

# SECURITIES TRADING GUIDELINES AND POLICY

## I. PROHIBITION ON INSIDER TRADING

These Securities Trading Guidelines and Policy apply to all directors, officers, consultants, independent contractors and employees of the Company and its subsidiaries (“**Covered Personnel**”), including immediate family members of Covered Personnel and trusts and other entities for which Covered Personnel make investment decisions (“**Related Parties**”). The Company prohibits Covered Personnel and Related Parties from (i) trading in securities on the basis of material inside information, (ii) tipping others regarding material inside information, and (iii) recommending the purchase, sale or other transaction with respect to securities about which they have material inside information.

## II. LEGAL BASIS FOR POLICY

Section 10(b)(5) of the Securities Exchange Act of 1934 makes it unlawful for persons or their “tippees” to trade or recommend trading in securities on the basis of “material” “inside” information. The underlying philosophy of the insider trading laws is that all investors should have an equal opportunity to make informed investment decisions.

## III. PENALTIES

A person found guilty of insider trading may be subject to (a) civil penalties in an amount up to three (3) times the profit made or loss avoided, and (b) criminal penalties of fines up to \$1,000,000 and imprisonment for up to ten (10) years. Under federal law, the Company and individual managers of violators may be held liable as “controlling persons” if any employee whom they manage or otherwise control engages in insider trading or tipping. In addition to the civil and criminal penalties for insider trading, employees found to have traded while in possession of material inside information will be subject to disciplinary action, up to and including termination.

## IV. DEFINITIONS

The following definitions should assist you in understanding these prohibitions:

**Material:** Material information is information that a reasonable investor would consider important in making an investment decision. Material information may include but is not limited to (i) revenue, earnings or other operating results, (ii) projections of future earnings or losses, (iii) mergers, acquisitions, tender offers, joint ventures or changes in assets, (iv) new products or discoveries or developments regarding customers or suppliers (such as an acquisition or loss of a contract), (v) changes in control or management, (vi) changes in auditors, (vii) events regarding the Company’s securities, such as dividends, sales of securities or repurchase plans, or (viii) bankruptcies or receiverships. When in doubt, assume the information is material.

**Immediate Family Members:** Immediate family members include the spouses, partners, and/or children of Covered Personnel where such individuals share the same household of Covered Personnel.

**Inside:** Inside or nonpublic information is information that is not generally available to the investing public. In general, information is no longer “inside” if it has been disclosed through a method that is reasonably designed to provide broad, non-exclusionary distribution, such as disclosure through a widely circulated news wire service or in disclosure documents filed with the Securities and Exchange Commission (“SEC”) and sufficient time has passed to allow the information to become widely available among investors and the financial community. When in doubt, assume the information is nonpublic.

**Reporting Persons:** Reporting Persons are those directors, officers and employees who have been notified by the Legal Department that they are subject to the requirements of Section 16 of the Securities Exchange Act of 1934.

**Securities Trading Compliance Officer:** The Securities Trading Compliance Officer is the General Counsel of the Company and his designees or, in certain cases described in Section VI.A below, the Chair of the Audit Committee of the Board of Directors or the Company’s Chief Financial Officer.

**Trading:** Trading includes all purchases and sales of securities, including purchases and sales of options on securities, and short sales.

**Tipping:** Tipping is the provision of material inside information to any person who might be expected to trade while aware of that information. Covered Personnel may not disclose material inside information to any person other than a fellow director, officer or employee or other person with a legitimate need to know such information.

## **V. TRADING RESTRICTIONS**

### **A. General Restrictions**

No Covered Personnel may trade in the stock or other securities of the Company or any other entity at any time when such person is aware of material nonpublic information about the Company or such other entity. This restriction on insider trading is not limited to trading in the securities of the Company. It includes trading in the securities of other corporations or other business entities, particularly those that are current or prospective customers or suppliers of the Company, trading partners or joint ventures, and those with which the Company currently may be negotiating. This restriction on insider trading does not apply to:

- Stock option exercises under the Company’s stock option plans where, upon exercise of the option the stock is held and not sold;
- Bona fide gifts of Company stock;
- Purchases of Company stock through regular payroll contributions to Company-sponsored plans such as the employee stock purchase plan; and
- Other transactions pursuant to a contract, instruction or plan described in Section VIII below.

No Covered Personnel may engage in any transaction in Company securities (other than the transactions listed in this Section V.A that are not subject to the general restriction on insider trading) during the period beginning on the Monday of the week that the Company publicly releases its quarterly or annual

results, as the case may be, and ending after the first full business day after the quarterly or annual results have been publicly released (the “**General Blackout Period**”).

## **B. Prohibited Types of Transactions**

1. Purchases of the Company’s securities should be made as long-term investments. Covered Personnel may not engage in:

- short selling of the Company’s securities, which involves selling Company securities that you do not own in the expectation that the price of the securities will fall, or as part of an arbitrage transaction;
- other speculative trading in Company securities or hedging of their ownership of the Company’s securities, including writing or trading in options, warrants, puts and calls, prepaid variable forward contracts, equity swaps, collars or exchange funds;
- other transactions that are designed to hedge or offset decreases in the price of Company securities; or
- holding Company securities in a margin account or otherwise pledging Company securities in any manner.

2. No Covered Personnel may communicate material nonpublic information learned or developed through his/her employment or position with the Company to other persons who may misuse the information, or recommend that anyone purchase or sell any securities on the basis of such information. So long as material information is nonpublic, members of each such person’s immediate family and others who have received the information are also prohibited from trading in the subject securities.

3. After material nonpublic information has been publicly disclosed through a press release or other public disclosure, Covered Personnel should not trade in the securities until the day following the announcement to allow the market to absorb the information.

The Stericycle Legal Department is available to provide guidance regarding these restrictions.

## **VI. DESIGNATED INSIDERS AND SECURITIES PRE-CLEARANCE PROCESS**

“**Designated Insiders**” are those persons who have regular access to interim financial statements and other material nonpublic information about the Company. Designated Insiders include those directors, officers and employees who have been notified by the Legal Department that they are subject to the requirements of Section 16 of the Securities Exchange Act of 1934 and those other persons who have been given access on a regular basis to material nonpublic financial information regarding the Company, as set forth on Exhibit A attached hereto.

## A. Pre-Clearance

All Designated Insiders (including their Related Parties) are subject to the following additional trading restrictions and process:

1. All transactions in securities of the Company by Designated Insiders (other than the Chief Executive Officer (“CEO”) and the General Counsel) must be pre-cleared by the Securities Trading Compliance Officer. All transactions in securities of the Company by the CEO must be pre-cleared by the Chair of the Audit Committee of the Board of Directors who shall act as Securities Trading Compliance Officer. All transactions in securities of the Company by the General Counsel must be pre-cleared by the Chief Financial Officer (the “CFO”) who shall act as Securities Trading Compliance Officer. These pre-clearance requirements do not apply to the transactions listed in Section V.A above that are not subject to the general restriction on insider trading.

A Designated Insider may request pre-clearance of a transaction at any time the Company is not in a Designated Insider Blackout Period (as defined below) and up to seventy-two hours before the end of a Designated Insider Blackout Period. To request pre-clearance, a Designated Insider shall complete a Pre-Clearance Request Form, attached hereto as Exhibit B, and email the completed form to the Securities Trading Compliance Officer (Audit Committee Chair where the Designated Insider requesting pre-clearance is the CEO; CFO where the Designated Insider requesting pre-clearance is the General Counsel) at securities.preclearance@Stericycle.com. The Securities Trading Compliance Officer (Audit Committee Chair where the Designated Insider requesting pre-clearance is the CEO; CFO where the Designated Insider requesting pre-clearance is the General Counsel) shall advise the Designated Insider whether pre-clearance is granted for the proposed transaction by email or other written communication. The Securities Trading Compliance Officer will respond to requests for pre-clearance as quickly as practicable.

2. If, upon requesting pre-clearance to trade, a Designated Insider is advised that the proposed transaction may be executed, such Designated Insider may execute the trade in accordance with the approved terms. If for any reason the trade is not completed within five (5) trading days after the date pre-clearance is granted, pre-clearance must be obtained again before the security may be traded.

3. If, upon requesting pre-clearance or otherwise, a Designated Insider is advised that a proposed transaction may not be executed, the Designated Insider may not trade the security under any circumstances, nor may the Designated Insider inform anyone of the restriction. This trading restriction will apply until the Designated Insider receives subsequent clearance to trade. From time to time, such Designated Insiders may also be advised that no trading will be permitted until further notice.

## B. Trading Blackout Period—Designated Insiders

Notwithstanding other provisions of this policy, a Designated Insider is not permitted to engage in any transaction in Company securities (other than the transactions listed in Section V.A above that are not subject to the general restriction on insider trading) during the period beginning 14 days prior to the end of each Company fiscal quarter and ending after the first full business day after the annual results or quarterly results, as the case may be, have been publicly released (the “Designated Insider **Blackout Period**”).

The Stericycle Legal Department is available to provide guidance regarding these restrictions.

## **VII. COMPLIANCE WITH SEC RULE 144**

The securities laws preclude or limit sales of Company securities by certain insiders without compliance with the registration and prospectus provisions of the Securities Act of 1933.

These rules prohibit a “controlling person” from selling stock privately or in the public markets unless the sale is registered with the SEC or exempt from registration. The rules define a controlling person as one who possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the Company, whether through the ownership of voting securities, by contract, or otherwise. Control may rest with a group of persons, such as the management of the Company. Each director, officer and employee of the Company who has been notified by the Legal Department that he or she is subject to the requirements of Section 16 of the Securities Exchange Act of 1934 (typically the Company’s senior management) and each owner of a significant amount of voting securities of the Company is considered to be a controlling person and should comply with SEC Rule 144 before engaging in any sales of Company securities.

Rule 144 requires that sales of Company securities must be made in “broker’s transactions” or directly with a “market maker”. The number of shares sold in any three (3) month period by or on behalf of the same “person” (defined in the Rule to include certain relatives, trusts and other entities) cannot exceed the greater of (i) one percent of the shares outstanding as shown by the most recent report or published statement of the Company or (ii) the average weekly reported volume of trading during the prior four weeks. If the shares to be sold are “restricted securities” (i.e. acquired privately from the Company or any of its controlling persons rather than on the open market), they must have been held (fully paid for) at least six months. The Company must be current in its reporting obligations to the SEC. A notice on Form 144 must be sent to the SEC before or concurrently with the placing of an order to sell with a broker or executing directly with a market maker. Although the obligation to file a notice on Form 144 rests with the individual attempting to comply with Rule 144, typically the broker or financial advisor assisting with the sale will also assist with the completion and filing of the Form 144.

## **VIII. TRANSACTIONS PURSUANT TO CERTAIN CONTRACTS, INSTRUCTIONS OR PLANS**

Insiders may engage in transactions in securities of the Company pursuant to certain written contracts, instructions and plans, such as a 10b5-1 plan, regardless of whether the insider has material nonpublic information about the Company provided the insider was not aware of material nonpublic information at the time the insider entered into or adopted the contract, instruction or plan. No such contract, instruction of plan may be entered into or adopted during a General Blackout Period or Designated Insider Blackout Period. Prior to entering into any such contract, instruction or plan, the contract, instruction or plan must be pre-cleared by the Securities Trading Compliance Officer. The Securities Trading Compliance Officer may require that the contract, instruction or plan contain certain protective provisions, including mechanisms to suspend transactions under the contract, instruction or plan when required in connection with certain transactions. The Securities Trading Compliance Officer also may request that the existence of the contract, instruction or plan be disclosed publicly, such as in a footnote to a Form 4 or via a Form 8-K.

Once an insider's contract, instruction or plan has been put in place, all proposed modifications, including any proposed termination, of the contract, instruction or plan must be pre-cleared by the Securities Trading Compliance Officer prior to implementation.

After an insider's contract, instruction or plan has been put in place, purchases or sales of the Company's securities by that individual or entity may proceed in accordance with the contract, instruction or plan, even if the insider becomes aware of material nonpublic information or the Company issues a general prohibition on trading activity by insiders. Once an insider's contract, instruction or plan has been put in place, transactions occurring pursuant to the contract, instruction or plan will not require pre-clearance. Except as provided above, the insider may not alter or deviate from the terms of the approved contract, instruction or plan and may not engage in any corresponding or hedging transactions.

## **IX. SHORT-SWING TRANSACTIONS UNDER SECTION 16(b)**

Under Section 16(b) of the Securities Exchange Act of 1934, a Reporting Person shall be required, in most cases, to disgorge to the Company any "profit" he or she realizes on any purchase and sale, or any sale and purchase, of equity securities of the Company within any period of less than six months. A "profit" is deemed to have been realized if there is a purchase and a subsequent sale at a higher price or a sale and a subsequent purchase at a lower price. Liability under Section 16(b) cannot be avoided by buying one stock certificate and selling another, by a "first-in, first-out" rule, or by any other attempt to show that the particular securities sold were not bought within six months. If any sale and any purchase occur within a six-month period, regardless of the sequence, the transactions will be matched and the highest price received will be matched with the lowest price paid in the six-month period. Although certain transactions in Company employee benefit plans may be exempt from liability under Section 16(b), the exemptions are available only in very limited circumstances.

## **X. ASSISTANCE**

Any person with questions about these policies or specific transactions may obtain additional guidance from the Stericycle Legal Department.

## **XI. THE ULTIMATE RESPONSIBILITY IS YOURS!**

While the Company has taken steps to assist its directors, officers and employees in complying with the insider trading laws, it is and will remain your obligation to ensure that you do not engage in unlawful transactions.

## **EXHIBIT A**

**EXHIBIT B**

**PRE-CLEARANCE REQUEST FORM**

To: Securities Trading Compliance Officer

From: \_\_\_\_\_  
Print Name

Pursuant to the Stericycle Securities Trading Guidelines and Policy (the "Policy"), I request clearance for the following proposed transaction in Company securities:

Type of Transaction (circle one)

Open Market or Private Purchase      Open Market or Private Sale

Cashless Exercise of Stock Option

Other Acquisition or Disposition: \_\_\_\_\_  
(specify)

Securities Involved in Transaction:

Number of shares: \_\_\_\_\_  
Number of shares represented  
by option: \_\_\_\_\_  
Other (please explain): \_\_\_\_\_

Beneficial Ownership (if not applicable, please indicate "N/A"):

Name of beneficial owner if other than yourself: \_\_\_\_\_  
Relationship of beneficial owner to yourself: \_\_\_\_\_

The undersigned certifies that s/he is not in possession of material nonpublic information about the Company and will not enter into the proposed transaction if the undersigned comes into possession of material nonpublic information about the Company between the date hereof and the proposed trade execution date.

The undersigned has read and understands the Policy and certifies that the above proposed transaction will not violate the Policy.



The undersigned agrees to advise the Company promptly if, as a result of future developments, any of the foregoing information becomes inaccurate or incomplete in any respect. The undersigned understands that the Company may require additional information about the proposed transaction and agrees to provide such information upon request.

I acknowledge and agree that any clearance of a transaction is valid only for five (5) trading days after the date of clearance. If the transaction is not executed within that period, clearance of the transaction must be again requested.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_