

CLEAN HARBORS INC
Form PRE 14A
March 15, 2011

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

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
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- Soliciting Material Pursuant to §240.14a-12

Clean Harbors, Inc.

(Name of Registrant as Specified In Its Charter)

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

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 - (4) Date Filed:
-

April , 2011

Corporate Headquarters
42 Longwater Drive
Norwell, Massachusetts 02061
Tel. 781-792-5000

To Our Fellow Shareholders:

On behalf of the Board of Directors, it is my pleasure to invite you to attend the 2011 annual meeting of shareholders, to be held at 10:00 a.m., local time, on Monday, May 9, 2011 at the Company's headquarters, 42 Longwater Drive, Norwell, Massachusetts.

Information about the annual meeting is presented on the following pages. In addition to the formal items of business, the meeting will include a report by members of management on Company operations. You will have an opportunity to ask questions of our management team if you attend the meeting in person.

Your vote is important. You can be sure your shares are represented at the meeting by completing, signing, and returning your proxy form in the enclosed envelope, even if you plan to attend the meeting. Sending in your proxy will not prevent you from voting in person at the meeting should you wish to do so.

Please note that under the current rules of the New York Stock Exchange, your broker will not be able to vote your shares at the annual meeting on the election of directors or on most of the proposals described in the attached proxy statement if you have not given your broker instructions on how to vote. Please be sure to give voting instructions to your broker so that your vote can be counted on the election and such proposals.

Thank you for your continued support of Clean Harbors. We look forward to seeing those shareholders who are able to attend the Annual Meeting on May 9.

Sincerely,

Alan S. McKim
Chairman of the Board

CLEAN HARBORS, INC.
42 Longwater Drive
Norwell, Massachusetts 02061

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the 2011 annual meeting of shareholders of Clean Harbors, Inc. (the "Company"), will be held at 10:00 a.m., local time, on Monday, May 9, 2011 at the Company's headquarters, 42 Longwater Drive, Norwell, Massachusetts, for the following purposes:

1. To elect four (4) Class I members of the Board of Directors of the Company to serve until the 2014 annual meeting of shareholders and until their respective successors are duly elected;
2. To amend the Company's Articles of Organization (as amended and restated to date) primarily to increase the number of the Company's authorized shares of common stock, \$.01 par value, from 40,000,000 to 80,000,000;
3. To hold an advisory vote on the Company's executive compensation;
4. To hold an advisory vote on the frequency of future advisory votes on executive compensation;
5. To ratify the selection by the Audit Committee of the Company's Board of Directors of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the current fiscal year;
6. To act upon a shareholder proposal relating to the future manner of electing directors, if such proposal is properly brought before the meeting; and
7. To act upon such other business as may properly come before the meeting and any adjournment thereof.

Shareholders of record at the close of business on March 28, 2011 will be entitled to notice and to vote at the meeting.

You are cordially invited to attend the meeting. Whether or not you plan to attend the meeting in person, please date, sign and mail your proxy in the enclosed envelope to ensure that your shares will be represented at the meeting.

By order of the Board of Directors

C. Michael Malm, Secretary

April , 2011
Norwell, Massachusetts

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY IN THE ENVELOPE PROVIDED.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 9, 2011: The Notice of Annual Meeting, Proxy Statement, Proxy Card, 2010 Annual Report to Shareholders, and 2010 Annual Report on Form 10-K, are available on our website at www.cleanharbors.com/annualmeeting.

CLEAN HARBORS, INC.
42 Longwater Drive
Norwell, MA 02061

PROXY STATEMENT

This proxy statement and the accompanying notice of annual meeting of shareholders are being furnished to the holders of common stock, \$0.01 par value ("Common Stock"), of Clean Harbors, Inc., a Massachusetts corporation (the "Company"), in connection with the solicitation of proxies by the Company's Board of Directors for use at the 2011 annual meeting of shareholders and any adjournment thereof. The annual meeting will be held at the Company's headquarters, 42 Longwater Drive, Norwell, Massachusetts, on May 9, 2011, commencing at 10:00 a.m., local time.

PROXY SOLICITATION

Proxies in the accompanying form properly executed and received prior to the meeting and not revoked will be voted as specified or, if no instructions are given, will be voted in favor of all of the proposals described below in this proxy statement except that such proxies will be voted against the shareholder proposal described below in this proxy statement if such proposal is properly brought before the meeting. Any shareholder of record on the record date for the meeting giving a proxy has the power to revoke it at any time before it is exercised by (i) filing with the Secretary of the Company written notice thereof (mailed to the attention of the Secretary, Clean Harbors, Inc., 42 Longwater Drive, Norwell, MA 02061); (ii) filing a later dated proxy (using a proxy card); or (iii) appearing at the annual meeting and giving the Secretary notice of his or her intention to vote in person. The cost of this solicitation shall be borne by the Company. Solicitations of proxies by telephone or in person may be made by the Company's directors, officers or other employees, but any such solicitation will be carried on during working hours and for no additional cost, other than the time expended and telephone charges in making such solicitation. This proxy statement and the accompanying proxy form are first being mailed to shareholders beginning on or about April 1, 2011.

INFORMATION AS TO VOTING SECURITIES

On March 28, 2011, the record date for the Annual Meeting, there were [26,397,931] issued and outstanding shares of Common Stock. The presence in person or by proxy of a majority of shares of Common Stock entitled to vote is necessary to constitute a quorum at the Annual Meeting. Each share is entitled to one vote. Only shareholders of record at the close of business on the record date will be entitled to vote at the meeting. Votes cast by proxy or in person at the meeting will be counted by one or more persons appointed by the Company to act as election inspectors for the meeting.

At the annual meeting, the shareholders will vote upon proposals to (i) elect four Class I directors, (ii) amend the Company's Articles of Organization primarily to increase the number of authorized shares of Common Stock from 40,000,000 to 80,000,000, (iii) approve an advisory vote on executive compensation, (iv) approve an advisory vote on the frequency of future advisory votes on executive compensation, (v) ratify the selection by the Audit Committee of the Company's Board of Directors of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the current fiscal year, and (vi) act upon a shareholder proposal relating to the future manner of electing directors if such proposal is properly brought before the meeting. Election of each of the Class I directors will require the affirmative vote of the holders of a plurality of the total shares of Common Stock cast at the meeting, and votes withheld from any nominee for election as a director will have the effect of "against" votes. Approval of the proposed amendment of the Company's Articles of Organization will require the affirmative vote of a majority of the total outstanding shares of Common Stock. Because the two

proposals for advisory votes on executive compensation and the frequency of future advisory votes on executive compensation are non-binding, there is no legal requirement governing the percentage of shares required to approve such proposals. The Company's Board of Directors has determined that adoption of the proposal to approve executive compensation will require the affirmative vote of a majority of the shares represented at the meeting and voted on such proposal, and that with respect to the proposal on the frequency of future advisory votes on approval of executive compensation, the alternative (every year, every two years or every three years) which receives the greatest number of affirmative votes (with shares abstaining on such proposal disregarded) will be deemed to have been approved. Ratification of the selection by the Audit Committee of the Company's Board of Directors of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the current fiscal year and the shareholder proposal relating to the future manner of electing directors, if properly brought before the meeting, will each require the affirmative vote of the holders of a majority of the shares of Common Stock cast at the meeting. Abstentions on such election and each of the other proposals, and any broker "non-votes," will be counted as present or represented for purposes of determining the presence of a quorum for the meeting, but will not be taken into account in the voting.

Broker "non-votes" occur when a broker holding shares in "street name" votes on one proposal, but does not vote on another proposal because the broker does not have discretionary voting power and has not received instructions from the beneficial owner of such shares. Usually, this would occur when brokers holding stock in "street name" have not received voting instructions from clients, in which case the brokers (as holders of record) are generally permitted by the rules of the New York Stock Exchange to vote only on "discretionary" matters. Under the Exchange's current rules, brokers will not be permitted to vote shares for which they have not received voting instructions in favor of (i) the proposed election of the Class I directors, (ii) the proposal on advisory approval of executive compensation, (iii) the proposal on frequency of future advisory votes on approval of executive compensation, or (iv) the shareholder proposal relating to the future manner of electing directors if such proposal is properly brought before the meeting. However, under such rules, (i) the proposed amendment of the Company's Articles of Organization (the primary purpose of which is to increase the number of authorized shares of the Company's Common Stock from 40,000,000 to 80,000,000) and (ii) the proposed ratification of the selection by the Audit Committee of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the current fiscal year, are "discretionary" matters, and brokers will therefore be generally able to vote shares held in "street name" on such matters without receiving instructions from the beneficial holders of such shares.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The table below describes the "beneficial ownership" of the Company's Common Stock as of March 1, 2011, by (i) each of the Company's directors, principal executive officer, principal financial officer and the three other current executive officers who were the most highly compensated during the most recently completed fiscal year, and (ii) all of the Company's current directors and executive officers as a group. The Securities and Exchange Commission's Rule 13d-3 under the Securities Exchange Act of 1934 defines "beneficial ownership" to mean the right to vote or exercise investment power, or to share in the right to vote or exercise investment power, with respect to the specified securities, whether or not the specified person has any economic interest in the specified securities. Each named owner has sole voting and investment power with respect to the specified shares.

Name of Beneficial Owner	Amount and Nature of	
	Beneficial Ownership(1)	Percent of Class
Alan S. McKim	2,552,591	9.7%
Eugene Banucci	11,520	*
John P. DeVillars	14,483	*
Edward G. Galante	855	*
John F. Kaslow	11,187	*
Rod Marlin	109,384	*
Daniel J. McCarthy	19,983	*
John T. Preston	11,583	*
Andrea Robertson	11,483	*
Thomas J. Shields	14,487	*
Lorne R. Waxlax	95,483	*
Eric W. Gerstenberg	8,046	*
David M. Parry	11,048	*
James M. Rutledge	35,646	*
Brian P. Weber	8,572	*
All current directors and executive officers as a group (25 persons)	3,109,344	11.8%

*
Less than 1%

(1) Beneficial ownership has been determined in accordance with Securities and Exchange Commission regulations and includes in the numerator and denominator used for the calculation of certain of the percents of total outstanding, as appropriate, the following number of shares of the Company's Common Stock which may be acquired under stock options which are exercisable within 60 days of March 1, 2011: Mr. McKim (0 shares), Dr. Banucci (6,000 shares), Mr. DeVillars (6,000 shares), Mr. Galante (0 shares), Mr. Kaslow (7,400 shares), Mr. Marlin (0 shares), Dr. McCarthy (6,000 shares), Mr. Preston (6,000 shares), Ms. Robertson (6,000 shares), Mr. Shields (6,000 shares), Mr. Waxlax (0 shares), Mr. Gerstenberg (0 shares), Mr. Parry (0 shares), Mr. Rutledge (0 shares), Mr. Weber (0 shares), and all current directors and executive officers as a group (62,900 shares).

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The following table shows each person or entity which, to the Company's knowledge, as of March 1, 2011, "beneficially owned" (as that term is defined above) 5% or more of the total of 26,397,931 shares of Common Stock then outstanding. Except as otherwise indicated below, the Company understands that the named person or entity has sole voting and investment power with respect to the specified shares.

Name and Address	Number of Shares	Percent
Alan S. McKim Clean Harbors, Inc. 42 Longwater Drive Norwell, MA 02061	2,552,591	9.7%
Blackrock, Inc. 40 East 52 nd Street New York, NY 10022	1,938,239(1)	7.3%

- (1) Based upon the Schedule 13G dated as of December 31, 2010 filed with the SEC, Blackrock, Inc. is deemed to have beneficial ownership of 1,938,239 shares of Common Stock.

ELECTION OF DIRECTORS
(Item 1 on Proxy Form)

The Board of Directors is the ultimate decision making body of the Company except with respect to those matters reserved by law or the By-Laws of the Company to the shareholders. The Board is responsible for selection of the Chief Executive Officer and for advising the Chief Executive Officer with respect to the selection of a management team, providing oversight responsibility and direction to management and evaluating the performance of management on behalf of the shareholders. As more fully described below, the Board has determined that, except for Alan S. McKim, the Company's Chief Executive Officer, and Rod Marlin, a former consultant to the Company, all of the current members of the Board are "independent" directors as defined by the rules of the New York Stock Exchange.

During 2010, the Board held six meetings, of which two were held by conference call or unanimous written consent. All directors attended at least 75% of each of the meetings of the Board and the committees on which they served. All members of the Board (except for Edward Galante, who was not then a director) also attended the 2010 annual meeting of shareholders.

The Board of Directors of the Company is currently composed of 11 directors classified into three classes. There are now four Class I directors, four Class II directors, and three Class III directors. One class of directors is elected each year for a term of three years. The term of the current Class I directors, Eugene Banucci, Edward Galante, John Kaslow and Thomas Shields, will expire at the 2011 annual meeting. The Board of Directors has nominated Dr. Banucci, and Messrs. Galante, Kaslow and Shields to stand for re-election as Class I directors.

Director Nomination Process and Diversity

As more fully described below under "Corporate Governance Board Committees," the Board's Corporate Governance Committee, which is composed solely of independent directors, is responsible for selecting nominees to recommend to the full Board for election as directors. In that capacity, the Corporate Governance Committee and the full Board determine on an annual basis the appropriate characteristics, skills and experience for the Board as a whole and for its individual members. In evaluating the suitability of individual Board members, the Committee and the full Board do not have any formal policy with regard to racial or gender diversity. In evaluating the suitability of individual Board members, the Committee and the full Board take into account many factors in addition to high personal and professional ethics, integrity and values, including particular industry or geographic experience, understanding of the business of the Company, particular disciplines such as finance, marketing, sales and management, and personal, educational and professional background. The Committee and the full Board evaluate each individual in the context of the Board as a whole, with the objective of recommending nominees for election as director who can best perpetuate the success of the business and represent shareholder interests through the exercise of sound judgment, using the diversity of experience of the various directors. In choosing individuals to recommend for nomination to the Board, the Corporate Governance Committee seeks individuals with particular skills that the Board may currently lack, or knowledge and experience that the Board is likely to need in the future. In determining whether to recommend a director for re-election, the Committee and the full Board also consider the director's past attendance at meetings and contributions to the activities of the Board.

In the past, nominees for the Board have been submitted to the Corporate Governance Committee by members of the Board. However, the Committee will also consider shareholder recommendations for Board candidates. For the 2012 annual meeting of shareholders, names of potential Board candidates should be received no later than [December 10, 2011]. The Committee will use the same evaluation method described above in assessing any candidates recommended by shareholders. The name of any recommended candidate for director, together with a brief biography, a document indicating the candidate's willingness to serve, and evidence of the nominating person's ownership of Company stock,

should be sent to the Chairman, Corporate Governance Committee, in the manner described below under "Corporate Governance Communications to the Independent Directors."

Current Directors and Nominees

The following paragraphs provide information as of the date of this proxy statement about each of the directors who are either standing for re-election at the meeting as Class I directors or are not now standing for re-election but will continue to serve in accordance with their current terms as Class II or Class III directors. This includes information each director has provided about his or her age, positions he or she now holds, his or her principal occupation and business experience for the past five years, the names of other publicly-held companies of which he or she currently serves as a director or has served as a director during the past five years, and any material legal proceedings which might be relevant to service as a director in which he or she has been involved during the past ten years. In addition to the information presented below regarding each director's specific experience, qualifications, attributes and skills that led the Corporate Governance Committee and full Board of Directors to the conclusion that he or she should serve as a director, the Committee and full Board also believe that all of the directors have high personal and professional ethics, integrity and values and that each of them has demonstrated business acumen and an ability to exercise sound judgment, as well as a commitment of service to the Company and the Board. Finally, the Committee and full Board value their significant experience on other company boards of directors and board committees.

Directors Standing for Re-election at the Meeting

This year there are four nominees standing for re-election as Class I directors: Eugene Banucci, Edward G. Galante, John F. Kaslow and Thomas J. Shields.

Eugene Banucci, age 67, is the Founder, a Director and former Executive Chairman of ATMI, Inc., a public company that is a supplier of specialty materials to the worldwide semiconductor industry. Dr. Banucci served as Chief Executive Officer of ATMI, Inc. from its founding in 1986 until the beginning of 2005. From 2005 until February 2010, he served as a director of Zygo Corporation, a public company. Dr. Banucci holds a BA from Beloit College and a Ph.D. in chemistry from Wayne State University. Dr. Banucci joined the Board in 2008 and is a member of the Board's Audit and Compensation Committees. Dr. Banucci brings to the Board considerable experience and skills in growing and managing companies.

Edward G. Galante, age 60, retired in 2006 after more than 30 years with Exxon Mobil Corporation. Prior to his retirement, he most recently served as a Senior Vice President and member of the Management Committee. His principal responsibilities included the worldwide Downstream business: Refining & Supply, Fuels Marketing, Lubricants and Specialties and Research and Engineering. He also was responsible for Exxon Mobil's corporate Public Affairs and Safety, Health and Environmental activities. Mr. Galante received his Bachelor of Science degree in civil engineering from Northeastern University. He serves as a Vice Chairman of Northeastern's Board of Trustees and as an Executive-in-Residence in its College of Business Administration. He also serves on the board of directors of Praxair, Inc. (NYSE: PX), where he sits on the Compensation & Management Development and the Governance & Nominating committees; Foster Wheeler Ltd. (NASDAQ: FWLT), where he sits on the Audit and Governance and Nominating committees; Junior Achievement Worldwide; and the United Way Foundation of Dallas. The Company's Board of Directors elected Mr. Galante as an additional director on September 21, 2010 and also then appointed him to the Corporate Governance Committee. In addition to his extensive experience with Exxon Mobil in the oil and gas industry, which accounts for a significant portion of the Company's business, Mr. Galante's responsibility for Exxon Mobil's Public Affairs and Safety, Health and Environmental activities and his services as a director and board committee member of two other major public corporations give him valuable insight into corporate governance, public affairs, environmental, compensation and audit matters.

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John F. Kaslow, age 78, is the retired Executive Vice President and Chief Operating Officer of New England Electric System ("NEES"), an electric power company now owned by National Grid. He also served as President of the NEES subsidiary, New England Power Company, and was a director of both companies. Following his retirement from NEES, he served as an Executive Advisor to the Electric Power Research Institute from 1990 until 1998 and continues to serve as an electric power industry consultant. Mr. Kaslow also served as a director and chairman of the board of the Doble Engineering Company, a private company, and as a director of the New England Council and Merrimack College. He holds a BS from the University of Massachusetts Lowell, and is a graduate of the Advanced Management Program of the Harvard Business School. He served as a director of the Company from 1991 to 2005 and returned to its Board in February of 2007. Mr. Kaslow has served 18 years on the Board's Audit Committee and 15 years on the Board's Corporate Governance Committee including, since 2010, as Chairman. He also brings to the Board considerable experience and knowledge of the electric power industry that accounts for a significant portion of the Company's business.

Thomas J. Shields, age 63, is a Managing Director of Shields & Company, Inc., a privately-held investment-banking firm that he co-founded in 1991. He is currently the presiding director and chairman of the audit committee of B.J.'s Wholesale Club, Inc., a public company, and a director and chairman of the audit committee of Ensign-Bickford Industries, Inc., a private company. Mr. Shields is a graduate of Harvard College and Harvard Business School. He has served as a director of the Company since 1999. He has served as Chairman of the Audit Committee of the Board since 2005, and he is qualified as an "audit committee financial expert" under Regulation S-K under the Securities Exchange Act of 1934. Mr. Shields brings to the Board his considerable investment banking skills and experience as a director of private and public companies.

Continuing Directors Not Standing for Re-election at the Meeting

John P. DeVillars, age 61, is the Managing Partner of BlueWave Capital, LLC, a privately-owned renewable energy and brownfields development company, and he serves as a Senior Vice President of TRC Companies, Inc., a public company that provides engineering and consulting services to the energy and environmental markets. Mr. DeVillars is currently a director of Converted Organics, Inc., a public company, and Earth Friendly Holdings, Inc., a private company. From 2000 to 2003, Mr. DeVillars served as Executive Vice President of Brownfields Recovery Corporation, a private company engaged in remediating, financing, and redeveloping environmentally impacted properties. From 1994 through 2000, Mr. DeVillars served as the New England Administrator for the U.S. Environmental Protection Agency. From 1991 to 1994, he was a Director of Environmental Advisory Services with Coopers & Lybrand, and from 1988 to 1991, he served as Secretary of Environmental Affairs for the Commonwealth of Massachusetts and Chairman of the Board of the Massachusetts Water Resources Authority. Mr. DeVillars holds an MPA from Harvard University and a BA from the University of Pennsylvania and is a Visiting Lecturer in Environmental Policy at the Massachusetts Institute of Technology. He has served as a director of the Company since 2001 and serves on the Board's Compensation Committee. His current term as a Class III director expires in 2013. In addition to Mr. DeVillars' considerable knowledge of the environmental services industry and regulations, he brings to the Board unique knowledge of the highly regulated environmental services industry from a governmental perspective.

Rod Marlin, age 63, was the President and Chief Executive Officer of Eveready Inc., a public company listed on the Toronto Stock Exchange headquartered in Edmonton, Alberta, and its predecessors from 2002 until the Company's acquisition of Eveready on July 31, 2009. From July 31, 2009 until July 31, 2010, Mr. Marlin served as a consultant to the Company and rendered certain services relating to the integration into the Company of the business formerly conducted by Eveready. Mr. Marlin was a director or trustee of Eveready and its predecessors between 1999 and 2009, a general manager of Eveready and its predecessors from 1999 to 2002, and actively involved with Eveready and its predecessors between 1995 and 2009. Prior thereto, from 1967 until its sale in 1993, Mr. Marlin was the

founder and President of Marlin Travel Group, a private company. Mr. Marlin became a director of the Company upon the closing of the Company's acquisition of Eveready on July 31, 2009. His current term as a Class II director expires in 2012. He currently serves as a director and member of the audit committee of Temple Real Estate Investment Trust and as a director of EIS Capital Corp., each of which is a public company listed in Canada on the TSX Venture Exchange. Approximately 34% of Clean Harbors' total revenues during 2010 were recorded in Canada. Mr. Marlin brings to the Board extensive knowledge of Canadian culture and business practices, in addition to his skills in acquiring, developing, managing and selling various Canadian businesses.

Daniel J. McCarthy, age 78, has been a Professor of Strategic Management at Northeastern University since 1972, prior to which he was President of Computer Environments Corporation, a public company. In the past, he served on five boards, most recently at Tufts Associated Health Maintenance Organization as a member of its Audit Committee and as Chairman of its Investment Committee. Dr. McCarthy also served as director and member of the Audit and Compensation Committees of MANAGEDCOMP, Inc., a private company. Dr. McCarthy holds a BA and an MBA from Dartmouth College and a DBA from Harvard Business School. Dr. McCarthy is the longest serving non-employee member of the Company's Board. He is personally familiar with all senior management of the Company and communicates well with that group. He has served as Chairman of the Board's Compensation Committee since 1987. He was elected by the Board as Lead Director in 2005, an independent director who presides in executive sessions of the Board and serves as the shareholder contact person for the Board. His current term as a Class III director expires in 2013. Dr. McCarthy's long tenure of service on the Board gives him a unique perspective of the Company and a considerable knowledge of the environmental services industry.

Alan S. McKim, age 56, founded the Company in 1980 and has served as Chairman of the Board of Directors, President and Chief Executive Officer since its founding. He serves as a director of most of the Company's subsidiaries. Mr. McKim holds an MBA from Northeastern University, where he now serves on the Board of Trustees, and he holds an honorary doctorate from the Massachusetts Maritime Academy. His current term as a Class II director expires in 2012. Mr. McKim is recognized as an industry leader, with over 30 years experience in the environmental services business, and is the largest shareholder of the Company.

John T. Preston, age 61, is the Managing Partner of C Change Investments ("C Change"), a privately-held equity investment company, and President and Chief Executive Officer of Continuum Energy Technologies LLC, a private company that co-founded C Change. Mr. Preston was previously a director of Alseres Pharmaceuticals, Inc., and EZEM, Inc., each a public company, and is currently a director of numerous private companies. From 1992 through 1995, he served as Director of Technology Development at the Massachusetts Institute of Technology ("MIT"). From 1986 to 1992 he was Director of the MIT Technology Licensing Office where he was responsible for the commercialization of intellectual property developed at MIT. Some of Mr. Preston's prior appointments include director or advisory positions for the Governor of Massachusetts, the U.S. Department of Defense, The National Aeronautics and Space Administration and the National Technology Board of Singapore. He holds an MBA from Northwestern University and a BS in Physics from the University of Wisconsin. He has served as a director of the Company since 1995 and now serves on the Corporate Governance Committee. His current term as a Class II director expires in 2012. Mr. Preston brings to the Board his considerable experience in technology development, corporate growth and corporate governance.

Andrea Robertson, age 53, was the Group Executive, Corporate Treasurer of MasterCard Worldwide from 2003 to June 2010. From 1996 to 2003, she held financial management positions with RR Donnelley & Sons Company, and from 1984 to 1996 with International Business Machines Corporation. From 1979 to 1982, she was an auditor with Coopers & Lybrand. She holds a BS in Accounting from Merrimack College and an MBA in Finance/Management Information Systems from the University of Chicago. She is a certified public accountant and has served as a director of the Company

since June 2004. She is a member of the Board of Trustees of Merrimack College. Her current term as a Class III director expires in 2013. She qualifies as an "audit committee financial expert" under Regulation S-K of the Securities Exchange Act and serves on the Board's Audit Committee. Ms. Robertson brings to the Board considerable knowledge and experience in finance from her training as an accountant and her work in financial management positions.

Lorne R. Waxlax, age 77, served as Executive Vice President of The Gillette Company from 1985 to 1993, with worldwide responsibility for Braun AG, Oral-B Laboratories and Jafra Cosmetics International. Mr. Waxlax served as a director of BJ's Wholesale Club, Inc., a public company, until May 2008. Mr. Waxlax holds a BBA degree from the University of Minnesota and an MBA degree from Northwestern University. He has served as a director of the Company since 1994 and as a member of the Corporate Governance Committee since 1995. His current term as a Class II director expires in 2012. Mr. Waxlax has served on numerous private and public company boards, and he brings to the Board considerable experience in corporate governance, management, international business and marketing and branding.

Election of each of the Class I directors will require the affirmative vote of the holders of a plurality of the total shares of Common Stock represented at the annual meeting. Unless otherwise specified therein, shares represented by the enclosed proxy will be voted to elect Dr. Banucci and Messrs. Galante, Kaslow and Shields as Class I directors of the Company for a three-year term, until the 2014 annual meeting of shareholders and until their respective successors shall be duly elected. In the event that any of the nominees is unable to stand for election (which event is not now contemplated), the holders of the enclosed proxy will vote for the election of a nominee or nominees acceptable to the remaining members of the Company's Board of Directors. The Board of Directors recommends that shareholders vote "FOR" the election of Dr. Banucci and Messrs. Galante, Kaslow and Shields as Class I directors.

CORPORATE GOVERNANCE

Board Leadership Structure

Clean Harbors, Inc. is a Massachusetts corporation, and all public Massachusetts corporations have by law a staggered board of directors with either two or three classes of directors unless the corporation elects to be exempt from this statutory requirement by vote of its board of directors or of two-thirds of each class of stock outstanding. The Board has not elected to exempt, or to recommend that the shareholders exempt, the Company from this statutory requirement because the Board believes that a staggered board of directors promotes continuity and stability.

Alan S. McKim, the Company's founder, now serves and has served since the Company's formation in 1980 as both the Chief Executive Officer and Chairman of the Board. The Board has a Lead Director, nominated by the Corporate Governance Committee and elected by the full Board of Directors. The Lead Director is a non-management, independent director who presides over executive sessions of the Board, serves as a contact person for correspondence with the independent members of the Board, works with the Chairman in establishing the agenda for Board meetings, and meets with the Chief Executive Officer, in person or by phone, at least quarterly. Daniel J. McCarthy has served as Lead Director since 2005 and a member of the Board since 1987.

The Company's Board believes this board leadership structure is the most appropriate for the Company at this time because of the efficiency gained by assigning the responsibilities of both Chairman of the Board and Chief Executive Officer to Mr. McKim, who has a thorough knowledge of the Company's business and an impressive track record in managing the Company through its growth for the benefit of the shareholders, employees and other interested parties. The Board believes that, particularly because Mr. McKim is the Company's largest shareholder, Mr. McKim now places and has always placed major emphasis on the interests of the shareholders. The Board also believes this structure is appropriate because nine of the current 11 members of the Company's Board of Directors

are "independent," as described below under "Corporate Governance Director Independence," and the Board elects from the independent directors a Lead Director with the authority described above.

Corporate Governance Guidelines, Committee Charters and Code of Ethics

The Company's Board of Directors has adopted Corporate Governance Guidelines, charters of each of the Board's committees as described below, and a Code of Ethics which sets forth standards of ethical professional conduct for the officers, directors and employees of the Company and its subsidiaries. Each of those documents is posted on the Company's website at www.cleanharbors.com under "Investors Corporate Governance." A copy may also be obtained without cost by writing to Clean Harbors, Inc., 42 Longwater Drive, Norwell, MA 02061, Attention: Executive Office. In the event that any waiver of the Code of Ethics were approved by the Audit Committee or the full Board of Directors, such waiver would also be posted on the corporate website.

Director Independence

The Corporate Governance Guidelines adopted by the Board of Directors require that at least a majority of the Board of Directors be "independent" as defined by the rules of the New York Stock Exchange (the "NYSE") on which the Company's Common Stock is listed. To be considered independent under the NYSE rules, the Board must affirmatively determine that a director does not, except as a director or shareholder, have a direct or indirect material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). In making that determination, the Board must consider all relevant facts and circumstances. In particular (but without limitation as to the potential reasons for which a director might not be determined to be independent), a director is not independent if:

The director is, or has been within the last three years, an employee of the Company or the director has an immediate family member who is, or has been within the last three years, an executive officer of the Company.

The director has received, or has an immediate family member who 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 of the director is a current partner of the Company's internal or external auditor; (B) the director is a current employee of the Company's external auditing firm; (C) the director has an immediate family member who is a current employee of the Company's external auditing firm and 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 of the director is, or has been within the last three years, a partner or employee of the Company's external auditing firm and personally worked on the Company's audit within that time.

The director or an immediate family member of the director is, or has been within the last three years, employed as an executive officer of another company where any of the Company's present executive officers serve or served at the same time on that other company's compensation committee.

The director is a current employee, or an immediate family member of the director is a current executive officer, of a company 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 2% of such other company's consolidated gross revenues.

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The Board also has established the following categorical standards to assist it in determining director independence in accordance with the NYSE rules:

Stock Ownership. Ownership of stock in the Company by a director or a director's immediate family is not considered a relationship which would adversely impact a director's independence.

Commercial Relationships. The following commercial relationships are not considered material relationships that would impair a director's independence: (i) if a director of the Company is an executive officer or an employee of, or an immediate family member of a director is an executive officer of, another company that does business with the Company and the annual sales to, or purchases from, the Company are less than 1% of the annual revenues of such other company, and (ii) if a director of the Company is an executive officer of another company which is indebted to the Company, or to which the Company is indebted, and the total amount of either company's indebtedness to the other is less than 2% of the total consolidated assets of the company for which he or she serves as an executive officer.

Charitable Relationships. The following charitable relationship will not be considered a material relationship that would impair a director's independence: if a director, or an immediate family member of the director, serves as an executive officer, director or trustee of a charitable organization, and the Company's discretionary charitable contributions (if any) to that charitable organization in any single fiscal year are less than 1% (or \$500,000, whichever is less) of that charitable organization's annual consolidated gross revenues.

Personal Relationships. The following personal relationship will not be considered to be a material relationship that would impair a director's independence: if a director, or immediate family member of the director, receives from, or provides to, the Company products or services in the ordinary course and on substantially the same terms as those prevailing at the time for comparable products or services provided to unaffiliated third parties.

For relationships not qualifying within the foregoing guidelines, the determination of whether the relationship is material, and therefore whether the director is independent, shall be made by the directors who satisfy the foregoing independence guidelines. For purposes of these guidelines, "immediate family member" has the meaning defined in the NYSE rules. The Board and its Corporate Governance Committee monitor the Board's compliance with the NYSE requirements for director independence on an ongoing basis.

In accordance with current NYSE rules and the Board's own categorical standards of independence, the Board of Directors has determined that the following non-employee directors are "independent" and have no direct or indirect material relationship with the Company except as a director and shareholder: Eugene Banucci, John P. DeVillars, Edward G. Galante, John F. Kaslow, Daniel J. McCarthy, John T. Preston, Andrea Robertson, Thomas J. Shields and Lorne R. Waxlax. Accordingly, the Board has determined that nine out of the total of 11 current members of the Board are independent. The Board has determined that, to the extent (if any) the Company has had during the past three years any commercial relationships with any of the entities with which any of the independent directors are affiliated, those relationships fall below the categorical standards for commercial relationships, were established in the ordinary course of business on an arms-length basis, and are not material to the Company or those individuals or entities. The Board has also determined that each of Alan S. McKim and Rod Marlin are not independent. Alan S. McKim is the Company's President and Chief Executive Officer and, in such capacities, is an employee of the Company. Rod Marlin was the former President and Chief Executive Officer of Eveready Inc., which became a subsidiary of the Company on July 31, 2009. Mr. Marlin's holding company also received from the Company during 2009 Cdn \$752,561 in connection with the termination of a consulting agreement which such company previously had with Eveready and Mr. Marlin's agreement not to complete with, and to provide certain consulting services to, the Company. Between July 31, 2009 and July 31, 2010, Mr. Marlin also served as a consultant to the Company, and the

Company paid \$125,000 and \$175,000 to Mr. Marlin's holding company as consulting fees for services rendered by Mr. Marlin to the Company during 2009 and 2010, respectively.

Board Committees

The Board has established three committees: the Audit Committee, Compensation Committee and Corporate Governance Committee. The Board has determined that each of the committees of the Board consists solely of non-employee "independent directors" as defined by the rules of the New York Stock Exchange which are applicable to membership on such committees, and that each member of each committee is free of any relationship that would interfere with his or her ability to exercise independent judgment. Based upon their training and experience as described above under "Election of Directors," the Board has also determined that each of Andrea Robertson and Thomas J. Shields, who are two of the members of the Audit Committee, qualifies as an "audit committee financial expert" as defined by Item 407(d)(5)(ii) of Regulation S-K under the Securities Exchange Act of 1934. All members of the three committees are appointed by the Board, and each committee operates under a charter approved by the Board. As described above, those charters are available on the Company's website at www.cleanharbors.com under "Investors Corporate Governance." Copies may also be obtained without cost by writing to Clean Harbors, Inc., 42 Longwater Drive, Norwell, MA 02061, Attention: Executive Office.

Audit Committee

During 2010, Thomas Shields, Chairman, Eugene Banucci, John Kaslow and Andrea Robertson served on the Audit Committee. The primary functions of the Audit Committee are to select the Company's independent registered public accounting firm, review the scope of and approach to audit work, and meet with and review the activities of the Company's internal auditors and the Company's independent registered public accounting firm. During 2010, there were four meetings of the Audit Committee.

Compensation Committee

During 2010, Daniel McCarthy, Chairman, Eugene Banucci, John DeVillars and Lorne Waxlax served on the Compensation Committee. The primary responsibilities of the Compensation Committee are to recommend the base salary for the Chief Executive Officer to the full Board of Directors, manage the Company's management incentive cash bonus plans (which now consist of the CEO Annual Incentive Bonus Plan and the Management Incentive Plan, each as described below under "Compensation Discussion and Analysis"), equity incentive plans and employee stock purchase plan, review and approve other senior executive officer compensation, review and approve corporate management compensation policies, and oversee of the trustees of the Company's 401(k) Plan. The Committee also works with the CEO in developing near the beginning of each fiscal year annual goals for the CEO and his senior executive staff and determining over the course of each fiscal year whether any changes to such goals are necessary in order to adjust for effects of extraordinary events (such as a major acquisition or change in GAAP) which become effective during such year. Following the completion of each fiscal year, the Committee evaluates the level of success of the CEO and senior executive staff in achieving those goals during the year. The Compensation Committee held three meetings during 2010.

Corporate Governance Committee

During 2010, Lorne Waxlax, Chairman, John Kaslow, Thomas Shields and John Preston served for the entire year on the Corporate Governance Committee, and Edward Galante became an additional member commencing with his election the Board on September 21, 2010. The primary responsibilities of the Corporate Governance Committee are to serve as a nominating committee for directors and board

officers, recommend committee structures, review director independence and compensation, monitor the Company's social responsibility programs and assist the Board in reviewing the performance of the Board and the Chief Executive Officer. The Committee held four meetings during 2010.

Compensation Committee Interlocks and Insider Participation

No person who served as a member of the Board's Compensation Committee during the last fiscal year (Dr. Banucci and Messrs. McCarthy, DeVillars and Waxlax) has (i) served as one of the officers or employees of the Company or any of its subsidiaries; or (ii) any relationship requiring disclosure under Item 404 of Regulation S-K promulgated under the Securities Act of 1933, as amended. None of the Company's executive officers serve as a member of the board of directors or as a member of a compensation committee of any other company that has an executive officer serving as a member of the Company's Board or Compensation Committee.

Communications to the Independent Directors

Shareholders and other interested parties may communicate with the Board of Directors by mail or electronically. To communicate with independent members of the Company's Board, correspondence should be addressed to Daniel J. McCarthy, Lead Director, c/o William J. Geary, Corporate Counsel for Public Affairs, Clean Harbors, Inc., 42 Longwater Drive, Norwell, MA 02061-9149, or gearyb@cleanharbors.com. All correspondence received as such will be opened by the office of the Corporate Counsel for Public Affairs for the sole purpose of determining whether the contents represent a message to the independent directors. Any communication that is not in the nature of advertising, promotion of a product or service, or patently offensive material, will be forwarded promptly to the Lead Director for distribution to the other independent members of the Board.

Board Oversight of Risk Management

The Board of Directors has an active role, as a whole and also at the committee level, in overseeing management of the Company's risks. The Board regularly reviews reports from senior management and other information regarding the Company's credit, liquidity and operations and compliance with environmental, health and safety laws and policies, as well as the risks associated with each such matter. The Compensation Committee oversees management of risks relating to the Company's executive compensation plans and arrangements. The Audit Committee oversees management of financial risks and any potential conflicts of interest arising from related party transactions. The Corporate Governance Committee oversees risks associated with maintaining the independence of the Board of Directors. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board of Directors is regularly informed through committee reports about such risks. The Board also periodically asks the Company's executives to discuss the most likely sources of material future risks and how the Company is addressing and plans to address any significant potential vulnerability.

DIRECTOR COMPENSATION

The Company's policy during 2010 was to pay in cash to each non-employee an annual retainer fee of \$40,000, plus \$6,000 for serving on the Compensation Committee or Corporate Governance Committee, \$10,000 for serving on the Audit Committee, \$20,000 for serving as Chairman of the Audit Committee, and \$10,000 for serving as Chairman of the Compensation Committee or Corporate Governance Committee. The Company also paid an additional \$10,000 to the Lead Director. Directors were also reimbursed for the expenses they incurred in connection with service on the Board and its committees. The Company does not provide any pension, deferred compensation, or charitable award programs to any of its directors.

Prior to May of 2010, each of the Company's non-employee directors received a payment of \$1,000 for attendance at each board or committee meeting and received every three years a grant of 2,700 shares of restricted stock, of which one third vested immediately, one third vested at the end of one year and one third vested at the end of two years (subject to continued service as a director). Because of a desire to move away from the concept of payment of meeting fees and shift to annual from three-year equity grants, the Board voted on May 10, 2010 to eliminate the payment of meeting fees and change from three-year to annual awards of restricted stock. The number of shares of restricted stock for 2010 was determined by dividing \$75,000 by the closing price of the Company's common stock for the 15 trading days ending 5 days prior to the date of the annual meeting of shareholders and such restricted shares will vest on the date of the next annual meeting. In order to phase in the one-year restricted stock grants, the annual restricted stock grants to those directors who had previously received three-year options or restricted stock grants were reduced by the approximate value of any previous award attributable to the year from May 2010 to May 2011.

On May 10, 2010, the Company's Board of Directors therefore granted (i) 1,283 restricted shares of Common Stock to each of the three current non-employee Class III directors elected at the 2010 annual meeting for a three-year term, (ii) 787 restricted shares of Common Stock to each of the three current non-employee Class II directors elected at the 2009 annual meeting for a three-year term, and (iii) 383 restricted shares of Common Stock to each of the three current non-employee Class I directors elected at the 2008 annual meeting for a three-year term. In addition, on September 21, 2010, 855 restricted shares of Common Stock were awarded to a newly appointed Director. Such restricted shares of Common Stock awarded to the non-employee directors on May 10, 2010 and September 21, 2010 had a market value of \$62.53 per share and \$67.94 per share, respectively, on the date of grant. The restricted shares for each of the non-employee directors will vest, provided that such non-employee director continues to serve in such capacity, at the start of the Company's 2011 annual meeting of shareholders.

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The following table describes the compensation paid by the Company to each of its non-employee directors during 2010:

Name	Fees Earned	Stock Awards(1)	Option Awards(2)	All Other Compensation(3)	Total
Eugene Banucci	\$ 61,000	\$ 49,211			\$ 110,211
John P. DeVillars	\$ 52,333	\$ 80,226			\$ 132,559
Edward G. Galante	\$ 15,833	\$ 58,089			\$ 73,922
John F. Kaslow	\$ 62,333	\$ 49,211			\$ 111,544
Rod Marlin	\$ 16,667	\$ 23,949		\$ 175,000	\$ 215,616
Daniel J. McCarthy	\$ 63,667	\$ 80,226			\$ 143,893
John T. Preston	\$ 53,333	\$ 23,949			\$ 77,282
Andrea Robertson	\$ 56,000	\$ 80,226			\$ 136,226
Thomas J. Shields	\$ 70,667	\$ 49,211			\$ 119,878
Lorne R. Waxlax	\$ 62,667	\$ 23,949			\$