

## **Stella Jones Inc.**

("Stella-Jones" or the "Corporation")

### **Non-Executive Director Share Ownership Guidelines**

To further align the interests of Stella-Jones' Board of Directors (the "Board") with our shareholders and help promote sound corporate governance, the Board has adopted these Director Share Ownership Guidelines for non-executive directors ("Non-Executive Director Guidelines").

For executive Director share ownership requirements, please refer to the Corporation's Share Ownership Guidelines for Senior Management.

#### **Share Ownership Requirement**

Pursuant to these Non-Executive Director Guidelines, each non-executive Director is required to own, in Stella-Jones common shares ("Common Shares"), at least three times their total annual Board remuneration. Board remuneration shall include each Director's Board and Committee cash retainer plus the cash equivalent of awarded deferred share units.

For purposes of determining whether the Non-Executive Director Guidelines are satisfied, the following sources of share ownership will be included:

- Common Shares purchased by the Director on the open market or acquired from treasury upon exercise of stock options or otherwise; and
- deferred share units of the Corporation granted to the Director by the Corporation.

#### **Timeline and Threshold**

Directors are required to achieve the Non-Executive Director Guidelines within the later of five years after becoming a Board member or the coming into force of these Guidelines, and for as long as they are a member of the Board. The Non-Executive Guidelines shall be maintained for a minimum of two fiscal quarters following cessation of Board duties.

Share prices of all companies are subject to market volatility. The Board believes that it would be unfair to require a Director to purchase additional shares simply because of a change in the price of Common Shares. For the purposes of these Non-Executive Director Guidelines, the share value shall be based on the greater of the market price of the Common Shares as of the relevant determination date (being July 1<sup>st</sup> of each year), and the price paid by the Director for his or her Common shares (or the grant date fair value of his or her deferred share units).

#### **Compliance**

For the purposes of determining whether the Non-Executive Director Guidelines are satisfied, Common Shares underlying any unexercised outstanding stock option, whether or not vested, will not be included. Additionally, a minimum of 25% of the total value of the Non-Executive Director Guidelines must be comprised of Common Shares.

Individual Board member compliance with these Non-Executive Director Guidelines will be evaluated by the Governance and Nomination Committee, which shall prepare a compliance report to the Board on an annual basis.

Reviewed and approved by the Board of Directors on December 10, 2024.