



Corporate Governance Committee Charter

Purpose

The Corporate Governance Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Sharps Compliance Corp. (the "Company") to ensure that the Board is appropriately constituted to meet its fiduciary obligations to the Company and its stockholders. The Committee assists in monitoring and shaping the corporate governance of the Company and assists the Board in connection with Board nominations matters. The Committee shall periodically review and assess the adequacy of the Company's Code of Ethics and make recommendations to the Board regarding any amendments, modifications or waivers of the provisions thereof.

Membership

The Committee shall be composed of at least three members of the Board, each of whom meets the independence requirements under the applicable listing standards of the NASDAQ Stock Market and the Securities and Exchange Commission. The members who shall be elected by the Board and serve until their successors are duly appointed and qualified. The Board shall elect the members of the Committee annually. The Board shall have the power at any time to change the membership of and fill vacancies in the Committee, subject to the satisfaction of such new member(s) of the membership requirements.

Responsibilities

The principal responsibilities and functions of the Committee are as follows:

- review and make recommendations to the Board annually with respect to the composition, size and needs of the Board;
- recommend criteria for Board membership, including the minimum qualifications for a nominee and the qualities and skills that the Committee believes are necessary or desirable for a Board member to possess;
- lead the search in identifying individuals qualified to become Board members. Before recommending a nominee, review and conduct the appropriate and necessary inquiries into the background and qualifications of possible candidates for director;
- recommend a slate of director nominees for approval by the Board and election by the stockholders in connection with the Annual Meeting of Stockholders. Recommend new directors for approval and election by the Board to fill vacancies on the Board, including any newly created directorships, as needed;
- review stockholder nominations for candidacy to the Board, if any and any shareholder proposals affecting corporate governance and make recommendations to the Board accordingly;
- review the composition of each committee of the Board and present recommendations to the Board for committee membership annually and to fill vacancies as needed;
- periodically review overall corporate governance principles, procedures and practices of the Company and make recommendations to the Board as appropriate;
- periodically review and report to the Board on the effectiveness of corporate governance;
- periodically review this Charter, the Company's Certificate of Incorporation, Bylaws and other corporate governance documents and recommend any changes or amendments to the Board, as the Committee deems appropriate, including changes necessary to satisfy any applicable requirements of the NASDAQ, the Securities and Exchange Commission and any other regulatory requirements;
- monitor the independence of directors under all applicable rules and regulations;
- review any potential conflicts of interest between the directors and the interests of the Company or its executive officers;
- oversee and review the Company's processes for providing information to the Board so that the Board obtains

appropriately detailed information in a timely fashion;

- periodically review and assess the adequacy of the Company's Code of Ethics and make recommendations to the Board regarding any proposed modifications or waivers of such code of business conduct; and
- provide a report of the Committee's activities to the full Board of Directors not less than once per year.

In addition to the responsibilities listed above, the Committee shall undertake such other duties as the Board delegates to it and perform such other activities as are consistent with this charter.

Meetings and Procedure

The Committee shall meet at least twice a year (including executive sessions at each meeting) or more often as may be deemed necessary or appropriate in its judgment, either in person or telephonically. A majority of the members of the Committee shall constitute a quorum. The Committee may act without a meeting by securing the unanimous written consent of the members of the Committee.

The Committee may invite to its meetings any Company director or other officer or other person (but such invited persons may not vote), and may exclude from its meetings any person it deems appropriate in order to carry out its responsibilities.