

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**SCHEDULE 14A**

(Rule 14a-101)

**INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only  
(as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

**STERIS plc**

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) \_\_\_\_\_

(2) Aggregate number of securities to which transaction applies:  
\_\_\_\_\_

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):  
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(4) Proposed maximum aggregate value of transaction:  
\_\_\_\_\_

(5) Total fee paid:  
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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) \_\_\_\_\_

(2) \_\_\_\_\_

(3) \_\_\_\_\_

(4) Date Filed:

2017  STERIS  
**Proxy Statement**  
Notice of Annual Meeting of Shareholders  
Tuesday, August 1, 2017

# STERIS plc

Chancery House, 190 Waterside Road, Hamilton Industrial Park, Leicester, LE5 1QZ,  
England, United Kingdom

## To Our Shareholders:

The 2017 Annual General Meeting of Shareholders of STERIS plc will be held at 9:00 a.m. British Summer Time, on Tuesday, August 1, 2017 at the offices of Lazard, 50 Stratton Street, London, England, W1J 8LL United Kingdom. At the Annual General Meeting, shareholders will be asked to vote on a number of matters described in the Notice of 2017 Annual General Meeting of Shareholders, including the re-election of directors for terms expiring at the 2018 Annual General Meeting. We urge our shareholders to attend the meeting and to vote for "1 YEAR" for proposal 6 and to vote "FOR" for all other proposals presented to shareholders and described in the Notice of 2017 Annual General Meeting of Shareholders.

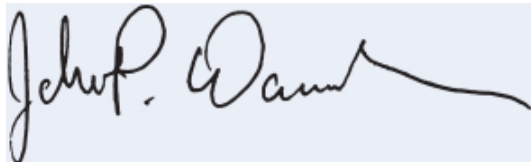
The formal Notice of 2017 Annual General Meeting of Shareholders and the Proxy Statement containing information relative to the meeting follow this letter. **We urge you to read the Proxy Statement carefully and assure that your shares will be voted by using one of the alternative methods of voting described in the Proxy Statement.**

**Please note that if you are a shareholder of record voting by proxy, your vote may not be counted unless it is received no later than 9:00 a.m. British Summer Time (4:00 a.m. Eastern Daylight Time), on Sunday, July 30, 2017.**

Sincerely,



WALTER M ROSEBROUGH, JR.  
President and Chief Executive Officer



JOHN P. WAREHAM  
Chairman of the Board

# STERIS plc

(a public limited company having its registered office at Chancery House, 190 Waterside Road, Hamilton Industrial Park, Leicester, LE5 1QZ, England, United Kingdom, and incorporated in England and Wales with company number 09257343)

## NOTICE OF 2017 ANNUAL GENERAL MEETING OF SHAREHOLDERS

### To the Holders of Ordinary Shares of STERIS plc:

The 2017 Annual General Meeting (the "Annual Meeting") of shareholders of STERIS plc (the "Company") will be held on Tuesday, August 1, 2017 at 9:00 a.m. (British Summer Time), at the offices of Lazard, 50 Stratton Street, London, England W1J 8LL, United Kingdom. At the Annual Meeting, you will be asked to consider and vote on resolutions 1 to 18 below.

Certain of the proposals shareholders of the Company will be asked to consider may not be familiar to them because, unlike many companies with shares traded on the New York Stock Exchange, we are incorporated under the laws of England and Wales and subject to the U.K. Companies Act 2006 (the "Act"). The Act obligates us to propose certain matters to shareholders for approval that would generally not be subject to periodic approval by shareholders of companies incorporated in the United States but are considered routine items for approval by shareholders of companies incorporated in England and Wales. Each of these proposals is described more fully below.

### Proposal 1—Ordinary resolutions to elect directors of the Company:

1. To re-elect Richard C. Breeden as a director of the Company.
2. To re-elect Cynthia L. Feldmann as a director of the Company.
3. To re-elect Dr. Jacqueline B. Kosecoff as a director of the Company.
4. To re-elect David B. Lewis as a director of the Company.
5. To re-elect Sir Duncan K. Nichol as a director of the Company.
6. To re-elect Walter M Rosebrough, Jr. as a director of the Company.
7. To re-elect Dr. Mohsen M. Sohi as a director of the Company.
8. To re-elect Dr. Richard M. Steeves as a director of the Company.
9. To re-elect John P. Wareham as a director of the Company.
10. To re-elect Loyal W. Wilson as a director of the Company.
11. To re-elect Dr. Michael B. Wood as a director of the Company.

### Proposal 2—Ordinary resolution regarding ratification of independent registered public accounting firm:

12. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the year ending March 31, 2018.

### Proposal 3—Ordinary resolution to appoint Ernst & Young LLP as our U.K. statutory auditor:

13. To appoint Ernst & Young LLP as the Company's U.K. statutory auditor under the Act to hold office until the conclusion of the Company's next Annual General Meeting.

**Proposal 4—Ordinary resolution regarding our U.K. statutory auditor’s remuneration:**

14. To authorize the Directors of the Company or the Audit Committee to determine the remuneration of Ernst & Young LLP as the Company’s U.K. statutory auditor.

**Proposal 5—Advisory resolution (to be proposed as an ordinary resolution) on executive compensation:**

15. To approve, on a non-binding advisory basis, the compensation of the Company’s named executive officers as disclosed pursuant to the disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis and the tabular and narrative disclosure contained in the Company’s proxy statement dated June 12, 2017.

**Proposal 6—Advisory resolution (to be proposed as an ordinary resolution) on the frequency of the shareholder advisory vote on executive compensation:**

16. To approve, on a non-binding advisory basis, whether the non-binding advisory vote on executive compensation should be held every one, two, or three years.

**Proposal 7—Advisory resolution (to be proposed as an ordinary resolution) on the Directors’ Remuneration Report:**

17. To approve, on a non-binding advisory basis, the Directors’ Remuneration Report for the period ended March 31, 2017 contained within the Company’s U.K. annual report and accounts for the year ended March 31, 2017.

**Proposal 8—Other business:**

18. To transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

**Proposals 3 (resolution 13), 4 (resolution 14), and 7 (resolution 17) are items required to be approved by shareholders under the Act and generally do not have an analogous requirement under United States law.**

**OUR BOARD OF DIRECTORS CONSIDERS THAT ALL THE RESOLUTIONS TO BE PUT TO THE MEETING ARE IN THE BEST INTERESTS OF THE COMPANY AND ITS SHAREHOLDERS AS A WHOLE. OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR “1 YEAR” FOR RESOLUTION 16 AND VOTE “FOR” FOR EACH OTHER RESOLUTION.**

In accordance with our Amended Articles of Association (the “Articles”), all resolutions will be taken on a poll. Voting on a poll means that each share represented in person or by proxy will be counted in the vote.

All resolutions will be proposed as ordinary resolutions, which under applicable law means that such resolutions must be passed by a simple majority of the total voting rights of members who vote on such resolution, whether in person or by proxy (in the case of joint holders, the holder whose name appears first in the joint registry and who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders). Explanatory notes regarding each of the proposals (and related resolutions) are set out in the relevant sections of the accompanying proxy materials relating to such proposals.

Only shareholders of record of Ordinary Shares at the close of business in New York on May 26, 2017 are entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof. In accordance with provisions of the Act and in accordance with our Articles, a shareholder of record is entitled to appoint another person as his or her proxy (or in the case of a corporation which is

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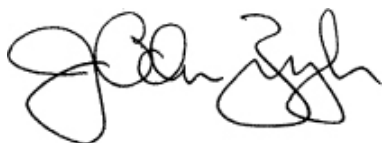
a shareholder of record, a corporate representative) to exercise all or any of his or her rights to attend and to speak and vote at the Annual Meeting and to appoint more than one proxy in relation to the Annual Meeting (provided that each proxy is appointed to exercise the rights attached to a different share or shares). Such proxy need not be a shareholder of record. When you vote by telephone, through the Internet or by returning a completed proxy card, this proxy will be given to the Directors and employees of the Company and its affiliates.

Pursuant to the rules of the U.S. Securities and Exchange Commission (the "SEC"), we provide access to our proxy materials through the Internet. As a result, on or before June 22, 2017, a Notice of Internet Availability of Proxy Materials will be mailed to shareholders as of the close of business on May 26, 2017 who are not included on our share register or who have not previously requested paper copies of the proxy materials. On the date of mailing of the Notice of Internet Availability of Proxy Materials, all shareholders will be able to access the proxy materials on a website referred to and at the URL address included in the Notice of Internet Availability of Proxy Materials and in the proxy statement. These proxy materials will be available free of charge.

**Please note that if you are a shareholder of record voting by proxy, your vote may not be counted unless it is received no later than 9:00 a.m. British Summer Time (4:00 a.m. Eastern Daylight Time) on Sunday, July 30, 2017.**

The results of the polls taken on the resolutions at the Annual Meeting and any other information required by the Act will be made available on the Company's website as soon as reasonably practicable following the Annual Meeting and for a period of two years thereafter.

By Order of the Board of Directors,



J. Adam Zangerle  
Company Secretary

The Company's registered office is at Chancery House, 190 Waterside Road, Hamilton Industrial Park, Leicester, LE5 1QZ, England, United Kingdom.

June 12, 2017

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held on August 1, 2017. Our Proxy Statement for the Annual Meeting (which includes the notice of the Annual Meeting), the Annual Report to Shareholders (including the Company's Annual Report on Form 10-K) for the fiscal year ended March 31, 2017 and the U.K. Annual Report and Accounts for the year ended March 31, 2017 are available at [www.proxyvote.com](http://www.proxyvote.com) if you are a shareholder of record. You can also view these materials in the "Online IR Kit" in the "Shareholder Resources" section of <http://steris-ir.com>.**

**Your vote is important. Whether or not you plan to attend the Annual Meeting, please vote as promptly as possible by telephone, through the Internet or by requesting a paper proxy card to complete, sign and return by mail. Details of the deadlines for when your vote(s) must be submitted are described subsequently. If you attend the Annual Meeting, you may revoke your proxy and vote your shares in person.**

[Notice of Annual Meeting of Shareholders](#) and 2017 Proxy Statement

# STERIS plc

Chancery House, 190 Waterside Road,  
Hamilton Industrial Park, Leicester,  
LE5 1QZ, England, United Kingdom  
[www.steris.com](http://www.steris.com)

Annual Meeting of Shareholders  
August 1, 2017—9:00 a.m. (British Summer Time)

## PROXY STATEMENT

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## GENERAL INFORMATION

### Proxy Voting and Solicitation of Proxies

This Proxy Statement was furnished on or about June 12, 2017, to the shareholders of STERIS plc (“STERIS” or the “Company”) of record as of the close of the stock transfer books on May 26, 2017. This Proxy Statement is provided in connection with the solicitation by the Board of Directors of proxies for the 2017 Annual General Meeting of Shareholders to be held at 9:00 a.m., British Summer Time, on Tuesday, August 1, 2017, at the offices of Lazard, 50 Stratton Street, London, England, W1J 8LL, United Kingdom. The cost of soliciting the proxies will be borne by the Company. Directors, officers, and designated employees of the Company and affiliates may solicit proxies in person, by mail, by telephone, fax, or e-mail. They will not receive any additional compensation for these activities. STERIS has engaged a professional proxy solicitation firm, Georgeson LLC (“Georgeson”), to assist in tracking voting with brokers, banks and other institutional holders. The Company will pay Georgeson a fee of approximately \$12,500 for these services. Additional shareholder meeting services may be contracted for additional fees.

As permitted by rules adopted by U.S. the Securities and Exchange Commission (“SEC”), we are making this Proxy Statement, and our 2017 Annual Report to shareholders, which includes STERIS’s Annual Report on Form 10-K (sometimes referred to as “Annual Report”), and our 2017 U.K. Annual Report and Accounts (sometimes referred to as “U.K. Annual Report”) available at [www.proxyvote.com](http://www.proxyvote.com). If you received a Notice regarding this availability, the Notice instructs you how to access and review the Proxy Statement and the Annual Report and our U.K. Annual Report, as well as the alternative methods to vote your shares—over the Internet, by telephone, or by mailing a completed form of proxy (if requested). If you received a Notice and would like to receive a printed copy of our proxy materials, you should follow the instructions in the Notice for requesting such materials.

If you received a printed copy of the proxy materials, the Company offers the opportunity to electronically receive future proxy statements and annual reports over the Internet. By using these services, you are not only able to access these materials more quickly, but you are also helping STERIS save resources and reduce printing and postage costs. Online services are available to our registered and beneficial shareholders who have active email accounts and Internet access. Registered shareholders maintain shares in their own names. Beneficial shareholders have shares held on their behalf by a bank or brokerage firm. Beneficial owners will need to complete the bank or brokerage firm process for requesting electronic delivery. If you have accounts with multiple banks and/or brokers, you will need to complete the process for each account. Upon completion of your enrollment, you will receive an email confirming your election to use the online services. Your enrollment in the online program will remain in effect as long as your account remains active or until you cancel your enrollment.

### Voting

As of the record date set by the Board of Directors (May 26, 2017), the Company had 85,023,211 Ordinary Shares outstanding and entitled to vote at the 2017 Annual General Meeting, each of which is entitled to one vote.

### Combination

On November 2, 2015, we completed our corporate redomiciliation and acquisition of Synergy Health plc (the “Combination”). Pursuant to the Combination, STERIS Corporation (sometimes referred to as



“Old STERIS”) became a wholly-owned indirect subsidiary of the Company and Synergy Health plc became a wholly-owned subsidiary of the Company.

References in this proxy statement to the actions of “the Company,” “us,” “we” or “STERIS” (or its Board of Directors, Committees of its Board of Directors, or any of its directors and/or officers) or any similar references relating to periods before the date of the Combination should be construed as references to the actions of STERIS Corporation (or, where appropriate, its Board of Directors, Committees of its Board or its Directors and/or officers) unless the context requires otherwise and such references relating to periods from and after the date of the Combination should be construed as references to the actions of STERIS plc (or, where appropriate, its Board of Directors, Committees of its Board or its Directors and/or officers) unless the context requires otherwise.

**STERIS’s Annual Report to Shareholders, which includes STERIS’s Annual Report on Form 10-K, including consolidated financial statements for the year ended March 31, 2017 but excluding exhibits, and STERIS’s U.K. Annual Report and Accounts accompany this proxy statement. Requests for copies of exhibits to STERIS’s Annual Report on Form 10-K should be submitted to the Office of the Company Secretary, STERIS plc, Chancery House, 190 Waterside Road, Hamilton Industrial Park, Leicester, LE5 1QZ, England, United Kingdom. A nominal fee may be charged for Exhibits (which fee will be limited to the expenses we incur in providing you with the requested exhibits). STERIS’s Annual Report on Form 10-K, including exhibits, and STERIS’s U.K. Annual Report and Accounts, including Directors’ Remuneration Report, are also available free of charge through our website in the “Online IR Kit” in the “Shareholder Resources” section of <http://steris-ir.com>. Nothing contained on or accessible through that website shall be deemed to be part of this proxy statement.**

## Votes Required to Adopt Proposals

Ordinary Shares represented by properly executed proxies will be voted in accordance with the specifications made thereon. If no specification is made, proxies will be voted for “1 Year” for Proposal 6 and “FOR” for all of the other proposals contained in the foregoing Notice of 2017 Annual General Meeting of Shareholders.

Abstentions and broker non-votes are tabulated in determining the votes present at a meeting for purposes of determining a quorum. An abstention or a broker non-vote will have no effect with respect to the election of a director nominee. Each Director nominee will be elected if a majority of the votes cast are in favor of his or her election. The other proposals are proposed as ordinary resolutions requiring, assuming a quorum is present, a majority of the votes cast for passage. Consequently, an abstention or broker non-vote also will have no effect on the passage of any of these proposals as the abstention or broker non-vote will not be counted in determining the number of votes cast.

Shareholder votes will be tabulated by an independent inspector of elections for the Annual Meeting.

## Purposes of Annual Meeting

The Annual Meeting has been called for the purposes set forth in the foregoing Notice of 2017 Annual General Meeting of Shareholders. The persons named in the accompanying proxy form have been selected by the Board of Directors and will vote shares represented by valid proxies. They have indicated that, unless otherwise specified in the proxy, they intend to vote for “1 Year” for Proposal 6 and “FOR” for all other proposals contained in the foregoing Notice of 2017 Annual General Meeting of Shareholders.

## PROPOSAL 1—RESOLUTIONS REGARDING THE ELECTION OF DIRECTORS

All eleven of the current members of our Board of Directors (the “Board”) have been nominated for and are standing for re-election at the Annual Meeting. The Nominating and Governance Committee recommended the eleven Directors for re-nomination to the full Board to serve for an additional term. All nominees for Director have consented to be named and have agreed to serve as Directors, if re-elected. We have no reason to believe that any of the nominees will not be available to serve as a Director. However, if any nominee should become unavailable to serve for any reason, the proxies will be voted for such substitute nominees as may be designated by the Board.

The term of each re-elected Director will expire at the next Annual General Meeting of Shareholders, and each Director will continue in office until the election and qualification of his or her respective successor or until his or her earlier death, removal or resignation. Consistent with the terms of the Articles, the Board currently is authorized to have up to fifteen members and the number of Directors was most recently set by the Board at eleven. Proxies cannot be voted for a greater number of Directors than the eleven nominees as identified in this Proxy Statement.

Each of the eleven nominees for Director will be elected by the vote of a majority of the votes cast with respect to such nominee, which means that the number of votes cast for a nominee must exceed the number of votes cast against that nominee. A shareholder may: (i) vote for the election of a nominee; (ii) vote against the election of a nominee; or (iii) abstain from voting for a nominee.

Unless a proxy contains instructions to the contrary, it is assumed that the proxy will be voted FOR the re-election of each nominee for Director named on the following pages.

STERIS values a number of attributes and criteria when identifying nominees to serve as a Director, including professional background, expertise, reputation for integrity, business, financial and management experience, leadership capabilities, time availability, and diversity. In addition to the specific experience and qualifications set forth below, we believe all of the nominees are individuals with a reputation for integrity, demonstrate strong leadership capabilities, and are able to work collaboratively to make contributions to the Board and Company.

## NOMINEES FOR ELECTION AS DIRECTORS

Biographical and other background information concerning each nominee for Directors is set forth below. This information includes each nominee's principal occupation as well as a discussion of the specific experience, qualifications, attributes, and skills of each nominee that led to the Board's conclusion that such nominee should serve as a Director. Ages and other biographical information provided for all Directors are as of June 5, 2017. In addition, set forth below is the period during which each nominee has served as a Director of STERIS. For those persons who served as Directors or executives of STERIS Corporation immediately prior to the Combination, the specified period includes their periods of service as Directors or executives of STERIS Corporation, as STERIS plc's predecessor. The information presented below has been confirmed by each nominee for purposes of its inclusion in this proxy statement.

**Richard C. Breeden**, age 67, director since April 2008, and Chairman and Chief Executive Officer of Breeden Capital Management LLC, a manager of equity investment, since 2005. Since 1996 he has also been Chairman of Richard C. Breeden & Co., LLC, a professional services firm providing consulting services. From time to time Mr. Breeden also handles asset distributions to victims of unlawful conduct, typically on behalf of U.S. Government agencies. Since late 2012, Mr. Breeden has served as Special Master on behalf of the U.S. Department of Justice to administer and distribute just over \$4 billion in forfeited assets to victims of the fraud at Madoff Securities through the Madoff Victim Fund. Mr. Breeden is currently handling distributions of Fair Funds aggregating over \$700 million for the SEC in cases involving British Petroleum's disclosures involving the oil spill in the Gulf of Mexico, and J.P. Morgan's disclosures involving the so-called "London Whale." Mr. Breeden has previously handled asset distributions to victims of unlawful conduct at WorldCom, Enron, Adelphia, Royal Dutch Shell, and other companies. Mr. Breeden served as Chairman of the SEC from 1989 to 1993. Mr. Breeden currently also serves on the Standing Advisory Group of the Public Company Accounting Oversight Board.

**Cynthia L. Feldmann**, age 64, director since March 2005 and President and Founder of Jetty Lane Associates, a consulting firm, from December 2005 to December 2011. Ms. Feldmann is a retired certified public accountant with 27 years of experience in two large global accounting firms. From 2003 to 2005, Ms. Feldmann served as the Life Sciences Business Development Officer for the Boston law firm Palmer & Dodge, LLP. From 1994 to 2002, Ms. Feldmann was a partner with KPMG LLP, primarily serving as Partner-in-Charge of its National Medical Technologies Practice. From 1975 to 1994, Ms. Feldmann was employed by Coopers & Lybrand (now PricewaterhouseCoopers LLP), and during that time was named Partner-in-Charge of its Life Sciences practice. Ms. Feldmann has a Bachelor of Science, Accounting, and holds a Master Professional Director Certification from the American College of Corporate Directors. From March 2012 to August 2016, Ms. Feldmann served as a director of HeartWare International, Inc. Ms. Feldmann is a director of Hanger, Inc. and a director nominee of UFP Technologies, Inc.

**Dr. Jacqueline B. Kosecoff**, age 67, director since October 2003 and, since March 2012, Managing Partner, Moriah Partners, LLC, a private equity firm focused on health services and technology, and Senior Advisor to Warburg Pincus LLC, a private equity fund. She also has served as a member of the Executive Advisory Board of SAP America, Inc., a software and enterprise applications provider, since November 2010. From October 2007 to November 2011, Dr. Kosecoff served as Chief Executive Officer of OptumRx (formerly named Prescriptions Solutions), a pharmacy benefits management company and subsidiary of UnitedHealth Group, and continued to serve as a senior advisor to OptumRx from December 2011 to February 2012. Dr. Kosecoff served as Chief Executive Officer of

Ovations Pharmacy Solutions, a UnitedHealth Group company, from December 2005 to October 2007. From July 2002 to December 2005, Dr. Kosecoff served as Executive Vice President, Specialty Companies, of PacifiCare Health Systems, Inc., one of the nation's largest consumer health organizations. From 1998 to 2002, Dr. Kosecoff was President and Founder of Protocare, Inc., a firm involved in the development and testing of drugs, devices, biopharmaceutical and nutritional products, and consulting and analytic services. Dr. Kosecoff is a director of Sealed Air Corporation and athenahealth, Inc.

**David B. Lewis**, age 72, director since July 2010 and of counsel with Lewis & Munday since August 1, 2014, a Detroit based law firm with offices in Washington, D.C. and New York, NY. He was a partner in the firm from its creation in 1972 to August 2014. He served as its President and Chief Executive Officer from 1972 to 1982 and its Chairman and Chief Executive Officer from 1982 to January 2011. He is a director of H&R Block, Inc. Previously, Mr. Lewis served on the Boards of Conrail, Inc., LG&E Energy Corp., M.A. Hanna, TRW, Inc., The Kroger Company, and Comerica, Inc. Mr. Lewis is a member of the committee which governs the UAW Retiree Medical Benefits Trust, a voluntary employee benefits trust which delivers medical/health benefits to retired employees of Fiat Chrysler, Ford, and General Motors.

**Sir Duncan K. Nichol**, age 76, director since November 2015. In connection with the closing of the Combination in November 2015, Sir Duncan Nichol resigned as Chairman of Synergy Health plc, a provider of specialty outsourced services to healthcare related industries, a position he had held since June 2012. Sir Duncan Nichol also has served from November 2012 to the present as Chairman of the Countess of Chester NHS Trust, a general acute hospital, from 2004 to the present as a director of Deltex Medical Group plc, a medical technology company, and from 2009 to the present as a director of United Kingdom Accreditation Services, the national ISO standards accreditation and certification body. Sir Duncan Nichol was previously Chief Executive Officer of the NHS Management Executive between December 1989 and March 1994, and a director of the Christie NHS Foundation Trust between April 2008 and October 2012.

**Walter M Rosebrough, Jr.**, age 63, director and President and Chief Executive Officer since October 2007. From February 2005 to September 2007, Mr. Rosebrough served as President and Chief Executive Officer of Coastal Hydraulics, Inc., a hydraulic and pneumatic systems company he purchased in 2005, and he continues to serve on its board of directors. Previously, Mr. Rosebrough spent nearly 20 years in the healthcare industry in various roles as a senior executive with Hill-Rom Holdings, Inc. (at the time, Hillenbrand Industries, Inc.), a worldwide provider of medical equipment and related services, including President and Chief Executive Officer of Support Systems International and President and Chief Executive Officer of Hill-Rom.

**Dr. Mohsen M. Sohi**, age 58, director since July 2005, and since July 2012, Chief Executive Officer of Freudenberg and Co., a general multi-industry company serving industries that include automotive, medical, aerospace, oil and gas, and power generation and transmission. From July 2010 to June 2012, Dr. Sohi served as Managing Partner of Freudenberg and Co. From March 2003 through June 2010, Dr. Sohi served as President and Chief Executive Officer of Freudenberg-NOK, a privately-held joint venture partnership between Freudenberg and NOK Corp. of Japan, one of the world's largest producers of elastomeric seals and custom molded products for automotive and other applications. From January 2001 to March 2003, Dr. Sohi was with NCR Corporation, a leading global technology company, most recently as the Senior Vice President, Retail Solutions Division. Prior to NCR, Dr. Sohi was with Honeywell International Inc. and its pre-merger constituent, Allied Signal, Inc.,

providers of aerospace, automation and control solutions, specialty materials, and transportation systems, for 14 years, serving from July 2000 to January 2001 as President, Honeywell Electronic Materials. Dr. Sohi previously served as a director of Aviat Networks, Inc. (formerly known as Harris Stratex Networks, Inc.) from 2007 until January 2015 and Hayes Lemmerz International from 2004 until 2009.

**Dr. Richard Steeves**, age 55, director since November 2015. In connection with the closing of the Combination in November 2015, Dr. Steeves resigned as Chief Executive Officer and director of Synergy Health plc, a provider of specialty outsourced services to the healthcare and related industries, a position he had held since 1992. Dr. Steeves also served as non-executive Chairman of Toumaz plc, a semiconductor company focusing on digital radio, connected audio and wireless healthcare, between September 2013 and May 2015.

**John P. Wareham**, age 75, director since November 2000 and Chairman of the Board of Directors of STERIS since May 2005. In April 2005, Mr. Wareham retired as Chairman of the Board and Chief Executive Officer of Beckman Coulter, Inc., a leading provider of laboratory systems and complementary products used in biomedical analysis, a position which he held since February 1999. Previously Mr. Wareham served as Chief Executive Officer from August 1998 to April 2005 and President and Chief Operating Officer of Beckman Coulter from 1993 to 2004. Mr. Wareham is a director of ResMed Inc. Mr. Wareham previously served on the Boards of Beckman Coulter, Inc., Greatbatch, Inc. and Accuray Incorporated.

**Loyal W. Wilson**, age 69, director since 1987. In December 2016, Mr. Wilson retired as Founder and Senior Advisor of Primus Capital Partners, Inc., a private equity firm specializing in investments in established, high growth companies in the healthcare, software, and technology enabled business service industries, a position which he held since January 2014. From 1994 to 2013, Mr. Wilson served as a Managing Director of Primus Capital Partners, Inc. Prior to 1994, Mr. Wilson served as a Managing Director of Primus Venture Partners, L.P., a venture capital and private equity management firm that Mr. Wilson founded in 1983.

**Dr. Michael B. Wood**, age 73, director since October 2004, and from August 2004 to the present a consultant orthopedic surgeon at the Mayo Clinic in Jacksonville, Florida and a Professor of Orthopedics at the Mayo Clinic College of Medicine. Dr. Wood served as President Emeritus of the Mayo Clinic Foundation from February 2003 until February 2004, and President and Chief Executive Officer of the Mayo Clinic Foundation from 1999 to 2003. The Mayo Clinic Foundation is a charitable, not-for-profit organization based in Rochester, Minnesota, and is the parent corporate entity of the Mayo Clinics in Minnesota, Florida and Arizona. Dr. Wood served as a director of Cubist Pharmaceuticals, Inc. until June 2014.

The Board of Directors believes that each of the director nominees has the necessary personal and professional ethics, integrity, experience, commitment, judgment, diversity of background, and other attributes to make them well qualified to serve as a director of STERIS, including the following:

- Mr. Breeden's experience as Chairman of the SEC, CEO of an investment advisory firm, and a director of several public companies; Mr. Breeden's experience provides our Board with extensive managerial, governance and regulatory insights regarding issues facing public companies; as an investor, Mr. Breeden also provides valuable insight on issues such as shareholder return, executive compensation programs, and capital structure;

- Ms. Feldmann's experience as Partner-in-Charge of a national medical technologies practice and Life Sciences practice for leading public accounting firms and director of publicly traded companies; Ms. Feldmann's overall experience and financial expertise supports the Board's oversight of critical financial policy, reporting, and risk matters encountered by public companies;
- Dr. Kosecoff's experience as a Chief Executive Officer for a number of large healthcare organizations and a director of publicly traded companies; Dr. Kosecoff's background provides our Board with extensive managerial, government and regulatory experiences, and insight in the healthcare industry;
- Mr. Lewis's many years of experience as a practicing attorney and as a director of several public companies, as well as his extensive experience with U.S. public company financial statements and financial reporting, including systems of internal accounting and financial controls, having served as audit committee chair of four other public companies; Mr. Lewis's background provides our Board with an important perspective regarding legal, regulatory and financial issues (although he does not serve in a legal capacity or provide legal advice to STERIS or our Board);
- Sir Duncan Nichol's many years of experience with organizations in the healthcare field, including his tenure as Chief Executive of the U.K. National Health Service; Sir Duncan Nichol provides the Board a unique perspective with respect to U.K. healthcare industry operations, management and regulatory matters;
- Mr. Rosebrough's experience as President and Chief Executive Officer for several corporations and many years of experience as a senior executive in the healthcare industry; Mr. Rosebrough leads the Company's management team, assists the Board in its oversight of the Company and provides unique perspectives into the healthcare industry and our operations, direction and strategies;
- Dr. Sohi's experience as President and Chief Executive Officer of international industrial companies and international operating experience; Dr. Sohi provides our Board with substantial manufacturing, operational and international experience, which are important factors for the Board's oversight and the Company's strategies;
- Dr. Steeves's previous role as founder and former Chief Executive Officer of Synergy Health plc; Dr. Steeves provides the Board with extensive legacy business knowledge, as well as a strong technical and science background and knowledge of issues facing healthcare and medical device companies, particularly in the U.K. and Europe;
- Mr. Wareham's many years as Chairman and Chief Executive Officer of a publicly traded corporation in the biomedical field, as well as other senior executive and board of director positions; Mr. Wareham's broad-based experience and leadership roles provide the Board and the Company with extraordinary healthcare industry perspectives and insights;
- Mr. Wilson's many years of experience as Managing Director of a private equity investment and management firm; Mr. Wilson provides valuable managerial, investment, and financial experience that support the Board's oversight of management and issues generally facing operating companies; and

- Dr. Wood's experience as President and CEO of one of the most prestigious medical organizations in the world and as a director of the Institute for Healthcare Improvement; Dr. Wood provides the Board with the unique perspective of a user of medical instrumentation, as a surgeon, as well as hospital managerial experience as the former CEO of The Mayo Clinic Foundation.

**THE MEMBERS OF OUR BOARD OF DIRECTORS NOMINATED FOR RE-ELECTION UNANIMOUSLY RECOMMEND A VOTE FOR THE ELECTION OF EACH OF RICHARD C. BREEDEN, CYNTHIA L. FELDMANN, DR. JACQUELINE B. KOSECOFF, DAVID B. LEWIS, SIR DUNCAN K. NICHOL, WALTER M ROSEBROUGH, JR., DR. MOHSEN M. SOHI, DR. RICHARD STEEVES, JOHN P. WAREHAM, LOYAL W. WILSON AND DR. MICHAEL B. WOOD.**

**PROPOSAL 2—RESOLUTION REGARDING RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has appointed Ernst & Young LLP as STERIS's independent registered public accounting firm for the year ending March 31, 2018. Ernst & Young LLP was first retained as the independent registered public accounting firm of our predecessor entity, STERIS Corporation, and has served in that capacity for many years. Although the ratification of this appointment is not required to be submitted to a vote of the shareholders, the Board believes it appropriate as a matter of policy to request that the shareholders ratify the appointment of the independent registered public accounting firm for the fiscal year ending March 31, 2018. If this proposal does not receive the affirmative vote of the holders of a majority of the shares entitled to vote and present in person or represented by proxy at the Annual Meeting, the Audit Committee will reconsider the appointment, but may decide to maintain its appointment of Ernst & Young LLP.

We anticipate that a representative of Ernst & Young LLP will be present at the Annual Meeting. The representative will be given the opportunity to make a statement if he or she desires to do so, and is expected to be available to respond to any appropriate questions that may be submitted by shareholders at the Annual Meeting.

**OUR BOARD OF DIRECTORS AND AUDIT COMMITTEE UNANIMOUSLY RECOMMEND THAT YOU VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR ENDING MARCH 31, 2018.**



**PROPOSAL 3—RESOLUTION APPOINTING ERNST & YOUNG LLP AS THE COMPANY’S STATUTORY AUDITORS UNDER THE COMPANIES ACT 2006**

Under the U.K. Companies Act 2006 (the “Act”), our U.K. statutory auditors must be appointed at each general meeting at which the annual report and accounts are presented to shareholders. Ernst & Young LLP has served as our statutory auditors since we re-registered as an English public limited company in November 2015. If this proposal does not receive the affirmative vote of the holders of a majority of the shares entitled to vote and present in person or represented by proxy at the Annual Meeting, the Board may appoint an auditor to fill the vacancy.

**OUR BOARD OF DIRECTORS AND AUDIT COMMITTEE UNANIMOUSLY RECOMMEND THAT YOU VOTE “FOR” THE APPOINTMENT OF ERNST & YOUNG LLP AS OUR U.K. STATUTORY AUDITORS UNDER THE COMPANIES ACT 2006 TO HOLD OFFICE FROM THE CONCLUSION OF THIS MEETING UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING.**

**PROPOSAL 4—RESOLUTION TO AUTHORIZE THE BOARD OF DIRECTORS OR THE AUDIT COMMITTEE OF THE BOARD TO DETERMINE THE COMPANY’S U.K. STATUTORY AUDITOR’S REMUNERATION**

Under the Act, the remuneration of our U.K. statutory auditor must be fixed in a general meeting or in such manner as may be determined in a general meeting. We are asking our shareholders to authorize our Board or the Audit Committee to determine Ernst & Young LLP’s remuneration as our U.K. statutory auditor. It is expected that the Board would delegate the authority to determine the remuneration of the U.K. statutory auditor to the Audit Committee in accordance with the Board’s procedures and applicable law.

**OUR BOARD OF DIRECTORS AND AUDIT COMMITTEE UNANIMOUSLY RECOMMEND THAT YOU VOTE “FOR” THE AUTHORIZATION OF THE BOARD OF DIRECTORS OR AUDIT COMMITTEE TO DETERMINE OUR U.K. STATUTORY AUDITOR’S REMUNERATION.**

## PROPOSAL 5—ADVISORY RESOLUTION ON EXECUTIVE COMPENSATION

We believe that our compensation policies and procedures are based on a pay-for-performance philosophy and are aligned with the long-term interests of our shareholders. However, to obtain the specific input of shareholders with respect to these policies and procedures in accordance with the provisions of the United States Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) and Section 14A of the United States Securities Exchange Act of 1934 (“Exchange Act”), the proposal described below provides shareholders with the opportunity to approve, on a non-binding advisory basis, the compensation of our named executive officers.

This proposal, commonly known as a “Say on Pay” proposal, gives shareholders the opportunity to provide input—to endorse or not endorse—the compensation of the Company’s named executive officers. The Company’s predecessor corporation, STERIS Corporation, conducted say-on-pay votes every year beginning in 2010 and continuing through 2015. The Company conducted a say-on-pay vote last year and we expect to continue to hold our say-on-pay votes on an annual basis, unless our shareholders advise us in connection with the proposal that they would prefer to hold this vote on a less frequent basis. We strongly encourage you to carefully review the Compensation Discussion and Analysis and compensation tables and narrative discussions and related material beginning on page 27 of this Proxy Statement. Thereafter, we request your input on the compensation of the Company’s named executive officers through your vote on the following resolution:

**“Resolved, that the shareholders approve, on a non-binding advisory basis, the compensation of the Company’s named executive officers, as disclosed pursuant to the disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis and the tabular and narrative disclosures contained in the Company’s proxy statement dated June 12, 2017”**

The non-binding resolution to approve the compensation of our named executive officers will be considered adopted if approved by the affirmative vote of the holders of a majority of the votes cast by shareholders represented in person or by proxy and entitled to vote thereon. Because your vote is advisory, it will not be binding upon the Board or the Compensation Committee. However, the Compensation Committee will take into account the outcome of the vote when considering future executive compensation decisions.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” THE APPROVAL, ON A NON-BINDING ADVISORY BASIS, OF THE COMPENSATION OF THE COMPANY’S NAMED EXECUTIVE OFFICERS.**

**PROPOSAL 6—ADVISORY RESOLUTION ON THE FREQUENCY OF THE SHAREHOLDER ADVISORY VOTE ON EXECUTIVE COMPENSATION**

The Dodd-Frank Act also requires us to provide our shareholders every six years the opportunity to indicate how frequently we should seek a non-binding advisory vote regarding the compensation of our named executive officers (such as the one provided in Proposal 5 included on page 12 of this Proxy Statement). By voting on this Proposal 6, shareholders may indicate whether they would prefer a non-binding advisory vote on named executive officer compensation once every one, two, or three years.

A shareholder advisory vote on this issue was last taken in July 2011 by the shareholders of STERIS Corporation. At that time the STERIS board recommended that the shareholders approve, and the shareholder advisory vote approved, a frequency of every year.

After careful consideration of this Proposal, our Board continues to believe that an annual advisory vote on named executive officer compensation is the most appropriate frequency alternative for STERIS, and therefore our Board of Directors recommends that you vote for an advisory vote on the executive compensation of our named executive officers to be held every year.

In formulating its recommendation, our Board considered that an annual advisory vote on executive compensation will allow our shareholders to provide us with their direct input on our compensation philosophy, policies, and practices as disclosed in the Proxy Statement on a regular and frequent basis. Additionally, an annual non-binding advisory vote on executive compensation is consistent with our policy of seeking input from, and engaging in discussions with, our shareholders on corporate governance matters and our executive compensation philosophy, policies, and practices.

We understand that our shareholders may have different views as to what is the best approach for STERIS, and we look forward to hearing from our shareholders on this Proposal. We request your input on your preferred voting frequency regarding executive compensation by choosing the option of one year, two years, or three years.

The accompanying proxy card allows shareholders to vote for the advisory vote on executive compensation to occur every 1, 2 or 3 years, or to abstain from voting on this matter. Because this vote is advisory it will not be binding upon the Board or Compensation Committee. However the Compensation Committee will take into account the outcome of the vote when considering when to hold the next shareholder advisory vote on executive compensation.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE APPROVAL, ON A NON-BINDING ADVISORY BASIS, OF “1 YEAR” FOR THE FREQUENCY OF THE ADVISORY VOTE ON COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.**

## PROPOSAL 7—ADVISORY RESOLUTION ON DIRECTORS' REMUNERATION REPORT

The Board believes that appropriate remuneration of Directors plays a vital part in helping to achieve the Company's overall objectives and, accordingly and in compliance with the Act, we are providing shareholders with the opportunity to vote on an advisory resolution approving the Directors' Remuneration Report included in our U.K. Annual Report.

This proposal is similar to Proposal 5 regarding the compensation of our named executive officers presented to our shareholders and previously presented to the shareholders of our predecessor, STERIS Corporation. However, the Directors' Remuneration Report is concerned solely with the remuneration of our executive and non-executive Directors and is required under the Act.

We encourage shareholders to read the Directors' Remuneration Report as set forth in our U.K. Annual Report and to read the Directors Remuneration Policy set forth in Appendix A to our 2016 Proxy Statement, which describes in detail how our compensation policies and procedures operate and are designed to achieve our compensation objectives for our executive Director and to attract and retain high-quality non-executive Directors. Our 2016 Proxy Statement may be found on our website at <http://steris-ir.com> under "Financials," "SEC Filings" and "Proxy Filings." Additional information regarding the compensation of our executive Director and non-executive Directors can be found in the "Executive Compensation" and "Non-Employee Director Compensation" sections, respectively, of this Proxy Statement.

The Board believes that the policies and procedures articulated in the Directors' Remuneration Report are effective in achieving our compensation objectives for our executive Director, and serve to attract and retain high-quality non-executive Directors, and the design of our compensation program and the compensation awarded to our executive and non-executive Directors fulfills these objectives.

Because this vote is advisory, it will not be binding upon the Board or the Compensation or Nominating and Governance Committees, and payments made or promised to Directors will not have to be repaid, reduced, or withheld in the event that the resolution is not passed. The Board and the Compensation and Nominating and Governance Committees will review and consider the outcome of the vote in connection with the ongoing review of STERIS's executive Director and non-executive Director compensation programs.

**OUR BOARD OF DIRECTORS, AFTER REVIEWING THE UNANIMOUS RECOMMENDATIONS OF THE COMPENSATION COMMITTEE AND NOMINATING AND GOVERNANCE COMMITTEE, UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" ADVISORY APPROVAL OF THE DIRECTORS' REMUNERATION REPORT INCLUDED IN THE U.K. ANNUAL REPORT OF THE COMPANY.**

**PROPOSAL 8—RESOLUTION TO TRANSACT SUCH OTHER BUSINESS AS MAY  
COME BEFORE THE MEETING**

The Board is not aware of any business to be acted upon at the Annual General Meeting other than that described in this proxy statement. If any other business comes before the Annual General Meeting or any adjournment or postponement thereof, the proxy holders (as indicated on the accompanying proxy card or cards) will vote the proxies according to their best judgment with respect to such matters.

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**UNLESS OTHERWISE SPECIFIED, THE PROXY HOLDERS WILL VOTE “FOR” FOR  
ALL PROPOSALS EXCEPT PROPOSAL 6, AND WILL VOTE FOR “1 YEAR” FOR  
PROPOSAL 6.**

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## BOARD OF DIRECTORS INFORMATION

### Board Meetings and Committees

Our Board of Directors met 7 times during the fiscal year ended March 31, 2017. The Board has four standing committees—the Audit Committee, the Compensation Committee, the Nominating and Governance Committee and the Compliance Committee. Each committee has adopted a written charter that may be found at the “Corporate Governance” section of <http://steris-ir.com>. A copy of each charter will also be made available upon a request sent to the Company’s Secretary. From time to time, our Board may also establish various special committees.

#### AUDIT COMMITTEE

Mr. Lewis, Mr. Breeden, Ms. Feldmann, Dr. Sohi, and Mr. Wilson are the current members of the Audit Committee. The Audit Committee provides oversight relating to the integrity of the Company’s financial statements and effectiveness of the Company’s internal controls over financial reporting, including its systems of internal accounting and financial controls, the internal audit process, the annual independent audit of the Company’s annual financial statements, compliance with legal and regulatory requirements, and the qualifications and independence of the independent auditors as required by U.S. law under the Exchange Act. SEC rules provide that all members of the Audit Committee of a public company meet certain independence criteria. The Board has determined that Mr. Breeden, Ms. Feldmann, Mr. Lewis, Dr. Sohi and Mr. Wilson each meet the independence criteria for audit committee members and that all such members also are independent within the meaning of the NYSE listing standards, and are “financially literate” and have accounting or related financial expertise within the meaning of NYSE listing standards. The Board has further determined that each of Mr. Breeden, Ms. Feldmann, Mr. Lewis, Dr. Sohi and Mr. Wilson qualifies as an “audit committee financial expert” in accordance with Item 407(d)(5)(ii) of SEC Regulation S-K. Mr. Lewis, who is the Committee Chair, was determined to qualify as an audit committee financial expert as a result of the Board’s examination of his education, and other board and audit committee experiences. Mr. Lewis graduated from the University of Chicago, Booth School of Business with an MBA degree in Finance. He served as President and Chief Executive Officer of Lewis & Mundy, a law firm he co-founded, from 1972 to 1982 and as its Chairman and Chief Executive Officer from 1982 to January 2011. In addition, Mr. Lewis has served on the audit committees of four other U.S. public companies, and as audit committee chair of all four of these other public companies. He also serves as Chair of the Audit Subcommittee of a voluntary employee benefits trust with \$55 billion of assets.

The Audit Committee met 9 times during fiscal 2017. A copy of the Audit Committee’s charter may be found at the “Corporate Governance” section of <http://steris-ir.com>. A copy will also be made available upon a request sent to the Company’s Secretary.

### COMPENSATION COMMITTEE

Messrs. Wilson and Wareham, Sir Duncan Nichol, and Dr. Wood are the current members of the Compensation Committee. SEC rules provide that only a person who meets certain independence criteria may serve on the compensation committee of a public company. The Board has determined that Messrs. Wilson and Wareham, Sir Duncan Nichol, and Dr. Wood each meet those independence criteria for compensation committee members and that all such members are also independent within the meaning of the NYSE listing standards and SEC rules. None of the members of the Compensation Committee had any interlocking relationships with the Company, within the meaning of SEC rules.

The Compensation Committee is responsible for the Company's general compensation philosophy for senior management, including approval of the compensation of the President and Chief Executive Officer and elements of other senior management compensation. The Compensation Committee's approval is required for equity grants to the named executive officers and other executive officers and eligible employees under the Company's 2006 Long-Term Equity Incentive Plan and annual performance bonus payments under the Company's Management Incentive Compensation Plan and Senior Executive Management Incentive Compensation Plan. In making these decisions, the Compensation Committee considers the recommendations of the President and Chief Executive Officer (with respect to other members of senior management) and the Committee's compensation consultant. The Compensation Committee also may provide input and recommendations to the Nominating and Governance Committee regarding nonemployee Director compensation. The Compensation Committee is authorized to and has regularly retained independent compensation consultants to assist with the discharge of its responsibilities. A more detailed description of this process is located under "Executive Compensation—Compensation Discussion and Analysis," beginning on page 27.

The Compensation Committee met 8 times during fiscal 2017. A copy of the Compensation Committee's charter may be found at the "Corporate Governance" section of <http://steris-ir.com>. A copy will also be made available upon a request sent to the Company's Secretary.

### NOMINATING AND GOVERNANCE COMMITTEE

Mr. Breeden, Dr. Kosecoff, Mr. Lewis, and Dr. Sohi are the current members of the Nominating and Governance Committee. The Board has determined that all members of the Nominating and Governance Committee are independent within the meaning of the NYSE listing standards. The Nominating and Governance Committee provides oversight relating to the administration of the Company's policies, programs, and procedures with respect to: senior management succession planning and other management and organizational development activities; the identification and recommendation of individuals for consideration to become Board members, consistent with criteria approved by the Board; recommendations to the Board of director nominees for appointment or election to the Board of Directors; the development and recommendation to the Board of corporate governance principles applicable to the Board and the Company; overseeing the process for evaluation of governance matters generally, including Board, Board Committees, and CEO evaluations; evaluation of related person transactions and potential conflicts; evaluation of shareholder proposals; and compliance with the Board's governance guidelines; and assessing and overseeing nonemployee Director compensation, and, with input of the Compensation Committee, making recommendations with respect to compensation of nonemployee Directors for approval by the Board.

The Nominating and Governance Committee met 4 times during fiscal 2017. A copy of the Nominating and Governance Committee's charter may be found at the "Corporate Governance" section of <http://steris-ir.com>. A copy will also be made available upon a request sent to the Company's Secretary.



**COMPLIANCE COMMITTEE**

Dr. Kosecoff, Mrs. Feldmann, Mr. Rosebrough, and Drs. Steeves and Wood are the current members of the Compliance Committee. The Compliance Committee provides oversight relating to matters of non-financial compliance, including legal, regulatory, and health, safety and environmental matters, compliance with applicable laws and regulations, and compliance programs and policies. The Compliance Committee met 4 times during fiscal 2017. A copy of the Compliance Committee's charter may be found at the "Corporate Governance" section of <http://steris-ir.com>. A copy will also be made available upon a request sent to the Company's Secretary.

**Meetings**

Each director attended more than 75% of the aggregate of all meetings of the Board of Directors and the Committees on which he or she served while in office during fiscal 2017.

**Summary Table of Standing Committee Members**

The following table summarizes the membership of the Board's standing Committees during fiscal 2017:

Directors	Audit	Compensation	Compliance	Nominating and Governance
Richard C. Breeden	Member			Chairperson
Bruce A. Edwards*	Member			
Cynthia L. Feldmann	Member		Member	
Dr. Jacqueline Kosecoff			Chairperson	Member
David B. Lewis	Chairperson			Member
Kevin M. McMullen*		Member	Member	
Sir Duncan K. Nichol		Member		
Walter M Rosebrough, Jr.			Member	
Dr. Mohsen M. Sohi	Member			Member
Dr. Richard M. Steeves			Member	
John P. Wareham		Member		
Loyal W. Wilson	Member	Chairperson		
Dr. Michael B. Wood		Member	Member	

Member

Chairperson

\* = Board/Committee member during part of fiscal 2017

## The Board and Oversight of Risk

The Board has determined that the existing leadership structure, with Mr. Wareham serving as Chairman of the Board and Mr. Rosebrough serving as President and Chief Executive Officer, as well as a director, is currently the most efficient and effective structure for the Company. The Board believes that separation of the Chairman of the Board and CEO roles provides an effective balance between management and director participation in the Board process.

The Board of Directors and each of its standing Committees has oversight with respect to business risks identified by the Company or risks which the Directors may identify or consider based on their experience. Management of the Company is responsible for the operation of the business and the reasonable management of risks that may arise in the course of our business, and must provide the appropriate control environment, and procedures and programs to identify, detect, and reasonably manage risks encountered by the Company. While they do not conduct risk-related audits or implement risk-related procedures, the Board and its Committees endeavor to understand the Company's strategies and drivers of success, engage in a constructive dialogue with management about potential risks and risk management, and monitor the Company's internal control and compliance activities. For example: (1) the Audit Committee monitors internal controls and litigation; (2) the Compliance Committee monitors quality, regulatory and legal compliance risks; (3) the Compensation Committee provides risk oversight regarding the Company's incentive and other compensation programs and practices; (4) the Nominating and Governance Committee provides oversight regarding potential conflicts, governance and succession risks; and (5) the Audit Committee and the Board provide oversight concerning the Company's enterprise risk management process, which is our integrated, process-orientated, approach to managing key business risks. Each Committee also provides reports on risk oversight matters in its area of responsibility to the Board. In providing this oversight, the Board and Committees rely on information, opinions, reports or statements, including financial statements and other data prepared or presented by officers or employees of the Company, legal counsel, independent accountants, or other professional or expert advisors.

## Governance Generally

Our business is managed by our employees under the oversight of the Board of Directors. Except for Mr. Rosebrough, none of the Board members was an employee of the Company during fiscal 2017. The Board limits membership of the Audit Committee, Compensation Committee, and Nominating and Governance Committee to persons determined to be independent non-management directors.

The Board of Directors has established Governance Guidelines that, along with the charters of the Board committees, the Company's Code of Business Conduct and the Director Code of Ethics, provide the framework for the governance of the Company. Our Director Code of Ethics, Governance Guidelines, Code of Business Conduct, Board Committee charters and other corporate governance information are available at the Corporate Governance section of <http://steris-ir.com>. Any shareholder also may request these items in print, without charge, by contacting the Company's Secretary, c/o STERIS Corporation, 5960 Heisley Road, Mentor, Ohio 44060.

The Board of Directors has charged the Nominating and Governance Committee with helping the Company to remain in the forefront of good corporate governance. The Nominating and Governance Committee is responsible for periodically reviewing and making recommendations to the Board of Directors in connection with the Company's governance principles and practices.

## Independence Standards

The Board believes that independent directors must comprise a substantial majority of the Board. It is expected that at least two-thirds of the Board should be independent. Under our Governance Guidelines, an independent director is one who meets the definition of independence as defined by NYSE listing requirements. A director will not be considered independent if he or she has a material relationship with the Company. Generally, the Board will not consider a director to be independent under the following circumstances:

- The director is, or has been within the last three years, an employee of the Company, or an immediate family member of the director is, or has been within the last three years, an executive officer, of the Company;
- The director or an immediate family member has received, during any 12-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);
- (a) The director or an immediate family member is a current partner of a firm that is our internal or external auditor; (b) the director is a current employee of such firm; (c) the director has an immediate family member who is a current employee of such a firm who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (d) the director or an immediate family member was within the last three years (but is no longer) a partner or employee of such firm and personally worked on our audit within that time;
- The director or an immediate family member is, or has been within the last three years, employed as an executive officer of another entity where any of the present executive officers at the same time serves or served on that entity's compensation committee;

- The director is a current employee, or an immediate family member is a current executive officer, of an entity that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or two percent of such entity's consolidated gross revenues; or
- The director is an executive officer of a charitable organization and, within the last three years, the Company's charitable contributions in any year to the organization (exclusive of gift-match payments) exceed the greater of \$1 million or two percent of the organization's consolidated gross revenues.

Based upon the foregoing criteria, the Board of Directors determined that all of the following current or former directors who served during fiscal 2017 are independent within the meaning of NYSE listing requirements: Richard C. Breeden, Bruce A. Edwards, Cynthia L. Feldmann, Dr. Jacqueline B. Kosecoff, David B. Lewis, Kevin M. McMullen, Sir Duncan K. Nichol, Dr. Mohsen M. Sohi, Dr. Richard M. Steeves, John P. Wareham, Loyal W. Wilson, and Dr. Michael B. Wood. The Board of Directors also determined that each of the Compensation Committee members meets the additional requirements for independence required to be a member of the Compensation Committee under NYSE listing requirements and applicable law. The Board of Directors also has determined that each of the members of the Audit Committee meets the requirements for independence and financial literacy and possesses the accounting or related financial management expertise required to be a member of the Audit Committee under NYSE listing requirements and applicable law and is an audit committee financial expert as defined in SEC regulations.

### Related Person Transactions

During fiscal 2017, we have not been a participant in, and there are not currently proposed, any related person transactions (within the meaning of, and required to be disclosed under, Item 404(a) of SEC Regulation S-K).

Our Director Code of Ethics provides that STERIS directors may not receive any loans, consulting fees, or other material personal profit or benefit in connection with any transaction involving STERIS, other than compensation, expense payments and committee fees as a director (or in the case of a director employed by the Company, compensation as an employee), as approved by the full Board. Other than such payments, a director must disclose to the Company's General Counsel any transaction, or proposed transaction, between a STERIS entity and the director, a member of the director's immediate family, or a business the director or an immediate family member owns, controls, or has a substantial interest in. Directors also may not have a personal or family financial interest in any STERIS supplier, customer, consultant, reseller or competitor that has a reasonable potential for causing a conflict of interest or divided loyalty, or resulting in material personal gain.

Our Code of Business Conduct for employees requires that relationships with third parties, as well as all business decisions, be based on what is required by law and in the best interests of STERIS, and not be motivated or influenced by personal considerations. This Code also requires that employees discuss with their supervisor or the STERIS Legal Department any activity that might create a conflict of interest, including personal financial interests that might reasonably affect their business judgment on behalf of the Company. Our Conflicts of Interest Policy also contains prohibitions with respect to conflicts of interest or transactions involving personal financial gain.

In addition, our Board has adopted a policy with respect to related party transactions. In general, this policy requires that all transactions or proposed transactions between the Company and a related party that exceed \$120,000 and in which the related party has a direct or indirect material interest, be disclosed to and ratified or approved by the Nominating and Governance Committee or by disinterested members of our full Board. Under this policy, related parties include all of our Directors and executive officers and their immediate family members, and entities owned (more than 5% ownership) by a Director, executive officer or their immediate family members. In fiscal year 2017, there were no related party transactions between us and related parties that required ratification or approval under this policy.

### Governance Guidelines

Our Board adopted its Governance Guidelines to assist primarily with the proper management and governance of the activities of the Board. The following is a summary of those Guidelines. A complete copy of the Governance Guidelines may be found at the "Corporate Governance" section of <http://steris-ir.com>.

**Term**—There is no limitation on the number of terms a Director may serve. However, the Nominating and Governance Committee will not ordinarily recommend a nominee for election for a term beginning on or after the nominee's 75<sup>th</sup> birthday unless it has determined that under the circumstances such nomination would be in the best interest of the Company and its shareholders. The Nominating and Governance Committee made this determination with respect to Sir Duncan K. Nichol and John P. Wareham for the 2017-2018 term.

**Annual Meeting of Shareholders**—The Board of Directors encourages all of its members to attend the Annual Meeting of Shareholders. All of the current Directors attended in person the 2016 Annual Meeting of Shareholders.

**Executive Sessions**—The independent Directors of the Board will meet separately as a group at least every other regularly scheduled Board meeting. The Chairman or Lead Director (if the Chairman is not independent) will assume the chair of the meetings of independent Directors and assume such further tasks as set forth in the Governance Guidelines and as the independent Directors may determine from time to time. As indicated under "Independence Standards" above, the current Chairman has been determined to be independent.

**Authority**—Each member of the Board has complete and open access to management. Board members are expected to use their judgment so as to not distract management from the day-to-day operation of the Company. The Board and each Committee have the authority to obtain advice, reports or opinions from internal and external counsel and expert advisors and have the power to hire independent legal, finance and other advisors as they may deem necessary, without consulting with, or obtaining approval from, any officer in advance.

**Board and Committee Evaluations**—The Board has conducted self-evaluations as well as individual director evaluations to assess the effectiveness of the Board and its members. The Chairman (or Lead Director, if the Chairman is not independent) and the Nominating and Governance Committee coordinate these evaluations. The purpose of these self-evaluations is to increase the effectiveness of the Board and each Committee, as well as their individual members. Changes in Board committee structure, if any, are to be evaluated and recommended by the Nominating and Governance Committee, but require the concurrence of the full Board.

**Majority Voting**—If an incumbent nominee for Director in an uncontested election does not receive the vote of at least the majority of the votes cast at any meeting for the election of Directors at which a quorum is present, and no successor has been elected at such meeting, the Director will promptly offer his or her resignation as a Director to the Board of Directors. A majority of votes cast for the purposes of this provision means that the number of shares voted “for” a Director’s election exceeds 50% of the number of votes cast with respect to that director’s election.

The Nominating and Governance Committee will make a recommendation to the Board regarding whether to accept or reject the offered resignation or whether other action should be taken. The Board will consider the offer of resignation and disclose its decision regarding the offer and the rationale for its decision within 90 days from the date of the certification of the election results. If an incumbent Director’s offer of resignation is not accepted by the Board, such fact will be promptly communicated to the Director and such Director will continue to serve until a successor is duly elected, or such Director’s earlier resignation or removal.

If a director’s resignation is accepted by the Board then the resignation will be effective as of the date of acceptance, and the acceptance will be promptly communicated to the Director. If a Director’s resignation is accepted in the foregoing circumstances, or a director otherwise resigns or is removed or fails to be re-nominated, then the Board, in its sole discretion, may fill any resulting vacancy, or may decrease the size of the Board of Directors, pursuant to the Company’s Amended Articles of Association. If an election of directors is contested, a plurality voting standard shall apply to all directors.

**New Director Orientation**—All new Directors will be provided an orientation to acquaint them with the Company’s business, strategies, long-range plans, financial statements, the Governance Guidelines, and the Director Code of Ethics. New Directors will also be introduced to our senior management, internal auditor, and independent auditor. In addition, from time to time, Directors will receive information and updates on legal and regulatory changes that affect the Company, its employees and the operation of the Board. The Nominating and Governance Committee will from time to time make other recommendations regarding further educational opportunities for directors.

**Attendance at Meetings**—In order to effectively oversee management, all Directors are expected to attend Board meetings and meetings of committees of which they are members. In discharging this oversight obligation, directors may reasonably rely on the integrity of management and the independent auditor. Directors who attend less than 75% of Board meetings and meetings of committees of which they are members for two consecutive years will be subject to assessment by the Board to determine continued eligibility for directorship.

**Shareholder Communications**—Shareholders and other interested parties may communicate with the Board of Directors as a group, with the non-management directors as a group, or with any individual director by sending written communications to the Company, c/o STERIS Corporation, 5960 Heisley Road, Mentor, Ohio 44060-1834, Attention: Secretary. Complaints regarding accounting, internal accounting controls, or auditing matters will be forwarded directly to the chairperson of the Audit Committee. All other communications will be provided to the individual Directors or group of Directors to whom they are addressed. Communications that are considered to be improper for submission to the intended recipients will not be provided to the directors. Examples of communications that would be considered improper for submission include, without limitation, solicitations, routine Customer matters, communications that do not relate, directly or indirectly, to our business and communications that relate to improper or irrelevant topics.

**Insider Trading Policy—Hedging and Pledging of Company Securities**

The Company maintains an Insider Trading Policy which restricts activities in or relating to Company stock by Directors, executive officers and employees, and their respective related persons. These restrictions include advance clearance requirements for Directors, executive officers and certain other employees for all transactions as well as “blackout” provisions. In addition, the Policy imposes blanket prohibitions for Directors, executive officers, employees and their respective related persons on a number of types of transactions relating to Company stock, including short sales, option trading, hedging, and pledging (including margin purchases of Company stock).

**STERIS Ethics Line**

Employees have been instructed that if they have any questions or concerns about compliance with the Company’s Policies, applicable laws, or principles as outlined in the STERIS Code of Business Conduct, or are unsure of the “right thing” to do, they should talk with their supervisor, their local or Corporate Human Resources department personnel, STERIS’s Senior Vice President and Chief Compliance Officer, Internal Audit or the STERIS Legal Department, or submit a report to the STERIS Ethics Line.

The STERIS Ethics Line does not replace other communication channels already in place. However, if employees have an issue regarding an ethics or compliance related matter, or believe they cannot communicate effectively using existing internal channels, they are instructed by the Code of Business Conduct to call the STERIS Ethics Line. Reports on the STERIS Ethics Line may be made anonymously and without reprisals for matters reported in good faith.

## Independent Registered Public Accounting Firm

Ernst & Young LLP was appointed as the Company's independent registered public accounting firm for the fiscal year ending March 31, 2017, by the Audit Committee of the Board of Directors. A representative of Ernst & Young LLP is expected to be present at the 2017 Annual General Meeting with an opportunity to make a statement if so desired and to answer appropriate questions with respect to that firm's audit of the Company's financial statements and records for the fiscal year ended March 31, 2017.

The Audit Committee has adopted policies and procedures which are intended to control the services provided by Ernst & Young LLP and to monitor their continuing independence. Under these policies, the Audit Committee must pre-approve all services performed by Ernst & Young LLP. In addition, the Audit Committee may delegate authority to grant certain pre-approvals to a member of the Committee. Pre-approvals granted by a member of the Committee are reported to the full Audit Committee at its next regularly scheduled meeting.

The aggregate fees for professional services by Ernst & Young LLP for the Company and for STERIS Corporation for the fiscal years ended March 31, 2017 and March 31, 2016 were:

Type of Fees	Years Ended March 31,	
	2017	2016
	(in thousands)	
Audit Fees	\$ 6,402	\$ 4,833
Audit-Related Fees	32	73
Tax Fees	511	2,603
All Other Fees	0	0
Total	\$ 6,945	\$ 7,509

All of the services provided by Ernst & Young LLP in fiscal year 2017 were pre-approved in accordance with the Audit Committee's pre-approval policies and procedures described above. In the above table, "Audit Fees" are fees paid to Ernst & Young LLP for professional services for the audit of the Company's and STERIS Corporation's consolidated financial statements included in Form 10-K and in the Company's U.K. Annual Report and review of financial statements included in Form 10-Qs, for the audit of the Company's and STERIS Corporation's internal control over financial reporting and for services that are provided by the accountant in connection with statutory audits; "Audit-Related Fees" include fees billed by Ernst & Young LLP for assurance and related services that are reasonably related to the performance of the audit or review of the Company's and STERIS Corporation's financial statements, benefit plan audits and advisory services as well as due diligence and attestation services provided in connection with proposed acquisitions; and "Tax Fees" include fees for tax compliance, tax advice and tax planning primarily related to proposed acquisitions.



## Report of the Audit Committee

The Audit Committee has been established in accordance with the Exchange Act. The Board of Directors of the Company has adopted a written Audit Committee charter. Based on the review and determination of the Board, members of the Audit Committee meet the financial literacy and independence criteria to serve on the audit committee of a public company.

The Audit Committee has reviewed and discussed with the Company's management and Ernst & Young LLP, the Company's independent registered public accounting firm, the audited financial statements of the Company contained in the Company's Annual Report on Form 10-K for the year ended March 31, 2017 and U.K. Annual Report. The Audit Committee has also discussed with the Company's independent registered public accounting firm the matters required to be discussed pursuant to Auditing Standard No. 1301.

The Audit Committee has received and reviewed the written disclosures and the letter from Ernst & Young LLP required by the Public Company Accounting Oversight Board regarding Ernst & Young LLP's communications with the Audit Committee concerning independence, and has discussed with Ernst & Young LLP their independence. The Audit Committee has also concluded that Ernst & Young LLP's provision of non-audit services to the Company is compatible with their independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2017 filed with the Securities and Exchange Commission.

The Audit Committee evaluated the independent registered public accounting firm in connection with its reappointment of the firm for fiscal 2018 and recommendation that the Company's shareholders ratify the reappointment. In addition, a self-evaluation has been conducted by the Audit Committee.

### Audit Committee of the Board of Directors

David B. Lewis—Chair  
Richard C. Breeden  
Cynthia L. Feldmann  
Dr. Mohsen M. Sohi  
Loyal W. Wilson

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### COMPENSATION COMMITTEE OVERVIEW

The Compensation Committee of our Board of Directors, which we sometimes refer to in this Compensation Discussion and Analysis as the Committee, is responsible for approving the compensation, benefits and perquisites of the President and Chief Executive Officer (to whom we refer as the CEO) and senior management, and our general compensation philosophy. The Committee also approves annual equity grants available under our equity incentive compensation plan for eligible employees, as well as cash bonus payments to senior management and the maximum amount payable under our annual management cash bonus plans, based upon performance criteria established by the Committee under those plans. The Committee has regularly retained an independent compensation consultant to assist with its responsibilities. Each member of the Committee satisfied the independence standards of the SEC and NYSE.

References throughout this Compensation Discussion and Analysis to the Compensation Committee or Committee mean the Compensation Committee of STERIS Corporation in respect of periods prior to the Combination and the Compensation Committee of STERIS plc for periods from and after the Combination unless otherwise specified. References herein to the Board mean the Board of Directors of STERIS Corporation in respect of periods prior to the Combination and the Board of Directors of the Company in respect of periods from and after the Combination, unless otherwise specified. All references herein to the Company mean STERIS Corporation in respect of periods prior to the Combination and STERIS plc in respect of periods from and after the Combination unless otherwise specified.

#### General Compensation Philosophy

Our management compensation programs are designed to align management's interests with the long-term interests of shareholders and to support and promote the achievement of our goals and objectives by helping to recruit and retain executive talent required to successfully manage our business. Our management compensation programs seek to align compensation with individual and Company performance to achieve the goals and objectives of the business by providing and balancing incentives for annual financial performance as well as the generation of long-term value, growth and profitability. Therefore, management compensation is generally structured to provide a significant portion of the compensation opportunity on the basis of the long-term performance of STERIS stock, as well as business performance and other factors that influence shareholder value. The Committee believes that the design of our executive compensation program provides appropriate incentives and alignment with shareholders.

Some of the recent executive compensation or related matters approved, decided, or supported by the Committee include:

- Establishing and submitting to the shareholders for approval the Company's first formal Director Remuneration Policy;
- Selecting a new independent compensation consultant;

- Modifying and submitting to the shareholders for approval an amendment and restatement of the Company's 2006 Long-Term Equity Incentive Plan, to enable certain awards to continue to be tax deductible and to increase the number of shares available for awards;
- Establishing and submitting to the shareholders for approval a new Senior Executive Management Incentive Compensation Plan for fiscal year 2017 and subsequent fiscal years with permitted metrics reflective of overall Company financial performance;
- Making further revisions to the Company's newly created fiscal year 2017 peer group to ensure it continues to contain companies with financial and other metrics in line with those of the Company, to enhance benchmarking for compensation decisions;
- Modifying the Company's 2006 Long-Term Equity Incentive Plan to substitute double trigger vesting for single trigger vesting following changes in control for equity awards made after March 12, 2014;
- Imposing a blanket prohibition on the hedging and pledging of Company securities by all Company employees and directors;
- Modifying the Company's officer share ownership guidelines to reflect prevailing market practices that include automatic adjustments for changing share prices and compensation, and to impose more demanding ownership requirements for the CEO and CFO; and
- Establishing a new STERIS plc Senior Executive Severance Benefit Plan providing uniform benefits to senior executives of the Company and its subsidiaries.

The Committee has reviewed the Company's employee compensation policies and practices and determined that the same are not reasonably likely to have a material adverse effect on the Company. This determination was based in part on a review of compensation practices and programs conducted by the Committee's current compensation consultant, Frederic W. Cook & Co., Inc. (sometimes referred to as "FW Cook") and by management, with risk being evaluated from several perspectives, including pay mix, award time horizons, award limitations including caps, metric structure, metric alignment with business strategy, payout cliffs, and other practices or policies that mitigate risk-taking. Other risk mitigating factors reviewed included clawbacks, stock ownership guidelines and stock retention policies, anti-hedging and pledging policies and equity grant practices, as well as more specific factors with respect to sales and service incentive plans.

The Committee believes that it must maintain flexibility in establishing compensation practices to allow it to address compensation trends, competitive issues, business needs, industry and the broader economic environment, and special situations that will be encountered in the recruitment, retention, and promotion of employees. Therefore, the compensation practices approved by the Committee will likely vary from year to year and from person to person, depending on the particular circumstances.

The Committee has solicited the input of shareholders regarding our executive compensation program at every Annual Meeting since the 2010 Annual Meeting of Shareholders through a non-binding advisory "say on pay" proposal, and will continue to seek shareholder input on our executive compensation, as well as the frequency of shareholder voting with respect thereto in accordance with the provisions of the Dodd-Frank Act, at the 2017 Annual General Meeting.

The following table shows the results of the “say on pay” vote by the Company’s shareholders (and the shareholders of STERIS Corporation in respect of periods prior to the Combination) for 2012 through 2016.

	2016	2015	2014	2013	2012
% of Shares voting on proposal in favor	97.56%	98.46%	98.09%	98.82%	97.85%
Votes for	57,679,692	49,918,601	49,825,554	49,716,839	48,361,761
Votes against	1,440,427	783,176	967,842	595,714	1,064,868
Abstentions	88,954	76,004	370,914	280,685	167,281
Broker non-votes	3,578,390	4,350,628	3,062,544	4,076,018	4,723,862

### Consideration of 2016 Say-on-Pay Vote Results

The Committee reviewed the results of our 2016 “say-on-pay” vote, in which our named executive officer compensation was supported by more than 97% of the shares voted on the matter. After taking into consideration the strong support for our executive compensation program reflected in our annual say-on-pay vote results, the Committee decided to continue to apply the same philosophy, compensation objectives, and governing principles as it has used in recent years when making subsequent decisions or adopting subsequent policies regarding named executive officer compensation. Also after taking into consideration this strong support, the Committee decided to continue using the same executive pay structure of base salary, cash bonus and a mix of restricted stock and options.

### Effect of the Combination on Our Executive Compensation Programs

As described above, on November 2, 2015, we completed the Combination with Synergy Health plc. Certain of the compensation actions and decisions that we made during fiscal 2017 with respect to our compensation programs and policies were necessitated by the Combination. These included the following: adoption and submission to the shareholders for approval of a formal Director Remuneration Policy covering the Company’s Directors; adoption and submission to the shareholders for approval of a new Senior Executive Management Incentive Compensation Plan with permitted Company-wide financial metrics; and adoption of a new Management Incentive Compensation Plan with permitted Company-wide metrics.

### Compensation Consultants

Pay Governance, LLC (“Pay Governance”) was the Compensation Committee’s compensation consultant for the first half of fiscal 2017 when many of the decisions regarding fiscal 2017 compensation were made. Frederick W. Cook & Co., Inc. (“FW Cook”) replaced Pay Governance at the beginning of November, 2016. For fiscal year 2017, as required by the NYSE listing standards, the Compensation Committee considered various independence factors and potential conflicts of interest with respect to both compensation consultants and found both compensation consultants to be independent and that no conflicts of interest existed.

### Process for Determining Senior Management Compensation

Senior management compensation is generally reviewed and established on an annual basis by the Committee. Our fiscal year ends on March 31. Therefore, Committee members typically begin the

assessment of compensation for senior management near the end of the fiscal year. The Committee typically meets again early in the new fiscal year to evaluate the performance of the Company and our named executive officers, and based on that evaluation of Company performance and individual evaluations, to determine bonus amounts, if any, for the recently completed fiscal year, and finalize base salaries, set bonus criteria, and approve equity awards for senior management for the new fiscal year.

For fiscal year 2017, the Company's former compensation consultant, Pay Governance, assisted with the annual compensation reviews, providing historical and prospective views regarding total compensation for our executive officers. The consultant reports to the Committee for senior management compensation matters and is charged with providing the Committee with competitive pay data and compensation trends, analysis and recommendations. Base salaries, cash bonus levels, equity compensation, and total compensation of senior management are examined against data from multiple sources and surveys developed and provided by the consultant, as described below. The Committee targets the payment of base salaries, cash bonuses and equity compensation and total direct compensation within a general range of 10% above or below the market median of those components. Actual bonus payments and realized equity values will vary based upon Company performance. This is a guideline around which there is likely to be variation, depending on individual factors and business results. Factors used in the process of assessing and determining senior management compensation include individual and team performance, scope of responsibilities and accountability, competitive and other industry compensation data, special circumstances and expertise, business performance, and comparison with compensation of our other senior managers. The CEO also provides recommendations to the Committee for compensation adjustments for the other senior managers.

The Committee and the Committee's compensation consultant review market data relating to compensation to help assess the compensation of our senior executives, including each of the named executive officers. This review includes the consultant's analysis of proxy data from certain healthcare equipment and supply companies similar in size to the Company (see peer listing below), information derived from multiple general compensation surveys, including companies from across industries, and other executive compensation data maintained by the consultant. This data includes peer companies with a focus on healthcare equipment and supplies (see listing below) and public operating companies primarily from the S & P Composite 1500, adjusted by the consultant to reflect the Company's revenue. Peer group data is used for executive pay benchmarking purposes for the Company's CEO and CFO. The public operating company survey data also is utilized for executive pay benchmarking purposes for the Company's CEO and CFO, as well as for all of the other named executive officers. The Committee evaluates this data with the assistance of its compensation consultant to develop a target and related range for each of base salary, incentive compensation (cash bonus), and long-term equity compensation, as well as total direct compensation, for each executive position that reflects market median pay (overall and by each element), consistent with the Company's pay philosophy. In the fourth quarter of fiscal year 2016, Pay Governance reviewed with the Committee the peer group proposed to be used for executive pay benchmarking purposes for the Company's CEO and CFO for fiscal year 2017. The compensation consultant regularly reviews the group with the Committee to provide consistency in assessing and administering the Company's pay program by ensuring that the companies comprising the peer group continue to be appropriate. In selecting recommended peers, the compensation consultant focused on companies that are in the health care equipment and supply industries, markets reflective of the Company's primary business and where we often compete for senior executive talent. More specifically, the consultant looked primarily for companies manufacturing

durable medical goods and medical consumables and providing healthcare services. Also in selecting potential peers, the consultant uses several factors. Factors considered to construct the peer group used for fiscal year 2017 included the following:

- Revenue between \$1.5 billion and \$5.5 billion
- Total assets between \$1.5 billion and \$11.1 billion
- Employees between 4,300 and 17,700
- Market capitalization between \$3 billion and \$17 billion

No relative weighting was given to any one of these factors in determining peers. Rather, potential peer companies were included based on how well they met all of these factors. In constructing the peer group the consultant also endeavored to obtain a median peer company that was reflective of the Company's size as a result of the Combination.

As a result of this analysis, the consultant identified the following companies to generate this peer group comparison compensation data for the Committee for fiscal year 2017 and the Committee approved the recommended companies:

- |                               |                             |                               |
|-------------------------------|-----------------------------|-------------------------------|
| • Alere Inc.                  | • Hologic Inc.              | • Teleflex Incorporated       |
| • Bio-Rad Laboratories        | • IDEXX Laboratories Inc.   | • Varian Medical Systems Inc. |
| • Bruker Corporation          | • Patterson Companies, Inc. | • Waters Corporation          |
| • CR Bard, Inc.               | • PerkinElmer Inc.          |                               |
| • Denstply International Inc. | • ResMed Inc.               |                               |
| • Edwards Lifesciences Corp.  | • St. Jude Medical Inc.     |                               |
| • Hill-Rom Holdings, Inc.     | • Stericycle, Inc.          |                               |

As indicated above, primarily because of the change in STERIS's size as a result of the Combination, there were several changes to the peer group companies for fiscal 2017. All of the peer group companies operate businesses similar to STERIS and to varying degrees met the Company's peer group size criteria. On balance, STERIS's actual or projected financial and other criteria post-Combination at December 31, 2015 generally fell within a reasonable range around the peer group's medians in terms of annual revenue (STERIS: \$2.6 billion vs. peers \$2.4 billion), employees (STERIS: 14,000 vs. peers 8,200), assets (STERIS: \$4.9 billion vs. peers \$4.0 billion), and market cap (STERIS: \$6.5 billion vs. peers \$7.5 billion).

The following table, which is based upon information provided by Pay Governance, shows the metrics and the rankings of the Company relative to its fiscal 2017 peer group in January 2016 when the fiscal 2017 peer group was selected:

	Revenues (Trailing Twelve Months)	Market Cap (12/31/2015)	Assets (Most recent quarter ending on or prior to 12/31/15)	Total Employees
Median	\$ 2.4 billion	\$7.5 billion	\$ 4.0 billion	7,700
Company	\$ 2.6 billion	\$6.5 billion	\$ 4.9 billion	14,000
Company Percentile Rank	60%	42%	74%	88%

Once the peer group is constructed, the compensation consultant continues to periodically review with the Committee changes in the revenue, employee, asset and market cap metrics of the peer group members relative to changes in the same metrics for STERIS to assess whether STERIS's metrics continue to fall within a reasonable range around the peer group's medians.

### Executive Compensation Overview for Fiscal Year 2017

The Company's named executive officers for fiscal 2017, as shown in the Fiscal 2017 Summary Compensation Table appearing on page 45, are as follows:

- Walter M Rosebrough, Jr., President and CEO
- Michael J. Tokich, Senior Vice President, CFO and Treasurer
- Dr. Adrian Coward, Senior Vice President, Healthcare Specialty Services
- J. Adam Zangerle, Vice President, General Counsel, and Secretary
- Daniel A. Carestio, Senior Vice President, STERIS Applied Sterilization Technologies and Life Sciences

The Committee's consideration of the primary elements of compensation (base salary, incentive compensation (cash bonus) and equity compensation) for all of the named executive officers is based upon a combination of common criteria and measures applicable to all of the officers, as well as individual goals and objectives applicable specifically to each officer. For fiscal 2017, the Committee considered and applied a number of common criteria and measures to evaluate the named executive officers, including:

- Consolidated Company as well as business unit financial performance
- Prior individual performance and compensation
- The complexity and scope of responsibilities of the officer's position, as well as any changes in the officer's role, responsibilities or duties
- The officer's overall experience as well as experience with STERIS
- Market and survey data developed by the consultant
- In the case of the CEO, the Committee's evaluation of his individual performance after receiving input from the other non-executive Directors, and
- In the case of the other named executive officers, the CEO's assessments and recommendations regarding individual performance.

Individual goals and objectives varied for each named executive officer based on his area of responsibility. Although these goals and objectives are all considered important, they are not assigned any particular weight for incentive compensation purposes. In fiscal year 2017:

- Mr. Rosebrough's individual goals and objectives related to acquisitions and divestitures and integration, legal and regulatory compliance, Customer relations, quality, new product introduction, employee relations and retention, organizational development, safety performance, process improvement, investor relations, profit, cash flow, and ROIC.

- Mr. Tokich's individual goals and objectives related to financial reporting and compliance, working capital initiatives, investor relations, cost management, acquisitions and divestitures and integration, information technology initiatives, employee relations and retention, business strategy initiatives, profit, cash flow and ROIC, and safety performance.
- Dr. Coward's individual goals and objectives related to acquisitions and divestitures and integration, regulatory compliance, business unit financial performance, business unit organizational leadership, Customer relations, employee relations and retention, new product introductions, quality leadership, profit, cash flow and ROIC, and safety performance.
- Mr. Zangerle's individual goals and objectives related to acquisitions and divestitures and integration, legal and regulatory compliance, Customer relations, employee relations and retention, cost of legal and regulatory compliance, and safety performance.
- Mr. Carestio's individual goals and objectives related to acquisitions and divestitures and integration, regulatory compliance, business unit financial performance, business unit organizational leadership, Customer relations, employee relations and retention, new product introductions, quality leadership, profit, cash flow and ROIC, and safety performance.

As CEO, Mr. Rosebrough has the broadest complexity and scope of responsibilities, as he has oversight for all aspects of our operations. All of our other named executive officers, as well as other senior managers, report directly to Mr. Rosebrough. As a result of these various factors, individual performance against these factors, the individual's roles and scope of responsibilities, and the Company's performance, each element of compensation will necessarily vary between the named executive officers.

The Committee believes that our underlying executive compensation program is appropriate to reflect annual financial performance as well as rewarding and motivating behaviors that can create long-term shareholder value. For fiscal year 2017, the Committee evaluated the performance of the named executive officers, applying in each case the common criteria and measures and individual goals and objectives described above, as well as the Company's actual performance against the targeted financial performance for payment of the incentive compensation. As a result, the Committee approved the fiscal year 2017 compensation described in the following pages for each of the named executive officers.

### **Principal Components of Compensation for Named Executive Officers**

For the named executive officers, our compensation program is designed to recruit and retain management and align compensation with individual and Company performance on both an annual and longer-term basis. In addition, compensation of our named executive officers is generally structured to provide a significant portion of the compensation opportunity on the basis of the long-term performance of STERIS stock, as well as business performance and other factors that influence shareholder value. Based on this general compensation philosophy, the Committee has established compensation for our named executive officers consisting of the following principal components:

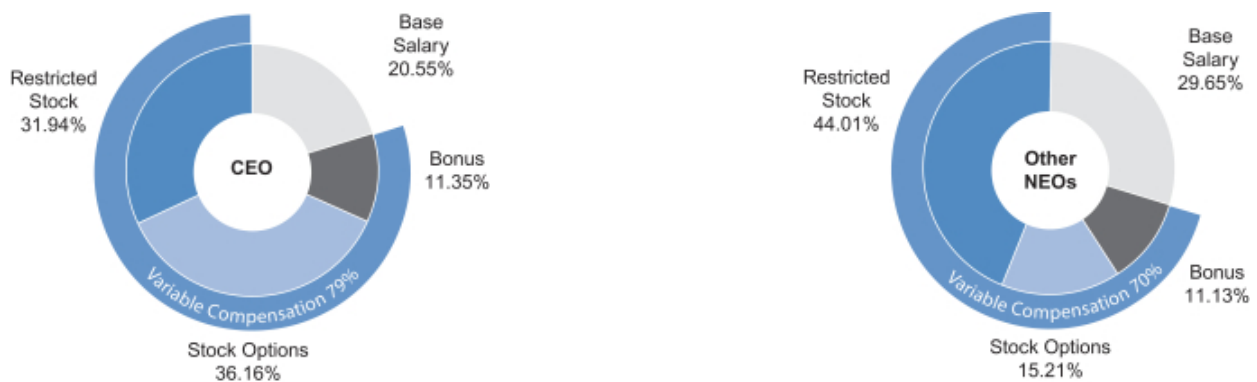
- Base salary
- Annual incentive compensation (cash bonus)



- Long-term equity incentive compensation (generally stock options and restricted shares), and
- Benefits and perquisites.

The charts below illustrate the relative opportunities between fixed compensation, consisting of base salary, and variable compensation, consisting of bonus, stock options and restricted stock for fiscal 2017. The first chart shows the opportunity for the CEO and the second shows the average opportunities for the other named executive officers. Values shown in the charts for restricted stock and stock option awards reflect the fair market value based upon the NYSE composite closing price and the grant date fair value under FASB ASC topic 718, respectively, as of the effective dates of grant. Bonus amounts shown are for fiscal 2017. Base salaries are those shown in the FY 2017 Summary Compensation Table. Differences in pay mix between the named executive officers are driven by market median pay levels that are used to determine named executive officer target pay opportunities, consistent with the Company's pay philosophy and objectives, as well as other factors such as performance, experience and the complexity and responsibilities of the position.

**Pay Mix of Named Executive Officers  
FY2017**



The realized value of variable compensation will depend upon actual Company performance.

**Base Salary:**

Base salary for the CEO and other named executive officers is considered a basic component of executive compensation which is necessary to recruit and retain senior managers. In addition, base salary is intended to support compensation practices that are competitive among medical device, hospital supply, pharmaceutical, and other industrial, manufacturing and service companies which we draw from and compete with for executive talent.

The payment of base salary is not directly tied to achievement of pre-established financial goals. The Committee considers a number of factors in determining base salary, including previous individual performance, the consultant's data regarding compensation trends and practices, base salaries paid by other medical device, hospital supply, and other public operating companies, the complexity and responsibility of the executive's position, and the executive's overall experience and achievements against objectives, as well as the general and industry market for executive talent. While the market median may serve as a general guideline, other factors such as experience, time in position,

complexity of functions, competitive environment, special skills and past performance are also considered. The Committee believes that base salaries for executives with significant experience and strong past performance should generally fall within the range of plus or minus 10% of the market median for similar positions of public operating companies based on survey data. Based on these considerations and the Company's fiscal year operating plan (including the Company's planned merit increase budget), information from the consultant, and recommendations of the CEO with respect to compensation adjustments for the other named executive officers, the Committee determines the appropriate salary level for the named executive officers. Changes in salary levels are generally effective at the end of the first fiscal quarter or beginning of the second fiscal quarter. The Board of Directors also reviews the compensation actions of the Committee.

The CEO's base salary was increased by \$20,000 from \$825,000 to \$845,000, or approximately 2.4%, effective in the second quarter of fiscal 2017. His salary increase reflected the Committee and Board's assessment of his individual performance, the fact that his salary was below peer and market median, his salary increase recommendations for other senior executives, and the Company's overall salary increase budget for executives and other associates. The survey data from the compensation consultant indicates that Mr. Rosebrough's base salary continues to remain below the market median for similar positions according to the survey data for both general industry and industry peers.

With respect to the other named executive officers, the Committee applied the common criteria and results of individual performance objectives described above under Executive Compensation Summary, including the evaluation and recommendation of the CEO regarding individual performance results as well as the survey data from the consultant, to assess base salaries for each officer. Base salaries for all of these officers for fiscal 2017 were within a range of approximately ten percent above or below the market median of the Company's peers, for their respective positions, which the Committee found acceptable. Percentage increases for the named executive officers other than the CEO ranged from 2.25% to 9.2%.

#### *Annual Incentive Compensation (cash bonus):*

Annual incentive compensation (or cash bonus) is considered necessary to attract and retain key employees and is designed to reward performance that results in shareholder value creation. For the named executive officers, this incentive compensation is cash-based and is determined by the Committee with a focus on the annual financial performance of the Company's business in its entirety, and the officer's individual performance against goals and objectives. Our annual incentive compensation program is intended to reward performance when financial objectives are achieved and motivate and help retain qualified individuals who have the opportunity to influence future results, advance business objectives, and enhance shareholder value. This element of compensation is designed to provide competitive awards when financial performance and personal objectives are achieved or exceeded, or a reduced award or no award when these objectives are not achieved.

Annual incentive compensation is generally based on a weighted formula of selected financial targets. An individual's annual incentive compensation target under the STERIS Corporation Management Incentive Compensation Plan or the STERIS Corporation Senior Executive Management Incentive Compensation Plan (which we sometimes refer to collectively in this Compensation Discussion and Analysis as the "Plans" or "Bonus Plans"), is expressed as a percentage of base salary. The incentive compensation opportunity increases with the level of responsibility. In fiscal year 2017, the target bonus for our CEO was increased to 110% of his base salary for the fiscal year, slightly below market

median levels for target bonuses for CEOs of other similar companies. The target bonus level for Mr. Rosebrough had been fixed at 100% at the time he first joined the Company in 2007 and had remained unchanged through fiscal year 2016. It was increased in fiscal year 2017 to bring him closer to market median levels. His bonus was based on performance against full fiscal year 2017 financial objectives, and could range from 0% to 200% of his target bonus based on actual performance against the established financial objectives, with the Committee having discretion to reduce (but not increase) Mr. Rosebrough's bonus based upon performance against individual objectives. For other named executive officers, target bonus percentages ranged from 60% to 70% of base salary for the fiscal year. Messrs. Tokich, Coward, Zangerle and Carestio's percentages generally were reflective of market median targets for individuals in similar roles. Annual incentive payments for each could range from 0% to 200% of target, based on actual performance against the established financial objectives and individual performance against personal objectives. The consultant's survey data also indicated that the Company's incentive compensation maximum payment opportunities were consistent with market norms. Target bonus percentages and incentive compensation caps are reviewed annually by the Committee with the consultant and compared to the consultant's survey data.

Financial targets for the Plans generally are established annually based on our operating plan financial metrics for the fiscal year as reviewed with the Committee and approved by the Board. Each year, the Committee and the Board evaluate our annual operating plan and consider financial metrics important to shareholder value and designed to support the overall strength and success of our business. After consideration of the consultant's compensation data, the recommendation of management, and approval of the Company's operating plan, certain Company financial performance metrics are identified and approved by the Committee to establish criteria for calculating bonus compensation targets under the Plans. The Bonus Plans are generally designed to set target bonus opportunities to reflect the market median for comparable positions and are sufficient to produce median cash bonus compensation if target results are achieved. Bonus opportunities are structured to be sufficient to produce top quartile cash compensation when maximum goals are achieved. If threshold levels of performance are not exceeded, executives earn no bonus and their resulting compensation levels are in the bottom quartile. The foregoing performance to compensation relationships are all consistent with the Company's pay-for-performance philosophy.

Consistent with STERIS's practices for the past several years, for fiscal year 2017 the Committee determined the applicable overall financial metrics to be:

- earnings before interest and taxes (EBIT), and
- free cash flow (which we define as cash flow from operating activities less purchases of property, plant, equipment and intangibles, net, plus proceeds from the sale of property, plant, equipment and intangibles),

excluding in each case the effect of amounts related to the following special items that the Committee considers not representative of ongoing operations: impairment and restructuring charges, gains or losses on sales of assets outside the ordinary course of business, gain or loss on sales or divestiture of a subsidiary, costs associated with divestiture of discontinued operations, acquisition-related costs, and special or one-time regulatory, tax, litigation, settlement, pension, benefit, or governmental charges, costs or expenses, and the effects of other such items. We chose the two metrics, EBIT and free cash flow, because we believe these two operating metrics are the most representative short-term measure of long-term shareholder value creation; we view EBIT as the key driver of our ultimate

bottom line earnings and utilization of a free cash flow objective is intended to incent management to appropriately manage “non-income” cash/balance sheet items (in addition to earnings) like inventory, accounts receivable, accounts payable and capital spending.

The Committee assigned the following weighting to the Plan financial metrics, reflecting the Committee’s emphasis on the respective components of financial performance for fiscal year 2017:

- EBIT—75%; and
- free cash flow—25%.

For fiscal year 2017, the metrics and financial targets for calculating the potential payout under the Plans were approved by the Committee and the Board in April 2016 and were based upon the Company’s business plan for fiscal 2017.

#### *Bonus Plan Performance Objectives for the Fiscal Year*

Under the Bonus Plans, the fiscal year 2017 financial performance objectives were as follows: Target performance for EBIT and free cash flow for 100% payout under the approved targets for the Bonus Plans for the year were \$490.5 million and \$301.8 million, respectively. The Bonus Plans also required a minimum EBIT of \$440.5 million before any payment would be made under the Plans to any of the named executive officers; attainment of or below the minimum EBIT level would not result in any Plan payment. Free cash flow payout percentage was limited to the EBIT payout percentage until EBIT exceeded the target objective of \$490.5 million, and a minimum free cash flow of \$271.8 million was required before any payment could be made pursuant to the free cash flow metric. The maximum performance recognized and incentive compensation payable was capped at 200% of target performance. To achieve this performance level, EBIT of \$540.5 million and free cash flow of \$331.8 million would have been required.

Actual financial performance against Plan criteria for fiscal year 2017 was EBIT of \$227.6 million on a U.S. GAAP basis and free cash flow of \$256.0. Actual financial performance against the Bonus Plan criteria for fiscal year 2017, adjusted for the special items discussed above, was EBIT of \$476.5 million and free cash flow of \$282.5 million. This performance resulted in a weighted aggregate performance achievement of 62.8% against targeted Plan criteria for the year. The following table shows the financial metrics for the year and Plan financial attainment percentages for the same period for named executive officers (these financial metrics are consistent with these adjusted metrics contained in the Company’s announcement of its financial results for its fiscal 2017 fourth quarter and full fiscal year):

Year Ending March 31, 2017							
	0% Threshold	100% Target	200% Maximum	Weighting	Twelve Months Adjusted	Attainment %	Weighting Attainment
Total Company EBIT	\$440.5M	\$490.5M	\$540.5M	75.00%	\$ 476.5	71.9	53.9%
Free Cash Flow	\$271.8M	\$301.8M	\$331.8M	25.00%	\$ 282.5	35.7	8.9%
Total							62.8%

A reconciliation of the EBIT and free cash flow used to determine the targets and actual achievement for the year ending March 31, 2017 is provided below:

Year Ending March 31, 2017	Total Company EBIT - Actual	Free Cash Flow - Actual
Metric, as reported	\$ 227.6M	\$ 256.0M
Adjustments for comparability:		
Loss on fair value adjustment and settlement of contingent consideration	2.5M	5.0M
Inventory and property "step up" to fair value	4.7M	—
Goodwill impairment	58.4M	—
Impairment and amortization of acquired intangible assets	66.4M	—
Acquisition related transaction and integration expenses	30.1M	18.9M
Net loss from divestitures	86.6M	2.4M
Restructuring	0.2M	0.2M
Less: capital expenditure savings limit	—	—
Metric on comparable basis to target	\$ 476.5M	\$ 282.5M

#### *Fiscal Year 2017 Bonus Plan Payouts*

Following the end of the fiscal year, the Committee reviewed the incentive compensation plan terms and criteria and approved the bonuses calculated using an aggregate 62.8% financial achievement level for the year for the adjusted financial metrics for the named executive officers.

After also considering individual performance (including business unit performance where applicable) against the objectives for each named executive officer described above in the Executive Compensation Summary section of this Compensation Discussion and Analysis, the following incentive compensation determinations for fiscal year 2017 were approved:

- CEO—payment of \$464,005, based on performance against applicable plan criteria and personal goals and objectives for fiscal 2017 (50.2% of target bonus opportunity); and
- 4 other named executive officers—an aggregate payment of \$577,405, based on performance against the applicable plan criteria and individual goals and objectives (individual bonuses ranged from 50.2% to 69.08% of target bonus opportunities).

#### *Long-Term Equity Incentive Compensation:*

Equity incentives are considered necessary to attract and retain employees critical to our continuing, long-term success, as well as providing employees significant alignment of interest with our shareholders. The Committee views nonqualified stock options, stock appreciation rights, restricted stock and restricted stock units as a direct link between management and shareholders. Equity incentives are provided under the Company's 2006 Long-Term Equity Incentive Plan (the "2006 Plan"). The 2006 Plan was initially approved by shareholders of STERIS Corporation in July of 2006. The Plan was amended and restated and assumed by the Company effective November 2, 2015 in conjunction with the Combination. Also in connection with the Combination, all outstanding awards under the 2006

Plan in respect of STERIS Corporation Common Shares were converted into equity awards for the same number of STERIS plc Ordinary Shares with the other terms and conditions of the awards remaining the same. Most recently, the Plan was approved and amended and restated by the shareholders of STERIS plc on August 2, 2017.

The 2006 Plan is administered by the Committee and provides for a variety of equity-based incentive compensation, including stock options, stock appreciation rights, restricted stock units, restricted stock and other stock awards (stock appreciation rights and restricted stock units are generally used in countries outside the U.S. where stock options or ownership of stock of U.S. publicly traded companies may not be optimal for tax or other legal reasons). The Committee believes the 2006 Plan provides flexibility to design long-term equity compensation consistent with our long-term success and alignment with the interest of shareholders. As to the amount and type of equity incentives, the Committee generally considers its compensation consultant's data regarding competitive trends and practices, the officer's salary and level within our organization, the nature and complexity of the position, the recommendation of the CEO, and the Committee's own evaluation of the performance of named executive officers, since the Committee members generally have an opportunity to observe their performance and have information on the level of past awards. The Committee ultimately decides the amount and mix of long-term compensation (stock options, stock appreciation rights, restricted shares, restricted share units and other types of equity awards) granted to each named executive officer, other corporate officers, and any other executives who report to the CEO, with input from the CEO.

For the past several years, long-term equity awards to each named executive officer have generally consisted of stock options and restricted stock. In keeping with the Company's approach over the past several years of awarding options and restricted stock, the consultant has developed long-term equity awards guidelines for consideration by the CEO and Committee for senior management that place more emphasis on options than restricted stock. This is consistent with the Company's pay-for-performance philosophy as all value earned through stock options is solely dependent upon an increase of our stock price, which reflects investors' views on the Company's financial performance and long-term prospects. The Committee believes that options provide a strong linkage to the Company's performance because the executive benefits only if and to the extent the Company's stock price increases and the vesting provisions help prevent executives from fully capitalizing on near-term increases in stock values. The 2006 Plan provisions prohibit stock options from being granted at option prices less than 100% of fair market value of the underlying shares on the grant date and prohibit options from being re-priced.

The Committee believes that the vesting requirements for Company equity awards are more demanding than those required in some cases by other companies both in terms of the length of the vesting period (generally four years) and the use of cliff vesting for the majority of restricted stock awards. The CEO and Committee also consider other factors in determining award mix, including in particular retention concerns and the executive's current equity holdings compared to the Officer Stock Ownership guidelines (discussed subsequently) for Company stock, since stock option holdings do not count toward executive stock ownership guidelines.

The approval of long-term equity incentive compensation is typically made early in the fiscal year (April or May). The compensation consultant provides survey data for long-term incentives, reflecting market median data and provides the Committee with equity award guidelines based upon this data. For these purposes, for fiscal year 2017 the consultant used a \$70.50 per share value based upon an analysis of

the average daily closing price for the Company's stock at various times during fiscal year 2016. This value and the other information were then used in determining the number of options and restricted shares to be awarded and values were not modified to reflect any subsequent increase or decrease in value of the Company's stock as of the award approval date or effective date of the grant. This is consistent with the methodology used in previous fiscal years. Long-term equity compensation grants for fiscal years 2011 through 2015 as well as for fiscal 2017 were approved by the Committee in April of the fiscal year effective as of the day after the date of filing of the Company's 10-K filing for its prior fiscal year. For fiscal year 2016, because of the pendency of the Combination and related issues, grants to executive officers were not approved until July, 2015.

For fiscal year 2017 regular equity grants to the named executive officers, the Committee considered survey data of the compensation consultant and the equity award guidelines prepared by the compensation consultant based upon this data, common criteria and performance measures applicable to all of the officers, including the Company's performance during fiscal year 2016, and individual goals and objectives applicable specifically to each officer, each as described above in the Executive Compensation Overview. The CEO also provided recommendations to the Committee regarding equity compensation for the other senior managers. The Committee assessed each of the named executive officers and based on the foregoing considerations the Committee approved fiscal year 2017 regular long-term equity incentive compensation grants to the named executive officers, finding them to be consistent with the market for executive talent, the Committee's philosophy of aligning management compensation with the interests of shareholders and the performance of individual and business objectives, and reasonable.

Overall, the value of the approved regular annual long-term equity awards for these named executive officers, other than Dr. Adrian Coward, approximated market median values for those executives, although results varied by individual officer based on length of time in current roles, achievement of individual performance goals, financial performance of their relevant units and the assumption of greater functional duties in some cases. The value of Mr. Rosebrough's fiscal year 2017 equity grants was below the median of the peer group and slightly above market median for the national group survey data provided by the consultant. Because of market factors and the broader complexity and scope of responsibilities of his position, Mr. Rosebrough's long-term equity compensation is greater than the other named executive officers.

In addition, the Committee approved special restricted stock awards for certain executive officers who had been heavily involved in effectuating and integrating the Combination, based upon the CEO's assessment of the value of their efforts with Compensation Committee concurrence. These include Messrs. Carestio, Tokich, and Zangerle. These awards were provided, after careful consideration by the CEO and Compensation Committee, to reward the executives' extraordinary efforts related to the Combination. The work required to complete the Combination was above and beyond the duties of the executives' roles, far surpassing the typical job scope and responsibilities of each executive. To appropriately compensate for the extra work, the special equity grants were approved to supplement the annual grants in recognition of the additional time and energy associated with the Combination.

Dr. Coward's restricted stock award represents an enhanced award due to delay in the timing of his initial equity award grant and because he was not also receiving a grant of stock options (customarily the initial equity awards made to employees of acquired companies consist solely of restricted stock).

As part of its oversight of the long-term equity award program, the Committee and management annually review data from the Consultant regarding the cost of the program, both in terms of dilution

and P&L expense. The Company's total dilution of 7.6% was conservative relative to peers and reflected the median of S&P 1500 companies. "Burn rate" associated with annual equity awards approximated 1%, and generally equaled the median rate of peer and other companies., STERIS's three year average adjusted burn rate of 1.1% was comparable to its peer group. P&L expense associated with the Company equity awards fell generally within the fiftieth percentile of peers. On balance, the Committee believes it has prudently managed the equity program in support of the shareholders interests.

#### *Benefit Programs:*

Our named executive officers, other than Dr. Coward, are eligible to participate in a number of benefit programs, including health, disability and life insurance programs and a qualified 401(k) plan, all of which also are available generally to employees in the United States. Pursuant to the provisions of Dr. Coward's Service Agreement and consistent with U.K. practice, Company affiliates make contributions on behalf of Dr. Coward for health insurance and life insurance and disability coverage, as well as pension contributions to a defined contribution pension plan maintained by Synergy Health. Named executive officers have no special retirement benefit arrangements such as supplemental retirement plans or excess or restoration retirement benefit plans.

At one time the Company maintained a nonqualified deferred compensation plan permitting named executive officers and other management employees to defer their compensation, but contributions under that plan have been frozen. The Company maintains no other retirement or deferred compensation arrangements for named executive officers.

Named executive officers and other senior employees may also participate in other benefit programs, including an employee relocation program and a Senior Executive Severance Plan (see page 53 for a description). The Senior Executive Severance Plan covers all of the named executive officers.

#### *Perquisites:*

Approved perquisites for a limited number of senior managers, including our named executive officers, include a tax preparation/financial planning allowance and car allowance. Certain of our US based executive officers also are provided with Company paid U.K. tax preparation and U.K. tax advice services. The Committee has also approved club dues and limited personal use of private aircraft by the CEO. The values of these perquisites are included in the Summary Compensation Table under "All Other Compensation" on page 45. These benefits are generally offered by the Company's peers and other companies across various industries, and the Committee considers the value of these benefits to be relatively modest compared to the overall value of the compensation provided to officers.

#### **Combination Related Tax Gross-Ups**

In connection with the Combination, the Compensation Committee and Board of Directors of STERIS Corporation, after extensive deliberation, approved a compensatory arrangement intended to provide "make-whole" payments to the executive officers and Directors of STERIS Corporation who became subject to a 15% excise tax imposed under Section 4985 of the Internal Revenue Code on their outstanding stock options, restricted stock and career restricted stock units solely because of the Combination. The make-whole payment amounts, which were intended to be one time payments, made to named executive officers were included in the fiscal 2016 line of the "All Other Compensation" column of the Fiscal 2016 Summary Compensation Table in the Company's 2016 proxy statement.



The accounting firm that calculated the “make-whole” payments erred in its initial calculations, resulting in underpayments to all of the named executive officers (other than Dr. Coward, who did not receive these payments). These underpayments for the named executive officers ranged from \$2,840 to \$46,560, or a total of \$55,366 in the aggregate. Payments for the non-executive Directors were calculated correctly. Supplemental payments to eliminate these shortfalls were made in April 2016. These supplemental payments have been included as additional amounts in the fiscal 2016 line of the “All Other Compensation” column of the Fiscal 2017 Summary Compensation Table in this proxy statement. The rationale for approval of the arrangement and various alternatives considered by the Compensation Committee and Board are described at greater length in STERIS Corporation’s Schedule 14A filed with the SEC February 9, 2015 (Commission File No. 001-14643). STERIS Corporation held a non-binding advisory shareholder vote regarding the making of these payments and over 95% of the shares voting voted in favor of the payments. ISS also supported a shareholder vote in favor of the payments for the following reasons: (i) recipients were not receiving other benefits in connection with the Combination, (ii) the Combination was expected to bring value to shareholders that outweighed the cost of the gross-ups, (iii) the Compensation Committee and Board of Directors had considered the costs of alternatives and determined that the gross-up payments were less costly and more advantageous to shareholders’ interests than the alternative of accelerating equity vesting, (iv) no other problematic features regarding potential golden parachute payments had been identified, (v) the gross-up payments carried certain repayment conditions, and (vi) ISS was recommending that shareholders support the Combination.

### Agreements Regarding Named Executive Officer Compensation

The Committee reviews and approves, or makes recommendations to the Board to approve, any agreements with the named executive officers relating to compensation or separation payments. The only agreements of this nature currently in force with the named executive officers, other than Dr. Coward, are equity award agreements and the Senior Executive Severance Plan and the other plans described in the succeeding pages. Dr. Coward has a legacy Service Agreement with Synergy Health that was in force prior to the Combination and has since been amended. These agreements and plans are discussed, in part, in the succeeding section entitled “Potential Payments to Named Executive Officers upon Termination of Employment or Change in Control.” The Committee believes that agreements regarding senior management compensation for US-based executives should generally be limited to special circumstances.

### Clawback and Related Provisions

The Company’s Bonus Plans all contain “clawback” provisions. Under these provisions, if the Company’s financial statements for any fiscal year are required to be restated due to material noncompliance with any financial reporting requirement as a result of intentional misconduct of a participant, the participant is required to forfeit or return, as applicable, at the request of the Board or Committee, all or a portion of the participant’s award. The amount to be recovered is the amount of the award in excess of that which would have been payable had the financial statements initially been filed as restated. The Company is entitled to obtain repayment by a variety of different methods. The 2006 Plan also contains forfeiture and recovery provisions for “Detrimental Conduct.” Detrimental Conduct includes acts of dishonesty intended to result in material personal gain or enrichment at the expense of the Company and other acts or conduct detrimental or prejudicial to the business, reputation, or other significant interest of the Company.

## Officer Stock Ownership Guidelines

One of the primary objectives of the Company's equity incentives is to build stock ownership among executives, thereby aligning their interests more closely with those of the shareholders. To reinforce this objective, the Committee first established stock ownership guidelines for senior managers of STERIS Corporation in 2006. The guidelines were subsequently revised on several occasions, most recently in March 2015. The Committee believes these revised guidelines further align the interests of senior management with those of the shareholders. Senior managers (including the named executive officers) are strongly encouraged to maintain a significant equity interest in the Company through ownership of stock that they acquire either with their own funds or through certain long-term incentive awards. The Committee believes that stock ownership helps create economic alignment with shareholders and is a factor in motivating our senior management to enhance shareholder value. Under the most recently revised guidelines, the stock ownership requirements are expressed as a multiple of salary rather than a fixed number of shares, as was previously the case. The Committee believes that this approach, which is consistent with the approach used in the Director Stock Ownership Guidelines, reflects prevailing market practices, and also has the benefit of adjusting for changing circumstances that should influence stockholding requirements. The following table outlines the required officer share ownership values at various levels within the Company, as defined by multiples of base salary for each officer:

Position:	Shareholding Requirements:
CEO	6 times base salary
CFO	4 times base salary
Senior Vice Presidents	3 times base salary
Corporate Vice Presidents	2 times base salary

The following share types are included under these guidelines (stock options do not count toward share ownership):

- Shares purchased outright;
- Shares acquired from exercised stock options (but not unexercised options);
- Shares purchased through the STERIS Corporation 401(k) plan; and/or
- Unvested restricted shares and restricted shares that have vested.

From the time a senior manager achieves a position subject to these guidelines, he or she has a five-year period to attain the applicable shareholding requirements. Likewise, if an officer already subject to the guidelines is promoted to a position with higher shareholding requirements, he or she has a five-year period in which to satisfy the higher requirements. A steady increase in share ownership over the five-year period is encouraged, subject to hardship exceptions. If the share ownership guideline is not achieved within the applicable five-year period, the CEO or the Committee is authorized to take into consideration the facts and circumstances with respect to that failure and take whatever action he or they consider appropriate, including restricting or eliminating future equity awards to the particular officer. Based on the closing price of the Company's Ordinary Shares on the NYSE on March 31, 2017 and base salaries in effect at that date, the CEO and all of the other named executive officers satisfied these guidelines.

## Insider Trading Policy

The Company maintains an Insider Trading Policy which restricts activities in or relating to Company stock by Directors, executive officers and employees and their respective related persons. These restrictions include advance clearance requirements for Directors, executive officers and certain other employees for all transactions as well as “blackout” provisions. In addition, the Policy imposes blanket prohibitions for Directors, executive officers, employees and their respective related persons on a number of types of transactions relating to Company stock, including short sales, option trading, hedging and pledging (including margin purchases of Company stock).

## Tax Deductibility of Compensation

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public companies for certain compensation in excess of \$1 million paid to any person who on the last day of the fiscal year is the Company's chief executive officer or among the three highest compensated named executive officers (other than the chief executive officer and chief financial officer). Certain compensation is specifically exempt from the deduction limit to the extent that it does not exceed \$1 million during any fiscal year or is “performance based” as defined in Section 162(m). Incentive compensation payable under the Senior Executive Management Incentive Compensation Plan approved by the shareholders in August 2016 is intended to be performance based for these purposes. Stock options and stock appreciation rights as well as certain other types of equity incentive compensation available under the 2006 Plan also are intended to be performance based and exempt from the deduction limit. Although the Committee believes that it is generally in the Company's interest to structure compensation to come within the deductibility limits set in Section 162(m) of the Internal Revenue Code, the Committee makes no assurance that such compensation will be fully deductible for federal income tax purposes. Moreover, even if the Committee intends to grant compensation that qualifies as “performance based” for purposes of Section 162(m) of the Internal Revenue Code, the Committee cannot guarantee that such compensation will so qualify or ultimately will be deductible. The Committee also believes, however, that it must maintain the flexibility to take actions which it deems to be in the best interests of STERIS but which may not qualify for tax deductibility under Section 162(m) of the Internal Revenue Code.

## Report of the Compensation Committee

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management. Based on this review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement and in STERIS's Annual Report on Form 10-K for the year ended March 31, 2017.

Compensation Committee of the Board of Directors.  
Loyal W. Wilson – Chairman  
Sir Duncan K. Nichol  
John P. Wareham  
Michael B. Wood

## Compensation Committee Interlocks and Insider Participation

None of the members of the Board who served on the Compensation Committee during fiscal year 2017 was ever an officer or employee of the Company or of any of its subsidiaries, other than John P.

Wareham, who is Chairman of the Board of the Company and a Vice President of one of the Company's subsidiaries. Mr. Wareham is not an employee of the Company or the subsidiary. None of the members of the Board who served on the Compensation Committee during fiscal 2017 had any relationship requiring disclosure under any paragraph of Item 404 of SEC Regulation S-K.

## Tabular and other Executive Compensation Disclosure

The persons named in the below table are sometimes referred to in this Proxy Statement as the "named executive officers".

### FISCAL 2017 SUMMARY COMPENSATION TABLE

Name and Principal Position	Fiscal Year	Salary (\$) <sup>(1)</sup>	Bonus (\$)	Stock Awards (\$) <sup>(2)</sup>	Option Awards (\$) <sup>(3)</sup>	Non-Equity Incentive Plan Compensation (\$) <sup>(4)</sup>	All Other Compensation (\$) <sup>(5)(6)</sup>	Total (\$)
Walter M Rosebrough, Jr.								
President and Chief Executive Officer	2017	840,000	—	1,305,437	1,477,664	464,005	133,254	4,220,360
	2016	819,231	—	985,710	1,609,644	888,865	4,800,073	9,103,523
	2015	800,000	—	909,840	1,588,091	1,108,000	97,962	4,503,893
Michael J. Tokich								
Senior Vice President, Chief Financial Officer and Treasurer	2017	456,250	—	606,564	394,605	180,244	75,389	1,713,052
	2016	423,077	—	475,860	290,026	321,327	2,944,800	4,455,090
	2015	391,007	—	240,840	373,668	422,405	37,356	1,465,276
Dr. Adrian Coward <sup>(7)</sup>								
Senior Vice President, Healthcare Specialty Services	2017	393,225	—	840,544	—	118,534	75,389	1,427,692
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
J. Adam Zangerle								
Vice President, General Counsel, and Secretary	2017	341,500	—	453,180	197,302	141,370	53,552	1,186,904
	2016	315,769	—	203,940	116,010	214,131	1,092,697	1,942,547
	2015	276,923	—	120,527	163,507	239,712	35,397	836,066
Daniel A. Carestio								
Senior Vice President, Applied Sterilization Technologies and Life Sciences	2017	347,500	—	383,460	197,302	137,257	51,846	1,117,365
	2016	319,131	—	339,900	116,010	207,754	880,439	1,863,234
	—	—	—	—	—	—	—	—

(1) Regular base salary for fiscal 2017, 2016 and 2015.

(2) The dollar amounts reflect the closing sales price per share of the Company's stock on the New York Stock Exchange Composite Tape on the effective date of the grant. For a discussion of specific restricted stock awards granted in fiscal 2017, see "Grants of Plan-Based Awards in Fiscal 2017" below and the narrative discussion that follows. From the date of award of all shares of restricted stock described, the recipient can vote the restricted shares and will receive cash dividends at the same times and amounts per share as all other stockholders. For a discussion of specific awards of restricted stock granted in fiscal 2017, see "Grants of Plan-Based Awards in Fiscal 2017" below and the narrative discussion that follows.

(3) The dollar amounts reflect the grant date fair value under FASB ASC topic 718 for option awards. The aggregate grant date fair value of option awards is computed in accordance with FASB ASC Topic 718, utilizing assumptions discussed in the Notes to our financial statements in our Form 10-K for the fiscal years ended March 31, 2017, March 31, 2016 and March 31, 2015. For a discussion of specific option awards granted in fiscal 2017, see "Grants of Plan-Based Awards in Fiscal 2017" below and the narrative discussion that follows.

(4) The dollar amounts represent incentive compensation paid for fiscal years 2017, 2016 and 2015 under the Senior Executive Management Incentive Compensation Plans for Mr. Rosebrough and under the Management Incentive Compensation Plans for the

other named executive officers, as discussed in the Compensation Discussion and Analysis—“Principal Components of Compensation for Named Executive Officers—Annual Incentive Compensation (cash bonus)” section. These incentive compensation plans were maintained by STERIS Corporation for fiscal 2015 and the first three quarters of fiscal 2016 and by the Company for the fourth quarter of fiscal 2016 and for fiscal 2017.

- (5) The dollar amounts include for all named executive officers the following: auto allowance, tax preparation/financial planning allowance, compensatory par value payment for restricted stock, other personal expense, and Company matching contribution to 401(k) plan for US based named executive officers and, for Dr. Adrian Coward, contributions by Synergy to a group personal pension scheme maintained for certain Synergy employees who are permanent U.K. residents, in the amount of \$39,323. Amounts also include for fiscal 2016 excise tax gross-up payments for all US-based named executives (see note (6) below) and for fiscal 2017 costs of preparation of U.K. personal income tax returns and U.K. tax advice for US-based named executive officers. In addition, for Dr. Coward dollar amount includes private medical and life insurance expense. In the case of Mr. Rosebrough, amounts also include club dues and personal use of private aircraft utilized by the Company (the value of personal use of private aircraft was calculated based on the aggregate incremental cost of operating the aircraft). Amounts also include for all named executive officers, dividends on shares of STERIS restricted stock, which dividends are not factored into values of stock awards shown above. Dividends payable during fiscal 2015 were \$0.90 per Share. For fiscal 2015, restricted stock dividends paid to Mr. Rosebrough were \$33,165. Dividends payable during fiscal 2016 were \$.98 per Share. For fiscal 2016, restricted stock dividends paid to Mr. Rosebrough were \$40,718. Dividends payable during fiscal 2017 were \$1.09 per share. For fiscal 2017, restricted stock dividends paid to Mr. Rosebrough were \$59,528 and restricted stock dividends paid to Mr. Tokich were \$36,023. Except for the dividends for Messrs. Rosebrough and Tokich that are disclosed in the preceding sentences, the disclosed pension contribution for Dr. Coward for fiscal 2017 and the excise tax gross-up payments disclosed in note (6) below for fiscal 2016 to certain named executive officers, no individual item of “All Other Compensation” for any of the named executive officers exceeded \$25,000.
  - (6) Excise tax gross-up payments were made to each of the US based named executive officers for fiscal 2016. Additional excise tax gross-up payments were made to the specified named executive in fiscal 2017, due to gross-up payment deficiencies resulting from mistakes made by the firm that provided the original payment calculations. These additional payments were not reflected in the fiscal year 2016 line of the Fiscal 2016 Summary Compensation Table in the 2016 proxy statement, but have been reflected in the fiscal 2016 line of the above Summary Compensation Table (See “Combination Related Tax Gross-Ups in “Compensation Discussion and Analysis” for further explanation). The gross-up amounts, as increased, are as follows: Mr. Rosebrough—\$4,684,820; Mr. Tokich—\$2,890,717; Mr. Zangerle—\$1,047,440; and Mr. Carestio—\$842,194.
  - (7) Dollar amounts shown for payments made to or on behalf of Dr. Coward are calculated by averaging the average monthly dollar/pound exchange rates for the 12 months ending March 31, 2017.
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**GRANTS OF PLAN-BASED AWARDS IN FISCAL 2017**

Name	Grant Date	Approval Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup>			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards; Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)
			Threshold (\$)	Target (\$)	Maximum (\$)				
Walter M Rosebrough, Jr.	6/01/2016 <sup>(2)</sup>	4/28/2016				18,724		1,305,437	
	6/01/2016 <sup>(2)</sup>	4/28/2016					112,340	1,477,664	
			0	923,577	1,847,154		69.72		
Michael J. Tokich	6/01/2016 <sup>(2)</sup>	4/28/2016				4,700		327,684	
	6/01/2016 <sup>(3)</sup>	4/28/2016				4,000		278,880	
	6/01/2016 <sup>(2)</sup>	4/28/2016					30,000	394,605	
			0	318,904	637,808		69.72		
Dr. Adrian Coward	6/01/2016 <sup>(4)</sup>	4/28/2016				12,056		840,554	
			0	235,935 <sup>(5)</sup>	471,870 <sup>(5)</sup>				
J. Adam Zangerle	6/01/2016 <sup>(2)</sup>	4/28/2016				2,500		174,300	
	6/01/2016 <sup>(3)</sup>	4/28/2016				4,000		278,880	
	6/01/2016 <sup>(2)</sup>	4/28/2016					15,000	197,302	
			0	204,646	409,292		69.72		
Daniel A. Carestio	6/01/2016 <sup>(2)</sup>	4/28/2016				2,500		174,300	
	6/01/2016 <sup>(3)</sup>	4/28/2016				3,000		209,160	
	6/01/2016 <sup>(2)</sup>	4/28/2016					15,000	197,302	
			0	208,154	416,308		69.72		

- (1) Amounts shown in these columns represent the annual incentive compensation opportunity under the Bonus Plans for fiscal 2017 for each named executive officer. See "Compensation Discussion and Analysis—Principal Components of Compensation for Named Executive Officers—Annual Incentive Compensation (cash bonus)" above, for more detail regarding these amounts.
- (2) Restricted stock and stock option grants made as part of the annual long-term equity grant. All restricted stock and stock option awards were granted under the Company's 2006 Long-Term Equity Incentive Plan.
- (3) Special restricted stock award made for contributions to effectuating and integrating the Combination.
- (4) Represents an enhanced restricted stock award for Dr. Adrian Coward due to delay in the timing of his initial award grant and because he was not receiving a stock option award.
- (5) Dollar amounts shown for Estimated Possible Payouts Under Non-Equity Incentive Plan Awards are calculated by averaging the average monthly dollar/pound exchange rates for the 12 months ending March 31, 2017.

**NARRATIVE SUPPLEMENT TO THE FISCAL 2017 SUMMARY COMPENSATION TABLE AND THE GRANTS OF PLAN-BASED AWARDS IN FISCAL 2017 TABLE**

**Vesting Schedule**

Stock option awards to employees generally vest and become nonforfeitable in increments of 25% per year over a four year period, with full vesting four years after the date of grant. Restricted stock awards

to employee recipients generally cliff vest on the fourth anniversary of the grant date if the recipient remains in continuous employment through that date. However, employees who are grantees of restricted stock and have attained age 55 and been employed for at least 5 years at the time of the grant or meet these criteria during the term of the grant, will be subject to installment vesting rules over the four year period. Stock options and restricted stock awards granted prior to March 12, 2014 become fully vested upon a “change in control.” Equity awards made on or after March 12, 2014 are subject to “double trigger” vesting and will not vest immediately upon a change of control unless the recipient does not receive a qualified replacement award. As of the date of this Proxy Statement all unvested equity awards held by executive officers are subject to double trigger vesting. Stock options and restricted stock will vest immediately if the grantee dies while employed by the Company.

### **Forfeiture and Post-Employment Treatment**

The unvested portion of a stock option award (and the right to acquire the underlying shares) is generally forfeited at termination of employment (unless employment terminates on account of death). The vested portion of a stock option award (and the right to acquire the underlying shares) is forfeited following termination of employment and expiration of the applicable post-employment exercise period and also may be forfeited in the case of a termination of employment for “Cause.” Unvested restricted stock is forfeited at termination of employment, unless employment terminates on account of death. Accelerated vesting may apply to awards upon a change in control. See “Equity Incentive Plan” beginning on page 53 for additional information.

### **Dividends**

Dividends are payable on restricted stock at the same times and in the same amounts as payable generally from time to time on our outstanding Shares.

### **Option Exercise Price**

Options granted under our stock option plans have an exercise price equal to the NYSE Composite Transaction Reporting System closing price of our Shares on the effective date of the grant, which may not be earlier than the approval date.

OUTSTANDING EQUITY AWARDS AT MARCH 31, 2017

Name	Option Awards					Stock Awards*		
	Option Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Stock Award Grant Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)(1)
Walter M Rosebrough, Jr.	5/30/2012	18,000	0	29.94	5/30/2022			
	5/31/2013	25,000	25,000	45.34	5/31/2023			
	5/30/2014	59,500	59,500	53.52	5/30/2024			
	8/10/2015	27,750	83,250	67.98	8/10/2025			
	6/01/2016	0	112,340	69.72	6/01/2026			
						5/31/2013	6,250	434,125
						5/30/2014	8,500	590,410
					8/10/2015	10,875	755,377	
					6/01/2016	18,724	1,300,569	
Michael J. Tokich	11/1/2007	2,000	0	27.45	11/1/2017			
	3/14/2008	13,600	0	26.41	3/14/2018			
	5/21/2009	12,000	0	22.83	5/21/2019			
	5/20/2010	11,000	0	31.87	5/20/2020			
	5/31/2011	14,500	0	36.09	5/31/2021			
	5/30/2012	20,000	0	29.94	5/30/2022			
	5/31/2013	16,500	5,500	45.34	5/31/2023			
	5/30/2014	14,000	14,000	53.52	5/30/2024			
	8/10/2015	5,000	15,000	67.98	8/10/2025			
	6/01/2016	0	30,000	69.72	6/01/2026			
						5/31/2013	7,000	486,220
						5/30/2014	4,500	312,570
						8/10/2015	7,000	486,220
						6/01/2016	4,700	326,462
					6/01/2016	4,000	277,840	
Dr. Adrian V. Coward	—	0	0	—	—			
					6/01/2016	12,056	837,410	
J. Adam Zangerle	5/21/2009	3,150	0	22.83	5/21/2019			
	5/20/2010	3,000	0	31.87	5/20/2020			
	5/31/2011	3,500	0	36.09	5/31/2021			
	5/30/2012	3,800	0	29.94	5/30/2022			
	5/31/2013	4,500	1,500	45.34	5/31/2023			
	5/30/2014	6,126	6,126	53.52	5/30/2024			
	8/10/2015	2,000	6,000	67.98	8/10/2025			
	6/01/2016	0	15,000	69.72	6/01/2026			
						5/31/2013	5,000	347,300
						5/30/2014	2,252	156,424
						8/10/2015	3,000	208,380
					6/01/2016	2,500	173,650	
					6/01/2016	4,000	277,840	
Daniel A. Carestio	5/31/2013	7,590	2,530	45.34	5/31/2023			
	5/30/2014	3,500	3,500	53.52	5/30/2024			
	8/10/2015	2,000	6,000	67.98	8/10/2025			
	6/01/2016	0	15,000	69.72	6/01/2026			
						5/31/2013	3,300	229,218
						5/30/2014	4,000	277,840
					8/10/2015	5,000	347,300	
					6/01/2016	2,500	173,650	
					6/01/2016	3,000	208,380	

(1) Market Value is computed by multiplying the number of shares or units of stock by the NYSE Composite Transaction Reporting System closing price of STERIS's ordinary shares on March 31, 2017 of \$69.46 per share.



The vesting schedule for each grant in the table on the prior page is shown below, based on the option or stock award grant date, as applicable.

### Option Awards Vesting Schedule

Grant Date	Vesting Schedule
11/1/2007	25% exercisable on 11/1/2008, 11/1/2009, 11/1/2010 and 11/1/2011 (Tokich)
3/14/2008	25% exercisable on 3/14/2009, 3/14/2010, 3/14/2011 and 3/14/2012 (Tokich)
5/21/2009	25% exercisable on 5/21/2010, 5/21/2011, 5/21/2012 and 5/21/2013
5/20/2010	25% exercisable on 5/20/2011, 5/20/2012, 5/20/2013 and 5/20/2014
5/31/2011	25% exercisable on 5/31/2012, 5/31/2013, 5/31/2014 and 5/31/2015
5/30/2012	25% exercisable on 5/30/2013, 5/30/2014, 5/30/2015 and 5/30/2016
5/31/2013	25% exercisable on 5/31/2014, 5/31/2015, 5/31/2016 and 5/31/2017
5/30/2014	25% exercisable on 5/30/2015, 5/30/2016, 5/30/2017 and 5/30/2018
8/10/2015	25% exercisable on 5/28/2016, 5/28/2017, 5/28/2018 and 5/28/2019
6/01/2016	25% exercisable on 6/1/2017, 6/1/2018, 6/3/2019 and 6/1/2020

### Stock Awards Vesting Schedule

Grant Date	Vesting Schedule*
5/31/2013	100% on 5/31/2017 (Tokich, Zangerle and Carestio)
5/31/2013	25% vested on 6/2/2014, 25% on 6/1/2015, 25% on 5/31/2016 and 25% on 5/31/2017 under 55/5 Rule (Rosebrough)
5/30/2014	100% on 5/30/2018 (Tokich, Zangerle and Carestio)
5/30/2014	25% on 6/1/2015, 25% on 5/30/2016, 25% on 5/30/2017 and 25% on 5/30/2018 under 55/5 Rule (Rosebrough)
8/10/2015	100% on 5/28/2019 (Tokich, Zangerle and Carestio)
8/10/2015	25% on 5/30/2016, 25% on 5/29/2017, 25% on 5/28/2018 and 25% on 5/28/2019 under 55/5 Rule (Rosebrough)
6/1/2016	100% on 6/1/2020 (Tokich (4,700), Zangerle (2,500) and Carestio (2,500))
6/1/2016	100% on 10/1/2019 (Tokich (4,000), Zangerle (4,000) and Carestio (3,000))
6/1/2016	50% on 10/02/2017 and 50% on 10/1/2019 (Dr. Coward)
6/1/2016	25% on 6/1/2017, 25% on 6/1/2018, 25% on 6/3/2019 and 25% on 6/1/2020 under 55/5 Rule (Rosebrough)

\* All stock awards are restricted stock

OPTION EXERCISES AND STOCK VESTED IN FISCAL 2017

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)(2)
Walter M Rosebrough, Jr.(3)	0	0		
			5,000	347,150
			6,250	433,937
			4,250	295,078
			3,625	251,684
Michael J. Tokich(4)	0	0		
			7,000	486,010
Dr. Adrian V. Coward	0	0		
			0	0
J. Adam Zangerle(5)	2,200	86,504		
	3,100	118,296		
			1,400	97,202
			1,000	71,410
			1,000	66,870
Daniel A. Carestio(6)	2,225	83,656		
			4,500	312,435

- (1) Value realized based on the gain, equal to the difference between the closing price of the shares on the option exercise date and the option exercise price, times the number of option shares being exercised.
- (2) Value realized based on the closing price of the shares on the date of vesting multiplied by the number of shares that vested on that date.
- (3) 2,385 shares were withheld to cover the required tax withholding due on the vesting of the 5,000 restricted shares. These shares vested on May 31, 2016.  
2,987 shares were withheld to cover the required tax withholding due on the vesting of the 6,250 restricted shares. These shares vested on May 31, 2016.  
2,038 shares were withheld to cover the required tax withholding due on the vesting of the 4,250 restricted shares. These shares vested on May 31, 2016.  
1,766 shares were withheld to cover the required tax withholding due on the vesting of the 3,625 restricted shares. These shares vested on May 31, 2016.
- (4) 3,322 shares were withheld to cover the required tax withholding due on the vesting of the 7,000 restricted shares. These shares vested on May 31, 2016.
- (5) 667 shares were withheld to cover the required tax withholding due on the vesting of the 1,400 restricted shares. These shares vested May 31, 2016.  
475 shares were withheld to cover the required tax withholding due on the vesting of the 1,000 restricted shares. These shares vested on August 1, 2016.

477 shares were withheld to cover the required tax withholding due on the vesting of the 1,000 restricted shares. These shares vested on November 28, 2016.

- (6) 1,819 shares were withheld to cover the required tax withholding due on the vesting of the 4,500 restricted shares. These shares vested on March 31, 2016.

## DEFERRED COMPENSATION

STERIS Corporation maintains a nonqualified deferred compensation plan (the “Deferred Compensation Plan”) covering certain of the executive officers. None of the fiscal 2017 named executive officers are covered by the Deferred Compensation Plan. Pursuant to the Deferred Compensation Plan each eligible employee was entitled to elect to defer receipt of up to 25% of base salary and up to 100% of incentive compensation (bonus) and/or commissions. To be eligible to participate, an employee was required to be in a salary grade and earn a salary above specified levels and to meet certain residence and other tests. The Deferred Compensation Plan was amended during the 2012 fiscal year to eliminate all rights to defer base salary in respect of the 2012 calendar year and all succeeding calendar years and to eliminate all rights to defer incentive compensation and commissions in respect of the 2013 fiscal year and all succeeding fiscal years.

Amounts deferred by each participant were credited to an account established in the name of the participant. Deferrals may be allocated among various available hypothetical investment options, as selected by the participant. There are currently several available hypothetical investment options. No Company “match” was made on amounts deferred. Hypothetical investment earnings (losses) on account balances are credited (charged) to the account.

Under the Deferred Compensation Plan, a participant is entitled to receive distribution of the participant’s account balance (amounts deferred, together with earnings (losses)) after the earliest to occur of the following: death, disability, retirement (termination of employment at or after age 65), other termination of employment, change of control (if the participant elected to have a distribution upon a change of control) or a specified date selected by the participant (which date must be at least two years after the making of the election) as an “in service” distribution date. At the time of his or her deferral election, a participant may designate how the participant will receive distribution if the distribution is triggered by retirement, disability or a change of control. Distribution options are a single lump sum or annual installments over a period of years (not to exceed ten). Also, if a participant’s account balance is less than \$50,000 at the time of a triggering event, the distribution will be made in a lump sum. Distributions to persons who are “specified employees” under Section 409A of the Internal Revenue Code may be delayed. A “change of control” for distribution purposes is a change of control of the Company within the meaning of Section 409A of the Internal Revenue Code.

The Deferred Compensation Plan is not funded, within the meaning of the Employee Retirement Income Security Act of 1974, and participants have only an unsecured contractual commitment by the Company to pay amounts owed under the Deferred Compensation Plan. Amounts owed may be subject to the claims of the Company’s creditors in the event of the Company’s insolvency.

## Potential Payments to Named Executive Officers Upon Termination of Employment or Change in Control

We maintain various contracts, agreements, plans, policies, and arrangements (collectively, agreements) that may provide for payments or the provision of other benefits following or in connection with any termination or constructive termination of employment or a change in control of the Company

or change in a named executive officer's responsibilities. Some of these agreements are available generally to all of our salaried employees on the same basis as, and do not discriminate in scope, terms or operation in favor of, our executive officers. None of the named executive officers are covered by a Company maintained defined benefit pension plan or other tax-qualified plan, other than a group personal pension scheme maintained by Synergy Health for certain employees who are permanent U.K. residents, in the case of Dr. Adrian Coward, and the STERIS Corporation 401(k) Plan in the case of all other named executive officers, both of which are defined contribution arrangements. The only agreements concerning compensation to which any of the named executive officers are party or in which any of the named executive officers participate, that are not available generally to all our salaried employees, are described below.

### Senior Executive Severance Plan

STERIS maintains a Senior Executive Severance Plan ("Senior Executive Severance Plan"). The Senior Executive Severance Plan covers all of the named executive officers (including the CEO) and certain other executives. Under the Senior Executive Severance Plan, a participant who terminates employment with the Company for Good Reason (as defined), or whose employment is terminated by the Company other than for Cause (as defined) will be entitled to severance benefits. Generally, severance benefits will consist of severance pay equal to the participant's annual base salary, payable over twelve months, incentive compensation (bonus) for the fiscal year in which the termination occurs based upon financial targets achieved (and prorated to reflect the participant's actual period of participation), and reimbursement for continuing medical and dental coverage for up to twelve months under the Company's plans. Payment of severance benefits is contingent on the participant's execution of a release of claims against the Company. The Senior Executive Severance Plan does not provide for any tax gross-ups with respect to severance benefits under any circumstances. If the termination is within one year after, or in specified circumstances within one year prior to, a Change in Control (as defined), the severance pay amount will equal two times the participant's annual base salary, also payable over a twelve month period. The Senior Executive Severance Plan or a participant's participation in the Senior Executive Severance Plan may be terminated by the Company upon twelve months notice, with some limitations. An executive who was covered by both an agreement or other arrangement providing benefits in the nature of severance and by the Senior Executive Severance Plan, will be entitled to receive benefits under whichever provides for greater benefits, but not both.

### Equity Incentive Plan

In conjunction with the Combination, STERIS Corporation amended and restated its 2006 Long-Term Equity Incentive Plan ("2006 Plan") and the 2006 Plan was assumed by the Company, all effective November 2, 2015. Also in connection with the Combination, all outstanding 2006 Plan awards in respect of STERIS Corporation Common Shares were converted into equity awards for the same number of STERIS Ordinary Shares, par value ten pence per share, with the other terms and conditions of the awards remaining the same. The 2006 Plan was subsequently amended and restated with the approval of the Company's shareholders effective August 2, 2016. These amendments authorized up to an additional four million shares to be used for 2006 Plan awards. Shareholder approval also enabled the Company to continue to receive or be eligible to receive certain favorable US federal income tax benefits.

The Board has paramount authority for administration of the Plan. This authority has been largely delegated to the Board's Compensation Committee. The Plan also permits certain delegations to be

made to or by the Chief Executive Officer with respect to matters not impacting Directors or executive officers.

The 2006 Plan authorizes the issuance or grant of various stock and stock related incentives, including stock options, restricted stock, restricted stock units, stock appreciation rights, performance units, performance shares and other stock awards and other awards that may be denominated or payable in, valued in whole or in part by reference to or otherwise based on or related to, the Company's shares or factors that may influence the value of its shares. Awards may be made to employees and non-employee directors. As of May 31 2017, after giving effect to the Company's regular annual equity award grants made on May 30, 2017, there were approximately five million one thousand four hundred and sixty-eight (5,001,468) ordinary shares remaining available for grant under the 2006 Plan.

The aggregate 2006 Plan available share limit is reduced by the number of: (1) shares purchased pursuant to an option exercise, regardless of whether shares are tendered in payment of the option price; (2) shares withheld by STERIS to satisfy tax withholding obligations; and (3) shares covered by SARs to the extent the SAR is exercised and settled in shares, whether or not shares are actually issued upon exercise. Also, shares that are repurchased by STERIS with option right proceeds will not increase the aggregate Plan share limit described above. The 2006 Plan provides that the number of shares underlying awards that expire or are forfeited will not reduce the number of shares available for issuance under the Plan.

Repricing of options and SARs is prohibited under the 2006 Plan without shareholder approval. The 2006 Plan also provides that no stock options or SARs will be granted with an exercise or base price less than the fair market value of STERIS Shares on the date of grant.

Plan awards are made upon such terms as the Compensation Committee (or its delegate) may approve and are set forth in an evidence of award. Stock option awards to employees generally vest and become nonforfeitable in increments of 25% per year over a four year period, with full vesting four years after the date of grant. Restricted stock awards to employee recipients generally cliff vest on the fourth anniversary of the grant date if the recipient remains in continuous employment through that date. However, certain employees who are grantees of restricted stock and have attained age 55 and been employed for at least 5 years at the time of the grant or meet these criteria during the term of the grant, may be subject to installment vesting rules over the four year period.

In general, upon termination of an award recipient's employment, the nonvested portions of his or her stock option grants, restricted stock awards, and other equity incentive awards are immediately forfeited. However, unvested option grants and restricted stock awards will become vested and nonforfeitable upon an optionee's death while employed and unvested restricted stock units and other equity incentive awards may be modified by the Company to give the award recipient the benefit of the award or unit through the date of death. Also, stock option and stock appreciation rights held by persons who are age 55 and have at least 5 years of service at termination may be exercisable for an extended period equal to the remaining term of the award. These extended exercise provisions are contingent upon the grantee remaining in Good Standing (as defined in the 2006 Plan) and not dying prior to expiration of the term, and are subject to the other 2006 Plan terms. If a recipient fails to remain in Good Standing, any outstanding stock options, restricted stock awards and other equity incentive compensation awards may be forfeited.

Under the provisions of the 2006 Plan, upon the occurrence of a change in control (as defined in the 2006 Plan), all options and other awards then outstanding granted prior to March 13, 2014, to the

extent unvested, generally vest and become immediately exercisable, without further action. As of the date of this Proxy Statement, there are no outstanding unvested equity awards granted prior to March 13, 2014 held by executive officers. Awards granted on or after March 13, 2014 do not vest upon a change in control, unless the participant does not receive a qualifying replacement award. To qualify as a replacement award, the award must satisfy a number of criteria, including a requirement that the value of the replacement award be at least equal to the value of the award being replaced. The Board or Compensation Committee, as constituted immediately prior to the change in control, determines in its sole discretion whether the criteria have been satisfied. If a participant receives a qualifying replacement award, early vesting will occur only to the extent the participant's employment is terminated by the participant for Good Reason (as defined in the 2006 Plan) or by his or her employer other than for Cause or other Detrimental Activity (as defined in the 2006 Plan), within two years after the change in control.

In general a change in control includes any of the following: the acquisition by any person or group of 25% or more of the combined voting power of the Company's outstanding voting stock; certain changes in the composition of a majority of the Board membership; the consummation of certain reorganizations, mergers or consolidations or disposition of all or substantially all of the assets of the Company or certain other business transactions involving the Company; or approval by the shareholders of a complete liquidation or dissolution of the Company. The Combination did not constitute a change in control under the 2006 Plan.

In connection with the grant of stock options, restricted stock, restricted stock units and stock appreciation rights under the 2006 Plan, optionees and other award recipients agree to restrictive covenants which may include non-competition, non-interference and non-disclosure. If the recipient breaches any of these covenants, in addition to any other remedies we may have, awards then held by the recipient and stock then held that was received pursuant to awards may be forfeited.

### **Management Incentive Compensation Plan**

STERIS adopted a new Management Incentive Compensation Plan ("MICP") effective April 1, 2016. The MICP covers key employees of the Company and its subsidiaries, other than its CEO or any other executives covered by the Senior Executive Management Incentive Compensation Plan. MICP participants are selected annually. The MICP provides annual incentive compensation to participants based upon achievement of financial and other objectives. Each MICP participant is assigned annually a "target" bonus based upon his or her position and level of responsibility within the Company. The target bonus is an amount equal to the percentage of the participant's base salary that he or she would receive as a bonus if all of the objectives established for, or otherwise applicable to, the participant are achieved. Achievement is determined generally utilizing Company-wide financial metrics and financial objectives. If the objectives are exceeded, a larger bonus may be payable. If the objectives are not attained, a smaller bonus or no bonus may be payable. In no case will the bonus payable to a participant exceed a cap of 200% of his or her target bonus. Generally, a participant is not entitled to a bonus in respect of a particular fiscal year unless he or she has remained in the employ of the Company through the end of that fiscal year, except to the extent a bonus payment may be otherwise contractually required.

Bonus payments are at the discretion of the Company's Compensation Committee, which administers the MICP. The Compensation Committee reserves the discretion to modify, limit or deny any benefits

that may otherwise be payable. During fiscal year 2017, all named executive officers, other than the Company's CEO, were participants in the MICP.

### Senior Executive Management Incentive Compensation Plan

The Company's shareholders approved a new Senior Executive Management Incentive Compensation Plan ("SEMICP") for the Company on August 2, 2016, effective April 1, 2016. For fiscal year 2017, the SEMICP covered only the Company's CEO. Under the SEMICP, the Compensation Committee establishes annual performance objectives for SEMICP participants and the amount of incentive compensation payable (or formula for determining such amount) if the specified performance objectives for such fiscal year are achieved or exceeded. For fiscal year 2017, the CEO's objectives were based upon Company-wide performance. The Compensation Committee also established in respect of the specific performance objectives a minimum acceptable level of achievement below which no incentive compensation payment would be made, as well as a formula for determining the amount of any payment to be made if performance was at or above the minimum acceptable level but fell short of full achievement of the specific performance objectives or exceeded full achievement of the specified performance objectives. The Committee retains the discretion to reduce the amount of any incentive compensation that would be otherwise payable to a participant (including a reduction in such amount to zero). The Compensation Committee is required to determine, as soon as reasonably practicable after the end of each fiscal year, whether the performance objectives have been achieved and the amount of incentive compensation payable, and to document such determinations. The maximum incentive compensation that may be paid to a participant under the SEMICP in respect of any fiscal year may not exceed the lesser of two and one-half (2 1/2) times the participant's annual base salary or \$2,500,000.

### Service Agreement

Dr. Adrian Coward is employed by Synergy Health Limited ("Synergy") under a Service Agreement, amended most recently on November 2, 2015, pursuant to which he serves as Senior Vice President, Healthcare Specialty Services. The Service Agreement is terminable by either party on three months prior written notice or Synergy may elect to pay salary in lieu of notice. Severance payments made under the Senior Executive Severance Plan will be treated as satisfying Service Agreement obligations to make payments in lieu of notice, and the Senior Executive Severance Plan, in which Dr. Coward participates, also provides that if a participant is entitled to severance payments under the Plan and any other arrangement with STERIS or an affiliate, he will be entitled to severance benefits under whichever provides the greater benefits, but not both. The Service Agreement also provides for the payment of salary, discretionary bonus, car allowance and a pension contribution, as well as life insurance and health insurance coverage. Dr. Coward is also subject to restrictions under the Service Agreement regarding confidentiality, noncompetition and non-solicitation of employees and suppliers.

## TABLES OF PAYMENT ESTIMATES

### Introduction

The tables that follow estimate and summarize the potential payments and benefits under compensation and benefit plans and contractual agreements to which the named executive officers are a party or a participant that may be realizable by each of the named executive officers in the event of a termination of employment and/or change in control under the circumstances described in the

footnotes and column headings to the tables, as supplemented by the narrative descriptions of agreements and/or plans addressing or containing provisions relating to change in control and/or termination payments and benefits. These narrative descriptions are found under “Potential Payments to Named Executive Officers Upon Termination of Employment or Change in Control” above beginning on page 52.

**Excluded Amounts**

The amounts shown in the tables that follow do not include payments and benefits to the extent they are provided on a non-discriminatory basis to salaried employees generally upon termination of employment. These include accrued salary and vacation pay, regular severance benefits, and distributions of plan balances under our 401(k) plan. The tables also do not include any amounts receivable under the Deferred Compensation Plan. See “Deferred Compensation” on page 52 for information about the Deferred Compensation Plan.



**Walter M Rosebrough, Jr.(1)**

The table below describes those benefits to which Mr. Rosebrough would have been entitled under the Company's Senior Executive Severance Plan ("Senior Executive Severance Plan") and his equity awards under various scenarios, including change in control scenarios, as of March 31, 2017.

	Termination by the Company without Cause or Termination by the employee for Good Reason(2)	Change in Control without Termination and no Qualifying Replacement Award	Change in Control without Termination but with Qualifying Replacement Award	Change in Control and Termination by the Company without Cause or Termination by the employee for Good Reason(4)
Severance Payment	\$ 845,000	\$ 0	\$ 0	\$ 1,690,000
Stock Options(3)	\$ 0	\$ 1,674,640	\$ 603,000	\$ 1,674,640
Restricted Stock(3)	\$ 0	\$ 3,080,482	\$ 434,125	\$ 3,080,482
Pro-Rata Bonus Payment	\$ 464,005	\$ 0	\$ 0	\$ 464,005
Medical and Dental Benefits	\$ 11,923	\$ 0	\$ 0	\$ 11,923
Totals	\$ 1,320,928	\$ 4,755,122	\$ 1,037,125	\$ 6,921,045

- (1) For purposes of this disclosure, the Change in Control date and all termination events are assumed to occur on March 31, 2017. The stock price used is the closing price of \$69.46 on March 31, 2017, the assumed termination and Change in Control date.
- (2) Pursuant to the Senior Executive Severance Plan, in the event of a "qualifying termination" in circumstances not involving a Change in Control, Mr. Rosebrough will be entitled to 12 months of severance payments based on his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A "qualifying termination" is any separation of service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Mr. Rosebrough's actual bonus for fiscal 2017 is \$464,005. The proration is 100% because the assumed termination date is the fiscal year end.
- (3) In the event of a Change in Control with or without termination, Mr. Rosebrough will be entitled to accelerated vesting of stock options and restricted stock awards made on or before March 12, 2014. As of the date of this Proxy Statement, Mr. Rosebrough has no unvested awards made on or before March 12, 2014. All of Mr. Rosebrough's unvested equity awards granted after March 12, 2014 provide for double trigger vesting in Change in Control situations, meaning that if a change in control occurs and he receives a qualifying replacement award, there will be no accelerated vesting of his unvested awards unless his employment terminates under specified circumstances. If a change in control occurs and he does not receive a qualified replacement award, then the vesting of his unvested awards would be accelerated. If his employment terminates on account of death, he also will be entitled to accelerated award vesting. Values attributable to accelerated vesting for stock options and restricted stock are shown in the "Change in Control" columns.
- (4) Pursuant to the Senior Executive Severance Plan, in the event of a "qualifying termination" within one (1) year following a change in control, Mr. Rosebrough will be entitled to 12 months of severance payments based on a multiple of two (2) times his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A "qualifying termination" is any separation from service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Mr. Rosebrough's actual bonus for 2017 is \$464,005. The proration is 100% because the assumed termination date is the fiscal year end.

**Michael J. Tokich(1)**

The table below describes those benefits to which Mr. Tokich would have been entitled under the Company's Senior Executive Severance Plan ("Senior Executive Severance Plan") and his equity awards under various scenarios, including change in control scenarios, as of March 31, 2017.

	Termination by the Company without Cause or Termination by the employee for Good Reason(2)	Change in Control without Termination and no Qualifying Replacement Award	Change in Control without Termination but with Qualifying Replacement Award	Change in Control and Termination by the Company without Cause or Termination by the employee for Good Reason(4)
Severance Payment	\$ 465,000	\$ 0	\$ 0	\$ 930,000
Stock Options(3)	\$ 0	\$ 378,020	\$ 132,660	\$ 378,020
Restricted Stock(3)	\$ 0	\$ 1,889,312	\$ 486,220	\$ 1,889,312
Pro-Rata Bonus Payment	\$ 180,244	\$ 0	\$ 0	\$ 180,244
Medical and Dental Benefits	\$ 19,406	\$ 0	\$ 0	\$ 19,406
Totals	\$ 664,650	\$ 2,267,332	\$ 618,880	\$ 3,396,982

- (1) For purposes of this disclosure, the Change in Control date and all termination events are assumed to occur on March 31, 2017. The stock price used is the closing price of \$69.46 on March 31, 2017, the assumed termination and Change in Control date.
- (2) Pursuant to the Senior Executive Severance Plan, in the event of a "qualifying termination" in circumstances not involving a Change in Control, Mr. Tokich will be entitled to 12 months of severance payments based on his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A "qualifying termination" is any separation of service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Mr. Tokich's actual bonus for fiscal 2017 is \$180,244. The proration is 100% because the assumed termination date is the fiscal year end.
- (3) In the event of a Change in Control with or without termination, Mr. Tokich will be entitled to accelerated vesting of stock options and restricted stock awards made on or before March 12, 2014. As of the date of this Proxy Statement, Mr. Tokich has no unvested awards made on or before March 12, 2014. All of Mr. Tokich's unvested equity awards granted after March 12, 2014 provide for double trigger vesting in Change in Control situations, meaning that if a change in control occurs and he receives a qualifying replacement award, there will be no accelerated vesting of his unvested awards unless his employment terminates under specified circumstances. If a change in control occurs and he does not receive a qualified replacement award, then the vesting of his unvested awards would be accelerated. If his employment terminates on account of death, he also will be entitled to accelerated award vesting. Values attributable to accelerated vesting for stock options and restricted stock are shown in the "Change in Control" columns.
- (4) Pursuant to the Senior Executive Severance Plan, in the event of a "qualifying termination" within one (1) year following a change in control, Mr. Tokich will be entitled to 12 months of severance payments based on a multiple of two (2) times his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A "qualifying termination" is any separation from service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Mr. Tokich's actual bonus for 2017 is \$180,244. The proration is 100% because the assumed termination date is the fiscal year end.

**Dr. Adrian V. Coward(1)**

The table below describes those benefits to which Dr. Coward would have been entitled under the Company's Senior Executive Severance Plan ("Senior Executive Severance Plan") and his equity awards under various scenarios, including change in control scenarios, as of March 31, 2017.

	Termination by the Company without Cause or Termination by the employee for Good Reason(2)	Change in Control without Termination and no Qualifying Replacement Award	Change in Control without Termination but with Qualifying Replacement Award	Change in Control and Termination by the Company without Cause or Termination by the employee for Good Reason(4)
Severance Payment	\$ 378,062	\$ 0	\$ 0	\$ 756,124
Stock Options(3)	\$ 0	\$ 0	\$ 0	\$ 0
Restricted Stock(3)	\$ 0	\$ 837,410	\$ 0	\$ 837,410
Pro-Rata Bonus Payment	\$ 118,534	\$ 0	\$ 0	\$ 118,534
Medical and Dental Benefits	\$ 1,845	\$ 0	\$ 0	\$ 1,845
<b>Totals</b>	<b>\$ 498,441</b>	<b>\$ 837,410</b>	<b>\$ 0</b>	<b>\$ 1,713,913</b>

- (1) For purposes of this disclosure, the Change in Control date and all termination events are assumed to occur on March 31, 2017. The stock price used is the closing price of \$69.46 on March 31, 2017, the assumed termination and Change in Control date. Severance payments and medical and dental benefits have been calculated using applicable foreign exchange closing rates on March 31, 2017.
- (2) Pursuant to the Senior Executive Severance Plan, in the event of a "qualifying termination" in circumstances not involving a Change in Control, Dr. Coward will be entitled to 12 months of severance payments based on his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A "qualifying termination" is any separation of service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Dr. Coward's actual bonus for fiscal 2017 is \$118,534. The proration is 100% because the assumed termination date is the fiscal year end.
- (3) Dr. Coward's awards provide for double trigger vesting in Change in Control situations, meaning that if a change in control occurs and he receives a qualifying replacement award, there will be no accelerated vesting of his unvested awards unless his employment terminates under specified circumstances. If a change in control occurs and he does not receive a qualifying replacement award, then the vesting of his unvested awards would be accelerated. If his employment terminates on account of death, he also will be entitled to accelerated award vesting. Values attributable to accelerated vesting for stock options and restricted stock are shown in the "Change in Control" columns.
- (4) Pursuant to the Senior Executive Severance Plan, in the event of a "qualifying termination" within one (1) year following a change in control, Dr. Coward will be entitled to 12 months of severance payments based on a multiple of two (2) times his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A "qualifying termination" is any separation of service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Dr. Coward's actual bonus for 2017 is \$118,534. The proration is 100% because the assumed termination date is the fiscal year end.

**J. Adam Zangerle(1)**

The table below describes those benefits to which Mr. Zangerle would have been entitled under the Company’s Senior Executive Severance Plan (“Senior Executive Severance Plan”) and his equity awards under various scenarios, including change in control scenarios, as of March 31, 2017.

	Termination by the Company without Cause or Termination by the employee for Good Reason(2)	Change in Control without Termination and no Qualifying Replacement Award	Change in Control without Termination but with Qualifying Replacement Award	Change in Control and Termination by the Company without Cause or Termination by the employee for Good Reason(4)
Severance Payment	\$ 347,000	\$ 0	\$ 0	\$ 694,000
Stock Options(3)	\$ 0	\$ 142,708	\$ 36,180	\$ 142,708
Restricted Stock(3)	\$ 0	\$ 1,163,594	\$ 347,300	\$ 1,163,594
Pro-Rata Bonus Payment	\$ 141,370	\$ 0	\$ 0	\$ 141,370
Medical and Dental Benefits	\$ 11,523	\$ 0	\$ 0	\$ 11,523
<b>Totals</b>	<b>\$ 499,983</b>	<b>\$ 1,306,302</b>	<b>\$ 383,480</b>	<b>\$ 2,153,195</b>

- (1) For purposes of this disclosure, the Change in Control date and all termination events are assumed to occur on March 31, 2017. The stock price used is the closing price of \$69.46 on March 31, 2017, the assumed termination and Change in Control date.
- (2) Pursuant to the Senior Executive Severance Plan, in the event of a “qualifying termination” in circumstances not involving a Change in Control, Mr. Zangerle will be entitled to 12 months of severance payments based on his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A “qualifying termination” is any separation of service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Mr. Zangerle’s actual bonus for fiscal 2017 is \$141,370. The proration is 100% because the assumed termination date is the fiscal year end.
- (3) In the event of a Change in Control with or without termination, Mr. Zangerle will be entitled to accelerated vesting of stock options and restricted stock awards made on or before March 12, 2014. As of the date of this Proxy Statement, Mr. Zangerle has no unvested awards made on or before March 12, 2014. All of Mr. Zangerle’s unvested equity awards granted after March 12, 2014 provide for double trigger vesting in Change in Control situations, meaning that if a change in control occurs and he receives a qualifying replacement award, there will be no accelerated vesting of his unvested awards unless his employment terminates under specified circumstances. If a change in control occurs and he does not receive a qualified replacement award, then the vesting of his unvested awards would be accelerated. If his employment terminates on account of death, he also will be entitled to accelerated award vesting. Values attributable to accelerated vesting for stock options and restricted stock are shown in the “Change in Control” columns.
- (4) Pursuant to the Senior Executive Severance Plan, in the event of a “qualifying termination” within one (1) year following a change in control, Mr. Zangerle will be entitled to 12 months of severance payments based on a multiple of two (2) times his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A “qualifying termination” is any separation from service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Mr. Zangerle’s actual bonus for 2017 is \$141,370. The proration is 100% because the assumed termination date is the fiscal year end.

**Daniel A. Carestio(1)**

The table below describes those benefits to which Mr. Carestio would have been entitled under the Company's Senior Executive Severance Plan ("Senior Executive Severance Plan") and his equity awards under various scenarios, including change in control scenarios, as of March 31, 2017.

	Termination by the Company without Cause or Termination by the employee for Good Reason(2)	Change in Control without Termination and no Qualifying Replacement Award	Change in Control without Termination but with Qualifying Replacement Award	Change in Control and Termination by the Company without Cause or Termination by the employee for Good Reason(4)
Severance Payment	\$ 355,000	\$ 0	\$ 0	\$ 710,000
Stock Options(3)	\$ 0	\$ 125,694	\$ 61,024	\$ 125,694
Restricted Stock(3)	\$ 0	\$ 1,236,388	\$ 229,218	\$ 1,236,388
Pro-Rata Bonus Payment	\$ 137,257	\$ 0	\$ 0	\$ 137,257
Medical and Dental Benefits	\$ 19,406	\$ 0	\$ 0	\$ 19,406
Totals	\$ 511,663	\$ 1,362,082	\$ 290,242	\$ 2,228,745

- (1) For purposes of this disclosure, the Change in Control date and all termination events are assumed to occur on March 31, 2017. The stock price used is the closing price of \$69.46 on March 31, 2017, the assumed termination and Change in Control date.
- (2) Pursuant to the Senior Executive Severance Plan, in the event of a "qualifying termination" in circumstances not involving a Change in Control, Mr. Carestio will be entitled to 12 months of severance payments based on his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A "qualifying termination" is any separation of service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Mr. Carestio's actual bonus for fiscal 2017 is \$137,257. The proration is 100% because the assumed termination date is the fiscal year end.
- (3) In the event of a Change in Control with or without termination, Mr. Carestio will be entitled to accelerated vesting of stock options and restricted stock awards made on or before March 12, 2014. As of the date of this Proxy Statement, Mr. Carestio has no unvested awards made on or before March 12, 2014. All of Mr. Carestio's unvested equity awards granted after March 12, 2014 provide for double trigger vesting in Change in Control situations, meaning that if a change in control occurs and he receives a qualifying replacement award, there will be no accelerated vesting of his unvested equity awards unless his employment terminates under specified circumstances. If a change in control occurs and he does not receive a qualified replacement award, then the vesting of his unvested awards would be accelerated. If his employment terminates on account of death, he also will be entitled to accelerated award vesting. Values attributable to accelerated vesting for stock options and restricted stock are shown in the "Change in Control" columns.
- (4) Pursuant to the Senior Executive Severance Plan, in the event of a "qualifying termination" within one (1) year following a change in control, Mr. Carestio will be entitled to 12 months of severance payments based on a multiple of two (2) times his then current base salary, a pro-rata portion of his actual bonus, and 12 months of medical and dental benefits. A "qualifying termination" is any separation from service other than by the Company for Cause (as defined) or by executive without Good Reason (as defined). Good Reason includes death or Disability (as defined). Mr. Carestio's actual bonus for 2017 is \$137,257. The proration is 100% because the assumed termination date is the fiscal year end.

## NON-EMPLOYEE DIRECTOR COMPENSATION

### Description of Director Compensation for Fiscal 2017

Non-employee Directors are compensated by the Company for their service as such for each term of office. Company employees serving as Directors are not compensated for their service as Directors.

For the 2016-17 term of office, the Chairman of the Board was paid a retainer of \$300,000 and each other non-employee Director was paid a retainer of \$200,000. These retainers were paid in full at the beginning of the term. Retainer fees are fully vested immediately upon payment, regardless of the form in which paid.

Absent an election to the contrary, the retainer fee was payable as follows for the 2016-17 term of office: \$65,000 in cash (\$105,000 for the Chairman), \$67,500 in stock options (\$97,500 for the Chairman) and \$67,500 in career restricted stock units ("CRSUs") (\$97,500 for the Chairman). However, a Director was permitted to elect to receive all or a part of the cash or option portions of the fee in STERIS shares or CRSUs and to elect to receive the CRSU portion of the fee in STERIS shares, and certain Directors made these elections. CRSUs are restricted stock units, with each unit representing a share of the Company's stock.

Generally, new Directors will receive the same amount of retainer fees as incumbent Directors, but the available forms of payment will be limited until such time as the Director has satisfied the Company's Non-Employee Director Stock Ownership Guidelines (see "Non-Employee Director Stock Ownership Guidelines" at page 65). Under these limitations a new Director will receive a retainer fee of \$65,000 in cash, but may elect to receive CRSUs in lieu of all or a portion of the cash. The remaining \$135,000 of the Director's retainer fee will be payable in CRSUs.

A different payment arrangement was adopted for former Synergy Health plc Directors who became Company Directors at the time of the Combination for the balance of their term of office. These Directors received a monthly retainer of \$16,667 per month for the period from their election until their 2015-16 term of office ended. These sums were reduced by any payments they received from Synergy Health for loss of office as Synergy Health Directors.

The number of CRSUs or STERIS shares a Director is entitled to receive for each annual term will be determined based upon the dollar amount of the retainer fees elected to be received in CRSUs or STERIS shares, respectively and the STERIS per share closing price on the NYSE on the effective date of grant. The number of options a Director is entitled to receive is determined based upon a Black-Scholes calculation, and the option price is the NYSE grant date closing price. A Director's CRSUs will be settled in STERIS shares six months after the cessation of the Director's Board service. Directors will be paid cash dividend equivalents on their CRSUs as dividends are paid on STERIS shares.

The following Committee Chair fees were paid for the 2016-2017 terms of office: Audit Committee Chair—\$15,000; Compensation Committee Chair—\$10,000; and other Committee Chairs—\$7,500 each. These fees are payable in cash. Meeting attendance fees are payable to each Director at a rate of \$1,000 per meeting for each Board meeting and assigned Committee meeting attended in excess of 20 during the annual term. For these purposes. A total of \$4,000 was paid to Board members for meeting fees for the 2015-16 terms of office. The extent and amount of meeting fees, if any, for the 2016-17 term of office are not calculable at this time.

**Director Compensation Table for Fiscal 2017**

Name	Fees Earned or Paid in Cash \$(1)	Stock Awards \$(2)	Option Awards \$(3)	Career Restricted Stock Units \$(4)	All Other Compensation \$(5)	Total (\$)
Richard C. Breeden	7,500	—	62,257	132,447	22,031	224,235
Bruce A. Edwards(6)	83,333	—	—	—	—	83,333
Cynthia L. Feldmann	65,000	67,473	62,257	—	15,094	209,824
Dr. Jacqueline B. Kosecoff	7,500	132,447	62,257	—	18,752	220,956
David B. Lewis	80,000	—	—	134,946	21,169	236,115
Kevin M. McMullen	—	—	—	—	1,789	1,789
Sir Duncan K. Nichol(6)	131,668	—	—	134,946	1,588	268,202
Dr. Mohsen M. Sohi	65,000	67,473	62,257	—	10,371	205,101
Dr. Richard M. Steeves(6)	131,668	—	62,257	67,473	794	262,192
John P. Wareham	105,000	—	89,936	97,461	16,560	308,957
Loyal W. Wilson	13,000	64,974	62,257	67,473	22,060	229,764
Dr. Michael B. Wood	66,000	—	62,257	67,473	14,536	210,266

- (1) These dollar amounts represent the portion of the annual retainer fee paid in cash for the 2016-2017 annual term for all Directors other than Mr. Edwards, and also include for Dr. Steeves and Sir Duncan Nichol cash retainer fees for the period April 1, 2016 through July 31, 2016. For Mr. Edwards this dollar amount represents solely cash retainer fees for the period April 1, 2016 through August 2, 2016. These dollar amounts also include fees paid for attendance at assigned meetings in excess of 20 meetings in the 2015-2016 annual term, plus chair fees, where applicable, for the 2016-17 annual term.
- (2) These dollar amounts reflect the closing sales price per share of the Company's stock on the New York Stock Exchange Composite Tape on the effective date of the grant.
- (3) These dollar amounts reflect the grant date fair value of stock options granted in fiscal 2017 under FASB ASC Topic 718. The grant date fair value of an award is determined utilizing assumptions discussed in Notes to our financial statements for the fiscal year ended March 31, 2017. The grant date fair value estimate for these stock option awards in accordance FASB ASC Topic 718 equaled the compensation cost recognized by the Company during fiscal 2017.
- (4) These dollar amounts reflect the closing sales price per share of the Company's stock on the New York Stock Exchange Composite Tape on the effective date of the grant.
- (5) The amounts shown in this column consist of Company paid U.K. tax return preparation assistance and tax advice ("Tax Benefits") and/or CRSU dividend equivalent payments ("dividend equivalents") for fiscal 2017 and are as follows: Richard Breeden: \$12,129 in Tax Benefits and \$9,902 in CRSU dividend equivalents; Cynthia Feldmann: \$9,524 in Tax Benefits and \$5,570 in dividend equivalents; Dr. Jacqueline Kosecoff: \$15,651 in Tax Benefits and \$3,101 in dividend equivalents; David Lewis: \$10,126 in Tax Benefits and \$11,043 in dividend equivalents; Kevin McMullen: 1,789 in Tax Benefits; Sir Duncan Nichol: \$1,588 in dividend equivalents; Dr. Mohsen Sohi: \$10,371 in Tax Benefits; Dr. Richard Steeves: \$794 in dividend equivalents; John Wareham: \$9,273 in Tax Benefits and \$7,287 in dividend equivalents; Loyal Wilson: \$9,819 in Tax Benefits and \$12,241 in dividend equivalents; and Dr. Michael Wood: \$11,168 in Tax Benefits and \$3,368 in dividend equivalents.
- (6) Each of these Directors was entitled to a retainer fee of \$16,667 per month for the months of April, 2016 through July, 2016, or in the case of Mr. Edwards, August 2016, reduced by any amounts received for loss of service as a Synergy Director from Synergy Health. Fees shown in the table for these individuals are unreduced amounts.

**NON-EMPLOYEE DIRECTOR STOCK OWNERSHIP GUIDELINES**

During fiscal year 2013, the Board revised its non-employee director stock ownership guidelines (the “guidelines”). Under the revised guidelines, each non-employee Director is required to own Company Ordinary Shares with a value of at least six (6) times the cash portion of the annual Director fees payable to the Director (determined before giving effect to any election by the Director to receive fees in a different form). As noted previously, the cash portion of the annual Director fees for the 2016-17 term of office was \$105,000 for the Chairman and \$65,000 for each of the other non-employee Directors (determined before giving effect to any election by the Director to receive fees in other forms). A new Director has a period of five years from the date of initial appointment or election to satisfy the guidelines. A special compensation rule was applied for the 2015-16 term of office for Company Directors who were former Synergy Health plc Directors. For purposes of the guidelines, all shares held beneficially directly or indirectly by a Director and all career restricted stock units (“CRSUs”), if any, held by a Director will be counted; however, stock options are not be counted for guideline purposes. Based upon the number of shares and CRSUs held by each of our Directors as of April 28, 2017 and our share price of \$73.80 per share as of the close of business on such date, each of our Directors, other than new Director Sir Duncan K. Nichol, satisfied the guidelines as of such date. Sir Duncan has until November 2, 2020 to satisfy the guidelines.

**OWNERSHIP OF VOTING SECURITIES****5% Owners**

The following table shows certain information with respect to all persons known by STERIS to beneficially own more than five percent of the Company’s outstanding Ordinary Shares, based on 84,946,624 Ordinary Shares outstanding as of April 28, 2017.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Janus Capital Management LLC Perkins Investment Management LLC 151 Detroit Street, Denver, Colorado 80206	8,635,653 <sup>(1)</sup>	10.17%
The Vanguard Group 100 Vanguard Blvd., Malvern, PA 19355	7,093,641 <sup>(2)</sup>	8.35%
BlackRock Inc. 55 East 52 <sup>nd</sup> Street, New York, NY 10022	4,920,695 <sup>(3)</sup>	5.79%

(1) Based solely upon information contained in an Amendment No. 1 to Schedule 13G filed with the Securities and Exchange Commission on February 13, 2017, which Schedule specifies that Janus Capital Management has a direct 97.11% ownership stake in INTECH Investment Management and a direct 100% ownership stake in Perkins Investment Management LLC and that due to the structure, holdings for the three entities are aggregated, and that as aggregated the reporting person has sole voting power with respect to 8,635,653 Ordinary Shares shared voting power with respect to 325 Ordinary Shares, sole dispositive power with respect to 8,635,653 Ordinary Shares and shared dispositive power with respect to 325 Ordinary Shares. Neither Janus Capital Management nor Perkins Investment Management LLC has any right to receive dividends or proceeds from the sale of the securities and both disclaim any ownership associated with such rights.



- (2) Based solely upon information contained in a Schedule 13G filed with the Securities and Exchange Commission on February 10, 2017, which Schedule specifies that The Vanguard Group, Inc. has sole voting power with respect to 32,820 of these shares, shared voting power with respect to 10,513 of these shares, sole dispositive power with respect to 7,054,851 of these shares and shared dispositive power with respect to 38,790 of these shares.
- (3) Based solely upon information contained in a Schedule 13G filed with the Securities and Exchange Commission on January 27, 2017, which Schedule specifies that BlackRock Inc. has sole voting power with respect to 4,830,446 of these shares, shared voting power with respect to none of these shares and sole dispositive power with respect to 4,920,695 of these shares and shared dispositive power with respect to none of these shares.

## Stock Ownership of Directors and Executive Officers

The following table shows the beneficial ownership of our Ordinary Shares by each director of the Company, each nominee for election as director, each of the named executive officers and all directors, nominees, and executive officers of the Company as a group, as of April 28, 2017, unless otherwise indicated below.

Name of Beneficial Owner	Number of Shares Beneficially Owned as of April 28, 2017 <sup>(1)</sup>		
	Shares Owned Directly and Indirectly <sup>(2)</sup>	Stock Options Exercisable Within 60 Days of April 28, 2017	Total Stock-Based Ownership
Walter M Rosebrough, Jr. <sup>(3)</sup>	184,730	240,835	425,565
Michael J. Tokich	47,832	133,600	181,432
Dr. Adrian V. Coward	22,112	0	22,112
J. Adam Zangerle	23,489	36,389	59,878
Daniel A. Carestio	17,800	23,120	40,920
Richard C. Breeden	94,437	32,957	127,394 <sup>(4)</sup>
Cynthia L. Feldmann	9,837	13,146	22,983
Dr. Jacqueline B. Kosecoff <sup>(3)</sup>	40,340	32,957	73,297
David B. Lewis	6,684	9,472	16,156
Sir Duncan K. Nichol	0	0	0
Dr. Mohsen M. Sohi	21,034	27,822	48,856
Dr. Richard M. Steeves	750,503	3,781	754,284
John P. Wareham	31,560	34,892	66,452
Loyal W. Wilson	25,825	27,103	52,928
Dr. Michael B. Wood	34,131	31,687	65,818
All Directors, Nominees, and Executive Officers as a group (20 persons)	1,381,099	788,059	2,169,158

- (1) As of April 28, 2017, (a) none of our directors and executive officers beneficially owned 1% or more of our outstanding Ordinary Shares and (b) the directors, nominees and executive officers of the Company as a group beneficially owned approximately 2.55% of the outstanding Ordinary Shares (including shares subject to stock options exercisable by them within 60 days after April 28, 2017).

- (2) Included are (a) Ordinary Shares beneficially owned outright; (b) restricted Ordinary Shares; (c) Ordinary Shares held in the Company's 401(k) plan; and Ordinary Shares held through trusts. Except as otherwise provided in the following footnotes, all listed Beneficial Owners have sole voting power and sole investment power as to the Ordinary Shares listed in this column.
- (3) With respect to the Ordinary Shares listed in the first column, the following Beneficial Owners have shared voting power and shared investment power: Mr. Rosebrough as to 68,806 Ordinary Shares; Dr. Kosecoff as to 40,340 Ordinary Shares; and Dr. Steeves as to 207,550 Ordinary Shares.
- (4) Mr. Breeden has disclaimed beneficial ownership of 1,359 of shares, which shares are held by Breeden Partners LLP.

Name of Beneficial Owner	Total Number of Shares Beneficially Owned by and CRSUs of Non-Employee Directors as of April 28, 2017		
	Total Stock-Based Ownership <sup>(1)</sup>	CRSUs	Total Stock Based Ownership Including CRSUs
Richard C. Breeden	127,394	9,510	136,904
Cynthia L. Feldmann	22,983	5,110	28,093
Dr. Jacqueline B. Kosecoff	73,297	2,845	76,142
David B. Lewis	16,156	10,565	26,721
Sir Duncan K. Nichol	0	1,890	1,890
Dr. Mohsen M. Sohi	48,856	—	48,856
Dr. Richard M. Steeves	754,284	945	755,229
John P. Wareham	66,452	6,998	73,450
Loyal W. Wilson	52,928	11,447	64,375
Dr. Michael B. Wood	65,818	3,307	69,125

- (1) All numbers are from column 3 of the table that immediately precedes this table.

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Based on Company records and information, including a review of Forms 3, 4 and 5 and amendments thereto furnished to the Company, the Company believes that all filing requirements applicable to directors, executive officers, and greater than 10% shareholders under Section 16(a) of the Exchange Act for the fiscal year ended March 31, 2017 were complied with on a timely basis, except as follows: One thousand shares of restricted stock held by J. Adam Zangerle vested on August 1, 2016, and 475 of these shares were withheld from the vested amount by the Company to satisfy tax obligations. This withholding should have been reported by August 3, 2016 as a disposition on a Form 4, but this transaction was overlooked by the person responsible for preparing the filing and the filing was not made until August 11, 2016.

## SHAREHOLDER NOMINATIONS OF DIRECTORS AND NOMINEE CRITERIA

The Nominating and Governance Committee will consider director nominations timely made by shareholders pursuant to the requirements of our Articles referred to in the “Shareholder Proposals” section of this proxy statement. Any such proposal must also comply with the other provisions contained in our Articles, portions of which are summarized below. Such summary is qualified by reference to, and is subject to, the Articles. Any proposals that do not meet the requirements set forth in our Articles, the Exchange Act (and the rules and regulations thereunder) or the Act will be declared out of order and will not be considered at the 2018 Annual General Meeting of Shareholders.

Shareholder recommendations for candidates to be nominees for election to the Board of Directors should be in writing, sent in a timely manner in accordance with the Articles (as summarized in the “Shareholder Proposals” section of this Proxy Statement) and should comply with the provisions of the Company’s Articles and contain all the information required by our Articles and all information listed below, which information must be updated by the shareholder(s) as of the record date for the meeting not later than three days after the record date for the meeting.

The Articles governing shareholder proposals or time for receiving them shall not be deemed to affect any rights of shareholders to request inclusion of proposals in, nor the right of the Company to omit proposals from, the Company’s proxy statement pursuant to Rule 14a-8 (or any successor provision) under the Exchange Act.

### Certain Required Information Regarding the Recommending Shareholder

1. The name and address of the shareholder and its “Member Associated Persons” (as defined in the Articles) recommending the proposed director nominee for consideration as that information appears on our records, the class and number of shares owned directly and indirectly by the shareholder and its Member Associated Persons;
2. Any proxy, contract, arrangement, understanding, or relationship pursuant to which such shareholder(s) and such Member Associated Persons, if any, have the right to vote any class or series of shares of the Company;
3. Any rights to dividends on the shares of the Company owned beneficially by such shareholder(s) and such Member Associated Persons, if any, that are separated or separable from the underlying shares of the Company;
4. Any significant equity interests or any derivative instruments or short interests in any principal competitor of the Company held by such shareholder(s), and such Member Associated Persons, if any;
5. Any agreement, arrangement, understanding, relationship or otherwise, including any repurchase or similar so-called “stock borrowing” agreement or arrangement, involving such shareholder(s) and such Member Associated Persons, if any, directly or indirectly, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of the shares of the Company by, manage the risk of share price changes for, or increase or decrease the voting power of, such shareholder(s), and such Member Associated Persons, if any, with respect to any class or series of the shares of the Company, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class or series of the shares of the Company;

## Information Required Regarding the Nominee Director

6. All information relating to such person that is required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act, and the regulations promulgated thereunder, including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected;
7. A description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such shareholder(s) and any Member Associated Person, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Rule 404 promulgated under SEC Regulation S-K if the shareholder(s) making the nomination and any Member Associated Person were the "registrant" for purposes of such rule and the nominee were a director or executive officer of such registrant; and
8. A written questionnaire with respect to the background and qualifications of such individual and the background of any other person or entity on whose behalf, directly or indirectly, the nomination is being made (which questionnaire shall be provided by the Secretary upon written request), and a written representation and agreement (in the form provided by the Secretary upon written request) that such individual (a) is not and will not become a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a Director of the Company, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed therein, including without limitation any Voting Commitment that could limit or interfere with such individual's ability to comply, if elected as a Director of the Company, with such individual's fiduciary and other Director's duties under applicable law, (b) is not and will not become a party to any agreement, arrangement, or understanding with any person or entity other than the Company with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a Director that has not been disclosed therein, (c) in such individual's personal capacity and on behalf of any person or entity on whose behalf, directly or indirectly, the nomination is being made, would be in compliance, if elected as a Director of the Company, and will comply, with all applicable corporate governance, conflict of interest, confidentiality, stock ownership, and trading policies and guidelines of the Company publicly disclosed from time to time and (d) irrevocably submits his or her resignation as a director effective upon a finding by a court of competent jurisdiction that such person has breached such written representation and agreement.

There are no specific, defined, qualifications or specific qualities or skills that are necessary for director candidates to possess. In evaluating proposed director nominees, the Nominating and Governance Committee will consider such factors as it deems appropriate, consistent with the Board's Governance Guidelines, and other factors identified from time to time by the Board of Directors. The Nominating and Governance Committee will consider the entirety of each proposed director nominee's credentials. As a general matter, the Committee will consider factors such as personal and professional ethics, integrity, commitment, judgment, independence, possible conflicts of interest, experience, diversity of background, availability, comparison of the approach of incumbent members of the Board of Directors, and ability to represent the interests of all shareholders, not just those of a particular philosophy or constituency.

The Nominating and Governance Committee will consider all information provided that it deems is relevant to a proposed director nominee's nomination as a director of the Company. Following such consideration, the Committee may seek additional information regarding, and may request an interview with, any proposed director nominee whom it wishes to continue considering. Based upon all information available to it and any interviews it may have conducted, the Committee will meet to determine whether to recommend the proposed director nominee to the Board of Directors. The Committee will consider proposed director nominees recommended by shareholders on the same basis as proposed director nominees from other sources, subject to the procedures described herein and in the Company's Articles, as amended from time to time.

The Nominating and Governance Committee utilizes a variety of methods for identifying and evaluating director nominees. Candidates may be recommended by current members of the Board of Directors, third-party search firms or shareholders. The Nominating and Governance Committee generally does not consider recommendations for director nominees submitted by other constituencies. In order to preserve its impartiality, the Nominating and Governance Committee will not consider any recommendations from shareholders that are not submitted in accordance with the procedures set forth above.

## SHAREHOLDER PROPOSALS

In response to matters submitted by shareholders for consideration at special or annual meetings of shareholders, the Nominating and Governance Committee shall designate one or more members of management to review properly submitted proposals and to obtain all necessary information to allow management designees to present the shareholder proposal to the Nominating and Governance Committee for further consideration. Upon submission of a shareholder proposal to the Nominating and Governance Committee, the Committee will evaluate and make recommendations, as appropriate, to the Board of Directors, with respect to the proposal. This evaluation by the Nominating and Governance Committee may include, without limitation, consideration of (a) the appropriateness of the proposal, (b) applicable requirements of our Articles, as amended from time to time, (c) legal requirements, including requirements under applicable laws and regulations, (d) whether the shareholder proposal previously has been submitted to shareholders for a vote, and if so, the vote received for and against the proposal, (e) the best interests of all shareholders, (f) the impact that implementation of the proposal would have on the overall operations of the business, (g) whether the proposal would result in appropriately accomplishing the goals and objectives described in the proposal, and (h) any other considerations that the Nominating and Governance Committee may deem appropriate. The process of evaluation may include communication directly with the shareholder proponent by the Nominating and Governance Committee or the management designees, as the Nominating and Governance Committee may deem appropriate.

### Shareholder Proposals for the 2018 Annual General Meeting of Shareholders

Shareholders who, in accordance with the SEC's Rule 14a-8, wish to present proposals for inclusion in the proxy materials to be distributed by us in connection with our 2018 annual general meeting must submit their proposals to the Company's registered office at Chancery House, 190 Waterside Road, Hamilton Industrial Park, Leicester, LE5 1QZ, England, United Kingdom, Attention: the Secretary. The deadline for shareholders to submit proposals to be considered for inclusion in the proxy statement for the 2018 Annual Meeting of Shareholders is expected to be February 12, 2018. As the rules of the SEC make clear, simply submitting a proposal does not guarantee its inclusion in our proxy statement.

In accordance with the Company's Articles and the ownership thresholds set forth in the Act, and without prejudice to the rights of a shareholder of record under applicable law, in order to nominate a candidate for election as a director or properly bring other business before the 2018 annual general meeting, a shareholder's notice of the matter the shareholder wishes to present must be delivered to the Company's registered office at Chancery House, 190 Waterside Road, Hamilton Industrial Park, Leicester, LE5 1QZ, England, United Kingdom, Attention: the Secretary, not earlier than the close of business on the one hundred and twentieth (120th) calendar day nor later than the close of business on the ninetieth (90th) calendar day prior to the first anniversary of the preceding year's annual general meeting. As a result, any notice given by or on behalf of a shareholder pursuant to these provisions of our Articles (and not pursuant to the SEC's Rule 14a-8) must be received no earlier than April 3, 2018 and no later than May 3, 2018. However, if the date of such annual general meeting is more than 30 calendar days before or more than 60 calendar days after the first anniversary of the preceding year's annual general meeting, notice by the shareholder must be so delivered in writing not earlier than the close of business on the one hundred and twentieth (120th) calendar day prior to such annual general meeting and not later than the close of business on the later of (i) the ninetieth (90th) calendar day prior to such annual general meeting and (ii) the fifth (5th) calendar day after the day on which public announcement of the date of such annual general meeting is first made by the Company provided that

in no event shall any adjournment or postponement of an annual general meeting or the public announcement thereof commence a new time period for the giving of such a member's notice.

## **Shareholders' Rights to Call a General Meeting and Requests for Website Statement**

In addition to the SEC and Articles processes described above, our shareholders have the right to call a meeting of our shareholders. Section 303 of the Act generally requires the directors to call a general meeting once we have received requests to do so from shareholders representing at least 5% of our issued paid-up shares entitled to vote at a general meeting. The Act generally prohibits shareholders of a U.K. public limited company from passing written resolutions. However, significant shareholders would, in any case, still have the power to call a general meeting and propose resolutions. These provisions are mandatory under the Act and cannot be waived by our shareholders.

Under section 338 of the Act, shareholders representing at least 5% of holders entitled to vote on a resolution at an annual general meeting may require the Company to include such resolution in its notice of an annual general meeting. Such a request, made by the requisite number of shareholders, must be received by the Company not later than six weeks before the annual general meeting of shareholders.

Under Section 527 of the Act, shareholders meeting the threshold requirements set out in that Section have the right to require the Company to publish a statement on a website setting out any matter relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) for the fiscal year ending March 31, 2017 or any circumstance connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting that the shareholders propose to raise at the next Annual General Meeting of the Company. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting will include any statement that the Company has been required under section 527 of the Act to publish on a website.



**MISCELLANEOUS MATTERS**

There are no miscellaneous matters.

## Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on August 1, 2017

This Proxy Statement, our Annual Report to Shareholders of the Company for the fiscal year ended March 31, 2017, which includes financial statements of the Company for the fiscal year then ended, the Company's U.K. Annual Report and Accounts, including Directors' Remuneration Report, are available free of charge at [www.proxyvote.com](http://www.proxyvote.com) if you are a shareholder of record. The Proxy Materials are also available free of charge in the "Online IR Kit" in the "Shareholder Resources" section of <http://steris-ir.com>.

### Multiple Shareholders Sharing an Address

We are allowed to deliver a single copy of proxy materials, including the Notice of Internet Availability of Proxy Materials, to a household at which two or more shareholders reside when we believe those shareholders are members of the same family. We believe this rule benefits everyone. It eliminates duplicate mailings that shareholders living at the same address receive, and it reduces our printing and mailing costs. If, at any time, you no longer wish to participate in "householding," please notify your broker or contact Broadridge Financial Solutions, Inc. ("Broadridge") by calling toll-free at 866-540-7095, or by writing Broadridge, Householding Department, 51 Mercedes Way, Edgewood, New York 11717, or write us at Investor Relations, STERIS plc, c/o 5960 Heisley Road, Mentor, Ohio 44060. You can also contact Broadridge at the phone number above if you received multiple copies of the proxy materials and would prefer to receive a single copy in the future.

For information on how to obtain directions to be able to attend the 2017 Annual General Meeting and vote in person, please contact Investor Relations at [Julie\\_Winter@Steris.com](mailto:Julie_Winter@Steris.com).

By Order of the Board of Directors,



J. ADAM ZANGERLE  
Secretary

June 12, 2017



**YOUR VOTE IS IMPORTANT**

Regardless of whether you plan to attend the Annual General Meeting of Shareholders, you can be sure the shares are represented at the meeting by promptly returning your proxy/voting instruction card in the enclosed envelope.

**Important Notice Regarding the Availability of Proxy Materials for the Annual General Meeting to be held on August 1, 2017:**

The Notice and Proxy Statement and Fiscal 2017 Annual Report and Annual Report and Accounts for the Year Ending March 31, 2017 are available at [www.proxyvote.com](http://www.proxyvote.com).

↓ Sign and date the proxy/voting instruction card on the reverse side. ↓  
Please fold and detach proxy card at perforation before mailing.

E30406-P95070

**STERIS plc**

**STOCKHOLDER'S PROXY AND VOTING INSTRUCTION CARD**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON AUGUST 1, 2017**  
**This Proxy is solicited by the Board of Directors**

The stockholder(s) whose signature(s) appear(s) on the reverse side of this proxy card hereby appoint(s) Walter M Rosebrough, Jr., John P. Wareham, Michael J. Tokich, J. Adam Zangerle and Ronald E. Snyder, and each of them, with full power of substitution, as proxies (the "Proxies"), and authorize the Proxies to represent such shareholder(s) and to vote all the ordinary shares in STERIS plc which the stockholder(s) would be entitled to vote, in the manner directed on the reverse side of this card, on Proposals 1 through 7. The shares represented by this proxy, when executed properly, will be voted in the manner directed. **If direction is not given but the card is properly executed, this proxy will be voted "For" the election of all nominees under Proposal 1, "For" all other Proposals except Proposal 6, for "1 Year" for Proposal 6, and in the discretion of the proxies with respect to such other business as may properly come before the meeting.**

**SPECIAL INFORMATION for participants in the STERIS Corporation 401(k) Plan ("Plan"):** This proxy also provides voting instructions for shares held on the record date for the Annual General Meeting by Vanguard Fiduciary Trust Company ("Vanguard"),\* as trustee of the Plan. If you are a participant in the Plan, this paragraph (and not the paragraph above) applies with respect to voting the Plan shares. By marking and returning this card, you will direct Vanguard (i) how to vote the shares of Ordinary Stock allocated to your account in the Plan and (ii) how to vote a portion of the shares of Ordinary Stock allocated to the accounts of other participants in the Plan who have not submitted voting instructions by the voting deadline. If Vanguard receives your properly marked and executed card on or before 11:59 P.M. Eastern Daylight Time on July 26, 2017, Vanguard will vote these shares in the manner directed by you. *If direction is not received or not received until after 11:59 P.M. Eastern Daylight Time on July 26, 2017, Vanguard will vote these Plan shares in the same proportion as the final aggregate vote of the Plan participants who submitted timely votes on the matter.*

**This proxy is solicited on behalf of the Board of Directors pursuant to a separate Notice of 2017 Annual General Meeting and Proxy Statement dated June 12, 2017, receipt of which is hereby acknowledged. OUR BOARD OF DIRECTORS CONSIDERS THAT ALL THE RESOLUTIONS TO BE PUT TO THE MEETING ARE IN THE BEST INTERESTS OF THE COMPANY AND ITS SHAREHOLDERS AS A WHOLE. OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR "1 YEAR" FOR PROPOSAL 6 AND "For" FOR EACH OTHER RESOLUTION.**

**THIS PROXY AND VOTING INSTRUCTION CARD IS CONTINUED ON THE REVERSE SIDE.**

\*Vanguard Fiduciary Trust Company, in its capacity as trustee or custodian, has appointed Broadridge as agent to tally the vote.