

STERICYCLE, INC.

STOCK OWNERSHIP GUIDELINES

Adopted by the Compensation Committee on September 25, 2019

Purpose

The Compensation Committee of the Board of Directors of Stericycle, Inc. (“Stericycle”) has adopted these stock ownership guidelines to strengthen the alignment of interests between Stericycle’s management and stockholders and further promote Stericycle’s commitment to sound corporate governance.

Applicability

These stock ownership guidelines apply to Stericycle’s executive officers and non-employee directors.

Minimum Ownership Guidelines

Stock ownership guidelines for Stericycle’s executive officers are determined as a multiple of the executive’s annual base salary. Stock ownership guidelines for Stericycle’s non-employee directors are determined as a multiple of the director’s annual cash retainer. Such executives and directors are expected to own shares of Stericycle common stock valued in at least the following dollar amounts:

Title	Guideline
Chief Executive Officer	5 times annual base salary
Other Executive Officers	3 times annual base salary
Non-Employee Directors	5 times annual cash retainer

These represent minimum ownership guidelines; executives and directors are encouraged to own shares of Stericycle common stock beyond these levels.

Retention Ratios

Although there is no specific period of time by which the executive officers and directors will be required to achieve the applicable ownership guidelines, they are expected to make continuous progress toward their respective ownership guidelines and to comply with the following retention ratios until such guidelines have been achieved:

Title	Retention Ratio
Chief Executive Officer	75% of net profit shares from equity awards to be held until the applicable guideline has been achieved
Other Executive Officers	50% of net profit shares from equity awards to be held until the applicable guideline has been achieved
Non-Employee Directors	75% of net profit shares from equity awards to be held until the applicable guideline has been achieved

These retention ratios apply to net profit shares received upon: (i) the vesting of restricted stock, restricted stock units, performance-based restricted stock and performance-based restricted stock units or (ii) the exercise of stock options. “Net profit shares” are those shares that remain after payment of any exercise price and taxes owed at the exercise of stock options or vesting or settlement of restricted stock or restricted stock units.

These retention ratios will apply to equity grants made by Stericycle after the date that the original guidelines were adopted by the Compensation Committee, which was December 19, 2016. These guidelines do not limit the transfer of, or require retention of, shares of common stock that were outstanding as of the date of original adoption of these guidelines or that are issued pursuant to any equity awards outstanding as of such date.

Measurement and Valuation

Compliance with these stock ownership guidelines will be measured periodically by the internal team at Stericycle responsible for handling executive compensation matters, and the results of such measurement will be reported to the Compensation Committee at least once per year. On each measurement date, compliance will be measured using each executive officer’s base salary then in effect, each director’s annual cash retainer then in effect, and the average trailing 180-day trading price per share of Stericycle common stock on the Nasdaq Stock Market on such date. Once an executive officer or director has achieved the applicable ownership guideline, such person will be considered in compliance, regardless of any change in the price of Stericycle common stock, so long as such person continues to own at least the number of shares of Stericycle common stock and other awards owned at the time of achieving the applicable guideline.

Calculating Share Ownership

Shares that will count toward achievement of the stock ownership guidelines include:

- Shares owned outright (including ESPP shares and securities convertible into shares of common stock on an as-converted basis) by the executive officer or director or any of such person’s immediate family members residing in the same household;

- Shares held in trust for the benefit of the executive officer or director or such person's family;
- Shares held in Stericycle's employee benefit plans, including the 401(k) Savings Plan;
- Shares obtained through stock option exercises and the in-the-money value of vested and unvested stock options;
- Shares of vested restricted stock and vested restricted stock units
- Shares of unvested restricted stock and unvested restricted stock units; and
- Shares of vested or unvested restricted which are deferred under one of Stericycle's deferred compensation plans (deferred stock units).

Administration

The Compensation Committee reserves the right to modify or amend these guidelines at any time. The Compensation Committee will evaluate whether exceptions to these guidelines should be made, including, without limitation, for charitable gifts, options or other awards due to expire, financial hardship, and taxes payable on the vesting of awards to the extent not otherwise addressed in these guidelines.