

Our Vision and 2014 Results

Dear Stericycle Team Members:

I've recently had a few people ask me about Stericycle's Vision, wondering how it is different from our Core Values. I also noticed that the results from our Team Member Engagement Survey indicated that many of you need help connecting your work to our company Vision.

Essentially, a company's Vision is the perspective of the company that guides day-to-day actions as well as growth strategies for the long-term. It defines who we are today and in the future. For Stericycle, our Vision is a combination of three elements: our Core Purpose, our Core Values, and our Future Position.

Over the past two years, we've spent a lot of time communicating our core values and learning how to live them every day. This year, you'll see more discussion and information relating to our Core Purpose and Future Position. As a reminder, our Core Purpose is:

To help our customers fulfill their promise by providing solutions that protect people and brands, promote health and safeguard the environment.

Our Core Purpose is defined as how we "make the world a better place." Our hope in developing this statement is that each of you feels a connection between your work and at least part of this statement and that you feel good about the impact we are making.

You'll hear a lot more about our Core Purpose going forward, and I hope you take the time to remember it. Next month, I'll remind everyone of our Future Position, and we'll dig into the individual components.

In the meantime, our 2014 financial results were released last week and it was another really good year for Stericycle! We reported \$2.55 billion in revenue, up 19.2% from 2013. Our earnings increased 10.6% to \$615 million. Our earnings per share, an important measure for our shareholders, grew 13.9% to \$4.27. Although some of our businesses did well, I think overall we could have done better. Certain challenges in some of our businesses and markets hindered us from a really special year.

The strong performance in 2014 was driven by continued expansion of existing services including our regulated waste services, compliance programs, and communication services. The integration of PSC and other acquisitions were on-track and supported the improvement in margins and earnings. Overall, we completed 44 acquisitions during the year, including PSC (Stericycle's largest acquisition to date) and an acquisition that entered us into the Republic of Korea. We also invested \$86.5 million back into the business for Title V incinerator enhancements, new processing facilities and equipment, ComSol's technology platform, and other projects to stimulate future growth.

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Since 2000, Stericycle has maintained a compound annual growth rate of 15.9%. That is an impressive number, and it is due to all the hard work and dedication of our team. Thank you for everything you do for Stericycle. I look forward to even better results in 2015.

One Team. One Goal.

A handwritten signature in black ink, appearing to read "Chad".