

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 4, 2024

Waste Management, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other
Jurisdiction of
Incorporation)

1-12154
(Commission File Number)

73-1309529
(IRS Employer
Identification No.)

800 Capitol Street, Suite 3000, Houston, Texas
(Address of Principal Executive Offices)

77002
(Zip Code)

Registrant's Telephone number, including area code: (713) 512-6200

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	WM	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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.

Introductory Note

On November 4, 2024 (the “Closing Date”), Stag Merger Sub Inc. (“Merger Sub”), a Delaware corporation and wholly owned indirect subsidiary of Waste Management, Inc. (the “Company”), a Delaware corporation, merged with and into Stericycle, Inc. (“Stericycle”), a Delaware corporation, with Stericycle continuing as the surviving corporation (the “Merger”) pursuant to the previously announced Agreement and Plan of Merger, dated as of June 3, 2024 (the “Merger Agreement”), by and among the Company, Merger Sub and Stericycle. As a result of the Merger, Stericycle became a wholly owned indirect subsidiary of the Company.

Item 2.01 Completion of Acquisition or Disposition of Assets

The information included in the Introductory Note is incorporated herein by reference into this Item 2.01.

At the effective time of the Merger (the “Effective Time”), each share of Stericycle common stock, par value \$0.01 per share (“Stericycle Common Stock”), issued and outstanding immediately prior to the Effective Time (other than shares of Stericycle Common Stock (i) owned by the Company, Merger Sub or Stericycle or any of their respective subsidiaries (including shares held in treasury stock) or (ii) for which appraisal rights were properly demanded in accordance with Section 262 of the General Corporation Law of the State of Delaware) was converted into the right to receive \$62.00 per share in cash, without interest and less applicable withholding taxes (the “Merger Consideration”).

At the Effective Time, each fully vested and outstanding option to purchase shares of Stericycle Common Stock with a per share exercise price less than the Merger Consideration that was outstanding at the Effective Time was cancelled and converted into the right to receive (without interest) a cash amount equal to the product of (i) the total number of shares of Stericycle Common Stock underlying the option multiplied by (ii) the excess of the Merger Consideration over the per share exercise price of such option. Each option to purchase shares of Stericycle Common Stock with a per share exercise price that was equal to or greater than the Merger Consideration was cancelled for no consideration.

At the Effective Time, each outstanding award of Stericycle restricted stock units (including deferred stock units and awards based on performance conditions) (“Stericycle RSUs”) held by an employee of Stericycle and its subsidiaries immediately prior to the Effective Time who, as of the Effective Time, continued their employment with the Company or any of its subsidiaries or affiliates (each, a “Continuing Employee”) was assumed by the Company and converted into a restricted stock unit award (each, an “Assumed RSU”) with respect to Company common stock, par value \$0.01 per share (“Company Common Stock”). Each Assumed RSU (i) relates to a number of whole shares of Company Common Stock (rounded to the nearest whole share) equal to (x) the total number of shares of Stericycle Common Stock underlying such Stericycle RSU, multiplied by (y) 0.289171, which represents the Merger Consideration divided by the average of the closing sale prices of a share of Company Common Stock as reported on the New York Stock Exchange for each of the five (5) consecutive trading days ending with the complete trading day immediately before (and excluding) the Closing Date, (ii) to the extent that the corresponding Stericycle RSU was subject to performance-based vesting conditions for performance periods that had not ended prior to the Effective Time, will be deemed to be earned based on target performance levels immediately prior to the Effective Time, and (iii) is subject to substantially the same terms and conditions as were applicable to the corresponding Stericycle RSU. At the Effective Time, each Stericycle RSU held by an employee or other service provider of Stericycle and its subsidiaries who terminated employment or service with Stericycle or its subsidiaries prior to or in connection with the consummation of the Merger was cancelled and converted into the right to receive (without interest) a cash amount equal to the product of (i) the total number of shares of Stericycle Common Stock underlying such Stericycle RSU (with performance-based awards being converted at target performance levels) multiplied by (ii) the Merger Consideration.

The aggregate consideration used by the Company to consummate the Merger (including the funds required to pay for all of the shares of Stericycle Common Stock (including those underlying the Stericycle RSUs) in connection with the Merger) was approximately \$7.2 billion (net of cash acquired), including the assumption of \$0.5 billion of debt and the repayment of approximately \$0.8 billion of net debt, which was funded through borrowings under the Company's delayed draw term credit agreement, borrowings under the Company's commercial paper program and cash on hand.

The foregoing description of the effects of the Merger and the Merger Agreement, and the transactions contemplated thereby, does not purport to be complete and is qualified in its entirety by reference to the full text of the Merger Agreement. A copy of the Merger Agreement was attached as Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (the "SEC") on June 3, 2024 and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure

Press Release

On the Closing Date, the Company issued a press release announcing the completion of the Merger, a copy of which is attached hereto as Exhibit 99.1.

The information contained in Item 7.01 of this report, including Exhibit 99.1, shall not be incorporated by reference into any filing of the registrant, whether made before, on or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference to such filing. The information contained in Item 7.01 of this report, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

Item 8.01 Other Events.

Exchange Offer and Consent Solicitation

On September 10, 2024, the Company announced that, in connection with the Merger, it had commenced a private exchange offer (the “Exchange Offer”) and related consent solicitation on behalf of Stericycle (the “Consent Solicitation”) with respect to the outstanding 3.875% Senior Notes due 2029 issued by Stericycle (the “SRCL Notes”).

The Exchange Offer and Consent Solicitation are being made solely pursuant to the conditions set forth in the exchange offer memorandum and consent solicitation statement dated September 10, 2024, as amended by the Company’s press releases dated October 8, 2024 and October 31, 2024, in a private offering exempt from, or not subject to, registration under the Securities Act of 1933, as amended. Settlement of the Exchange Offer and Consent Solicitation are conditioned upon, among other things, the consummation of the Merger, which condition, as reported herein, has now been satisfied.

As announced in the Company’s press release dated October 31, 2024, the current expiration date for the Exchange Offer and Consent Solicitation is 5:00 p.m., New York City time, on November 5, 2024. The Company expects to settle the Exchange Offer on or about November 8, 2024.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Index

Exhibit Number	Description
2.1	Agreement and Plan of Merger dated June 3, 2024 (incorporated by reference to Exhibit 2.1 to Current Report on Form 8-K filed with the SEC on June 3, 2024) (pursuant to Item 601(b)(2) of Regulation S-K, exhibits and schedules to the Agreement and Plan of Merger have been omitted and will be supplementally provided to the SEC upon request).
99.1	Press Release dated November 4, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

WASTE MANAGEMENT, INC.

Date: November 4, 2024

By: /s/ Charles C. Boettcher

Charles C. Boettcher

Executive Vice President and Chief Legal Officer

WM Completes Acquisition of Stericycle

WM's Acquisition Expands its Comprehensive Environmental Solutions into the Growing Healthcare Market While Advancing the Company's Sustainability Commitments

HOUSTON– November 4, 2024 – WM (NYSE: WM) today announced it completed its acquisition of Stericycle, Inc. (NASDAQ: SRCL). The previously announced purchase price of \$62.00 per share in cash represents a total enterprise value of approximately \$7.2 billion. Beginning on November 4, 2024, Stericycle stock will no longer be traded on the NASDAQ.

“I am pleased to welcome the talented Stericycle team to WM,” said Jim Fish, president and chief executive officer, WM. “The completion of this acquisition advances our growth strategy, builds on our sustainability initiatives, and aligns with our long-term financial goals. This acquisition provides a complementary business platform in medical waste, a sector with attractive near- and long-term growth dynamics, and in secure information destruction services to further our leading suite of comprehensive waste and environmental solutions. Importantly, with its strong long-term business profile and our ability to enhance the projected financial outlook of the business through customer-centric growth and projected run-rate cost synergies exceeding \$125 million, this acquisition positions us well to strengthen our operating EBITDA and cash flows. This achievement would not be possible without the dedication of our integration teams, which have been led by Rafa Carrasco, who will also lead our new WM Healthcare Solutions division comprised of the regulated medical waste and secure information destruction businesses.”

As part of WM, the regulated medical waste and secure information destruction businesses will benefit from a range of synergies, including leveraging WM's expertise in logistics, technology-enabled cost optimization, and its leading waste disposal network, among others.

“With today's announcement, WM is well-positioned to win in the growing medical waste industry and deliver tailored and effective solutions in secure information destruction that further our sustainability leadership,” said Rafa Carrasco, senior vice president, enterprise strategy, WM, and president, WM Healthcare Solutions division. “We look forward to delivering on the compelling strategic and financial benefits of the combined business while protecting the health, safety and well-being of the communities we serve.”

FOR MORE INFORMATION

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ABOUT WM

WM (WM.com) is North America's leading provider of comprehensive environmental solutions. Previously known as Waste Management and based in Houston, Texas, WM is driven by commitments to put people first and achieve success with integrity. The company, through its subsidiaries, provides collection, recycling and disposal services to millions of residential, commercial, industrial, medical and municipal customers throughout the U.S. and Canada. With innovative infrastructure and capabilities in recycling, organics and renewable energy, WM provides environmental solutions to and collaborates with its customers in helping them achieve their sustainability goals. WM has the largest disposal network and collection fleet in North America, is the largest recycler of post-consumer materials and is a leader in beneficial use of landfill gas, with a growing network of renewable natural gas plants and the most landfill gas-to-electricity plants in North America. WM's fleet includes more than 12,000 natural gas trucks – the largest heavy-duty natural gas truck fleet of its kind in North America. To learn more about WM and the company's sustainability progress and solutions, visit Sustainability.WM.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

WM, from time to time, provides estimates or projections of financial and other data, comments on expectations relating to future periods and makes statements of opinion, view or belief about current and future events, circumstances or performance. This press release contains a number of such forward-looking statements, including all statements regarding results and benefits from the Stericycle acquisition; the amount, timing and ability to achieve estimated cost synergies; impact on operating EBITDA and cash flows; growth dynamics; long-term financial goals; and any other statements regarding future performance or financial results of our business. You should view these statements with caution. They are based on the facts and circumstances known to WM as of the date the statements are made. These forward-looking statements are subject to risks and uncertainties that could cause actual results to be materially different from those set forth in such forward-looking statements, including but not limited to failure to implement our optimization, automation, growth, and cost savings initiatives and overall business strategy; failure to obtain the results anticipated from strategic initiatives, investments, acquisitions, or new lines of business; failure to identify acquisition targets, consummate and integrate acquisitions, including our ability to integrate the acquisition of Stericycle and achieve the anticipated benefits therefrom, including cost synergies; legal, regulatory and other matters that may affect the costs and timing of our ability to integrate and deliver all of the expected benefits of the Stericycle acquisition; existing or new environmental and other regulations, including developments related to emerging contaminants, gas emissions, renewable energy, extended producer responsibility and our natural gas fleet; significant environmental, safety or other incidents resulting in liabilities or brand damage; failure to obtain and maintain necessary permits due to land scarcity, public opposition or otherwise; diminishing landfill capacity, resulting in increased costs and the need for disposal alternatives; failure to attract, hire and retain key team members and a high quality workforce; increases in labor costs due to union organizing activities or changes in wage- and labor-related regulations; disruption and costs resulting from severe weather and destructive climate events; failure to achieve our sustainability goals or execute on our sustainability-related strategy and initiatives, including within planned timelines or anticipated budgets due to disruptions, delays, cost increases or changes in environmental or tax regulations and incentives; focus on, and regulation of, environmental and sustainability-related disclosures, which could lead to increased costs, risk of non-compliance, brand damage and litigation risk related to our sustainability efforts; macroeconomic conditions, geopolitical conflict and large-scale market disruption resulting in labor, supply chain and transportation constraints, inflationary cost pressures and fluctuations in commodity prices, fuel and other energy costs; increased competition; pricing actions; impacts from international trade restrictions; competitive disposal alternatives, diversion of waste from landfills and declining waste volumes; weakness in general economic conditions and capital markets, including potential for an economic recession; instability of financial institutions; adoption of new tax legislation; fuel shortages; failure to develop and protect new technology; failure of technology to perform as expected; failure to prevent, detect and manage cybersecurity incidents or comply with privacy regulations; inability to adapt and manage the benefits and risks of artificial intelligence; negative outcomes of litigation or governmental proceedings, including those acquired through transactions, including the Stericycle acquisition; and operation or management decisions or developments that result in impairment charges. Please also see WM's filings with the SEC, including Part I, Item 1A of the most recently filed Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q, for additional information regarding these and other risks and uncertainties applicable to its business. WM assumes no obligation to update any forward-looking statement, including financial estimates and forecasts, whether as a result of future events, circumstances or developments or otherwise.

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