

STELLA-JONES INC.

DISCLOSURE/COMMUNICATIONS POLICY

Note: for the purposes of this Policy, Stella-Jones Inc. or SJI means Stella-Jones Inc., its subsidiaries and partnerships in which it holds a controlling interest.

1. OBJECTIVE AND SCOPE

- 1.1 The objective of this policy is to ensure that communications to the investing public about SJI are:
 - a. timely, factual and accurate; and
 - b. broadly disseminated in accordance with all applicable legal and regulatory requirements.
- 1.2 This disclosure policy confirms, in writing, SJI's existing disclosure policies and practices. Its goal is to raise awareness of SJI's approach to disclose, among the board of directors, senior management and employees.
- 1.3 This disclosure policy extends to all employees of SJI and its affiliates, its board of directors and those authorized to speak on its behalf. It covers disclosure in documents filed with the securities regulators and written statements made in SJI's annual and quarterly reports, news releases, letters to shareholders, presentations by senior management and information contained on SJI's Web site and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with media as well as speeches, press conferences and conference calls.

2. DISCLOSURE RESPONSIBILITY

- 2.1 SJI's President and Chief Executive Officer will determine when developments justify public disclosure in consultation with the Senior Vice-President and Chief Financial Officer, Vice-President, General Counsel and Secretary and, if deemed necessary, members of the Board of Directors. Such consultations will take place as conditions dictate. If it is deemed that the information should remain confidential, inside information will be controlled.

3. PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION

- 3.1 Material information is any information relating to the business and affairs of SJI that would reasonably be expected to result in a significant change in the market price or value of SJI's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decision(s). In complying with the requirement to disclose forthwith all material information under applicable laws and stock exchange rules, SJI will adhere to the following basic disclosure principles:
 - a. Material information will be publicly disclosed immediately via news release.
 - b. In certain circumstances, such disclosure would be unduly detrimental to SJI (for example if release of the information would prejudice negotiations in a corporate transaction), in which case the information will be kept confidential until it is appropriate to publicly disclose. In such circumstances, a confidential material change report will be filed with the applicable securities regulators, and the decision to keep the information confidential will periodically be reviewed.

- c. Disclosure must include any information the omission of which would make the rest of the disclosure misleading (half-truths are misleading).
- d. Unfavourable material information must be disclosed as promptly and completely as favourable information.
- e. No selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor). If previously undisclosed material information has been inadvertently disclosed to an analyst or any other person not bound by an express confidentiality obligation, such information must be broadly disclosed immediately via news release.
- f. Disclosure must be corrected immediately if SJI subsequently learns that earlier disclosure by SJI contained a material error at the time it was given.
- g. Disclosure on SJI's Web Site does not alone constitute adequate disclosure of material information.

4. TRADING RESTRICTIONS AND BLACKOUT PERIODS

- 4.1 Insiders and employees with knowledge of confidential or material information about SJI or counter-parties in negotiations of material transactions are prohibited from trading shares in SJI or any counter-party until the information has been disclosed and three days have passed following the issuance of a news release disclosing the material transaction.
- 4.2 Trading blackout periods will apply to those employees with access to material undisclosed information during periods when financial statements are being prepared but results have not yet been publicly disclosed. The blackout period commences one month prior to the scheduled release of quarterly results and ends on the third day following the issuance of a news release disclosing quarterly results.
- 4.3 Blackout periods may be prescribed from time to time as a result of special circumstances relating to SJI pursuant to which insiders of SJI would be precluded from trading in securities of SJI. All parties with knowledge of such special circumstances should be covered by the blackout.

5. MAINTAINING CONFIDENTIALITY

- 5.1 Any employee, director or officer privy to confidential information is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to such confidential information to only those who need to know the information and such persons will be advised that the information is to be kept confidential.
- 5.2 Outside parties privy to undisclosed material information concerning SJI will be told that they must not divulge such information to anyone else, other than in the necessary course of business and that they may not trade in SJI's securities until the information is publicly disclosed. Such outside parties, except those held to confidentiality by reason of their profession, will confirm their commitment to non-disclosure in the form of a written confidentiality undertaking.
- 5.3 In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed to the extent possible:

- a. Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who “need to know” that information in the necessary course of business and code names should be used if necessary. These documents, such as strategic plans or transaction descriptions, should not be copied, except for the purpose of employees who need them for their work.
- b. Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
- c. Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
- d. Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office. This includes the home.
- e. Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made with caution and only where it is reasonable to believe that confidentiality will be maintained.
- f. Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.

6. DESIGNATED SPOKEPERSONS

- 6.1 SJI designates a limited number of spokespersons responsible for communication with the investment community, regulators or the media:

Any questions dealing with SJI’s financial situation or results can only be answered by the following persons:

- President and Chief Executive Officer
- Senior Vice-President and Chief Financial Officer (or such person holding a comparable position)

Similarly, any approach to the media concerning these topics can only come from the above-mentioned persons.

- 6.2 General media inquiries concerning any other topics may be addressed to the above persons or the Vice-President, General Counsel and Secretary.
- 6.3 If such person deems it necessary due to the nature of the issue, he or she will refer the matter to the appropriate person after consultation with the President and Chief Executive Officer. In all cases, a spokesperson must express SJI’s view on any topic, not a personal opinion.

7. NEWS RELEASES

- 7.1 Once the President and Chief Executive Officer has determined that a development is material, he or she will authorize the issuance of a news release unless such developments must remain confidential for the time being, appropriate confidential filings are made and control of that inside information is instituted. Should a material statement inadvertently be made in a selective forum, SJI will immediately issue a news release in order to fully disclose that information.
- 7.2 If the stock exchange(s) upon which shares of SJI are listed is open for trading at the time of a proposed announcement, prior notice of a news release announcing material information must

be provided to the market surveillance department to enable a trading halt, if deemed necessary by the stock exchange. If a news release announcing material information is issued outside of trading hours, market surveillance must be notified before the market opens.

- 7.3 Annual and interim financial results will be publicly released immediately following Board approval of the financial statements.
- 7.4 News releases will be disseminated through an approved news wire service that provides simultaneous national and/or international distribution. News releases will be transmitted to all relevant regulatory bodies, major business wires, national financial media and the local media where SJI has its head office.
- 7.5 News releases will be posted on SJI's Web site immediately after release over the news wire. The news release page of the Web site shall include a notice that advises the reader that the information posted was accurate at the time of posting but may be superseded by subsequent news releases.

8. CONFERENCE CALLS

- 8.1 In the event that conference calls are held for quarterly earnings and major corporate developments, discussion of key aspects will be accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the Internet. The call will be preceded by a news release containing all relevant material information. At the beginning of the call, a SJI spokesperson will provide appropriate cautionary language with respect to any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties. SJI will provide advance notice of the conference call and webcast by issuing a news release announcing the date and time and providing information on how interested parties may access the call and webcast. In addition, SJI may send invitations to analysts, institutional investors, the media and others invited to participate.

9. RUMOURS

- 9.1 SJI does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. SJI'S spokespersons will respond consistently to those rumours, saying, "It is our policy not to comment on market rumours or speculation." Should the stock exchange request that SJI make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the President and Chief Executive Officer, in consultation with the Senior Vice-President and Chief Financial Officer, Vice-President, General Counsel and Secretary and, if deemed necessary, members of the board of directors, will consider the matter and decide whether to make a policy exception. If the rumour is true in whole or in part, SJI will immediately issue a news release disclosing the relevant material information, subject to the principles of disclosure of material information provided herein, which states that unduly detrimental material information may be kept confidential.

10. CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA

- 10.1 Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If SJI intends to announce material information at an analyst or shareholder meeting or a press conference, the announcement must be preceded by a news release.

- 10.2 SJI recognizes that meetings with analysts and significant investors are an important element of SJI's investor relations program. SJI will meet with analysts and investors on an individual or small group basis as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this disclosure policy.
- 10.3 SJI will provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information. SJI cannot alter the materiality of information by breaking down the information into smaller, non-material components.
- 10.4 SJI will maintain a "frequently asked questions" section on its Web site and will provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors.
- 10.5 Spokespersons will keep notes of telephone conversations with analysts and investors and where practicable more than one corporate representative will be present at all individual and group meetings.

11. REVIEWING ANALYST DRAFT REPORTS AND MODELS

- 11.1 It is SJI's policy to review, upon request, analysts' draft research reports or models. SJI will review the report or model for the purpose of pointing out errors in fact, based on publicly disclosed information. It is SJI's policy, when an analyst inquires with respect to his/her estimates, to question an analyst's assumptions if the estimate is significantly off the range of estimates and/or SJI's published earnings guidance.

12. DISTRIBUTING ANALYST REPORTS

- 12.1 Re-circulating a report by an analyst to persons outside SJI may be viewed as an endorsement by SJI of the report. For these reasons, in referring to analysts' reports, SJI will systematically provide a complete list, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on SJI. SJI does not post analyst reports on its Web site.

13. FORWARD-LOOKING INFORMATION

- 13.1 Should SJI elect to disclose forward-looking information (FLI) in continuous disclosure documents, speeches, conference calls, etc., the following guidelines will be observed.
 - a. The information, if deemed material, will be broadly disseminated via news release in accordance with this disclosure policy.
 - b. The information will be clearly identified as forward-looking.
 - c. SJI will identify all material assumptions used in the preparation of the FLI.
 - d. The information will be accompanied by a statement that identifies, in very specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement.
 - e. The information will be accompanied by a statement that disclaims SJI's intention or obligation to update or revise the FLI, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, SJI may choose to issue a news

release explaining the reasons for the difference. In this case, SJI will update its guidance on the anticipated impact on revenue and earnings (or other key metrics).

- 13.2 If SJI has issued a forecast or projection in connection with an offering document, SJI will update that forecast or projection periodically, as required by securities legislation.

14. DISCLOSURE RECORD PERIODS

- 14.1 The Secretary of SJI will maintain a five-year file containing all public information about SJI, including continuous disclosure documents and news releases.

15. MANAGING EXPECTATIONS

- 15.1 SJI will try to ensure, through its regular public dissemination of quantitative and qualitative information, that analysts' estimates are in line with SJI's own expectations. SJI will not confirm an analyst's opinions or conclusions and will not express comfort with analysts' models and earnings estimates.
- 15.2 If SJI has determined that it will be reporting results materially below or above publicly held expectations, it will disclose this information in a news release in order to enable discussion without risk of selective disclosure.

16. QUIET PERIODS

- 16.1 In order to avoid the potential for selective disclosure, SJI will observe a quarterly quiet period, during which SJI will not comment on current performance other than responding to inquiries concerning factual matters. The quiet period in any fiscal quarter commences one month prior to the scheduled release of quarterly results and ends on the third day following the issuance of a news release disclosing quarterly results.
- 16.2 Earnings guidance will be confirmed or revised quarterly in the quarterly results press release and conference call or following major business developments also in the related press release and conference call. Earnings guidance to anyone will refer to the most recent such public disclosure without undertaking to update the guidance.

17. RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS

- 17.1 This disclosure policy also applies to electronic communications. Accordingly, officers and personnel responsible for written and oral public disclosures shall also be responsible for electronic communications.
- 17.2 The Senior Vice-President and Chief Financial Officer is responsible for updating the investor relations section of SJI's Web site and is responsible, along with the Vice-President, General Counsel and Secretary, for monitoring all SJI information placed on the Web site to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws.
- 17.3 The Senior Vice-President and Chief Financial Officer shall also be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this disclosure policy shall be utilized in responding to electronic inquiries.
- 17.4 SJI's Web site does not include links to third party Web sites generally. The few exceptions to this rule must be approved by the President and Chief Executive Officer. Any such links will include a notice that advises the reader that he or she is leaving SJI's Web site and that SJI is

not responsible for the contents of the other site. For example, such a notice might read, “You are now leaving SJI’s Web site. SJI does not take any responsibility for reviewing, updating, or insuring accuracy of information on other Web sites. SJI disclaims responsibility for the legality of materials and copyright compliance on other Web sites”.

- 17.5 Investor relations material shall be contained within a separate section of SJI’s Web site and shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures. All data posted to the Web site, including text and audiovisual material, shall show the date such material was issued. Any material changes in information must be updated immediately. The Management Information Systems Department will maintain a log indicating the date that material information is posted and/or removed from the investor relations Web site. The minimum retention period for material corporate information on the Web site shall be two years.
- 17.6 Disclosure on SJI’s Web site alone does not constitute adequate disclosure of information that is considered material non-public information. Any disclosures of material information on its Web site will be preceded by the issuance of a news release.
- 17.7 In order to ensure that no material undisclosed information is inadvertently disclosed, employees are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to SJI’s activities or its securities. Employees who encounter a discussion pertaining to SJI should advise the Senior Vice-President and Chief Financial Officer and the Vice-President, General Counsel and Secretary, immediately, so the discussion may be monitored.

18. COMMUNICATION AND ENFORCEMENT

- 18.1 This disclosure policy extends to all employees of SJI, its board of directors and authorized spokespersons. New directors, officers and applicable employees will be provided with a copy of this disclosure policy and will be educated about its importance. This policy will be circulated whenever significant changes are made.
- 18.2 Any employee who violates this disclosure policy may face disciplinary action up to and including termination of his or her employment with SJI. The violation of this disclosure policy may also violate certain securities laws. If it appears that an employee may have violated such securities laws, SJI may refer the matter to the appropriate regulatory authorities, which could lead to penalties.

19. FINAL PROVISIONS

- 19.1 The Board of directors of SJI is responsible for monitoring SJI’s Disclosure Policy and practices, to ensure that they are in compliance with applicable legislation and that these policies and practices are communicated to its directors and officers. All directors, officers and employees of SJI are responsible for acting in accordance with SJI’s policies. The Board of directors may review and amend from time to time this Disclosure Policy if it deems it appropriate.

Reviewed and approved by the Board of Directors on December 11, 2019.