

BOARD OF DIRECTOR QUALIFICATION POLICY

PURPOSE

The purpose of the Director Qualification Policy ("Director Qualification Policy") is to establish guidelines for Heritage-Crystal Clean, Inc. ("Company") on the process of evaluating the appointment of new members to the Board of Directors ("Directors").

SCOPE

The Director Qualification Policy applies to all Company board members who are active in the appointment process.

POLICY

1. Position Description

a. Board of Directors responsibilities include:

- 1) Monitoring financial and operating performance toward the objective of maximizing shareholder value.
- 2) Considering the best interests of the Company and the effects of any action on shareholders, employees, suppliers, and customers of the Company, communities in which offices or other facilities of the Company are located, and any other factors the Director considers pertinent.
- 3) Monitoring the quality of banking and financial assets.
- 4) Reviewing and approving major policies.
- 5) Setting the strategic direction, annually reviewing, and approving the Company's business and strategic plans, including the identification and resolution of strategic issues.
- 6) Exercising oversight to ensure compliance with all applicable laws and regulations, including those of the Company's principal regulator(s), the Securities and Exchange Commission, and NASDAQ.
- 7) Ensuring adequacy of the Company's internal audit function.
- 8) Overseeing the assessment and management of risks, including credit, liquidity, financial, operational, compliance and reputational risks, and risks associated with cybersecurity.
- 9) Employing and evaluating the Chief Executive Officer ("CEO") and other members of senior executive management and ensuring the maintenance of an effective executive succession plan.

b. Director's duties:

- 1) Participating actively in the discharge of the above-listed Board responsibilities.
- 2) Reviewing Board and Committee meeting materials in advance and regularly attending and actively participating in Board and Committee meetings.
- 3) Helping the Company grow in its various markets by helping to identify new business opportunities.
- 4) Complying with the Company's Code of Conduct and Ethics Policy, engaging in ethical business conduct, and encouraging and supporting good corporate citizenship by the Company.
- 5) Committing enough time to learn the business and operations of the Company and current trends in the environmental services industry (including continuing education).

2. General Criteria for Nomination of Non-Employee Board Directors

a. A Non-Employee Director should:

- 1) Be of the highest ethical character and share the values of the Company as reflected in its mission and vision statements.
- 2) Have a reputation, personal and professional, consistent with the image and reputation of the Company.
- 3) Be highly accomplished in his or her field, with superior credentials and recognition, and have the ability to exercise sound business judgment
- 4) Generally, be a current or former executive or have comparable leadership experience.
- 5) Be able and willing to devote sufficient time to carry out the duties and responsibilities of Board membership and commit to serve on the Board for several years in order to gain knowledge of the Company's principal operations.
- 6) Have relevant expertise and experience - in particular, financial acumen - and be able and willing to offer advice and guidance to the Company's CEO and other senior management based on that expertise and experience, while working cooperatively with other Directors and management.
- 7) Meet the Company's goal to have a substantial majority of the Board of Directors as independent, as that term is legally defined in Securities and Exchange Commission and NASDAQ regulations, but also by avoiding conflicts and appearances of conflict of interest, objectively appraising management performance, representing shareholder interests, and remaining independent of any constituency.
- 8) Together with the other Directors, possess attributes that contribute to a diverse and complementary Board, with diversity reflecting gender, ethnicity, educational, professional, and/or managerial backgrounds and experience, and other relevant considerations.
- 9) Be willing to assist the Company in developing new business.

- b. The Nominating and Governance Committee is responsible for annually assessing the appropriate mix of skills and characteristics required of the Board of Directors in the context of the perceived Company needs at a given point in time and will periodically review and amend these criteria as deemed necessary.

3. Process for Selecting a New Director

- a. If the Nominating and Governance Committee determine there is a need to fill a vacancy on the Board of Directors or that an addition to the Board of Directors is warranted, they:
 - 1) By using internal resources and/or a third-party consultant, compile an initial list of candidates which would include, but need not be limited to, qualified women and minority candidates. Review the Potential Board of Board of Director Candidate List and General Criteria for Nomination of Non-Employees to the Board of Directors for a person meeting the skills, education, experience, and diversity criteria.
 - 2) Once a person has been selected by the Board of Directors, the Chair of the Nominating and Governance Committee or the Chairman of the Board, or another designated Board Member should approach the Potential Board of Director Candidate to determine interest. If interested, the Board Member should detail the requirements of being a director, outline board compensation and explain the selection and vetting process. In addition, requesting a resume or bio at this time would be appropriate.
 - 3) If the Potential Board Candidate remains interested, a meeting should be arranged so that the other members of the Nominating and Governance Committee and the CEO can meet the Potential Board Candidate. At the conclusion of the meeting, the Nominating and Governance Committee and the CEO should meet to discuss the Potential Board Candidate. If the Nominating and Governance Committee decides not to continue the vetting process with the Potential Board Candidate, the Chair of the Nominating and Governance Committee communicates that decision to the Potential Board Candidate.
 - 4) Upon a decision by the Nominating and Governance Committee to continue the vetting process, the Potential Board Candidate is asked to complete and return or provide the following:
 - Potential New Director Questionnaire
 - A Resume or Bio (if not provided earlier)
 - 5) Once that information is returned to the Chair of the Nominating and Governance Committee, they are provided to the company for processing with the resulting information provided to the Nominating and Governance Committee and CEO for their review. Their review should determine that there are:
 - No conflict of interest issues
 - Any independence issues
 - No credit or legal issues
 - No reputational issues

- 6) If the review is not satisfactory, either mitigating additional information may be requested or the Potential Board Candidate will be informed of the Committee's decision by the Chair of the Nominating and Governance Committee.
- 7) If the review is satisfactory, the Nominating and Governance Committee makes a recommendation to the Board of Directors. If the Board of Directors elects the Potential Board Candidate to the Board, the Chair of Nominating and Governance Committee informs the Potential Board Candidate of the Board's decision and ensures that the Potential Board Candidate is willing to move forward.
- 8) If so, a press release and an 8K are prepared by the company and approved by the Potential Board Candidate and filed.
- 9) The new Director is placed on the Company's D&O Policy.
- 10) The Director's Orientation is scheduled.

b. Director's orientation:

- 1) Items to cover at orientation are:
 - Gathering personal information in order to place the director on to the Company's accounts payable and transfer agent's system.
 - The Company's mission statement and core values.
 - The Company's Code of Conduct and Ethics Policy.
 - Filing SEC forms 3, 4, 5 and obtaining power of attorney for the company to file on the Director's behalf.
 - The Company's business scope and strategic plan.