portion of gain or loss on net debt designated as non-derivative net investment hedging instruments is recognized in Accumulated Other Comprehensive Income and is reclassified to income in the same period when a gain or loss related to the net investment is included in income.

	Defined Benefit Plans ⁽¹⁾	Currency Translation ⁽²⁾	Total Accumulated Other Comprehensive Income (Loss)
Balance at March 31, 2021	\$ (5,519)	\$ (55,724)	\$ (61,243)
Other Comprehensive Income (Loss) before reclassifications	591	24,933	25,524
Amounts reclassified from Accumulated Other Comprehensive (Loss)	(1,098)	—	(1,098)
Net current-period Other Comprehensive (Loss)	(507)	24,933	24,426
Balance at June 30, 2021	\$ (6,026)	\$ (30,791)	\$ (36,817)

⁽¹⁾ Amortization (gain) of defined benefit pension items is reported in the Interest income and miscellaneous expense line of our Consolidated Statements of Income.

⁽²⁾ The effective portion of gain or loss on net debt designated as non-derivative net investment hedging instruments is recognized in Accumulated Other Comprehensive Income and is reclassified to income in the same period when a gain or loss related to the net investment is included in income.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of STERIS plc

Results of Review of Interim Financial Statements

We have reviewed the accompanying consolidated balance sheet of STERIS plc and subsidiaries (the Company) as of June 30, 2022, the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for the three-month periods ended June 30, 2022 and 2021, and the related notes (collectively referred to as the "consolidated interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial statements for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of March 31, 2022, the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for the year then ended, and the related notes and schedule (not presented herein); and in our report dated May 31, 2022, we expressed an unqualified audit opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of March 31, 2022, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the 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 SEC and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ Ernst & Young LLP

Cleveland, Ohio
August 8, 2022

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

In Management's Discussion and Analysis of Financial Condition and Results of Operations (the "MD&A"), we explain the general financial condition and the results of operations for STERIS including:

- what factors affect our business;
- what our earnings and costs were in each period presented;
- why those earnings and costs were different from prior periods;
- where our earnings came from;
- how this affects our overall financial condition;
- what our expenditures for capital projects were; and
- where cash will come from to fund future debt principal repayments, growth outside of core operations, repurchases of shares, pay cash dividends and fund future working capital needs.

As you read the MD&A, it may be helpful to refer to information in our consolidated financial statements, which present the results of our operations for the first quarter of fiscal 2023 and fiscal 2022. It may also be helpful to refer to information in Item 1, "Business", Part I, Item 1A, "Risk Factors" and Note 10 of our consolidated financial statements titled, "Commitments and Contingencies" of our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022, and Part II, Item 1A. of this quarterly report, for a discussion of some of the matters that can adversely affect our business and results of operations.

In the MD&A, we analyze and explain the period-over-period changes in the specific line items in the Consolidated Statements of Income. This information, discussion, and analysis may be important to you in making decisions about your investments in STERIS.

Financial Measures

In the following sections of the MD&A, we may, at times, refer to financial measures that are not required to be presented in the consolidated financial statements under U.S. GAAP. We sometimes use the following financial measures in the context of this report: backlog; debt-to-total capital; and days sales outstanding. We define these financial measures as follows:

- **Backlog** – We define backlog as the amount of unfilled capital equipment purchase orders at a point in time. We use this figure as a measure to assist in the projection of short-term financial results and inventory requirements.
- **Debt-to-total capital** – We define debt-to-total capital as total debt divided by the sum of total debt and shareholders' equity. We use this figure as a financial liquidity measure to gauge our ability to borrow and fund growth.
- **Days sales outstanding ("DSO")** – We define DSO as the average collection period for accounts receivable. It is calculated as net accounts receivable divided by the trailing four quarters' revenues, multiplied by 365 days. We use this figure to help gauge the quality of accounts receivable and expected time to collect.

We, at times, may also refer to financial measures which are considered to be "non-GAAP financial measures" under SEC rules. We have presented these financial measures because we believe that meaningful analysis of our financial performance is enhanced by an understanding of certain additional factors underlying that performance. These financial measures should not be considered an alternative to measures required by accounting principles generally accepted in the United States. Our calculations of these measures may differ from calculations of similar measures used by other companies and you should be careful when comparing these financial measures to those of other companies. Additional information regarding these financial measures, including reconciliations of each non-GAAP financial measure, is available in the subsection of MD&A titled, "Non-GAAP Financial Measures."

Revenues – Defined

As required by Regulation S-X, we separately present revenues generated as either product revenues or service revenues on our Consolidated Statements of Income for each period presented. When we discuss revenues, we may, at times, refer to revenues summarized differently than the Regulation S-X requirements. The terminology, definitions, and applications of terms that we use to describe revenues may be different from terms used by other companies. We use the following terms to describe revenues:

- **Revenues** – Our revenues are presented net of sales returns and allowances.
- **Product Revenues** – We define product revenues as revenues generated from sales of consumable and capital equipment products.

- **Service Revenues** – We define service revenues as revenues generated from parts and labor associated with the maintenance, repair, and installation of our capital equipment. Service revenues also include hospital sterilization services, instrument and scope repairs, as well as revenues generated from contract sterilization and laboratory services offered through our Applied Sterilization Technologies segment.
- **Capital Equipment Revenues** – We define capital equipment revenues as revenues generated from sales of capital equipment, which includes: steam and gas sterilizers, low temperature liquid chemical sterilant processing systems, pure steam/water systems, surgical lights and tables, and integrated operating room ("OR").
- **Consumable Revenues** – We define consumable revenues as revenues generated from sales of the consumable family of products, which includes dedicated consumables including V-PRO, SYSTEM 1 and 1E consumables, gastrointestinal endoscopy accessories, sterility assurance products, barrier protection solutions, cleaning consumables, dental and surgical instruments.
- **Recurring Revenues** – We define recurring revenues as revenues generated from sales of consumable products and service revenues.

General Company Overview and Executive Summary

STERIS is a leading global provider of products and services that support patient care with an emphasis on infection prevention. WE HELP OUR CUSTOMERS CREATE A HEALTHIER AND SAFER WORLD by providing innovative healthcare, life sciences and dental products and services. We offer our Customers a unique mix of innovative consumable products, such as detergents, gastrointestinal ("GI") endoscopy accessories, barrier product solutions, and other products and services, including: equipment installation and maintenance, microbial reduction of medical devices, dental instruments and tools, instrument and scope repair, laboratory testing services, outsourced reprocessing, and capital equipment products, such as sterilizers and surgical tables, automated endoscope reprocessors, and connectivity solutions such as operating room ("OR") integration.

We operate and report our financial information in four reportable business segments: Healthcare, Applied Sterilization Technologies, Life Sciences and Dental. Non-allocated operating costs that support the entire Company and items not indicative of operating trends are excluded from segment operating income. We describe our business segments in Note 9 to our consolidated financial statements, titled "Business Segment Information."

The bulk of our revenues are derived from the healthcare and pharmaceutical industries. Much of the growth in these industries is driven by the aging of the population throughout the world, as an increasing number of individuals are entering their prime healthcare consumption years, and is dependent upon advancement in healthcare delivery, acceptance of new technologies, government policies, and general economic conditions. The pharmaceutical industry has been impacted by increased regulatory scrutiny of cleaning and validation processes, mandating that manufacturers improve their processes. Within healthcare, there is increased concern regarding the level of hospital acquired infections around the world; increased demand for medical procedures, including preventive screenings such as endoscopies and colonoscopies; and a desire by our Customers to operate more efficiently, all which are driving increased demand for many of our products and services.

Acquisitions. On June 2, 2021, we acquired all outstanding equity interests in Cantel Medical LLC. ("Cantel"). Cantel's Dental business extended our business into a new Customer segment where there is an increasing focus on infection prevention protocols and processes. This business is being reported as the Dental segment. The rest of Cantel was integrated into our existing Healthcare and Life Sciences segments. Additionally, the acquisition has and is expected to continue to result in cost savings from optimizing global back-office infrastructure, leveraging best-demonstrated practices across locations and eliminating redundant public company costs.

Fiscal 2023 and 2022 first quarter acquisition and integration expenses totaled \$9.8 million and \$141.0 million, respectively and were primarily related to the acquisition and integration of Cantel. Acquisition and integration expenses are reported in the selling, general and administrative expenses line of our Consolidated Statements of Income.

The results of Cantel are only reflected in the results of operations and cash flows from June 2, 2021 forward, which will affect results of comparability to the prior period operations and cash flows.

COVID-19 Pandemic and Macroeconomic Environment. The COVID-19 global pandemic and its direct and indirect impacts have led to disruptions in the market and the global and U.S. economies that may continue for a prolonged period. In response to the COVID-19 pandemic, various governmental authorities and private enterprises have implemented numerous containment measures, such as travel bans and restrictions, quarantines, shelter-in-place orders and shutdowns. A number of our global suppliers, vendors, and distributors are located in regions that have been adversely affected by restrictive government and private enterprise measures implemented in response to the pandemic, or have otherwise been disrupted by associated prevailing macroeconomic trends. This has led to product and labor shortages, shipping delays and an increase in raw material and component pricing as well as other inflationary pressures, particularly on our manufacturing costs.

Throughout the pandemic, we have experienced and expect to continue to experience unpredictable fluctuations in demand for certain of our products and services. To date, we have been able to continue to operate our manufacturing facilities and meet the demand for essential products and services of our Customers. Nonetheless, in calendar 2022, supply chain disruptions and

delays have limited and may continue to limit our ability to ship certain capital equipment, particularly in our Healthcare and Life Sciences business, negatively impacting capital equipment revenue growth. Within the Healthcare and Life Sciences businesses, approximately \$35 million in capital equipment shipments were delayed in the first quarter of fiscal 2023. During the quarter we have seen recovery of elective procedures as the impact of the COVID-19 pandemic has subsided in many geographies. However, diminished staffing availability at hospitals appears to be a key variable limiting further recovery of procedure volumes to pre-pandemic levels.

We continue to pursue all available avenues to address supply chain disruptions, including purchases from third parties and brokers, qualifying alternative parts and suppliers, and obtaining prioritization from governmental agencies. We do not believe that the COVID-19 pandemic will negatively impact our long-term ability to generate revenues or meet existing and future financial obligations.

For additional information and our risk factors related to the COVID-19 pandemic, please refer to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022, and within Item 1A. of this 10-Q, Part II.

Highlights. Revenues for the first quarter of fiscal 2023 were \$1,156.5 million, representing an increase of 19.4% over the first quarter of fiscal 2022 revenues of \$968.4 million. The increase reflects organic growth in all segments and added volume from Cantel, which was partially offset by unfavorable fluctuations in currencies, and the absence of revenue from our Renal care business, which was divested in January 2022.

Gross margin percentage for the first quarter of fiscal 2023 was 44.8%, compared to 44.0% for the first quarter of fiscal 2022. Favorable impacts from pricing, the Cantel acquisition, fluctuations in currencies, our recent divestitures, and mix and other adjustments, were partially offset by unfavorable impact from inflation and productivity.

Income from operations during the first quarter of fiscal 2023 was \$158.4 million, compared to \$14.3 million for the first quarter of fiscal 2022. In the fiscal 2022 period, we incurred \$141.0 million in acquisition and integration expenses, which were primarily related to our acquisition of Cantel. The fiscal 2023 reduction in such expenses was partially offset by an increase in amortization of purchased intangible assets in the fiscal 2023 period.

Cash flows from operations were \$231.7 million and free cash flow was \$117.1 million in the first three months of fiscal 2023 compared to cash flows from operations of \$97.4 million and free cash flow of \$41.2 million in the first three months of fiscal 2022 (see the subsection below titled "Non-GAAP Financial Measures" for additional information and related reconciliation of cash flows from operations to free cash flow). The fiscal 2023 increases in cash flows from operations and free cash flows were primarily due to lower costs associated with the acquisition and integration of Cantel in the fiscal 2023 period, which was partially offset by higher capital expenditures in the fiscal 2023 period.

Our debt-to-total capital ratio was 31.9% at June 30, 2022 and 32.1% at March 31, 2022. During the first three months of fiscal 2023, we declared and paid a quarterly cash dividend of \$0.43 per ordinary share.

Additional information regarding our financial performance during the first quarter of fiscal 2023 is included in the subsection below titled "Results of Operations."

NON-GAAP FINANCIAL MEASURES

We, at times, refer to financial measures which are considered to be "non-GAAP financial measures" under SEC rules. We, at times, also refer to our results of operations excluding certain transactions or amounts that are non-recurring or are not indicative of future results, in order to provide meaningful comparisons between the periods presented.

These non-GAAP financial measures are not intended to be, and should not be, considered separately from or as an alternative to the most directly comparable GAAP financial measures.

These non-GAAP financial measures are presented with the intent of providing greater transparency to supplemental financial information used by management and the Board of Directors in their financial analysis and operational decision-making. These amounts are disclosed so that the reader has the same financial data that management uses with the belief that it will assist investors and other readers in making comparisons to our historical operating results and analyzing the underlying performance of our operations for the periods presented.

We believe that the presentation of these non-GAAP financial measures, when considered along with our GAAP financial measures and the reconciliation to the corresponding GAAP financial measures, provide the reader with a more complete understanding of the factors and trends affecting our business than could be obtained absent this disclosure. It is important for the reader to note that the non-GAAP financial measure used may be calculated differently from, and therefore may not be comparable to, a similarly titled measure used by other companies.

We define free cash flow as net cash provided by operating activities as presented in the Consolidated Statements of Cash Flows less purchases of property, plant, equipment, and intangibles (capital expenditures) plus proceeds from the sale of property, plant, equipment, and intangibles, which are also presented within investing activities in the Consolidated Statements of Cash Flows. We use this as a measure to gauge our ability to pay cash dividends, fund growth outside of core operations, fund future debt principal repayments, and repurchase shares.

The following table summarizes the calculation of our free cash flow for the three months ended June 30, 2022 and 2021:

(dollars in thousands)	Three Months Ended June 30,	
	2022	2021
Net cash provided by operating activities	\$ 231,746	\$ 97,426
Purchases of property, plant, equipment and intangibles, net	(115,933)	(56,396)
Proceeds from the sale of property, plant, equipment and intangibles	1,288	217
Free cash flow	\$ 117,101	\$ 41,247

Results of Operations

In the following subsections, we discuss our earnings and the factors affecting them for the first quarter of fiscal 2023 compared with the same fiscal 2022 period. We begin with a general overview of our operating results and then separately discuss earnings for our operating segments.

Revenues. The following tables compare our revenues for the three months ended June 30, 2022 to the revenues for the three months ended June 30, 2021:

(dollars in thousands)	Three Months Ended June 30,		Change	Percent Change
	2022	2021		
Total revenues	\$ 1,156,491	\$ 968,422	\$ 188,069	19.4 %
Revenues by type:				
Service revenues	519,415	479,143	40,272	8.4 %
Consumable revenues	416,825	298,887	117,938	39.5 %
Capital equipment revenues	220,251	190,392	29,859	15.7 %
Revenues by geography:				
Ireland revenues	18,176	21,945	(3,769)	(17.2)%
United States revenues	834,101	679,250	154,851	22.8 %
Other foreign revenues	304,214	267,227	36,987	13.8 %

Revenues increased 19.4% to \$1,156.5 million for the three months ended June 30, 2022, as compared to \$968.4 million for the same period in the fiscal 2022, with growth in all segments. The increase reflects organic growth in all segments and added volume of \$166.2 million from Cantel, which was partially offset by unfavorable fluctuations in currencies and the absence of revenue from our Renal care business, which was divested in January 2022.

Service revenues increased 8.4% for the first three months of fiscal 2023, as compared to the same period in fiscal 2022, reflecting organic growth in the Healthcare and the Applied Sterilization Technologies segments, as well as added volume from Cantel, which was partially offset by a slight decline in Life Sciences. Consumable revenues increased by 39.5% for the first three months of fiscal 2023, as compared to the same period in fiscal 2022, reflecting the added volume from Cantel and organic growth in the Life Sciences segment. Capital equipment revenues increased 15.7%, for the first three months of fiscal 2023, as compared to the same period in fiscal 2022, reflecting organic growth in the Healthcare and Life Sciences segments and added volume from Cantel.

Ireland revenues decreased 17.2% to \$18.2 million for the three months ended June 30, 2022, as compared to \$21.9 million for the same period in the prior year, reflecting declines in service, consumable and capital equipment revenues.

United States revenues increased 22.8% to \$834.1 million for the three months ended June 30, 2022, as compared to \$679.3 million for the same period in the prior year, reflecting growth in service, consumable and capital equipment revenues, primarily due to strong organic growth and the addition of Cantel.

Revenues from other foreign locations increased 13.8% to \$304.2 million for the three months ended June 30, 2022, as compared to \$267.2 million for the same period in the prior year, reflecting growth in Canada and in the Europe, Middle East & Africa ("EMEA"), Latin America and Asia Pacific regions.

Gross Profit. The following table compares our gross profit for the three months ended June 30, 2022 to the three months ended June 30, 2021:

(dollars in thousands)	Three Months Ended June 30,		Change	Percent Change
	2022	2021		
Gross profit:				
Product	\$ 304,221	\$ 217,873	\$ 86,348	39.6 %
Service	213,577	208,409	5,168	2.5 %
Total gross profit	\$ 517,798	\$ 426,282	\$ 91,516	21.5 %
Gross profit percentage:				
Product	47.8 %	44.5 %		
Service	41.1 %	43.5 %		
Total gross profit percentage	44.8 %	44.0 %		

Our gross profit is affected by the volume, pricing, and mix of sales of our products and services, as well as the costs associated with the products and services that are sold.

Gross profit percentage for the first three months of fiscal 2023 was 44.8% compared to the gross profit percentage for the first three months of fiscal 2022 of 44.0%. Favorable impacts from pricing (130 basis points), the Cantel acquisition (50 basis points), fluctuations in currencies (30 basis points), our recent divestitures (20 basis points), and mix and other adjustments (320 basis points), were partially offset by unfavorable impact from inflation (420 basis points), and productivity (50 basis points).

Operating Expenses. The following table compares our operating expenses for the three months ended June 30, 2022 to the three months ended June 30, 2021:

(dollars in thousands)	Three Months Ended June 30,		Change	Percent Change
	2022	2021		
Operating expenses:				
Selling, general, and administrative	\$ 334,626	\$ 393,752	\$ (59,126)	(15.0)%
Research and development	24,751	18,192	6,559	36.1 %
Restructuring expenses	26	14	12	NM
Total operating expenses	\$ 359,403	\$ 411,958	\$ (52,555)	(12.8)%

NM - Not meaningful.

Selling, General, and Administrative Expenses. Significant components of total selling, general, and administrative expenses ("SG&A") are compensation and benefit costs, fees for professional services, travel and entertainment, facilities costs, and other general and administrative expenses. SG&A decreased \$59.1 million in the first three months of fiscal 2023, over the same period in fiscal 2022. In the fiscal 2022 period, we incurred \$141.0 million in acquisition and integration expenses, which were primarily related to our acquisition of Cantel. The fiscal 2023 reduction in such expenses was partially offset by an increase in amortization of purchased intangible assets in the fiscal 2023 period.

Research and Development. For the three month period ended June 30, 2022, research and development expenses increased \$6.6 million over the same period in fiscal 2022, largely due to the addition of Cantel. Research and development expenses are influenced by the number and timing of in-process projects and labor hours and other costs associated with these projects. Our research and development initiatives continue to emphasize new product development, product improvements, and the development of new technological platform innovations. During the first quarter of fiscal 2023, our investments in research and development continued to be focused on, but were not limited to, enhancing capabilities of sterile processing combination technologies, procedural products and accessories, and devices and support accessories used in gastrointestinal endoscopy procedures.

Non-Operating Expenses, Net. Non-operating expenses, net consists of interest expense on debt, offset by interest earned on cash, cash equivalents, short-term investment balances, and other miscellaneous income. The following table compares our net non-operating expenses for the three months ended June 30, 2022 and 2021:

(dollars in thousands)	Three Months Ended June 30,		Change
	2022	2021	
Non-operating expenses, net:			
Interest expense	\$ 22,674	\$ 21,812	\$ 862
Fair value adjustment related to convertible debt, premium liability	—	22,923	(22,923)
Interest (income) and miscellaneous expense	770	(1,434)	2,204
Non-operating expenses, net	\$ 23,444	\$ 43,301	\$ (19,857)

Interest expense increased by \$0.9 million during the first quarter of fiscal 2023, as compared to the first quarter of fiscal 2022, primarily due to higher interest rates on floating rate debt partially offset by lower principal amount of debt outstanding.

During the first quarter of fiscal 2022, we recorded a fair value adjustment of \$22.9 million related to the convertible debt assumed in the acquisition of Cantel. For more information on the Cantel convertible debt refer to our Annual Report filed on Form 10-K, which was filed with the Securities and Exchange Commission on May 31, 2022.

Interest (income) and miscellaneous expense changed by \$2.2 million during the first quarter of fiscal 2023, as compared to the first quarter of fiscal 2022, primarily due to losses on our equity investments. For more information refer to note 15 of our consolidated financial statements, titled "Fair Value Measurements".

Income Tax Expense. The following table compares our income tax expense and effective income tax rates for the three months ended June 30, 2022 and June 30, 2021:

(dollars in thousands)	Three Months Ended June 30,		Change	Percent Change
	2022	2021		
Income tax (credit) expense	\$ 24,196	\$ (7,075)	\$ 31,271	NM
Effective income tax rate	17.9 %	24.4 %		

NM - Not meaningful.

We record income tax expense during interim periods based on our estimate of the annual effective income tax rate, adjusted each quarter for discrete items. We analyze various factors to determine the estimated annual effective income tax rate, including projections of our annual earnings and taxing jurisdictions in which the earnings will be generated, the impact of state and local income taxes, our ability to use tax credits and net operating loss carryforwards, and available tax planning alternatives.

The effective income tax rates for the three month periods ended June 30, 2022 and 2021 were 17.9% and 24.4%, respectively. The fiscal 2023 effective tax rate decreased when compared to fiscal 2022, primarily due to nonrecurring unfavorable items reported in the prior fiscal year.

Business Segment Results of Operations. We report our financial information in four reportable business segments: Healthcare, Applied Sterilization Technologies, Life Sciences and Dental. Non-allocated operating costs that support the entire Company and items not indicative of operating trends are excluded from segment operating income.

Our Healthcare segment provides a comprehensive offering for healthcare providers worldwide, focused on sterile processing departments and procedural centers, such as operating rooms and endoscopy suites. Our products and services range from infection prevention consumables and capital equipment, as well as services to maintain that equipment; to the repair of re-usable procedural instruments; to outsourced instrument reprocessing services. In addition, our procedural solutions also include single-use devices and capital equipment infrastructure used primarily in operating rooms, ambulatory surgery centers, endoscopy suites, and other procedural areas.

Our Applied Sterilization Technologies ("AST") segment is a third-party service provider for contract sterilization, as well as testing services needed to validate sterility services for medical device and pharmaceutical manufacturers. Our technology-neutral offering supports Customers every step of the way, from testing through sterilization.

Our Life Sciences segment provides a comprehensive offering of products and services that support pharmaceutical manufacturing, primarily for vaccine and other biopharma Customers focused on aseptic manufacturing. These solutions include a full suite of consumable products, equipment maintenance and specialty services, and capital equipment.

Our Dental segment provides a comprehensive offering for dental practitioners and dental schools, offering instruments, infection prevention consumables and instrument management systems.

We disclose a measure of segment income that is consistent with the way management operates and views the business. The accounting policies for reportable segments are the same as those for the consolidated Company. Certain prior period costs were reallocated from the Healthcare segment to corporate to conform with current year presentation. The prior period segment operating income measure has been recast for comparability.

For the three months ended June 30, 2022, revenues from a single Customer did not represent ten percent or more of the Healthcare, Applied Sterilization Technologies or Life Sciences segment revenues. Three Customers collectively and consistently account for approximately 40.0% of our Dental segment revenue. The percentage associated with these three Customers collectively in any one period may vary due to the buying patterns of these three Customers as well as other Dental Customers. These three Customers collectively accounted for approximately 38.6% and 35.8% of our Dental segment revenues for the three months ended June 30, 2022 and 2021, respectively.

Additional information regarding our segments is included in our consolidated financial statements included our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

Financial information for each of our segments is presented in the following table:

(dollars in thousands)	Three Months Ended June 30,	
	2022	2021
Revenues:		
Healthcare	\$ 698,526	\$ 602,817
Applied Sterilization Technologies	220,911	208,902
Life Sciences	132,207	121,471
Dental	104,847	35,232
Total revenues	\$ 1,156,491	\$ 968,422
Segment operating income (loss):		
Healthcare	\$ 156,497	\$ 138,373
Applied Sterilization Technologies	109,315	101,927
Life Sciences	55,305	49,088
Dental	19,596	10,119
Corporate	(75,943)	(77,273)
Total segment operating income	\$ 264,770	\$ 222,234
Less: Adjustments		
Amortization of acquired intangible assets ⁽¹⁾	\$ 93,929	\$ 41,741
Acquisition and integration related charges ⁽²⁾	9,832	140,996
Tax restructuring costs ⁽³⁾	173	(49)
(Gain) on fair value adjustment of acquisition related contingent consideration ⁽¹⁾	(3,100)	—
Net loss on divestiture of businesses ⁽¹⁾	3,878	419
Amortization of inventory and property "step up" to fair value ⁽¹⁾	1,637	24,789
Restructuring charges ⁽⁴⁾	26	14
Total income from operations	\$ 158,395	\$ 14,324

⁽¹⁾ For more information regarding our recent acquisitions and divestitures refer to note 2 titled, "Business Acquisitions and Divestitures" of our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

⁽²⁾ Acquisition and integration related charges include transaction costs and integration expenses associated with acquisitions.

⁽³⁾ Costs incurred in tax restructuring.

⁽⁴⁾ For more information regarding our restructuring efforts refer to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

Healthcare revenues increased 15.9% to \$698.5 million for the three months ended June 30, 2022, as compared to \$602.8 million for the same prior year period. This increase reflects growth in consumable, capital equipment and service revenues of 21.9%, 18.7% and 9.0%, respectively. The increase is attributable to organic growth and the addition of Cantel, which were partially offset by unfavorable fluctuations in foreign currencies and the fiscal 2022 divestiture of our Renal care business. The Healthcare segment's backlog was \$521.7 million at June 30, 2022. Excluding Cantel, the Healthcare segment's backlog was \$254.3 million at June 30, 2021. In addition to the added volume from Cantel, the increase is primarily due to built up demand and supply chain disruptions as a result of the COVID-19 pandemic.

Applied Sterilization Technologies segment revenues increased 5.7% to \$220.9 million for the quarter ended June 30, 2022, as compared to \$208.9 million for the same prior year period. The increase reflects organic growth, which was partially offset by unfavorable fluctuations in currencies.

Life Sciences segment revenues increased 8.8% to \$132.2 million for the first three months ended June 30, 2022, as compared to \$121.5 million for the same prior year period. This increase reflects growth in capital equipment and consumable revenues of 23.7% and 5.3% respectively. Service revenues remained essentially flat between the fiscal 2023 and 2022 periods. The increase also reflects organic growth and the impact of Cantel, which were partially offset by unfavorable fluctuations in foreign currencies. The Life Sciences segment's backlog amounted to \$92.7 million at June 30, 2022 and \$92.1 million at June 30, 2021. The increase is primarily due to built up demand and supply chain disruptions as a result of the COVID-19 pandemic.

Dental segment revenues for first three months of fiscal 2023 were \$104.8 million. Dental segment revenues for the month of June 2021 were \$35.2 million. Revenue was somewhat limited by supply chain challenges in the fiscal 2023 first quarter.

The Healthcare segment operating income increased \$18.1 million to \$156.5 million for the first three months of fiscal 2023, as compared to \$138.4 million for the same prior year period. The increase was primarily due to increased volume. The segment's operating margins were 22.4% and 23.0% for the first three months of fiscal 2023 and 2022, respectively. The decline is primarily due to increased supply chain and inflationary costs, and higher research and development, meeting and travel expenses in fiscal 2023.

The Applied Sterilization Technologies segment operating income increased \$7.4 million to \$109.3 million for the first three months of fiscal 2023, as compared to \$101.9 million for the same prior year period. The segment's operating margins were 49.5% and 48.8% for the first three months of fiscal 2023 and fiscal 2022, respectively. The increase in segment operating income and operating margin were primarily due to increased volume, which was partially offset by higher energy costs in fiscal 2023.

The Life Sciences segment operating income increased \$6.2 million to \$55.3 million for the first three months of fiscal 2023, as compared to \$49.1 million for the same prior year period. The segment's operating margins were 41.8% and 40.4% for the first three months of fiscal 2023 and fiscal 2022, respectively. The increase in segment operating income and operating margin were primarily due to increased volume and favorable mix within capital equipment shipments.

The Dental segment operating income and operating margin was \$19.6 million and 18.7%, respectively for the first three months of fiscal 2023. The Dental segment operating income and operating margin was \$10.1 million and 28.7%, for the month of June 2021. Segment operating income and operating margin were somewhat limited by supply chain challenges in the fiscal 2023 first quarter.

Liquidity and Capital Resources

The following table summarizes significant components of our cash flows for the three months ended June 30, 2022 and 2021:

(dollars in thousands)	Three Months Ended June 30,	
	2022	2021
Net cash provided by operating activities	\$ 231,746	\$ 97,426
Net cash (used in) investing activities	\$ (109,417)	\$ (603,532)
Net cash provided by (used in) financing activities	\$ (141,414)	\$ 818,810
Debt-to-total capital ratio	31.9 %	34.3 %
Free cash flow	\$ 117,101	\$ 41,247

Net Cash Provided by Operating Activities – The net cash provided by our operating activities was \$231.7 million for the first three months of fiscal 2023 and \$97.4 million for the first three months of fiscal 2022. The increase in fiscal 2023 period was primarily due to higher net income attainment, largely due to a decline in costs associated with the acquisition and integration of Cantel in the fiscal 2023 period, as compared to the fiscal 2022 period.

Net Cash (Used In) Investing Activities – The net cash used in investing activities totaled \$109.4 million for the first three months of fiscal 2023 and \$603.5 million for the first three months of fiscal 2022. The following discussion summarizes the significant changes in our investing cash flows for the first three months of fiscal 2023 and fiscal 2022:

- **Purchases of property, plant, equipment, and intangibles, net** – Capital expenditures were \$115.9 million for the first three months of fiscal 2023 and \$56.4 million during the same prior year period. The fiscal 2023 increase was primarily due to additional expenditures in our Applied Sterilization Technologies segment.
- **Proceeds from the sale of business** – During the first three months of fiscal 2023, we sold the remaining component of the animal healthcare business for \$5.2 million.
- **Acquisitions of businesses, net of cash acquired** – During the first three months of fiscal 2022, we used \$547.4 million for the acquisition of Cantel. For more information refer to our note 2 of our Consolidated Financial Statements titled, "Business Acquisitions and Divestitures".

Net Cash Provided by (Used In) Financing Activities – The net cash provided by financing activities amounted to \$141.4 million for the first three months of fiscal 2023 compared with net cash used in financing activities of \$818.8 million for the first three months of fiscal 2022. The following discussion summarizes the significant changes in our financing cash flows for the first three months of fiscal 2023 and fiscal 2022:

- **Proceeds from Issuance of Senior Notes** – During the first three months of fiscal 2022, we received \$1,350.0 million in proceeds from the issuance of our Senior Public Notes. For more information on our Senior Public Notes, refer to note 5 titled "Debt" and to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.
- **Proceeds from Term Loan** – During the first three months of fiscal 2022, we borrowed \$650.0 million under our Delayed Draw Term Loan. For more information on our Delayed Draw Term Loan, refer to note 5 titled, "Debt" and to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.
- **Payments on Term Loan** – During the first three months of fiscal 2023, we repaid \$111.9 million of our Term Loan. During the first three months of fiscal 2022, we repaid \$125.0 million of our Term Loan. For more information on our Term Loan, refer to note 5 titled, "Debt" and to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.
- **Payments on Long-term Obligations, net** – During the first three months of fiscal 2022, we repaid \$721.3 million of Cantel's outstanding debt in connection with the acquisition. For more information on Cantel's debt refer to note 2 of our Consolidated Financial Statements titled, "Business Acquisitions and Divestitures" and to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.
- **Proceeds (payments) under credit facilities, net** – Net proceeds under credit facilities totaled \$37.0 million in the first three months of fiscal 2023, compared to net payments under credit facilities of \$249.4 million in the first three months of fiscal 2022. For more information on our credit facilities, refer to note 5 titled, "Debt" and to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.
- **Deferred financing fees and debt issuance costs** – During the first three months of fiscal 2022, we paid \$17.2 million for financing fees and debt issuance costs primarily related to our Senior Public Notes and Delayed Draw Term Loan. For more information on our debt, refer to note 5 titled, "Debt" and to our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.
- **Repurchases of ordinary shares** – During the first three months of fiscal 2023, we purchased 61,677 of our ordinary shares in the aggregate amount of \$12.9 million. During the first three months of fiscal 2022, we obtained 57,704 of our ordinary shares in connection with share-based compensation award programs in the aggregate amount of \$11.7 million. During the first three months of fiscal 2022, we obtained 59,648 of our ordinary shares in connection with share-based compensation award programs in the aggregate amount of \$10.7 million.
- **Acquisition related deferred or contingent consideration** – During the first three months of fiscal 2023 and fiscal 2022, we paid approximately \$0.1 million and \$25.2 million, respectively, in deferred and contingent consideration. The majority of the fiscal 2022 amount was associated with a pre-acquisition arrangement related to an acquisition made by Cantel prior to our purchase of the company.

- **Cash dividends paid to ordinary shareholders** – During the first three months of fiscal 2023, we paid total cash dividends of \$43.0 million, or \$0.43 per outstanding share. During the first three months of fiscal 2022, we paid total cash dividends of \$34.1 million, or \$0.40 per outstanding share.
- **Stock option and other equity transactions, net** – We generally receive cash for issuing shares under our stock option programs. During the first three months of fiscal 2023 and fiscal 2022, we received cash proceeds totaling \$1.2 million and \$1.7 million, respectively, under these programs.

Cash Flow Measures. Free cash flow was \$117.1 million in the first three months of fiscal 2023 compared to \$41.2 million in the first three months of fiscal 2022 (see the subsection above titled "Non-GAAP Financial Measures" for additional information and related reconciliation of cash flows from operations to free cash flow). The fiscal 2023 increase in free cash flow was primarily due to lower costs associated with the acquisition and integration of Cantel in the fiscal 2023 period, which was partially offset by higher capital expenditures in the fiscal 2023 period.

Our debt-to-total capital ratio was 31.9% at June 30, 2022 and 34.3% at June 30, 2021.

Material Future Cash Obligations and Commercial Commitments. Information related to our material future cash obligations and commercial commitments is included in our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022. Our commercial commitments were approximately \$100.9 million at June 30, 2022, reflecting a net increase of \$2.2 million in surety bonds and other commercial commitments from March 31, 2022. Outstanding borrowings under our Credit Agreement as of June 30, 2022 were \$92.6 million. We had \$15.0 million of letters of credit outstanding under the Credit Agreement at June 30, 2022.

Cash Requirements. We intend to use our existing cash and cash equivalent balances and cash generated from operations for short-term and long-term capital expenditures and our other liquidity needs. Our capital requirements depend on many uncertain factors, including our rate of sales growth, our Customers' acceptance of our products and services, the costs of obtaining adequate manufacturing capacities, the timing and extent of our research and development projects, changes in our operating expenses and other factors. To the extent that existing and anticipated sources of cash are not sufficient to fund our future activities, we may need to raise additional funds through additional borrowings or the sale of equity securities. There can be no assurance that our existing financing arrangements will provide us with sufficient funds or that we will be able to obtain any additional funds on terms favorable to us or at all.

Supplemental Guarantor Financial Information

STERIS plc ("Parent") and its wholly-owned subsidiaries, STERIS Limited and STERIS Corporation (collectively "Guarantors" and each a "Guarantor"), each have provided guarantees of the obligations of STERIS Irish FinCo Unlimited Company ("FinCo", "STERIS Irish FinCo"), a wholly-owned subsidiary issuer, under Senior Public Notes issued by STERIS Irish FinCo on April 1, 2021 and of certain other obligations relating to the Senior Public Notes. The Senior Public Notes are guaranteed, jointly and severally, on a senior unsecured basis. The Senior Public Notes and the related guarantees are senior unsecured obligations of STERIS Irish FinCo and the Guarantors, respectively, and are equal in priority with all other unsecured and unsubordinated indebtedness of the Issuer and the Guarantors, respectively, from time to time outstanding, including, as applicable, under the Private Placement Senior Notes, borrowings under the Revolving Credit Facility, the Term Loan and the Delayed Draw Term Loan.

All of the liabilities of non-guarantor direct and indirect subsidiaries of STERIS, other than STERIS Irish FinCo, STERIS Limited and STERIS Corporation, including any claims of trade creditors, are effectively senior to the Senior Public Notes.

STERIS Irish FinCo's main objective and source of revenues and cash flows is the provision of short- and long-term financing for the activities of STERIS plc and its subsidiaries.

The ability of our subsidiaries to pay dividends, interest and other fees to the Issuer and ability of the Issuer and Guarantors to service the Senior Public Notes may be restricted by, among other things, applicable corporate and other laws and regulations as well as agreements to which our subsidiaries are or may become a party.

The following is a summary of the Senior Public Notes guarantees:

Guarantees of Senior Notes

- Parent Company Guarantor – STERIS plc
- Subsidiary Issuer – STERIS Irish FinCo Unlimited Company
- Subsidiary Guarantor – STERIS Limited
- Subsidiary Guarantor – STERIS Corporation

The guarantee of a Guarantor will be automatically and unconditionally released and discharged:

- in the case of a Subsidiary Guarantor, upon the sale, transfer or other disposition (including by way of consolidation or merger) of such Subsidiary Guarantor, other than to the Parent or a subsidiary of the Parent and as permitted by the indenture;
- in the case of a Subsidiary Guarantor, upon the sale, transfer or other disposition of all or substantially all the assets of such Subsidiary Guarantor, other than to the Parent or a subsidiary of the Parent and as permitted by the indenture;
- in the case of a Subsidiary Guarantor, at such time as such Subsidiary Guarantor is no longer a borrower under or no longer guarantees any material credit facility (subject to restatement in specified circumstances);
- upon the legal defeasance or covenant defeasance of the Senior Public Notes or the discharge of the Issuer's obligations under the indenture in accordance with the terms of the indenture;
- as described in accordance with the terms of the indenture; or
- in the case of the Parent, if the Issuer ceases for any reason to be a subsidiary of the Parent; provided that all guarantees and other obligations of the Parent in respect of all other indebtedness under any Material Credit Facility of the Issuer terminate upon the Issuer ceasing to be a subsidiary of the Parent; and
- upon such Guarantor delivering to the trustee an officer's certificate and an opinion of counsel, each stating that all conditions precedent provided for in the indenture relating to such transaction or release have been complied with.

The obligations of each Guarantor under its guarantee are expressly limited to the maximum amount that such Guarantor could guarantee without such guarantee constituting a fraudulent conveyance. Each Guarantor that makes a payment under its guarantee will be entitled upon payment in full of all guaranteed obligations under the indenture to a contribution from each Guarantor in an amount equal to such other Guarantor's pro rata portion of such payment based on the respective net assets of all the Guarantors at the time of such payment determined in accordance with GAAP.

The following tables present summarized results of operations for the three months ended June 30, 2022 and summarized balance sheet information at March 31, 2022 for the obligor group of the Senior Public Notes. The obligor group consists of the Parent Company Guarantor, Subsidiary Issuer, and Subsidiary Guarantors for the Senior Public Notes. The summarized financial information is presented after elimination of (i) intercompany transactions and balances among the guarantors and issuer and (ii) equity in earnings from and investments in any subsidiary that is a non-guarantor or non-issuer. Transactions with non-issuer and non-guarantor subsidiaries have been presented separately.

Summarized Results of Operations
(in thousands)Three Months Ended
June 30,
2022

Revenues	\$	511,512
Gross profit		280,378
Operating costs arising from transactions with non-issuers and non-guarantors - net		92,345
Income from operations		156,764
Non-operating income (expense) arising from transactions with subsidiaries that are non-issuers and non-guarantors - net		93,140
Net income	\$	123,902

Summarized Balance Sheet Information
(in thousands)

	June 30, 2022	March 31, 2022
Receivables due from non-issuers and non-guarantor subsidiaries	\$ 16,360,447	\$ 16,033,719
Other current assets	472,828	400,776
Total current assets	\$ 16,833,275	\$ 16,434,495
Non-current receivables due from non-issuers and non-guarantor subsidiaries	\$ 1,998,340	\$ 2,001,742
Goodwill	95,688	95,688
Other non-current assets	242,809	142,711
Total non-current assets	\$ 2,336,837	\$ 2,240,141
Payables due to non-issuers and non-guarantor subsidiaries	\$ 17,534,254	\$ 17,053,749
Other current liabilities	218,749	231,043
Total current liabilities	\$ 17,753,003	\$ 17,284,792
Non-current payables due to non-issuers and non-guarantor subsidiaries	\$ 1,056,874	\$ 1,102,873
Other non-current liabilities	3,041,636	3,134,777
Total non-current liabilities	\$ 4,098,510	\$ 4,237,650

Intercompany balances and transactions between the obligor group have been eliminated, and amounts due from, amounts due to, and transactions with non-issuer and non-guarantor subsidiaries have been presented separately. Intercompany transactions arise from internal financing and trade activities.

Critical Accounting Estimates and Assumptions

Information related to our critical accounting estimates and assumptions is included in our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022. Our critical accounting policies, estimates, and assumptions have not changed materially from March 31, 2022.

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), product liability or regulation (e.g., based on product operation or claimed malfunction, failure to warn, failure to meet specification, or failure to comply with regulatory requirements), product exposure (e.g., claimed exposure to chemicals, asbestos, contaminants, radiation), property damage (e.g., claimed damage due to leaking equipment, fire, vehicles, chemicals), commercial claims (e.g., breach of contract, economic loss, warranty, 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 affect 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 expected recoveries under applicable insurance contracts when we are assured of recovery. Refer to Note 8 of our consolidated financial statements titled, "Commitments and Contingencies" for additional information.

We are subject to taxation from United States federal, state and local, and non-U.S. 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 IRS routinely conducts audits of our federal income tax returns.

Refer to note 7 of our Consolidated Financial Statements titled, "Income Tax Expense" for more information.

Forward-Looking Statements

This quarterly report may contain statements concerning certain trends, expectations, forecasts, estimates, or other forward-looking information affecting or relating to STERIS or its industry, products or activities that are intended to qualify for the protections afforded “forward-looking statements” under the Private Securities Litigation Reform Act of 1995 and other laws and regulations. Forward-looking statements speak only as to the date the statement is made and may be identified by the use of forward-looking terms such as “may,” “will,” “expects,” “believes,” “anticipates,” “plans,” “estimates,” “projects,” “targets,” “forecasts,” “outlook,” “impact,” “potential,” “confidence,” “improve,” “optimistic,” “deliver,” “orders,” “backlog,” “comfortable,” “trend,” and “seeks,” or the negative of such terms or other variations on such terms or comparable terminology. Many important factors could cause actual results to differ materially from those in the forward-looking statements including, without limitation, disruption of production or supplies, changes in market conditions, political events, pending or future claims or litigation, competitive factors, technology advances, actions of regulatory agencies, and changes in laws, government regulations, labeling or product approvals or the application or interpretation thereof. Many of these important factors are outside of STERIS’s control. No assurances can be provided as to any result or the timing of any outcome regarding matters described in STERIS’s securities filings or otherwise with respect to any regulatory action, administrative proceedings, government investigations, litigation, warning letters, cost reductions, business strategies, earnings or revenue trends or future financial results. References to products are summaries only and should not be considered the specific terms of the product clearance or literature. Unless legally required, STERIS does not undertake to update or revise any forward-looking statements even if events make clear that any projected results, express or implied, will not be realized. Other potential risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements include, without limitation, (a) the impact of the COVID-19 pandemic or similar public health crises on STERIS’s operations, supply chain, material and labor costs, performance, results, prospects, or value, (b) STERIS’s ability to achieve the expected benefits regarding the accounting and tax treatments of the redomiciliation to Ireland (“Redomiciliation”), (c) operating costs, Customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, Customers, clients or suppliers) being greater than expected, (d) STERIS’s ability to successfully integrate the businesses of Cantel Medical into our existing businesses, including unknown or inestimable liabilities, or increases in expected integration costs or difficulties in connection with the integration of Cantel Medical (e) STERIS’s ability to meet expectations regarding the accounting and tax treatment of the Tax Cuts and Jobs Act (“TCJA”) or the possibility that anticipated benefits resulting from the TCJA will be less than estimated, (f) changes in tax laws or interpretations that could increase our consolidated tax liabilities, including changes in tax laws that would result in STERIS being treated as a domestic corporation for United States federal tax purposes, (g) the potential for increased pressure on pricing or costs that leads to erosion of profit margins, (h) the possibility that market demand will not develop for new technologies, products or applications or services, or business initiatives will take longer, cost more or produce lower benefits than anticipated, (i) the possibility that application of or compliance with laws, court rulings, certifications, regulations, regulatory actions, including without limitation any of the same relating to FDA, EPA or other regulatory authorities, government investigations, the outcome of any pending or threatened FDA, EPA or other regulatory warning notices, actions, requests, inspections or submissions, or other requirements or standards may delay, limit or prevent new product or service introductions, affect the production, supply and/or marketing of existing products or services or otherwise affect STERIS’s performance, results, prospects or value, (j) the potential of international unrest, including the Russia-Ukraine military conflict, economic downturn or effects of currencies, tax assessments, tariffs and/or other trade barriers, adjustments or anticipated rates, material and labor costs or availability, benefit or retirement plan costs, or other regulatory compliance costs, (k) the possibility of reduced demand, or reductions in the rate of growth in demand, for STERIS’s products and services, (l) the possibility of delays in receipt of orders, order cancellations, or delays in the manufacture or shipment of ordered products, due to supply chain issues or otherwise, or in the provision of services, (m) the possibility that anticipated growth, cost savings, new product acceptance, performance or approvals, or other results may not be achieved, or that transition, labor, competition, timing, execution, regulatory, governmental, or other issues or risks associated with STERIS’s businesses, industry or initiatives may adversely impact STERIS’s performance, results, prospects or value, (n) the impact on STERIS and its operations, or tax liabilities, of Brexit or the exit of other member countries from the EU, and the Company’s ability to respond to such impacts, (o) the impact on STERIS and its operations of any legislation, regulations or orders, including but not limited to any new trade or tax legislation, regulations or orders, that may be implemented by the U.S. administration or Congress, or of any responses thereto, (p) the possibility that anticipated financial results or benefits of recent acquisitions, including the acquisition of Cantel Medical and Key Surgical, or of STERIS’s restructuring efforts, or of recent divestitures, including anticipated revenue, productivity improvement, cost savings, growth synergies and other anticipated benefits, will not be realized or will be other than anticipated, (q) the increased level of STERIS’s indebtedness incurred in connection with the acquisition of Cantel Medical limiting financial flexibility or increasing future borrowing costs, (r) rating agency actions or other occurrences that could affect STERIS’s existing debt or future ability to borrow funds at rates favorable to STERIS or at all, (s) the potential impact of the acquisition of Cantel Medical on relationships, including with suppliers, Customers, employees and regulators, and (t) the effects of contractions in credit availability, as well as the ability of STERIS’s Customers and suppliers to adequately access the credit markets when needed.

Availability of Securities and Exchange Commission Filings

We make available free of charge on or through our website our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to these reports as soon as reasonably practicable after we file such material with, or furnish such material to, the Securities Exchange Commission ("SEC.") You may access these documents on the Investor Relations page of our website at <http://www.steris-ir.com>. The information on our website and the SEC's website is not incorporated by reference into this report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the ordinary course of business, we are subject to interest rate, currency, and commodity risks. Information related to these risks and our management of these exposures is included in Part II, Item 7A, "Quantitative and Qualitative Disclosures about Market Risk," in our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022. Our exposures to market risks have not changed materially since March 31, 2022.

Fluctuations in currency rates could affect our revenues, cost of revenues and income from operations and could result in currency exchange gains and losses. During the first quarter of fiscal 2023, we entered into forward currency contracts in order to hedge a portion of our expected euro denominated earnings against our reporting currency, the U.S. dollar. These currency exchange contracts will mature during fiscal 2023. We did not elect hedge accounting for these forward currency contracts; however, we may seek to apply hedge accounting in future scenarios. As a result, we may experience volatility due to (i) the timing mismatch of unrealized hedge gains or losses versus recognition of the underlying hedged earnings, and (ii) the impact of unrealized and realized hedge gains or losses being reported in selling, general and administrative expenses, whereas the offsetting economic gains and losses of the underlying hedged earnings are reported in the various line items of our Consolidated Statements of Income.

We also enter into foreign currency forward contracts to hedge monetary assets and liabilities denominated in foreign currencies, including inter-company transactions. We do not use derivative financial instruments for speculative purposes. At June 30, 2022, we held foreign currency forward contracts to sell 34.9 million euros.

We are dependent on basic raw materials, sub-assemblies, components, and other supplies used in our operations. Our financial results could be affected by the availability and changes in prices of these materials. The costs of these materials can rise suddenly and result in significantly higher costs of production. Where appropriate, we enter into long-term supply contracts as a basis to guarantee a reliable supply. We may also enter into commodity swap contracts to hedge price changes in a certain commodity that impacts raw materials included in our cost of revenues. At June 30, 2022, we held commodity swap contracts to buy 601.2 thousand pounds of nickel.

ITEM 4. CONTROLS AND PROCEDURES

Under the supervision of and with the participation of our management, including the Principal Executive Officer ("PEO") and Principal Financial Officer ("PFO"), we evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934, as of the end of the period covered by this Quarterly Report. Based on that evaluation, including the assessment and input of our management, the PEO and PFO concluded that, as of the end of the period covered by this Quarterly Report, our disclosure controls and procedures were effective.

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Securities Exchange Act of 1934, that occurred during the quarter ended June 30, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information regarding our legal proceedings is included in this Form 10-Q in Note 8 to our consolidated financial statements titled, "Commitments and Contingencies" and in Item 7 of Part II, titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations," of our Annual Report on Form 10-K for the year ended March 31, 2022, which was filed with the Securities and Exchange Commission on May 31, 2022.

ITEM 1A. RISK FACTORS

For a complete discussion of the Company's risk factors, you should carefully review the risk factors included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2022.

We use a variety of raw materials, components, and devices in our global supply chains, production and distribution processes; significant labor and materials shortages, price increases, inflation or unavailability as a result of the COVID-19 pandemic or related macroeconomic factors could increase our operating costs, require significant capital expenditures, or adversely impact the competitive position of our products.

Our reliance on certain suppliers and vendors to secure raw materials, components and finished devices for use in our global supply chains, production and distribution processes, exposes us to risks of product shortages and unanticipated increases in prices, whether due to inflationary pressure, regulatory changes or otherwise. In addition, several raw materials, components and finished devices are procured from a limited number of suppliers or are single-sourced due to the quality considerations or constraints associated with regulatory requirements. Many of these suppliers and vendors are located in regions that have been adversely affected by restrictive government and private enterprise measures implemented in response to the pandemic, or have otherwise been disrupted by associated prevailing macroeconomic trends. This has led to product shortages and an increase in raw material and component pricing. If these suppliers or vendors are unable or unwilling to deliver these materials, we may not be able to manufacture certain products at reasonable cost, without significant capital expenditures or at all, and our business and results of operations could suffer. In such cases, we may not be able to establish additional or replacement suppliers for such materials in a timely or cost-effective manner, including as a result of FDA and other regulations that require, among other things, validation of materials and components prior to their use in our products, which could further negatively impact our business and results of operations. In addition, during calendar 2022, the U.S. and other markets have experienced significant and increasing inflationary pressures in part due to global supply chain disruptions, labor shortages and other impacts of the COVID-19 pandemic, which we anticipate will continue. The existence of inflation in the United States and in many of the countries where we conduct business has resulted in, and may continue to result in, higher interest rates and capital costs, higher shipping costs, increased costs of labor, weakening exchange rates and other similar effects. We have experienced and may continue to experience inflationary increases in manufacturing costs and operating expenses as well as negative impacts from weakening exchange rates, caused by the COVID-19 pandemic or as a result of associated prevailing macroeconomic factors, and may not be able to pass these cost increases on to our Customers in a timely manner or at all, which could have a material adverse impact on our profitability and results of operations. Inflation may also cause our Customers to reduce or delay orders for our products and services, which could have a material adverse impact on our revenues and results of operations.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On May 7, 2019, our Board of Directors authorized a share repurchase program resulting in a share repurchase authorization of approximately \$79.0 million (net of taxes, fees and commissions). On July 30, 2019, our Board of Directors approved an increase in the May 7, 2019 authorization of an additional amount of \$300.0 million (net of taxes, fees and commissions). As of June 30, 2022, there was approximately \$294.6 million (net of taxes, fees and commissions) of remaining availability under a Board authorized share repurchase program. The share repurchase program has no specified expiration date.

Under the authorization, the Company may repurchase its shares from time to time through open market purchases, including 10b5-1 plans. Any share repurchases may be activated, suspended or discontinued at any time. Due to the uncertainty surrounding the COVID-19 pandemic, share repurchases were suspended on April 9, 2020. The suspension was lifted effective February 10, 2022, enabling the Company to resume stock repurchases pursuant to the prior authorizations.

During the first three months of fiscal 2023, we repurchased 68,177 of our ordinary shares for the aggregate amount of \$14.3 million (net of fees and commissions) pursuant to the authorizations.

During the first three months of fiscal 2023, we obtained 57,704 of our ordinary shares in the aggregate amount of \$11.7 million in connection with share based compensation award programs.

The following table summarizes the ordinary shares repurchase activity during the first quarter of fiscal 2023 under our ordinary share repurchase program:

	(a) Total Number of Shares Purchased	(b) Average Price Paid Per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans	(d) Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans at Period End (in thousands)
April 1-30	—	\$ —	— (1)	\$ 308,932 (1)
May 1-31	—	—	—	308,932
June 1-30	68,177	209.50	68,177	294,649
Total	68,177 (2)	\$ 209.50 (2)	68,177	\$ 294,649

⁽¹⁾ See narrative above for details regarding the share repurchase program.

⁽²⁾ Does not include 9 shares purchased during the quarter at an average price of \$223.77 per share by the STERIS Corporation 401(k) Plan on behalf of an executive officer of the Company who may be deemed to be an affiliated purchaser.

ITEM 5. OTHER INFORMATION

On August 8, 2022, STERIS plc and STERIS Corporation entered into new or revised deeds of indemnity and indemnification agreements with each of the directors and executive officers of STERIS plc. These arrangements supersede all previous agreements and provide for the indemnification of, and advancement of expenses to, these persons, in connection with claims arising out of or to which they become subject to because of their service in such capacities. The description of these agreements set forth herein is not complete and is qualified in its entirety by reference to the full text of the forms of deed and agreement, which are filed as Exhibits 10.1, 10.2 and 10.3 to this Quarterly Report on Form 10-Q and incorporated herein by reference.

ITEM 6. EXHIBITS

Exhibits required by Item 601 of Regulation S-K

<u>Exhibit Number</u>	<u>Exhibit Description</u>
3.1	STERIS plc Amended Memorandum and Articles of Association (filed as Exhibit 3.1 to STERIS plc Form 10-K for the fiscal year ended March 31, 2019 (Commission File No. 001-38848) and incorporated herein by reference.
10.1	Form of Deed of Indemnity for STERIS plc Directors and executive officers (Ireland and United Kingdom)*
10.2	Form of Deed of Indemnity for STERIS plc Directors and executive officers (Ireland)*
10.3	Form of Indemnification Agreement between STERIS Corporation and certain director and executive officers of STERIS plc*
15.1	Letter Re: Unaudited Interim Financial Information.
22.1	List of Guarantor Subsidiaries with respect to the 2.700% Notes due 2031 and 3.750% Notes due 2051 issued by STERIS Irish Finco Unlimited Company (filed as Exhibit 22.1 to Form 10-K for the fiscal year ended March 31, 2021 (Commission File No. 001-38848), and incorporated by reference).
31.1	Certification of the Principal Executive Officer Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a).
31.2	Certification of the Principal Financial Officer Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a).
32.1	Certification of the Principal Executive Officer and Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.SCH	Inline Schema Document.
101.CAL	Inline Calculation Linkbase Document.
101.DEF	Inline Definition Linkbase Document.
101.LAB	Inline Labels Linkbase Document.
101.PRE	Inline Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).
*	A management contract or compensatory plan or arrangement required to be filed as an exhibit hereto.

SIGNATURE

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.

STERIS plc

/s/ KAREN L. BURTON

Karen L. Burton
Vice President, Controller and Chief Accounting Officer
August 8, 2022

DATED

STERIS plc

and

[Insert Name]

DEED OF INDEMNIFICATION

MATHESON
70 Sir John Rogerson's Quay
Dublin 2
Ireland

TEL: + 353 1 232 2000
FAX: +353 1 232 3333
56258095.1

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THIS DEED OF INDEMNIFICATION (this "**Deed**") is made on

BETWEEN:

- (1) **STERIS PLC**, an Irish public limited company (company number 595593) with its registered office located at 70 Sir John Rogerson's Quay, Dublin 2, Ireland (the "**Company**");

AND

- (2) **[INSERT NAME]** of [Insert address] (the "**Indemnitee**").

WHEREAS:

- A. Highly skilled and competent persons are becoming more reluctant to serve public companies as directors, officers and / or employees unless they are provided with adequate protection through insurance and indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of such companies and uncertainties relating to indemnification increase the difficulty of attracting and retaining such persons.
- B. The Board (as defined below) has determined that an inability to attract and retain such persons is detrimental to the best interests of the Company and that the Company should act to assure such persons that there will be increased certainty of such protection in the future.
- C. The Company desires to ensure that the Company benefits from the services of highly skilled and competent persons such as the Indemnitee.
- D. It is reasonable, prudent and necessary for the Company to contractually obligate itself to indemnify the Indemnitee to the fullest extent permitted by Irish law so that the Indemnitee will serve or continue to serve the Company free from undue concern that the Indemnitee will not be so indemnified.
- E. The Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company and, as partial consideration for agreeing to do so, the Company has agreed to enter into this Deed with the Indemnitee.

NOW THEREFORE in consideration of the premises and the covenants contained herein, the Company and the Indemnitee do hereby covenant and agree as follows:

1 Interpretation

- 1.1 In this Deed unless the context otherwise requires, the following words and expressions shall have the following meanings:

"**Affiliate**" has the meaning set forth in Rule 12b-2 promulgated under section 12 of the Exchange Act;

"**Assets**" means the assets of any kind owned by the Company, including, without limitation, the securities of the Subsidiaries and any of the assets owned by the Subsidiaries;

"**Beneficial Owner**" has the meaning set forth in Rule 13d-3 under the Exchange Act;

"Board" means the board of directors from time to time of the Company;

"Board Designee" means any director or officer of the Company as may be designated by the Board from time to time to exercise the rights of the Board Designee set forth in clause 5 in lieu of the Board unless otherwise determined by the Board (it being acknowledged that the Board has authorized and approved that any of the Chief Executive Officer or General Counsel of the Company may act as a Board Designee under this Deed until such time as determined by the Board), provided however, that no action taken by a Board Designee shall be valid unless notice thereof is promptly delivered to the Board and any such action shall not be in respect of any Proceedings to which such Board Designee was, is or is reasonably expected to be a party and provided further that the Board may revoke the powers of any Board Designee at any time by written notice to the Board Designee, but any such revocation shall not affect any prior act of a Board Designee unless such act is determined by the Board to have been taken by the Board Designee in bad faith;

"Business Day" means a day other than a Saturday, Sunday or public holiday) on which clearing banks are generally open for business in Ireland;

"Change in Control" means the occurrence of any event set forth in any one of the following paragraphs:

- (a) any Person is, or becomes, the Beneficial Owner, directly or indirectly, of 20% or more of either: (A) the then issued ordinary shares in the capital of the Company (the **"Outstanding Company Issued Shares"**); or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors at general meetings of the Company (the **"Outstanding Company Voting Securities"**), excluding any Person who becomes such a Beneficial Owner in connection with a transaction that complies with clauses (A), (B) and (C) of paragraph (c) below;
- (b) the individuals, who, as of the date of this Deed, constitute the Board (the **"Incumbent Board"**) cease for any reason to constitute at least two-thirds (2/3) of the Board, provided however, that any individual becoming a director subsequent to the date of this Deed whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds (2/3) of the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or any other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;
- (c) the consummation of an acquisition, reorganization, reincorporation, redomestication, merger, amalgamation, consolidation, plan or scheme of arrangement, exchange offer, business combination or similar transaction of the Company or any of the Subsidiaries or the sale, transfer or other disposition of all or substantially all of the Company's Assets (any of which a **"Corporate Transaction"**), unless, following such Corporate Transaction or series of related Corporate Transactions, as the case may be: (A) all of the individuals and Entities who were the Beneficial Owners, respectively, of the Outstanding Company Issued Shares and Outstanding Company Voting Securities immediately prior to such Corporate Transaction own or beneficially own, directly or indirectly, more than 66% of, respectively, the Outstanding Company

Issued Shares and the combined voting power of the Outstanding Company Voting Securities entitled to vote generally in the election of directors (or other governing body), as the case may be, of the Entity resulting from such Corporate Transaction (including, without limitation, an Entity (including any new parent Entity) which as a result of such transaction owns the Company or all or substantially all of the Company's Assets either directly or through one or more Entities) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Issued Shares and the Outstanding Company Voting Securities, as the case may be; (B) no Person (excluding any Entity resulting from such Corporate Transaction or any employee benefit plan (or related trust) of the Company or such Entity resulting from such Corporate Transaction) beneficially owns, directly or indirectly, 20% or more of, respectively, the then issued ordinary shares (or outstanding shares of common stock) of the Entity resulting from such Corporate Transaction or the combined voting power of the then outstanding voting securities of such Entity except to the extent that such ownership existed prior to the Corporate Transaction; and (C) at least two-thirds (2/3) of the members of the board of directors (or other governing body) of the Entity resulting from such Corporate Transaction were members of the Incumbent Board at the time of the approval of such Corporate Transaction; or

- (d) the approval or adoption by the Board or the shareholders of the Company of a plan or proposal which could result directly or indirectly in the liquidation, transfer, sale or other disposal of all or substantially all of the Company's Assets or the dissolution of the Company, excluding any transaction that complies with clauses (A), (B) and (C) of paragraph (c) above;

"Corporate Status" means the status of a person who is or was a director, officer, employee, agent, or fiduciary of the Company or any other Group Company, or is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of any other company, corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other Entity or enterprise;

"Deed" means this Deed of Indemnification;

"Disinterested Director" means a director of the Company who is not or was not a party to a Proceeding in respect of which indemnification is sought by Indemnitee;

"Entity" means any corporation, partnership, association, joint-stock company, limited liability company, trust, unincorporated organization or other business entity;

"Exchange Act" means the US Securities Exchange Act of 1934, as amended from time to time;

"Expenses" shall mean all costs, expenses, and obligations paid or incurred in connection with investigating, litigating, being a witness in, defending or participating in, or preparing to litigate, defend, be a witness in or participate in any matter that is the subject of a Proceeding, including attorneys', experts' and accountants' fees and court costs;

"Group Companies" means the Company and each Subsidiary (wherever incorporated or organised);

"Independent Counsel" means a law firm or a member of a law firm that neither is presently nor in the past 5 years has been retained to represent: (i) the Company or Indemnitee in any matter material to any such party; or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term **"Independent Counsel"** shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing the Company or the Indemnitee in an action to determine the Indemnitee's right to indemnification under this Deed;

"Parties" means the parties to this Deed collectively, and **"Party"** means either one of them;

"Person" shall have the meaning given in section 3(a)(9) of the Exchange Act, as modified and used in sections 13(d) and 14(d) thereof, except that such term shall not include: (i) the Company or any of the Subsidiaries; (ii) a trustee or other fiduciary holding securities under terms of an employee benefit and compensation plans, agreements, arrangements, programs, policies, practices, contracts or agreement of the Company and its Affiliates (collectively, **"Benefit Plans"**); (iii) an underwriter temporarily holding securities pursuant to an offering by the Company of such securities; or (iv) a corporation or other Entity owned, directly or indirectly, by the shareholders of the Company in the same proportions as their ownership of issued shares of the Company;

"Proceeding" means any actual, threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing or any other actual, threatened, pending or completed proceeding, inquiry, hearing or investigation, whether civil, criminal, administrative or investigative and whether formal or informal (including, but not limited to, the investigation, defence, settlement or appeal of any of the forgoing);

"Scheme" means the court-approved scheme of arrangement under English law which became effective on 28 March 2019, pursuant to which the Company became the listed parent of the STERIS group of companies;

"STERIS UK" means STERIS Limited (formerly known as STERIS plc), a company incorporated under the laws of England and Wales with company number 11629557, which was the listed parent of the STERIS group of companies prior to the Scheme becoming effective; and

"Subsidiary" means any majority-owned subsidiary of the Company or any majority-owned subsidiary thereof, or any other Entity in which the Company owns, directly or indirectly, a significant financial interest provided that the Chief Executive Officer of the Company designates such Entity to be a Subsidiary for the purposes of this Agreement.

1.2 In this Deed unless the context otherwise requires:

1.2.1 references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification);

1.2.2 references to articles, clauses and schedules are references to articles and clauses hereof and schedules hereto; references to sub-clauses or paragraphs are, unless otherwise stated, references to sub-clauses of the clause or paragraphs of the schedule in which the reference appears;

1.2.3 references to the singular shall include the plural and vice versa and references to the masculine shall include the feminine and / or neuter and vice versa; and

1.2.4 references to persons shall include companies, partnerships, associations and bodies of persons, whether incorporated or unincorporated.

2 Agreement to Serve

The Indemnitee agrees, or has agreed, to serve as a director, officer and / or employee of the Company. This Deed does not create or otherwise establish any right on the part of the Indemnitee to be and continue to be elected or appointed a director, officer and / or employee of the Company or any other Group Company and does not create an employment contract between the Company and the Indemnitee.

3 Indemnity of Director / Officer / Employee

3.1 Subject to clause 10, the Company shall indemnify, defend and hold harmless the Indemnitee against all Expenses, damages, losses, liabilities, judgments, penalties, fines and amounts paid in settlement if Indemnitee was or is a party to or participant in, or is threatened to be made a party to or participant in, any Proceeding, including a Proceeding brought by or in the right of the Company, by reason of the fact or assertion that the Indemnitee is or was a director, officer, employee, agent, or fiduciary of the Company or STERIS UK or is or was serving at the request of the Company or STERIS UK as a director, officer, employee, agent, or fiduciary of any other Group Company or any other company, corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other Entity or enterprise or by reason of anything done or not done by the Indemnitee in any such capacity.

3.2 Subject to clause 10, if the Indemnitee is entitled under any provision of this Agreement to indemnification for some or a portion of Expenses, damages, losses, liabilities, judgments, penalties, fines and amounts paid in settlement, but not the total amount thereof, the Company shall indemnify, defend and hold harmless the Indemnitee for such portion of the Expenses, damages, losses, liabilities, judgments, penalties, fines, amounts paid in settlement and any other amounts that the Indemnitee becomes legally obligated to pay in connection with any Proceeding to which the Indemnitee is entitled.

4 Indemnification for Expenses of a Witness

Subject to clause 10, to the extent that the Indemnitee is, by reason of the Indemnitee's Corporate Status, a witness in any Proceeding, the Indemnitee shall be indemnified by the Company against all Expenses actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf in connection therewith.

5 Determination of Entitlement to Indemnification

5.1 The Indemnitee shall request indemnification pursuant to this Deed by notice in writing to the General Counsel of the Company or, if not the same person, to the secretary of the Company. The secretary shall, promptly upon receipt of the Indemnitee's request for indemnification, advise in writing the Board and the Board Designee or such other person or persons empowered to make the determination as provided in clause 5.2 that the Indemnitee has made such request for indemnification. Subject to clause 10, upon making such request for indemnification, the Indemnitee shall be presumed to be entitled to indemnification hereunder

and the Company shall have the burden of proof in the making of any determination contrary to such presumption.

5.2 Upon written request by the Indemnitee for indemnification pursuant to clause 3.1, the entitlement of the Indemnitee to indemnification pursuant to the terms of this Deed shall be determined in the following circumstances and by the following person or persons who, in each instance, shall be empowered to make such determination:

5.2.1 if a Change in Control shall not have occurred:

- (a) by the Board, by a majority vote of the Disinterested Directors, or by the Board Designee; or
- (b) if such Board vote or the Board Designee determination under clause 5.2.1(a) is not obtainable or, even if obtainable, if such Disinterested Directors (by majority vote) or the Board Designee so directs, by: (i) Independent Counsel in a written opinion to the Board and the Board Designee, a copy of which shall be delivered to the Indemnitee; or (ii) a majority vote of the shareholders of the Company; and

5.2.2 if a Change in Control shall have occurred:

- (a) by Independent Counsel in a written opinion to the Board and the Board Designee, a copy of which shall be delivered to Indemnitee; or
- (b) at the Indemnitee's sole option, the Indemnitee shall have the right to direct that such determination be made in the manner provided in clause 5.2.1.

5.3 For the purposes of clause 5.2.1(b), Independent Counsel shall be selected by the Board or the Board Designee and approved by the Indemnitee and, for the purposes of clause 5.2.2, Independent Counsel shall be selected by the Indemnitee. Upon failure of the Board or the Board Designee to so select such Independent Counsel or upon failure of the Indemnitee to so approve, such Independent Counsel shall be selected by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Such determination of entitlement to indemnification shall be made not later than 60 days after receipt by the Company of a written request for indemnification. Such request shall include documentation or information which is reasonably necessary for such determination and which is reasonably available to Indemnitee. Subject to clause 10, any Expenses incurred by the Indemnitee in connection with the Indemnitee's request for indemnification hereunder shall be borne by the Company irrespective of the outcome of the determination of the Indemnitee's entitlement to indemnification. If the person or persons making such determination shall determine that the Indemnitee is entitled to indemnification as to part, but not all, of the application for indemnification, such persons may, subject to clause 10, reasonably pro rate such partial indemnification among such claims, issues or matters in respect of which indemnification is requested.

6 **Advancement of Expenses**

Subject to clause 10, all reasonable Expenses incurred by, and advances of disbursements required of, the Indemnitee in connection with any Proceeding and in connection with the Indemnitee seeking an adjudication or award in arbitration pursuant to this Deed shall, at the request of the Indemnitee, be paid by the Company in advance of the final disposition of any

such Proceeding, adjudication or arbitration as promptly as possible, and in any event within 20 days after the receipt by the Company of a statement or statements from the Indemnitee requesting such advance or advances from time to time. Such statement or statements shall reasonably evidence the Expenses incurred by, or disbursements required of, the Indemnitee in connection therewith. Notwithstanding any determination as to entitlement to indemnification made pursuant to clauses 5 or 7, the Indemnitee agrees that it will forthwith (and, in any event, not later than 20 days from the date the Company provides a written demand therefor) repay any advance of funds made by the Company pursuant to this clause 6 in the event of any allegation of fraud or dishonesty in the relevant Proceeding is proved against the Indemnitee or if it is otherwise determined under applicable law that the Indemnitee is not entitled to be indemnified. Subject to clause 10, the Company shall have the burden of proof in any determination under this clause 6. No amounts advanced hereunder shall be deemed an extension of credit by the Company to the Indemnitee.

7 Remedies of Indemnitee in Cases of Determination Not to Indemnify or to Advance Expenses or Failure to Timely Pay

7.1 In the event that: (a) a determination is made that the Indemnitee is not entitled to indemnification hereunder; (b) payment has not been timely made following a determination of entitlement to indemnification pursuant to clause 5; or (c) Expenses or disbursements required of the Indemnitee are not advanced pursuant to clause 6, the Indemnitee shall be entitled to apply to a court of competent jurisdiction for a determination of the Indemnitee's entitlement to such indemnification, indemnification payment or advance.

7.2 Alternatively to clause 7.1, the Indemnitee, at the Indemnitee's sole option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association, such award to be made within sixty days following the Indemnitee's filing of the request for arbitration. The Company shall not oppose the Indemnitee's right to seek any such adjudication or award in arbitration or any other claim.

7.3 A judicial proceeding or arbitration pursuant to this clause 7 shall be made *de novo* and Indemnitee shall not be prejudiced by reason of a determination otherwise made hereunder (if so made) that the Indemnitee is not entitled to indemnification. If the court or arbitrator shall determine that the Indemnitee is entitled to any indemnification or advance hereunder, the Company shall pay all reasonable Expenses actually incurred by the Indemnitee in connection with such adjudication or award in arbitration (including, but not limited to, any appellate proceedings) (the "**Clause 7 Expenses**"), provided however, that the Indemnitee agrees that it will forthwith (and, in any event, not later than twenty days from the date the Company provides a written demand therefor) repay such Clause 7 Expenses in the event that any allegation of fraud or dishonesty is proved against the Indemnitee in the Proceeding in respect of which the Indemnitee was seeking indemnification or an advance of monies hereunder.

8 Other Rights to Indemnification

8.1 The indemnification and advancement of reasonable Expenses provided by this Deed shall not be deemed exclusive of any other right to which Indemnitee previously, now or in the future may be entitled under any provision of the Company's memorandum or articles of association, any other agreement (including any agreement between Indemnitee and any other Group Company), vote of shareholders of the Company, the Board or Disinterested Directors, provision of law, or otherwise, provided that the Company shall not be obligated

under this Deed to make any payment pursuant to this Deed for which payment has been actually made to or on behalf of the Indemnitee by or on behalf of any of the Group Companies under any insurance policy or other indemnity provision, except in respect of any excess beyond the amount paid under any such insurance policy or other indemnity provisions.

- 8.2 In the event of any payment under this Deed, the Group Companies shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute at the request of the Company all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.
- 8.3 In addition to all other obligations hereunder and without limiting any rights of the Indemnitee hereunder, but subject to clause 10, the Company expressly agrees to, and hereby assumes, all indemnification, advancement of Expenses and / or all other obligations of STERIS UK to the Indemnitee in existence immediately prior to the effectiveness of the Scheme, pursuant to, and upon the terms of, the provisions set forth in any indemnification agreement to which STERIS UK was then bound and in the articles of association and organizational regulations of STERIS UK then in effect and applicable without regard to the effectiveness of the Scheme.

9 Attorneys' Fees and Other Expenses to Enforce Deed

In the event that the Indemnitee is subject to or intervenes in any Proceeding in which the validity or enforceability of this Deed is at issue or seeks an adjudication or award in arbitration to enforce Indemnitee's rights under, or to recover damages for breach of, this Deed, the Indemnitee, if the Indemnitee prevails in whole or in part in such action, shall, subject to clause 10, be entitled to recover from the Company and shall be indemnified by the Company against, any actual Expenses reasonably incurred by the Indemnitee; provided that in bringing any action for adjudication or award in arbitration to enforce the Indemnitee's rights, the Indemnitee acted in good faith.

10 Limitation of Indemnification

Notwithstanding any other terms of this Deed, nothing herein shall indemnify Indemnitee against, or exempt the Indemnitee from, any liability arising from or in connection with or in respect of the Indemnitee's fraud or dishonesty proved against the Indemnitee. The terms of this Deed shall have effect to the fullest extent permitted by applicable law, but shall not extend to any matter which would render them void pursuant to applicable law (including, without limitation, the provisions of section 235 of the Companies Act 2014 of Ireland, as amended), provided however, that, to the extent Irish applicable law changes after the date of this Deed so that the Company may, under such law, at the applicable time, indemnify the Indemnitee to an extent greater than provided in this Deed (as a result of the restrictions contained herein or current law), the Company shall indemnify the Indemnitee to the fullest extent permitted under applicable law at such time, as so changed.

11 Liability Insurance

To the extent the Company maintains an insurance policy or policies providing directors', officers' and employees' liability insurance, the Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director, officer or employee.

12 Duration of Deed

This Deed shall apply with respect to the Indemnitee's occupation of any of the position(s) described in clause 3.1 of this Deed prior to the date of this Deed and with respect to all periods of such service after the date of this Deed, even though the Indemnitee may have ceased to occupy such positions(s).

13 Notice of Proceedings by the Indemnitee

13.1 The Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding which may be subject to indemnification hereunder, provided that the failure to so notify the Company will not relieve the Company from any liability it may have to the Indemnitee except to the extent that such failure materially prejudices the Company's ability to defend such claim. With respect to any such Proceeding as to which the Indemnitee notifies the Company of the commencement thereof:

13.1.1 the Company will be entitled to participate therein at its own expense; and

13.1.2 except as otherwise provided below, to the extent that it may wish, the Company jointly with any other indemnifying party similarly notified will be entitled to assume the defence thereof, with counsel reasonably satisfactory to Indemnitee. After notice from the Company to the Indemnitee of its election so to assume the defence thereof, the Company will not be liable to Indemnitee under this Deed for any Expenses subsequently incurred by the Indemnitee in connection with the defence thereof other than, subject to clause 10, reasonable costs of investigation or as otherwise provided below. The Indemnitee shall have the right to employ the Indemnitee's own counsel in such Proceeding, but the fees and Expenses of such counsel incurred after notice from the Company of its assumption of the defence thereof shall be at the expense of Indemnitee and not subject to indemnification hereunder unless: (a) the employment of counsel by the Indemnitee has been authorized by the Company; (b) in the reasonable opinion of counsel to the Indemnitee there is or may be a conflict of interest between the Company and the Indemnitee in the conduct of the defence of such Proceeding; or (c) the Company shall not in fact have employed counsel to assume the defence of such action, in each of which cases, subject to clause 10, the reasonable Expenses of counsel shall be at the expense of the Company.

13.2 Neither the Company nor the Indemnitee shall settle any claim without the prior written consent of the other (which shall not be unreasonably withheld, conditioned or delayed).

14 Notices

Any notice required to be given hereunder shall be in writing in the English language and shall be served by sending the same by prepaid recorded post, facsimile, email or by delivering the same by hand to the address of the Party in question as set out below (or such other address as such Party shall notify the other Party of in accordance with this clause 14). Any notice sent by post as provided in this clause 14 shall be deemed to have been served five Business Days after dispatch and any notice sent by email as provided in this clause 14 shall be deemed to have been served at the time of sending, and in proving the service of the same it will be sufficient to prove in the case of a letter that such letter was properly stamped,

addressed and placed in the post; and in the case of an email that such email was duly sent to a current email address of the addressee.

Company

STERIS plc
70 Sir John Rogerson's Quay
Dublin 2
Ireland
Attn: General Counsel
Email: Adam_Zangerle@steris.com

Indemnitee

Name: [●]
Address: [●]
Email: [●]

15 Miscellaneous

- 15.1 Notwithstanding the expiration or termination of this Deed howsoever arising, such expiration or termination shall not operate to affect such of the provisions hereof as are expressed or intended to remain in full force and effect.
- 15.2 If any of the clauses, conditions, covenants or restrictions of this Deed or any deed or document emanating from it shall be found to be void but would be valid if some part thereof were deleted or modified, then such clause, condition, covenant or restriction shall apply with such deletion or modification as may be necessary to make it valid and effective so as to give effect as nearly as possible to the intent manifested by such clause, condition, covenant or restriction.
- 15.3 This Deed shall be binding upon the Company and its successors and assigns (including any transferee of all or substantially all of its assets and any successor or resulting company by any Corporate Transaction or otherwise) and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, estate, devisees, executors, administrators or other legal representatives.
- 15.4 This Deed constitutes the entire agreement between the Parties relating to the matters covered hereby, and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter, provided that this Deed shall not supersede or extinguish any other indemnification agreement between Indemnitee and any other Group Company or any other indemnification obligation of the Company or any other Group Company to the Indemnitee (whether under the Company's memorandum or articles of association or otherwise).
- 15.5 No provision in this Deed may be amended unless such amendment is agreed to in writing and signed by the Indemnitee and by a duly authorised officer of the Company. No waiver by either Party of any breach by the other Party of any condition or provision of this Deed to be performed by such other Party shall be deemed a waiver of any other condition or provision hereof (whether similar or dissimilar) nor shall such waiver constitute a continuing waiver. Any waiver must be in writing and signed by the Indemnitee or a duly authorised officer of the Company, as the case may be.

- 15.6 The headings in this Deed are inserted for convenience only and shall not affect the construction of this Deed.
- 15.7 This Deed may be executed in counterparts each of which when executed and delivered shall constitute an original but all such counterparts together shall constitute one and the same instrument.
- 15.8 The terms and conditions of this Deed and the rights of the parties hereunder shall be governed by and construed in all respects in accordance with the laws of Ireland. The Parties to this Deed hereby irrevocably agree that the courts of Ireland shall have non-exclusive jurisdiction in respect of any dispute, suit, action, arbitration or proceedings ("**Deed Proceedings**") which may arise out of or in connection with this Deed and waive any objection to Deed Proceedings in the courts of Ireland on the grounds of venue or on the basis that the Deed Proceedings have been brought in an inconvenient forum; provided that any matters that are referred to arbitration pursuant to clause 5.3 or 7.2 shall be exclusively determined by such arbitral proceedings which shall be conducted by a single arbitrator, in the English language and in Ohio, USA.
- 15.9 All payments made by the Company to the Indemnitee hereunder shall be deemed to have been made in the ordinary course of business of the Company, and shall not be deemed to be extraordinary payments.
- 15.10 The Company expressly confirms and agrees that it has entered into this Deed and assumed the obligations imposed on it hereby in order to induce the Indemnitee to serve, continue to serve and to take on additional service for or on behalf of the Company, and the Company acknowledges that Indemnitee is relying upon this Deed in serving, continuing to serve and taking on additional service for or on behalf of the Company.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the undersigned, intending to be bound hereby, have duly executed this Deed as deed and delivered it on the date first written above.

GIVEN under the Common Seal of
STERIS plc
in the presence of:

Duly Authorised

Witness Signature

Witness Name

Witness Address

Witness Occupation

SIGNED AND DELIVERED as a deed
by **[Insert name]**
in the presence of:

(Signature)

Witness Signature

Witness Name

Witness Address

Witness Occupation

DATED

STERIS plc

and

[Insert Name]

DEED OF INDEMNIFICATION

MATHESON
70 Sir John Rogerson's Quay
Dublin 2
Ireland

TEL: + 353 1 232 2000
FAX: +353 1 232 3333
53466063.3

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THIS DEED OF INDEMNIFICATION (this "**Deed**") is made on

BETWEEN:

- (1) **STERIS PLC**, an Irish public limited company (company number 595593) with its registered office located at 70 Sir John Rogerson's Quay, Dublin 2, Ireland (the "**Company**");

AND

- (2) **[INSERT NAME]** of [Insert address] (the "**Indemnitee**").

WHEREAS:

- A. Highly skilled and competent persons are becoming more reluctant to serve public companies as directors, officers and / or employees unless they are provided with adequate protection through insurance and indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of such companies and uncertainties relating to indemnification increase the difficulty of attracting and retaining such persons.
- B. The Board (as defined below) has determined that an inability to attract and retain such persons is detrimental to the best interests of the Company and that the Company should act to assure such persons that there will be increased certainty of such protection in the future.
- C. The Company desires to ensure that the Company benefits from the services of highly skilled and competent persons such as the Indemnitee.
- D. It is reasonable, prudent and necessary for the Company to contractually obligate itself to indemnify the Indemnitee to the fullest extent permitted by Irish law so that the Indemnitee will serve or continue to serve the Company free from undue concern that the Indemnitee will not be so indemnified.
- E. The Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company and, as partial consideration for agreeing to do so, the Company has agreed to enter into this Deed with the Indemnitee.

NOW THEREFORE in consideration of the premises and the covenants contained herein, the Company and the Indemnitee do hereby covenant and agree as follows:

1 Interpretation

- 1.1 In this Deed unless the context otherwise requires, the following words and expressions shall have the following meanings:

"**Affiliate**" has the meaning set forth in Rule 12b-2 promulgated under section 12 of the Exchange Act;

"**Assets**" means the assets of any kind owned by the Company, including, without limitation, the securities of the Subsidiaries and any of the assets owned by the Subsidiaries;

"**Beneficial Owner**" has the meaning set forth in Rule 13d-3 under the Exchange Act;

"Board" means the board of directors from time to time of the Company;

"Board Designee" means any director or officer of the Company as may be designated by the Board from time to time to exercise the rights of the Board Designee set forth in clause 5 in lieu of the Board unless otherwise determined by the Board (it being acknowledged that the Board has authorized and approved that any of the Chief Executive Officer or General Counsel of the Company may act as a Board Designee under this Deed until such time as determined by the Board), provided however, that no action taken by a Board Designee shall be valid unless notice thereof is promptly delivered to the Board and any such action shall not be in respect of any Proceedings to which such Board Designee was, is or is reasonably expected to be a party and provided further that the Board may revoke the powers of any Board Designee at any time by written notice to the Board Designee, but any such revocation shall not affect any prior act of a Board Designee unless such act is determined by the Board to have been taken by the Board Designee in bad faith;

"Business Day" means a day other than a Saturday, Sunday or public holiday) on which clearing banks are generally open for business in Ireland;

"Change in Control" means the occurrence of any event set forth in any one of the following paragraphs:

- (a) any Person is, or becomes, the Beneficial Owner, directly or indirectly, of 20% or more of either: (A) the then issued ordinary shares in the capital of the Company (the **"Outstanding Company Issued Shares"**); or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors at general meetings of the Company (the **"Outstanding Company Voting Securities"**), excluding any Person who becomes such a Beneficial Owner in connection with a transaction that complies with clauses (A), (B) and (C) of paragraph (c) below;
- (b) the individuals, who, as of the date of this Deed, constitute the Board (the **"Incumbent Board"**) cease for any reason to constitute at least two-thirds (2/3) of the Board, provided however, that any individual becoming a director subsequent to the date of this Deed whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds (2/3) of the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or any other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;
- (c) the consummation of an acquisition, reorganization, reincorporation, redomestication, merger, amalgamation, consolidation, plan or scheme of arrangement, exchange offer, business combination or similar transaction of the Company or any of the Subsidiaries or the sale, transfer or other disposition of all or substantially all of the Company's Assets (any of which a **"Corporate Transaction"**), unless, following such Corporate Transaction or series of related Corporate Transactions, as the case may be: (A) all of the individuals and Entities who were the Beneficial Owners, respectively, of the Outstanding Company Issued Shares and Outstanding Company Voting Securities immediately prior to such Corporate Transaction own or beneficially own, directly or indirectly, more than 66% of, respectively, the Outstanding Company

Issued Shares and the combined voting power of the Outstanding Company Voting Securities entitled to vote generally in the election of directors (or other governing body), as the case may be, of the Entity resulting from such Corporate Transaction (including, without limitation, an Entity (including any new parent Entity) which as a result of such transaction owns the Company or all or substantially all of the Company's Assets either directly or through one or more Entities) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Issued Shares and the Outstanding Company Voting Securities, as the case may be; (B) no Person (excluding any Entity resulting from such Corporate Transaction or any employee benefit plan (or related trust) of the Company or such Entity resulting from such Corporate Transaction) beneficially owns, directly or indirectly, 20% or more of, respectively, the then issued ordinary shares (or outstanding shares of common stock) of the Entity resulting from such Corporate Transaction or the combined voting power of the then outstanding voting securities of such Entity except to the extent that such ownership existed prior to the Corporate Transaction; and (C) at least two-thirds (2/3) of the members of the board of directors (or other governing body) of the Entity resulting from such Corporate Transaction were members of the Incumbent Board at the time of the approval of such Corporate Transaction; or

- (d) the approval or adoption by the Board or the shareholders of the Company of a plan or proposal which could result directly or indirectly in the liquidation, transfer, sale or other disposal of all or substantially all of the Company's Assets or the dissolution of the Company, excluding any transaction that complies with clauses (A), (B) and (C) of paragraph (c) above;

"Corporate Status" means the status of a person who is or was a director, officer, employee, agent, or fiduciary of the Company or any other Group Company, or is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of any other company, corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other Entity or enterprise;

"Deed" means this Deed of Indemnification;

"Disinterested Director" means a director of the Company who is not or was not a party to a Proceeding in respect of which indemnification is sought by Indemnitee;

"Entity" means any corporation, partnership, association, joint-stock company, limited liability company, trust, unincorporated organization or other business entity;

"Exchange Act" means the US Securities Exchange Act of 1934, as amended from time to time;

"Expenses" shall mean all costs, expenses, and obligations paid or incurred in connection with investigating, litigating, being a witness in, defending or participating in, or preparing to litigate, defend, be a witness in or participate in any matter that is the subject of a Proceeding, including attorneys', experts' and accountants' fees and court costs;

"Group Companies" means the Company and each Subsidiary (wherever incorporated or organised);

"Independent Counsel" means a law firm or a member of a law firm that neither is presently nor in the past 5 years has been retained to represent: (i) the Company or Indemnitee in any matter material to any such party; or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term **"Independent Counsel"** shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing the Company or the Indemnitee in an action to determine the Indemnitee's right to indemnification under this Deed;

"Parties" means the parties to this Deed collectively, and **"Party"** means either one of them;

"Person" shall have the meaning given in section 3(a)(9) of the Exchange Act, as modified and used in sections 13(d) and 14(d) thereof, except that such term shall not include: (i) the Company or any of the Subsidiaries; (ii) a trustee or other fiduciary holding securities under terms of an employee benefit and compensation plans, agreements, arrangements, programs, policies, practices, contracts or agreement of the Company and its Affiliates (collectively, **"Benefit Plans"**); (iii) an underwriter temporarily holding securities pursuant to an offering by the Company of such securities; or (iv) a corporation or other Entity owned, directly or indirectly, by the shareholders of the Company in the same proportions as their ownership of issued shares of the Company;

"Proceeding" means any actual, threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing or any other actual, threatened, pending or completed proceeding, inquiry, hearing or investigation, whether civil, criminal, administrative or investigative and whether formal or informal (including, but not limited to, the investigation, defence, settlement or appeal of any of the forgoing); and

"Subsidiary" means any majority-owned subsidiary of the Company or any majority-owned subsidiary thereof, or any other Entity in which the Company owns, directly or indirectly, a significant financial interest provided that the Chief Executive Officer of the Company designates such Entity to be a Subsidiary for the purposes of this Agreement.

1.2 In this Deed unless the context otherwise requires:

1.2.1 references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification);

1.2.2 references to articles, clauses and schedules are references to articles and clauses hereof and schedules hereto; references to sub-clauses or paragraphs are, unless otherwise stated, references to sub-clauses of the clause or paragraphs of the schedule in which the reference appears;

1.2.3 references to the singular shall include the plural and vice versa and references to the masculine shall include the feminine and / or neuter and vice versa; and

1.2.4 references to persons shall include companies, partnerships, associations and bodies of persons, whether incorporated or unincorporated.

2 **Agreement to Serve**

The Indemnitee agrees, or has agreed, to serve as a director, officer and / or employee of the Company. This Deed does not create or otherwise establish any right on the part of the Indemnitee to be and continue to be elected or appointed a director, officer and / or employee of the Company or any other Group Company and does not create an employment contract between the Company and the Indemnitee.

3 **Indemnity of Director / Officer / Employee**

3.1 Subject to clause 10, the Company shall indemnify, defend and hold harmless the Indemnitee against all Expenses, damages, losses, liabilities, judgments, penalties, fines and amounts paid in settlement if Indemnitee was or is a party to or participant in, or is threatened to be made a party to or participant in, any Proceeding, including a Proceeding brought by or in the right of the Company, by reason of the fact or assertion that the Indemnitee is or was a director, officer, employee, agent, or fiduciary of the Company or is or was serving at the request of the Company as a director, officer, employee, agent, or fiduciary of any other Group Company or any other company, corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other Entity or enterprise or by reason of anything done or not done by the Indemnitee in any such capacity.

3.2 Subject to clause 10, if the Indemnitee is entitled under any provision of this Agreement to indemnification for some or a portion of Expenses, damages, losses, liabilities, judgments, penalties, fines and amounts paid in settlement, but not the total amount thereof, the Company shall indemnify, defend and hold harmless the Indemnitee for such portion of the Expenses, damages, losses, liabilities, judgments, penalties, fines, amounts paid in settlement and any other amounts that the Indemnitee becomes legally obligated to pay in connection with any Proceeding to which the Indemnitee is entitled.

4 **Indemnification for Expenses of a Witness**

Subject to clause 10, to the extent that the Indemnitee is, by reason of the Indemnitee's Corporate Status, a witness in any Proceeding, the Indemnitee shall be indemnified by the Company against all Expenses actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf in connection therewith.

5 **Determination of Entitlement to Indemnification**

5.1 The Indemnitee shall request indemnification pursuant to this Deed by notice in writing to the General Counsel of the Company or, if not the same person, to the secretary of the Company. The secretary shall, promptly upon receipt of the Indemnitee's request for indemnification, advise in writing the Board and the Board Designee or such other person or persons empowered to make the determination as provided in clause 5.2 that the Indemnitee has made such request for indemnification. Subject to clause 10, upon making such request for indemnification, the Indemnitee shall be presumed to be entitled to indemnification hereunder and the Company shall have the burden of proof in the making of any determination contrary to such presumption.

5.2 Upon written request by the Indemnitee for indemnification pursuant to clause 3.1, the entitlement of the Indemnitee to indemnification pursuant to the terms of this Deed shall be

determined in the following circumstances and by the following person or persons who, in each instance, shall be empowered to make such determination:

5.2.1 if a Change in Control shall not have occurred:

- (a) by the Board, by a majority vote of the Disinterested Directors, or by the Board Designee; or
- (b) if such Board vote or the Board Designee determination under clause 5.2.1(a) is not obtainable or, even if obtainable, if such Disinterested Directors (by majority vote) or the Board Designee so directs, by: (i) Independent Counsel in a written opinion to the Board and the Board Designee, a copy of which shall be delivered to the Indemnitee; or (ii) a majority vote of the shareholders of the Company; and

5.2.2 if a Change in Control shall have occurred:

- (a) by Independent Counsel in a written opinion to the Board and the Board Designee, a copy of which shall be delivered to Indemnitee; or
- (b) at the Indemnitee's sole option, the Indemnitee shall have the right to direct that such determination be made in the manner provided in clause 5.2.1.

5.3 For the purposes of clause 5.2.1(b), Independent Counsel shall be selected by the Board or the Board Designee and approved by the Indemnitee and, for the purposes of clause 5.2.2, Independent Counsel shall be selected by the Indemnitee. Upon failure of the Board or the Board Designee to so select such Independent Counsel or upon failure of the Indemnitee to so approve, such Independent Counsel shall be selected by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Such determination of entitlement to indemnification shall be made not later than 60 days after receipt by the Company of a written request for indemnification. Such request shall include documentation or information which is reasonably necessary for such determination and which is reasonably available to Indemnitee. Subject to clause 10, any Expenses incurred by the Indemnitee in connection with the Indemnitee's request for indemnification hereunder shall be borne by the Company irrespective of the outcome of the determination of the Indemnitee's entitlement to indemnification. If the person or persons making such determination shall determine that the Indemnitee is entitled to indemnification as to part, but not all, of the application for indemnification, such persons may, subject to clause 10, reasonably pro rate such partial indemnification among such claims, issues or matters in respect of which indemnification is requested.

6 Advancement of Expenses

Subject to clause 10, all reasonable Expenses incurred by, and advances of disbursements required of, the Indemnitee in connection with any Proceeding and in connection with the Indemnitee seeking an adjudication or award in arbitration pursuant to this Deed shall, at the request of the Indemnitee, be paid by the Company in advance of the final disposition of any such Proceeding, adjudication or arbitration as promptly as possible, and in any event within 20 days after the receipt by the Company of a statement or statements from the Indemnitee requesting such advance or advances from time to time. Such statement or statements shall reasonably evidence the Expenses incurred by, or disbursements required of, the Indemnitee

in connection therewith. Notwithstanding any determination as to entitlement to indemnification made pursuant to clauses 5 or 7, the Indemnitee agrees that it will forthwith (and, in any event, not later than 20 days from the date the Company provides a written demand therefor) repay any advance of funds made by the Company pursuant to this clause 6 in the event of any allegation of fraud or dishonesty in the relevant Proceeding is proved against the Indemnitee or if it is otherwise determined under applicable law that the Indemnitee is not entitled to be indemnified. Subject to clause 10, the Company shall have the burden of proof in any determination under this clause 6. No amounts advanced hereunder shall be deemed an extension of credit by the Company to the Indemnitee.

7 Remedies of Indemnitee in Cases of Determination Not to Indemnify or to Advance Expenses or Failure to Timely Pay

7.1 In the event that: (a) a determination is made that the Indemnitee is not entitled to indemnification hereunder; (b) payment has not been timely made following a determination of entitlement to indemnification pursuant to clause 5; or (c) Expenses or disbursements required of the Indemnitee are not advanced pursuant to clause 6, the Indemnitee shall be entitled to apply to a court of competent jurisdiction for a determination of the Indemnitee's entitlement to such indemnification, indemnification payment or advance.

7.2 Alternatively to clause 7.1, the Indemnitee, at the Indemnitee's sole option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association, such award to be made within sixty days following the Indemnitee's filing of the request for arbitration. The Company shall not oppose the Indemnitee's right to seek any such adjudication or award in arbitration or any other claim.

7.3 A judicial proceeding or arbitration pursuant to this clause 7 shall be made *de novo* and Indemnitee shall not be prejudiced by reason of a determination otherwise made hereunder (if so made) that the Indemnitee is not entitled to indemnification. If the court or arbitrator shall determine that the Indemnitee is entitled to any indemnification or advance hereunder, the Company shall pay all reasonable Expenses actually incurred by the Indemnitee in connection with such adjudication or award in arbitration (including, but not limited to, any appellate proceedings) (the "**Clause 7 Expenses**"), provided however, that the Indemnitee agrees that it will forthwith (and, in any event, not later than twenty days from the date the Company provides a written demand therefor) repay such Clause 7 Expenses in the event that any allegation of fraud or dishonesty is proved against the Indemnitee in the Proceeding in respect of which the Indemnitee was seeking indemnification or an advance of monies hereunder.

8 Other Rights to Indemnification

8.1 The indemnification and advancement of reasonable Expenses provided by this Deed shall not be deemed exclusive of any other right to which Indemnitee previously, now or in the future may be entitled under any provision of the Company's memorandum or articles of association, any other agreement (including any agreement between Indemnitee and any other Group Company), vote of shareholders of the Company, the Board or Disinterested Directors, provision of law, or otherwise, provided that the Company shall not be obligated under this Deed to make any payment pursuant to this Deed for which payment has been actually made to or on behalf of the Indemnitee by or on behalf of any of the Group Companies under any insurance policy or other indemnity provision, except in respect of any

excess beyond the amount paid under any such insurance policy or other indemnity provisions.

- 8.2 In the event of any payment under this Deed, the Group Companies shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute at the request of the Company all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

9 Attorneys' Fees and Other Expenses to Enforce Deed

In the event that the Indemnitee is subject to or intervenes in any Proceeding in which the validity or enforceability of this Deed is at issue or seeks an adjudication or award in arbitration to enforce Indemnitee's rights under, or to recover damages for breach of, this Deed, the Indemnitee, if the Indemnitee prevails in whole or in part in such action, shall, subject to clause 10, be entitled to recover from the Company and shall be indemnified by the Company against, any actual Expenses reasonably incurred by the Indemnitee; provided that in bringing any action for adjudication or award in arbitration to enforce the Indemnitee's rights, the Indemnitee acted in good faith.

10 Limitation of Indemnification

Notwithstanding any other terms of this Deed, nothing herein shall indemnify Indemnitee against, or exempt the Indemnitee from, any liability arising from or in connection with or in respect of the Indemnitee's fraud or dishonesty proved against the Indemnitee. The terms of this Deed shall have effect to the fullest extent permitted by applicable law, but shall not extend to any matter which would render them void pursuant to applicable law (including, without limitation, the provisions of section 235 of the Companies Act 2014 of Ireland, as amended), provided however, that, to the extent Irish applicable law changes after the date of this Deed so that the Company may, under such law, at the applicable time, indemnify the Indemnitee to an extent greater than provided in this Deed (as a result of the restrictions contained herein or current law), the Company shall indemnify the Indemnitee to the fullest extent permitted under applicable law at such time, as so changed.

11 Liability Insurance

To the extent the Company maintains an insurance policy or policies providing directors', officers' and employees' liability insurance, the Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director, officer or employee.

12 Duration of Deed

This Deed shall apply with respect to the Indemnitee's occupation of any of the position(s) described in clause 3.1 of this Deed prior to the date of this Deed and with respect to all periods of such service after the date of this Deed, even though the Indemnitee may have ceased to occupy such positions(s).

13 **Notice of Proceedings by the Indemnitee**

13.1 The Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding which may be subject to indemnification hereunder, provided that the failure to so notify the Company will not relieve the Company from any liability it may have to the Indemnitee except to the extent that such failure materially prejudices the Company's ability to defend such claim. With respect to any such Proceeding as to which the Indemnitee notifies the Company of the commencement thereof:

13.1.1 the Company will be entitled to participate therein at its own expense; and

13.1.2 except as otherwise provided below, to the extent that it may wish, the Company jointly with any other indemnifying party similarly notified will be entitled to assume the defence thereof, with counsel reasonably satisfactory to Indemnitee. After notice from the Company to the Indemnitee of its election so to assume the defence thereof, the Company will not be liable to Indemnitee under this Deed for any Expenses subsequently incurred by the Indemnitee in connection with the defence thereof other than, subject to clause 10, reasonable costs of investigation or as otherwise provided below. The Indemnitee shall have the right to employ the Indemnitee's own counsel in such Proceeding, but the fees and Expenses of such counsel incurred after notice from the Company of its assumption of the defence thereof shall be at the expense of Indemnitee and not subject to indemnification hereunder unless: (a) the employment of counsel by the Indemnitee has been authorized by the Company; (b) in the reasonable opinion of counsel to the Indemnitee there is or may be a conflict of interest between the Company and the Indemnitee in the conduct of the defence of such Proceeding; or (c) the Company shall not in fact have employed counsel to assume the defence of such action, in each of which cases, subject to clause 10, the reasonable Expenses of counsel shall be at the expense of the Company.

13.2 Neither the Company nor the Indemnitee shall settle any claim without the prior written consent of the other (which shall not be unreasonably withheld, conditioned or delayed).

14 **Notices**

Any notice required to be given hereunder shall be in writing in the English language and shall be served by sending the same by prepaid recorded post, facsimile, email or by delivering the same by hand to the address of the Party in question as set out below (or such other address as such Party shall notify the other Party of in accordance with this clause 14). Any notice sent by post as provided in this clause 14 shall be deemed to have been served five Business Days after dispatch and any notice sent by email as provided in this clause 14 shall be deemed to have been served at the time of sending, and in proving the service of the same it will be sufficient to prove in the case of a letter that such letter was properly stamped, addressed and placed in the post; and in the case of an email that such email was duly sent to a current email address of the addressee.

Company

STERIS plc
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Attn: General Counsel
Email: Adam_Zangerle@steris.com

Indemnitee

Name: [●]
Address: [●]
Email: [●]

15 Miscellaneous

- 15.1 Notwithstanding the expiration or termination of this Deed howsoever arising, such expiration or termination shall not operate to affect such of the provisions hereof as are expressed or intended to remain in full force and effect.
- 15.2 If any of the clauses, conditions, covenants or restrictions of this Deed or any deed or document emanating from it shall be found to be void but would be valid if some part thereof were deleted or modified, then such clause, condition, covenant or restriction shall apply with such deletion or modification as may be necessary to make it valid and effective so as to give effect as nearly as possible to the intent manifested by such clause, condition, covenant or restriction.
- 15.3 This Deed shall be binding upon the Company and its successors and assigns (including any transferee of all or substantially all of its assets and any successor or resulting company by any Corporate Transaction or otherwise) and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, estate, devisees, executors, administrators or other legal representatives.
- 15.4 This Deed constitutes the entire agreement between the Parties relating to the matters covered hereby, and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter, provided that this Deed shall not supersede or extinguish any other indemnification agreement between Indemnitee and any other Group Company or any other indemnification obligation of the Company or any other Group Company to the Indemnitee (whether under the Company's memorandum or articles of association or otherwise).
- 15.5 No provision in this Deed may be amended unless such amendment is agreed to in writing and signed by the Indemnitee and by a duly authorised officer of the Company. No waiver by either Party of any breach by the other Party of any condition or provision of this Deed to be performed by such other Party shall be deemed a waiver of any other condition or provision hereof (whether similar or dissimilar) nor shall such waiver constitute a continuing waiver. Any waiver must be in writing and signed by the Indemnitee or a duly authorised officer of the Company, as the case may be.
- 15.6 The headings in this Deed are inserted for convenience only and shall not affect the construction of this Deed.
- 15.7 This Deed may be executed in counterparts each of which when executed and delivered shall constitute an original but all such counterparts together shall constitute one and the same instrument.

- 15.8 The terms and conditions of this Deed and the rights of the parties hereunder shall be governed by and construed in all respects in accordance with the laws of Ireland. The Parties to this Deed hereby irrevocably agree that the courts of Ireland shall have non-exclusive jurisdiction in respect of any dispute, suit, action, arbitration or proceedings ("**Deed Proceedings**") which may arise out of or in connection with this Deed and waive any objection to Deed Proceedings in the courts of Ireland on the grounds of venue or on the basis that the Deed Proceedings have been brought in an inconvenient forum; provided that any matters that are referred to arbitration pursuant to clause 5.3 or 7.2 shall be exclusively determined by such arbitral proceedings which shall be conducted by a single arbitrator, in the English language and in Ohio, USA.
- 15.9 All payments made by the Company to the Indemnitee hereunder shall be deemed to have been made in the ordinary course of business of the Company, and shall not be deemed to be extraordinary payments.
- 15.10 The Company expressly confirms and agrees that it has entered into this Deed and assumed the obligations imposed on it hereby in order to induce the Indemnitee to serve, continue to serve and to take on additional service for or on behalf of the Company, and the Company acknowledges that Indemnitee is relying upon this Deed in serving, continuing to serve and taking on additional service for or on behalf of the Company.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the undersigned, intending to be bound hereby, have duly executed this Deed as deed and delivered it on the date first written above.

GIVEN under the Common Seal of
STERIS plc
in the presence of:

Duly Authorised

Witness Signature

Witness Name

Witness Address

Witness Occupation

SIGNED AND DELIVERED as a deed
by **[Insert name]**
in the presence of:

(Signature)

Witness Signature

Witness Name

Witness Address

Witness Occupation

DIRECTOR AND OFFICER INDEMNIFICATION AGREEMENT

This Director and Officer Indemnification Agreement, dated as of _____, 20____ (this "*Agreement*"), is made by and between STERIS Corporation, an Ohio corporation (the "*Company*"), and _____ ("*Indemnitee*").

RECITALS:

A. In recognition of the need for corporations to be able to induce capable and responsible persons to accept and continue in positions in corporate management, Ohio law authorizes (and in some instances requires) corporations to indemnify, and purchase and maintain insurance for the benefit of, their directors and officers, and persons serving at the request of corporations as directors and officers of other entities (each director or officer, a "corporate official").

B. Indemnification by a corporation serves the policies of (1) allowing corporate officials to resist unjustified lawsuits, secure in the knowledge that, if vindicated, the corporation will bear the expense of litigation, (2) encouraging capable women and men to serve as corporate officials, secure in the knowledge that the corporation will absorb the costs of defending their honesty and integrity, (3) allowing corporate officials to dispose of vexatious and distracting litigation through negotiation and settlements, and (4) authorizing corporations to purchase and maintain insurance for the benefit of corporate officials.

C. Ohio law also authorizes a corporation to pay in advance of the final disposition of an action, suit or proceeding the expenses incurred by a corporate official, and any such right to the advancement of expenses may be made separate and distinct from any right to indemnification and need not be subject to the satisfaction of any standard of conduct or otherwise affected by the merits of any claims against the corporate official.

D. Legislative and regulatory initiatives have also exposed corporate officials to a significantly greater risk of criminal proceedings, with attendant defense costs and potential criminal fines and penalties.

E. Under Ohio law, a corporate official's right to be reimbursed for the costs of defense of criminal actions does not depend upon the merits of the claims asserted against the corporate official and indemnification of the corporate official against criminal fines is permitted if the corporate official satisfies the applicable standard of conduct.

F. Indemnitee is a director and/or officer of (1) STERIS plc, an entity organized under the laws of Ireland ("STERIS"), and the indirect ultimate, parent of the Company and/or (2) the Company, and Indemnitee's willingness to serve in such capacity is predicated, in substantial part, upon the Company's willingness to indemnify Indemnitee in accordance with the principles reflected above, to the fullest extent permitted by the laws of the State of Ohio, and upon the other undertakings set forth in this Agreement.

G. The code of regulations of the Company provides that the Company shall indemnify certain individuals who may be party to threatened, pending or completed claims by reason of their status as a corporate official of the Company and for the prepayment, advancement or reimbursement by the Company of certain expenses incurred in connection with such claims.

H. Therefore, in recognition of the need to provide Indemnitee with contractual protection against personal liability, in order to procure Indemnitee's continued service as a director and/or officer of STERIS and/or the Company and to enhance Indemnitee's ability to serve STERIS and/or the Company in an effective manner to the benefit of the Company, and in order to provide such protection pursuant to express contract rights (intended to be enforceable irrespective of, among other things, any amendment to any provisions relating to indemnification included in the Constituent Documents (as defined below), any change in the composition of the board of directors of the Company or the Board (as defined below), any change-in-control or business combination transaction relating to the Company and/or STERIS, or any change in the director's or officer's status through retirement or resignation),

the Company wishes to provide for the indemnification of and the advancement of Expenses (as defined below) to Indemnatee as set forth in this Agreement and for the continued coverage of Indemnatee under the Company's directors' and officers' liability insurance policies or, to the extent applicable, any similar policies of STERIS.

I. In light of the considerations referred to in the preceding recitals, it is the Company's intention and desire that the provisions of this Agreement be construed liberally, subject to their express terms, to maximize the protections to be provided to Indemnatee hereunder.

AGREEMENT:

NOW, THEREFORE, the parties hereby agree as follows:

1. Certain Definitions. In addition to terms defined elsewhere herein, the following terms have the following meanings when used in this Agreement:

- (a) "**Affiliate**" means "affiliate" as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act.
- (b) "**Assets**" means the assets of any kind owned by STERIS, including without limitation, the securities of the Subsidiaries of STERIS and any of the assets owned by the Subsidiaries of STERIS.
- (c) "**Beneficial Owner**", "**Beneficial Ownership**" or "**Beneficially Owns**" has the meaning set forth in Rule 13d-3 under the Exchange Act.
- (d) "**Board**" means the board of directors of STERIS.
- (e) "**Change in Control**" means the occurrence of any event set forth in any one of the following paragraphs subsequent to the date hereof:
 - (1) Any Person becomes the Beneficial Owner, directly or indirectly, of 20% or more of either: (A) the then issued ordinary shares in the capital of STERIS (the "Outstanding STERIS Issued Shares"); or (B) the combined voting power of the then outstanding voting securities of STERIS entitled to vote generally in the election of directors at general meetings of STERIS (the "Outstanding STERIS Voting Securities"), excluding any Person who becomes such a Beneficial Owner in connection with a transaction that complies with clauses (A), (B) and (C) of paragraph (3) of this subsection (e); provided, however, that the following transactions shall not constitute a Change in Control:
 - (i) any acquisition by a Person of Outstanding STERIS Issued Shares or Outstanding STERIS Voting Securities directly from STERIS that is approved by a majority of the Incumbent Board (as defined below);
 - (ii) any acquisition by a Person of Beneficial Ownership of 20% or more of the Outstanding STERIS Issued Shares or Outstanding STERIS Voting Securities as a result of a reduction in the number of shares of Outstanding STERIS Issued Shares or Outstanding STERIS Voting Securities, unless and until such Person thereafter becomes the Beneficial Owner of any additional shares of Outstanding STERIS Issued Shares or Outstanding STERIS Voting Securities representing 1% or more of the then-outstanding Outstanding STERIS Issued Shares or Outstanding STERIS Voting Securities, other than an acquisition directly from STERIS that is approved by a majority of the Incumbent Board, or other than as a result of a stock dividend, stock split or similar transaction effected by STERIS in which all holders of Outstanding STERIS Issued Shares or Outstanding STERIS Voting Securities are treated equally; and

- (iii) any acquisition by a Person of Beneficial Ownership of 20% or more of the Outstanding STERIS Issued Shares or Outstanding STERIS Voting Securities that at least a majority of the Incumbent Board determines in good faith has occurred inadvertently and such Person divests, as promptly as reasonably practicable, a sufficient number of shares so that such Person Beneficially Owns less than 20% of the Outstanding STERIS Issued Shares or Outstanding STERIS Voting Securities, as applicable.

(2) If (i) on or prior to the date that is two years after the date hereof, individuals who constituted the Board as of the date hereof or (ii) after the date that is two years after the date hereof, individuals who constituted the Board two years prior to any date of determination (in each case, the “Incumbent Board”) for any reason cease to constitute at least two-thirds of the Board, provided however, that any individual becoming a director subsequent to the beginning of such two-year period whose election, or nomination for election by STERIS’s shareholders, was approved by a vote of at least two-thirds of the then Incumbent Board shall be deemed to be a member of the Incumbent Board, but excluding, for this purpose, any individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or any other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(3) the consummation of an acquisition, reorganization, reincorporation, redomestication, merger, amalgamation, consolidation, plan or scheme of arrangement, exchange offer, business combination or similar transaction of STERIS or any of its Subsidiaries or the sale, transfer or other disposition of all or substantially all of the Assets (any of which a “Corporate Transaction”), unless, following such Corporate Transaction or series of related Corporation Transactions, as the case may be: (A) all of the individuals and Entities who were the Beneficial Owners respectively, of the Outstanding STERIS Issued Shares and Outstanding STERIS Voting Securities immediately prior to such Corporate Transaction own or beneficially own, directly or indirectly, more than two-thirds of, respectively, the Outstanding STERIS Issued Shares and the combined voting power of the Outstanding STERIS Voting Securities, as the case may be, of the Entity resulting from such Corporate Transaction (including, without limitation, an Entity (including any new parent Entity), which, as a result of such transaction, owns STERIS or all or substantially all of the Assets either directly or through one or more Entities) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding STERIS Issued Shares and the Outstanding STERIS Voting Securities, as the case may be; (B) no Person (excluding any Entity resulting from such Corporation Transaction or any employee benefit plan (or related trust) of the Company or such Entity resulting from such Corporate Transaction) Beneficially Owns, directly or indirectly, 20% or more of, respectively, the then issued ordinary shares (or outstanding shares of common stock) of the Entity resulting from such Corporate Transaction or the combined voting power of the then outstanding voting securities of such Entity, except to the extent that such ownership existed prior to the Corporate Transaction; and (C) at least two-thirds of the members of the board of directors (or other governing body) of the Entity resulting from such Corporate Transaction were members of the Incumbent Board at the time of the approval of such Corporate Transaction; or

(4) approval or adoption by the Board or the shareholders of STERIS of a plan or proposal that could result directly or indirectly in the liquidation or dissolution, transfer, sale or other disposal of all or substantially all of the Assets or the dissolution of STERIS, excluding any transaction that complies with clauses (A), (B) and (C) of paragraph (3) above.

- (f) “**Claim**” means (i) any threatened, asserted, pending or completed claim, demand, action, suit or proceeding of any kind, whether civil, criminal, administrative, arbitral, investigative or other, and whether made pursuant to federal, state or other law; and (ii) any threatened, pending or completed inquiry or investigation, whether made, instituted or conducted by or at the behest of STERIS, STERIS UK or the Company or any other person, including any federal, state or other court or governmental entity or agency and any committee or other representative of any

corporate constituency, that Indemnitee determines might lead to the institution of any such claim, demand, action, suit or proceeding.

- (g) “**Constituent Documents**” means the Company’s articles of incorporation and code of regulations and STERIS’s Memorandum of Association and Articles of Association.
- (h) “**Disinterested Director**” means a director of the Company who is not and was not a party to the Claim in respect of which indemnification is sought by Indemnitee.
- (i) “**Entity**” means any corporation, partnership, association, joint-stock company, limited liability company, trust, unincorporated organization or other business entity;
- (j) “**ERISA Losses**” means any taxes, penalties or other liabilities under the Employee Retirement Income Security Act of 1974, as amended, or Section 4975 of the Internal Revenue Code of 1986, as amended.
- (k) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended.
- (l) “**Expenses**” means attorneys’ and experts’ fees and expenses and all other costs and expenses paid or payable in connection with investigating, defending, being a witness in, responding to or participating in (including on appeal), or preparing to investigate, defend, be a witness in, respond to or participate in (including on appeal), any Claim, any federal, state, local or foreign income tax(es) paid or payable by the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, and any amounts paid in settlement prior to a final, nonappealable judgment or conviction.
- (m) “**Indemnifiable Claim**” means any Claim based upon, arising out of or resulting from (i) any actual, alleged or suspected act or failure to act by Indemnitee in his or her capacity as a director, officer, employee or agent of the Company or as a director, officer, employee, member, manager, trustee or agent of any other corporation, limited liability company, partnership, joint venture, trust or other entity or enterprise, whether or not for profit (including any employee benefit plan or related trust), as to which Indemnitee is or was serving at the request of the Company as a director, officer, employee, member, manager, trustee or agent, including, but not limited to, STERIS and STERIS UK, (ii) any actual, alleged or suspected act or failure to act by Indemnitee in respect of any business, transaction, communication, filing, disclosure or other activity of the Company or any other entity or enterprise referred to in clause (i) of this sentence or (iii) Indemnitee’s status as a current or former director, officer, employee or agent of the Company or as a current or former director, officer, employee, member, manager, trustee or agent of the Company or any other entity or enterprise referred to in clause (i) of this sentence, or any actual, alleged or suspected act or failure to act by Indemnitee in connection with any obligation or restriction imposed upon Indemnitee by reason of such status. In addition to any service at the actual request of the Company, for purposes of this Agreement, Indemnitee will be deemed to be serving or to have served at the request of the Company as a director, officer, employee, member, manager, trustee or agent of another entity or enterprise if Indemnitee is or was serving as a director, officer, employee, member, manager, trustee or agent of such entity or enterprise and (i) such entity or enterprise is or at the time of such service was an Affiliate of the Company, (ii) such entity or enterprise is or at the time of such service was an employee benefit plan (or related trust) sponsored or maintained by the Company or an Affiliate of the Company, or (iii) the Company or an Affiliate of the Company directly or indirectly caused or authorized Indemnitee to be nominated, elected, appointed, designated, employed, engaged or selected to serve in such capacity. Without limiting the generality of the foregoing, the parties acknowledge and agree that Indemnitee is, or will be serving, at the request of Company, as a director or officer of STERIS and served at the request of Company as a director or officer of STERIS UK.
- (n) “**Indemnifiable Losses**” means any and all Losses relating to, arising out of or resulting from any Indemnifiable Claim.
- (o) “**Independent Counsel**” means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company, STERIS UK or STERIS (or any Subsidiary) or Indemnitee in any

matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other named (or, as to a threatened matter, reasonably likely to be named) party to the Indemnifiable Claim giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” will not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing any of the Company, STERIS UK, STERIS or Indemnitee in an action to determine Indemnitee’s rights under this Agreement.

- (p) “**Losses**” means any and all Expenses, damages, losses, liabilities, judgments, fines, penalties (whether civil, criminal or other), ERISA Losses and amounts paid in settlement, including, but not limited to, all interest, assessments and other charges paid or payable in connection with or in respect of any of the foregoing.
- (q) “**Notification Date**” means the date of receipt by the Company of written notice from Indemnitee advising the Company of the final disposition of the applicable Indemnifiable Claim or portion thereof to which such Indemnifiable Losses are related, out of which such Indemnifiable Losses arose or from which such Indemnifiable Losses resulted.
- (r) “**Other Indemnity Provisions**” means, collectively, (i) the Constituent Documents, (ii) the substantive laws of Ohio, and (iii) any other contract to which both Indemnitee and the Company, STERIS, STERIS UK and any other Subsidiary of STERIS are a party, including but not limited to the STERIS Deed and the STERIS UK Deed.
- (s) “**Person**” means a “Person” within the meaning of Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Company, STERIS or any of their respective Subsidiaries; (ii) a trustee or other fiduciary holding securities under terms of an employee benefit and compensation plans, agreements, arrangements, programs, policies, practices, contracts or agreement of STERIS and/or any of its Affiliates (collectively, “**Benefit Plans**”); (iii) an underwriter temporarily holding securities pursuant to an offering by STERIS or an Affiliate of STERIS of such securities; or (iv) an Entity owned, directly or indirectly, by the shareholders of STERIS in the same proportions as their ownership of issued shares of STERIS.
- (t) “**Standard of Conduct Determination**” means a determination of whether Indemnitee has satisfied any applicable standard of conduct under Ohio law that is a legally required condition precedent to indemnification of Indemnitee under this Agreement against Indemnifiable Losses relating to, arising out of or resulting from an Indemnifiable Claim.
- (u) “**STERIS Deed**” means a Deed of Indemnification executed or to be executed between STERIS and an officer or director.
- (v) “**STERIS UK**” means STERIS Limited, a company organized under the laws of England and Wales and formerly named STERIS plc.
- (w) “**STERIS UK Deed**” means a Deed of Indemnification executed or to be executed between STERIS UK and an officer or director.
- (x) “**Subsidiary**” means an entity in which a person directly or indirectly beneficially owns 50% or more of the total combined voting power of securities entitled to vote generally in the election of directors.

2. **Indemnification Obligation.** Subject to Section 8, the Company will indemnify, defend and hold harmless Indemnitee, to the fullest extent permitted or required by the laws of the State of Ohio in effect on the date hereof or as such laws may from time to time hereafter be amended to increase the scope of such permitted or required indemnification, against any and all Indemnifiable Claims and Indemnifiable Losses; *provided, however*, that (a) except as provided in Sections 4 and 22, Indemnitee will not be entitled

to indemnification pursuant to this Agreement in connection with any Claim (i) initiated by Indemnitee against the Company or any director or officer of the Company unless the Company has joined in or consented to the initiation of such Claim or (ii) in which judgment is rendered against Indemnitee for an accounting of profits made from the purchase or sale of securities of STERIS pursuant to the provisions of Section 16(b) of the Exchange Act, and (b) no repeal or amendment of any law of the State of Ohio shall in any way diminish or adversely affect the rights of Indemnitee pursuant to this Agreement in respect of any occurrence or matter arising prior to any such repeal or amendment.

- 3. Advancement of Expenses Incurred with Respect to Indemnifiable Claims.** Indemnitee will have the right to advancement by the Company prior to the final disposition of any Indemnifiable Claim of any and all Expenses relating to, arising out of or resulting from any Indemnifiable Claim paid or incurred by Indemnitee or which Indemnitee determines are reasonably likely to be paid or incurred by Indemnitee. Indemnitee's right to such advancement is not subject to the satisfaction of any standard of conduct and is not conditioned upon any prior determination that Indemnitee is entitled to indemnification under this Agreement with respect to the Indemnifiable Claim or the absence of any prior determination to the contrary. Without limiting the generality or effect of the foregoing, within five business days after any request by Indemnitee, the Company shall, in accordance with such request (but without duplication), (a) pay such Expenses on behalf of Indemnitee, (b) advance to Indemnitee funds in an amount sufficient to pay such Expenses, or (c) reimburse Indemnitee for such Expenses; *provided* that Indemnitee shall repay, without interest any amounts actually advanced to Indemnitee that, at the final disposition of the Indemnifiable Claim to which the advance related, were in excess of amounts paid or payable by Indemnitee in respect of Expenses relating to, arising out of or resulting from such Indemnifiable Claim. In connection with any such payment, advancement or reimbursement, if delivery of an undertaking is a legally required condition precedent to such payment, advance, or reimbursement, the Indemnitee shall execute and deliver to the Company an undertaking, which need not be secured and will be accepted by the Company without reference to Indemnitee's ability to repay the Expenses. In no event will Indemnitee's right to the payment, advancement or reimbursement of Expenses pursuant to this Section 3 be conditioned upon any undertaking that is less favorable to Indemnitee than, or that is in addition to, the undertaking set forth in Exhibit A. The payments, advancements and reimbursements of Expenses provided for in this Section 3 with respect to any Indemnifiable Claim shall not be in duplication of any payments, advancements or reimbursements of Expenses made by STERIS or STERIS UK with respect to the same Indemnifiable Claim.
- 4. Indemnification for Additional Expenses.** The Company will indemnify and hold harmless Indemnitee against and, if requested by Indemnitee, will reimburse Indemnitee for, or advance to Indemnitee, within five business days of such request, any and all Expenses paid or incurred by Indemnitee or which Indemnitee determines are reasonably likely to be paid or incurred by Indemnitee in connection with any Claim made, instituted or conducted by Indemnitee, in each case to the fullest extent permitted or required by the laws of the State of Ohio in effect on the date hereof or as such laws may from time to time hereafter be amended to increase the scope of such permitted or required indemnification, reimbursement or advancement of such Expenses for (a) indemnification or payment, advancement or reimbursement of Expenses by the Company under any provision of this Agreement, or under any other agreement or provision of the Constituent Documents now or hereafter in effect relating to Indemnifiable Claims, and/or (b) recovery under any directors' and officers' liability insurance policies maintained by the Company or STERIS, regardless in each case of whether Indemnitee ultimately is determined to be entitled to such indemnification, reimbursement, advance or insurance recovery, as the case may be; *provided, however*, that Indemnitee will return, without interest, any such advance of Expenses (or portion thereof) that remains unspent at the final disposition of the Claim (including, if applicable, final payment thereof) to which the advance related. The indemnity, reimbursement or advancement provided for in this Section 4 in respect of Expenses shall not be in duplication of any indemnity, reimbursement or advancement made by STERIS or STERIS UK in respect of the same Expenses.
- 5. Contribution.** To the fullest extent permissible under applicable law in effect on the date hereof or as such law may from time to time hereafter be amended to increase the scope of such permitted or required indemnification, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the payment of

any and all Indemnifiable Claims or Indemnifiable Losses, in such proportion as is fair and reasonable in light of all of the circumstances in order to reflect (a) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Indemnifiable Claim or Indemnifiable Loss and/or (b) the relative fault of the Company (and its other directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s); *provided* that such contribution shall not be required where it is determined, pursuant to a final disposition of such Indemnifiable Claim or Indemnifiable Loss in accordance with Section 8, that Indemnitee is not entitled to indemnification by the Company with respect to such Indemnifiable Claim or Indemnifiable Loss.

6. **Partial Indemnity.** If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for a portion of any Indemnifiable Loss, but not for the total amount thereof, the Company will nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.
7. **Procedure for Notification.** To obtain indemnification under this Agreement in respect of an Indemnifiable Claim or Indemnifiable Loss, Indemnitee will submit to the Company a written request, including a brief description (based upon information then available to Indemnitee) of such Indemnifiable Claim or Indemnifiable Loss. If, at the time of the receipt of such request, the Company or STERIS has directors' and officers' liability insurance in effect under which coverage for such Indemnifiable Claim or Indemnifiable Loss is potentially available, the Company will give prompt written notice or cause STERIS to give prompt written notice, as applicable, of such Indemnifiable Claim or Indemnifiable Loss to the applicable insurers in accordance with the procedures set forth in the applicable policies. The Company will provide or cause STERIS to provide to Indemnitee a copy of such notice delivered to the applicable insurers, and copies of all subsequent correspondence between the Company or STERIS and such insurers regarding the Indemnifiable Claim or Indemnifiable Loss, in each case substantially concurrently with the delivery or receipt thereof by the Company or STERIS, as applicable. The failure by Indemnitee to timely notify the Company of any Indemnifiable Claim or Indemnifiable Loss will not relieve the Company from any liability hereunder unless, and only to the extent that, the Company did not otherwise learn of such Indemnifiable Claim or Indemnifiable Loss and such failure is the primary cause of forfeiture by the Company of substantial defenses, rights or insurance coverage.
8. **Determination of Right to Indemnification.**
 - (a) *Circumstances in Which No Standard of Conduct Determination is Required.* To the extent that an Indemnifiable Claim or any portion thereof, including the defense of any Indemnifiable Claim or any portion thereof or defense of any issue or matter therein, will have been resolved successfully on the merits or otherwise in favor of Indemnitee, including through a dismissal without prejudice, Indemnitee will be indemnified against all Indemnifiable Losses relating to, arising out of or resulting from such Indemnifiable Claim in accordance with Section 2 and no Standard of Conduct Determination will be required. In the event that a matter as to which there has been a dismissal without prejudice is later revived in the same or similar form, that matter will be treated as a new Claim for all purposes of this Agreement.
 - (b) *Standard of Conduct Determination.* To the extent that an Indemnifiable Claim or any portion thereof, including the defense of any Indemnifiable Claim or any portion thereof or defense of any issue or matter therein, will not have been resolved successfully on the merits or otherwise in favor of Indemnitee, including through a dismissal without prejudice, and the provisions of Section 8(a) are thereby inapplicable, any Standard of Conduct Determination will be made as follows: (i) by a majority vote of the Disinterested Directors, even if less than a quorum of the board of directors of the Company, (ii) if a majority of Disinterested Directors so direct, by Independent Counsel, in a written opinion addressed to the board of directors of the Company, a copy of which shall be delivered to Indemnitee or (iii) if there are no such Disinterested Directors, by Independent Counsel, selected by the Indemnitee, subject to the reasonable approval of the board of directors of the Company, in a written opinion addressed to the board of directors of the Company, a copy of which shall be delivered to Indemnitee; *provided, however,*

that in the event that there has been a Change in Control after the date of this Agreement, all Standard of Conduct Determinations thereafter will be made by Independent Counsel, unless Indemnatee elects, at Indemnatee's sole option, to have the Standard of Conduct Determination made by the board of directors of the Company. Indemnatee and the Company will reasonably cooperate with the person or persons making such Standard of Conduct Determination, including providing to such person or persons, upon reasonable advance request, any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to Indemnatee and reasonably necessary to such determination. The Company shall indemnify and hold harmless Indemnatee against and, if requested by Indemnatee, shall reimburse Indemnatee for, or advance to Indemnatee, within five business days of such request, any and all costs and expenses (including reasonable attorneys' and experts' fees and expenses) incurred by Indemnatee in so cooperating with the person or persons making such Standard of Conduct Determination.

- (c) *Timing of Standard of Conduct Determination.* The Company will use its reasonable efforts to cause any Standard of Conduct Determination required under Section 8(b) to be made as promptly as practicable. If (i) the person or persons empowered or selected under Section 8(b) to make the Standard of Conduct Determination will not have made a determination within 30 days after the later of (A) the Notification Date and (B) the selection of an Independent Counsel, if such determination is to be made by Independent Counsel and (ii) Indemnatee will have fulfilled his/her obligations set forth in the penultimate sentence of Section 8(b), then Indemnatee will be deemed to have satisfied the applicable standard of conduct; *provided* that such 30-day period may be extended for a reasonable time, not to exceed an additional 30 days, if the person or persons making such Standard of Conduct Determination in good faith requires such additional time for the obtaining or evaluation or documentation and/or information relating thereto.
- (d) *Timing of Payment.* If (i) Indemnatee is entitled to indemnification hereunder against any Indemnifiable Losses pursuant to Section 8(a), (ii) no determination of whether Indemnatee has satisfied any applicable standard of conduct under Ohio law is a legally required condition precedent to indemnification of Indemnatee hereunder against any Indemnifiable Losses, or (iii) Indemnatee has been determined or deemed pursuant to Section 8(b) to have satisfied any applicable standard of conduct under Ohio law that is a legally required condition precedent to indemnification of Indemnatee hereunder against any Indemnifiable Losses, then the Company will pay to Indemnatee, within five business days after the later of (x) the Notification Date and (y) the earliest date on which the applicable criterion specified in clause (i), (ii) or (iii) of this Section 8(d) will have been satisfied, an amount equal to the amount of such Indemnifiable Losses.

9. **Presumption of Entitlement.**

- (a) In making a determination of whether Indemnatee has been successful on the merits or otherwise in defense of any Indemnifiable Claim or any portion thereof or in defense of any issue or matter therein, the Company acknowledges that a resolution, disposition or outcome short of dismissal or final judgment, including outcomes that permit Indemnatee to avoid expense, delay, embarrassment, injury to reputation, distraction, disruption or uncertainty, may constitute such success. In the event that any Indemnifiable Claim or any portion thereof or issue or matter therein is resolved or disposed of in any manner other than by adverse judgment against Indemnatee (including any resolution or disposition thereof by means of settlement with or without payment of money or other consideration), it shall be presumed that Indemnatee has been successful on the merits or otherwise in defense of such Indemnifiable Claim or portion thereof or issue or matter therein. The Company may overcome such presumption only by its adducing clear and convincing evidence to the contrary.
- (b) In making any Standard of Conduct Determination, the person or persons making such determination shall presume that Indemnatee has satisfied the applicable standard of conduct,

and the Company may overcome such presumption only by its adducing clear and convincing evidence to the contrary. Any Standard of Conduct Determination that Indemnitee has satisfied the applicable standard of conduct shall be final and binding in all respects, including with respect to any litigation or other action or proceeding initiated by Indemnitee to enforce his or her rights hereunder. Any Standard of Conduct Determination that is adverse to Indemnitee may be challenged by the Indemnitee in the state or federal courts in Ohio. No determination by the Company (including by its directors or any Independent Counsel) that Indemnitee has not satisfied any applicable standard of conduct, other than a Standard of Conduct determination that is adverse to Indemnitee, shall be a defense to any Claim by Indemnitee for indemnification or reimbursement or advance payment of Expenses by the Company hereunder or create a presumption that Indemnitee has not met any applicable standard of conduct.

- (c) Without limiting the generality or effect of Section 9(b), (i) to the extent that any Indemnifiable Claim relates to any entity or enterprise (other than the Company) referred to in clause (i) of the first sentence of the definition of "Indemnifiable Claim", Indemnitee shall be deemed to have satisfied the applicable standard of conduct if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the interests of such entity or enterprise (or the owners or beneficiaries thereof, including in the case of any employee benefit plan the participants and beneficiaries thereof) and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful, and (ii) in all cases, any belief of Indemnitee that is based on the records or books of account of the Company, including financial statements, or on information supplied to Indemnitee by the directors or officers of the Company in the course of their duties, or on the advice of legal counsel for the Company, the board of directors of the Company, or any committee of the board of directors of the Company, or on information or records given or reports made to the Company, the board of directors of the Company, or any committee of the board of directors of the Company by an independent certified public accountant or by an appraiser or other expert selected by or on behalf of the Company, the board of directors of the Company, or any committee of the board of directors of the Company shall be deemed to be reasonable.

- 10. No Adverse Presumption.** For purposes of this Agreement, the termination of any Claim by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of *nolo contendere* or its equivalent, will not create a presumption that Indemnitee did not meet any applicable standard of conduct or that indemnification hereunder is otherwise not permitted.
- 11. Non-Exclusivity.** The rights of Indemnitee hereunder will be in addition to any other rights Indemnitee may have under any Other Indemnity Provisions; provided, however, that to the extent that any change is made to any Other Indemnity Provision that permits any greater right to indemnification than that provided under this Agreement as of the date hereof, Indemnitee will be deemed to have such greater right hereunder. The Company will not adopt any amendment to any of the Constituent Documents the effect of which would be to deny, diminish or encumber Indemnitee's right to indemnification under this Agreement or any Other Indemnity Provision.
- 12. Liability Insurance and Funding.** For the duration of Indemnitee's service as a director and/or officer of STERIS, and thereafter for so long as Indemnitee will be subject to any pending or possible Indemnifiable Claim, the Company will use commercially reasonable efforts (taking into account the scope and amount of coverage available relative to the cost thereof), or cause STERIS to use commercially reasonable efforts, to maintain in effect policies of directors' and officers' liability insurance providing coverage for directors and/or officers of STERIS that is at least substantially comparable in scope and amount to that provided by the Company's current policies of directors' and officers' liability insurance. At Indemnitee's request, the Company will provide or cause STERIS to provide Indemnitee with a copy of all directors' and officers' liability insurance applications, binders, policies, declarations, endorsements and other related materials, and shall provide Indemnitee with a reasonable opportunity to review and comment on the same. Without limiting the generality or effect of the two immediately preceding sentences, the Company will not discontinue or significantly reduce or permit the discontinuance or significant reduction of the scope or

amount of coverage from one policy period to the next (i) without the prior approval thereof by a majority vote of the Incumbent Board, even if less than a quorum, or (ii) if at the time that any such discontinuation or significant reduction in the scope or amount of coverage is proposed there is no Incumbent Board, without the prior written consent of Indemnitee (which consent will not be unreasonably withheld or delayed). In all policies of directors' and officers' liability insurance obtained by the Company or STERIS pursuant to this [Section 12](#), Indemnitee will be named as an insured in such a manner as to provide Indemnitee the same rights and benefits, subject to the same limitations, as are accorded to STERIS's directors and officers most favorably insured by such policy. For the avoidance of doubt, a change in policyholders for the above insurance coverages from Company to STERIS that does not otherwise materially change such coverage shall not constitute a reduction in the scope of coverage.

- 13. Subrogation.** In the event of payment under this Agreement, the Company will be subrogated to the extent of such payment to all of the related rights of recovery of Indemnitee against other persons or entities (other than Indemnitee's successors), including any entity or enterprise referred to in clause (i) of the definition of "Indemnifiable Claim" in respect of such payment. Indemnitee will execute all papers reasonably required to evidence such rights (all of Indemnitee's reasonable Expenses, including attorneys' fees and charges, related to such subrogation to be reimbursed by or, at the option of Indemnitee, advanced by the Company).
- 14. No Duplication of Payments.** The Company will not be liable under this Agreement to make any payment to Indemnitee in respect of any Indemnifiable Losses to the extent Indemnitee has otherwise actually received and is entitled to retain payment (net of Expenses incurred in connection therewith and any repayment by Indemnitee made with respect thereto) under any insurance policy, the Constituent Documents, Other Indemnity Provisions or otherwise in respect of such Indemnifiable Losses otherwise indemnifiable hereunder.
- 15. Defense of Claims.** The Company, STERIS and STERIS UK will be entitled to participate in the defense of any Indemnifiable Claim or to assume the defense thereof, with counsel reasonably satisfactory to Indemnitee; *provided* that if Indemnitee believes, after consultation with counsel selected by Indemnitee, that (i) the use of counsel chosen by the Company, STERIS or STERIS UK to represent Indemnitee would present such counsel with an actual or potential conflict, (ii) the named parties in any such Indemnifiable Claim (including any impleaded parties) include both (a) any of the Company, STERIS and STERIS UK, on the one hand, and (b) Indemnitee, on the other, and Indemnitee concludes that there may be one or more legal defenses available to Indemnitee that are different from or in addition to those available to the Company, STERIS or STERIS UK, as applicable, or (iii) any such representation by such counsel would be precluded under the applicable standards of professional conduct then prevailing, then Indemnitee will be entitled to retain separate counsel (but not more than one law firm plus, if applicable, local counsel in respect of any particular Indemnifiable Claim) at the Company's expense. Neither the Company nor STERIS nor STERIS UK will be liable to Indemnitee under this Agreement for any amounts paid in settlement of any threatened or pending Indemnifiable Claim effected without, as applicable, the Company's, STERIS's and STERIS UK's prior written consent. The Company will not, and, to the extent it has assumed the defense of an Indemnifiable Claim pursuant to this [Section 15](#), neither STERIS nor STERIS UK will have the right to, without the prior written consent of Indemnitee, effect any settlement of any threatened or pending Indemnifiable Claim to which Indemnitee is, or reasonably could have been expected to be, a party unless such settlement (a) solely involves the payment of money, (b) does not include an admission of fault of Indemnitee, (c) does not materially adversely affect the Indemnitee's defense in any other pending suit or proceeding involving the Company, STERIS or STERIS UK or any of their current or former directors and officers, and (d) includes a complete and unconditional release of Indemnitee from all liability for any Claims that are the subject matter of such Indemnifiable Claim. Neither the Company nor Indemnitee will unreasonably withhold its consent to any proposed settlement nor will STERIS or STERIS UK have the right to unreasonably withhold its consent to any proposed settlement, to the extent it has assumed the defense of an Indemnifiable Claim pursuant to this [Section 15](#); *provided* that Indemnitee may withhold consent to any settlement that does not provide a complete and unconditional release of Indemnitee and *provided further* that the failure by the Company, STERIS or STERIS UK, on the one hand, or the Indemnitee, on the other, to respond to a proposed settlement for a period of more than ten consecutive business days will constitute unreasonably withholding consent. To

the fullest extent permitted by Ohio law, the Company's, STERIS's or STERIS UK's assumption of the defense of a Claim pursuant to this [Section 15](#) will constitute an irrevocable acknowledgement by the Company that any Expenses incurred by or for the account of Indemnitee in connection therewith are indemnifiable by the Company under this Agreement.

16. Successors and Binding Agreement.

- (a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business or assets of the Company, by agreement in form and substance reasonably satisfactory to Indemnitee and his or her counsel, expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement will be binding upon and inure to the benefit of the Company and any successor to the Company, including any person acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise (and such successor will thereafter be deemed the "Company" for purposes of this Agreement), but will not otherwise be assignable or delegatable by the Company.
- (b) This Agreement will inure to the benefit of and be enforceable by Indemnitee's personal or legal representatives, executors, administrators, heirs, distributees, legatees and other successors.
- (c) This Agreement is personal in nature and neither of the parties hereto will, without the consent of the other, assign or delegate this Agreement or any rights or obligations hereunder except as expressly provided in [Section 16\(a\)](#) and [Section 16\(b\)](#). Without limiting the generality or effect of the foregoing, Indemnitee's right to receive payments hereunder will not be assignable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by Indemnitee's will or by the laws of descent and distribution, and, in the event of any attempted assignment or transfer contrary to this [Section 16\(c\)](#), the Company will have no liability to pay any amount so attempted to be assigned or transferred.

17. Notices. For all purposes of this Agreement, all communications, including notices, consents, requests or approvals, required or permitted to be given hereunder will be in writing and will be deemed to have been duly given when hand delivered or dispatched by electronic mail transmission (with receipt thereof confirmed orally or electronically), or one business day after having been sent for next-day delivery by a nationally recognized overnight courier service, addressed to the Company (to the attention of the Secretary of the Company) and to Indemnitee at the applicable address shown on the signature page hereto, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address will be effective only upon receipt.

18. Governing Law, Jurisdiction and Venue. The validity, interpretation, construction and performance of this Agreement will be governed by and construed in accordance with the substantive laws of the State of Ohio, without giving effect to the principles of conflict of laws of such State. The Company and Indemnitee each hereby irrevocably consent to the jurisdiction and agree to the venue of the state and federal courts in Ohio for all purposes in connection with any action or proceeding that arises out of or relates to this Agreement and agree that any action instituted under this Agreement will be brought only in the state or federal courts in Ohio.

19. Validity. If any provision of this Agreement or the application of any provision hereof to any person or circumstance is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected, and the provision so held to be invalid, unenforceable or otherwise illegal will be reformed to the extent, and only to the extent, necessary to make it enforceable, valid or legal. In the event that any court or other adjudicative body will decline to reform any provision of this Agreement held to be invalid, unenforceable or otherwise illegal as contemplated by the immediately preceding sentence, the parties thereto will take all such action as may be

necessary or appropriate to replace the provision so held to be invalid, unenforceable or otherwise illegal with one or more alternative provisions that effectuate the purpose and intent of the original provisions of this Agreement as fully as possible without being invalid, unenforceable or otherwise illegal.

- 20. Prior Agreements.** This Agreement will supersede and replace any and all prior indemnification agreements between the Company and Indemnitee.
- 21. Miscellaneous.** Except to the extent that a change in Ohio law permits broader indemnification or advancement of expenses than is provided under this Agreement, no provision of this Agreement may be waived, modified or discharged unless such waiver, modification or discharge is agreed to in writing signed by Indemnitee and the Company. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party will be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, expressed or implied with respect to the subject matter hereof have been made by either party that are not set forth expressly in this Agreement.
- 22. Legal Fees and Expenses.** It is the intent of the Company that Indemnitee not be required to incur legal fees and or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to Indemnitee hereunder. Accordingly, without limiting the generality or effect of any other provision hereof, if it should appear to Indemnitee that the Company has failed to comply with any of its obligations under this Agreement (including its obligations under Section 3) or in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, Indemnitee the benefits provided or intended to be provided to Indemnitee hereunder, the Company irrevocably authorizes Indemnitee from time to time to retain counsel of Indemnitee's choice, at the expense of the Company as hereafter provided, to advise and represent Indemnitee in connection with any such interpretation, enforcement or defense, including the initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, shareholder or other person affiliated with the Company, in any jurisdiction. Notwithstanding any existing or prior attorney-client relationship between the Company and such counsel, the Company irrevocably consents to Indemnitee's entering into an attorney-client relationship with such counsel, and in that connection the Company and Indemnitee agree that a confidential relationship will exist between Indemnitee and such counsel. Without respect to whether Indemnitee prevails, in whole or in part, in connection with any of the foregoing, the Company will pay and be solely financially responsible for any and all reasonable attorneys' and related fees and expenses incurred by Indemnitee in connection with any of the foregoing to the fullest extent permitted or required by the laws of the State of Ohio in effect on the date hereof or as such laws may from time to time hereafter be amended to increase the scope of such permitted or required payment of such fees and expenses.
- 23. Certain Interpretive Matters.** Unless the context of this Agreement otherwise requires, (i) "it" or "its" or words of any gender include each other gender, (ii) words using the singular or plural number also include the plural or singular number, respectively, (iii) the terms "hereof," "herein," "hereby" and derivative or similar words refer to this entire Agreement, (iv) the terms "Section" or "Exhibit" refer to the specified Section or Exhibit of or to this Agreement, (v) the terms "include," "includes" and "including" will be deemed to be followed by the words "without limitation" (whether or not so expressed), (vi) the word "or" is disjunctive but not exclusive, and (vii) descriptive headings of the Sections and subsections of this Agreement are inserted for convenience only and will not control or affect the meaning or construction of any of the provisions of this Agreement. Whenever this Agreement refers to a number of days, such number will refer to calendar days unless business days are specified and whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time or by a particular date that ends or occurs on a non-business day, then such period or date will be extended until the immediately following business day. As used herein, "business day" means any day other than Saturday, Sunday or a United States federal holiday.

24. Counterparts. This Agreement may be executed in multiple counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same agreement.

[Signatures follow.]

IN WITNESS WHEREOF, Indemnitee has executed, and the Company has caused its duly authorized representative to execute, this Agreement as of the date first above written.

STERIS CORPORATION

5960 Heisley Road
Mentor, Ohio 44060

By: _____

Name:

Title:

[INDEMNITEE]

[Address]

[Indemnitee]

EXHIBIT A

UNDERTAKING

This Undertaking is submitted pursuant to the Director and Officer Indemnification Agreement, dated _____, 20____ (the "Indemnification Agreement"), between STERIS Corporation, an Ohio corporation (the "*Company*"), and the undersigned. Capitalized terms used and not otherwise defined herein have the meanings ascribed to such terms in the Indemnification Agreement.

The undersigned hereby requests [payment] [advancement] [reimbursement] by the Company of Expenses that the undersigned [has incurred] [reasonably expects to incur] in connection with _____ (the "Indemnifiable Claim").

The undersigned hereby undertakes to (a) repay the [payment] [advancement] [reimbursement] of Expenses made by the Company to or on behalf of the undersigned in response to the foregoing request to the extent it is ultimately determined that the undersigned is not entitled to indemnification by the Company under the Indemnification Agreement with respect to the Indemnifiable Claim and (b) return any [payment] or [advancement] of Expenses made by the Company to or on behalf of the undersigned in response to the foregoing request to the extent it is not ultimately used with respect to the Indemnifiable Claim.

IN WITNESS WHEREOF, the undersigned has executed this Undertaking as of this _____ day of _____, 20____.

[Indemnitee Name]

Exhibit 15.1

LETTER REGARDING UNAUDITED INTERIM FINANCIAL INFORMATION

Shareholders and Board of Directors
STERIS plc

We are aware of the incorporation by reference in the following STERIS plc Registration Statements of our review report dated August 8, 2022 relating to the unaudited consolidated interim financial statements of STERIS plc and subsidiaries that are included in its Form 10-Q for the quarter ended June 30, 2022:

Registration Number	Description
333-230557	Form S-8 Registration Statement of STERIS plc pertaining to the STERIS Corporation 401(k) Plan
333-230558	Form S-8 Registration Statement of STERIS plc pertaining to the STERIS plc 2006 Long-Term Equity Incentive Plan (As Assumed, Amended and Restated Effective March 28, 2019)
333-254608	Form S-3 Registration Statement of STERIS plc, STERIS Corporation, STERIS Ltd, and STERIS Irish FinCo Unlimited Co pertaining to the registration of debt securities, guarantees of debt securities, ordinary shares, preferred shares, warrants, and units
333-256700	Form S-8 Registration Statement of STERIS plc pertaining to the Cantel Medical Corp. 2020 Equity Incentive Plan (As assumed and amended effective June 2, 2021) and the Cantel Medical Corp. 2016 Equity Incentive Plan of STERIS plc (As assumed and amended effective June 2, 2021)

/s/ Ernst & Young LLP

Cleveland, Ohio
August 8, 2022

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER

I, Daniel A. Carestio, certify that:

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

Date: August 8, 2022

/s/ DANIEL A. CARESTIO

Daniel A. Carestio
President and Chief Executive Officer

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER

I, Michael J. Tokich, certify that:

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

Date: August 8, 2022

/s/ MICHAEL J. TOKICH
Michael J. Tokich
Senior Vice President and Chief Financial Officer

Certification Pursuant to § 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, in connection with the filing of the Form 10-Q of STERIS plc (the "Company") for the quarter ended June 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, that, to such officer's knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

	/s/ DANIEL A. CARESTIO
Name:	Daniel A. Carestio
Title:	President and Chief Executive Officer
	/s/ MICHAEL J. TOKICH
Name:	Michael J. Tokich
Title:	Senior Vice President and Chief Financial Officer

Dated: August 8, 2022