

**STELLA
JONES**



**MANAGEMENT
PROXY CIRCULAR**

Notice of Annual Meeting of
Shareholders for the Meeting
to be held on May 6, 2026

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Letter from the Chair of the Board

Dear Shareholders,

I am pleased to invite you to the 2026 Annual General Meeting of Stella-Jones (the “Meeting”), to be held on May 6, 2026, in a hybrid format, both in person and by live webcast. Together, the Meeting and the accompanying management proxy circular serve as an important forum for reviewing our progress and highlighting the Board’s commitment to strong corporate governance, sustainability and long-term value creation.

Over the past year, the Board has remained actively engaged in overseeing Stella-Jones’ corporate strategy and governance practices, with a clear emphasis on effective oversight, prudent risk management and alignment with shareholder and stakeholder interests – including regular review of strategic priorities, capital deployment and sustainability matters.

Sustainability continues to be firmly embedded in Stella-Jones’ strategic direction. Stella-Jones is advancing its five-year sustainability strategic plan, “Connecting our Sustainable Future,” with progress on priorities across our key strategic topics. At every stage, Stella-Jones’ commitment to sustainability informs how it operates and how it serves its stakeholders. The Board maintains a steady focus on tracking and encouraging progress in these areas, reflecting its commitment to being a leading corporate citizenship and to doing what is right for the benefit of our people, clients and shareholders.

The Board also places significant importance on constructive engagement with shareholders and other key stakeholders. During 2025, the Board initiated meetings and discussions with shareholders collectively owning approximately 30% of our issued and outstanding shares. The Board views these discussions as an essential element of its governance responsibilities, as they provide valuable perspectives that inform its oversight and help ensure that Stella-Jones’ practices and disclosures remain responsive to shareholder expectations.

During the year, Stella-Jones held an Investor Day, at which it unveiled its infrastructure-focused vision for growth and reiterated management’s strategic priorities to accelerate shareholder value creation. The Board continues to oversee the execution of this strategy and to monitor the alignment between strategic initiatives, capital allocation and risk management. In this context, the Board recognizes Stella-Jones’ 25 consecutive years of sales growth and remains attentive to maintaining the financial discipline necessary to support its continued trajectory.

Board composition and renewal are fundamental to effective governance, and in 2025, the Governance and Nomination Committee recommended the appointment of two new directors, Renée Laflamme and Sean Donnelly. Their addition and skillsets further strengthen the Board’s collective expertise and enhance its ability to support management and oversee Stella-Jones’ strategy.

Executive compensation and leadership succession are also key areas of Board oversight. In 2025, with the assistance of the Human Resources and Compensation Committee, the Board completed a thorough compensation review. This review included updating Stella-Jones’ comparator group for executive compensation benchmarking and conducting the annual review of Stella-Jones’ long-term and short-term incentive plans to ensure market competitiveness and alignment with Stella-Jones’ strategic ambitions. The Board also enhanced and expanded its succession planning review process for Stella-Jones’ executives in 2025, and intends to build on this work to ensure Stella-Jones is well-positioned for executive leadership transitions in the future.

2025 was a year marked by meaningful accomplishments and continued enhancements across the organization. The Board remains steadfast in its mission to support Stella-Jones as it enters its next phase of growth, guided by a long-term perspective and a continued focus on value creation.

On behalf of the Board of Directors, I wish to recognize the unwavering commitment and dedication of Stella-Jones' employees in executing Stella-Jones' mission to support infrastructure that connects communities, both locally and across North America. I also extend my sincere appreciation to you, our shareholders, for your continued confidence and support, and I look forward to welcoming you at our Meeting.

Sincerely,

A handwritten signature in black ink, appearing to be 'K. Lehman', written in a cursive style.

Katherine A. Lehman
Chair of the Board of Directors

Notice of Annual Meeting of Shareholders



QR Code

Scan this QR code
to vote with your
mobile device

You are invited to attend the 2026 annual meeting (the “Meeting”) of shareholders of Stella-Jones Inc. (the “Corporation”).

When

11:00 a.m. EDT
May 6, 2026

Where

1250 René-Lévesque
Blvd. West, Suite 3610
Montréal, Québec
H3B 4W8

Virtual Access

<https://meetings.lumiconnect.com/400-859-260-305>

Enter your 15-digit control number
Password: “stella2026” (case sensitive)

Items of Business

- 1 Receive the annual consolidated financial statements for the financial year ended December 31, 2025 and the independent auditor’s report thereon (see page 11 of the management proxy circular of the Corporation dated March 12, 2026 (the “Circular”));
- 2 Appoint the auditors and authorize the directors to fix their remuneration (see page 11 of the Circular);
- 3 Elect the directors (see page 13 of the Circular);
- 4 Consider a non-binding advisory resolution on our approach to executive compensation (see page 13 of the Circular); and
- 5 Transact any other business that may properly come before the meeting.

Notice-and-Access

As part of an effort to reduce paper waste and mailing costs, we are using the notice-and-access rules permitted by Canadian securities regulators to deliver to Registered Shareholders (as defined below) and Non-Registered Shareholders (as defined below) the Circular and other proxy-related materials (together, the “Proxy Materials”), as well as our annual report, which includes, among other things, the audited consolidated financial statements of the Corporation for the fiscal year ended



December 31, 2025, and the independent auditor’s report thereon, and related management’s discussion and analysis (together, the “Financial Materials”).

Under the notice-and-access procedures, instead of receiving paper copies of the Proxy Materials and the Financial Materials, Shareholders receive a copy of this notice of meeting of shareholders and notice of availability of materials (the “Notice of Meeting”), and a form of proxy or voting instruction form, as applicable.

How to access the Proxy Materials and Financial Materials

The Proxy Materials and the Financial Materials are available at www.envisionreports.com/SJI2026 and on SEDAR+ at www.sedarplus.ca.

Registered Shareholders may request paper copies of the Proxy Materials or Financial Materials by mail, free of charge by calling the Corporation’s transfer agent, Computershare Investor Services Inc. (“Computershare”), toll-free at +1-866-962-0498 within North America or +1-514-982-8716 outside North America and by entering the 15-digit Control Number indicated on the proxy form sent by mail or email. Non-Registered Shareholders may request paper copies of the Proxy Materials and Financial Materials by calling their intermediaries.

To ensure you receive the Proxy Materials or Financial Materials in advance of the voting deadline and the Meeting, all requests for paper copies must be received no later than April 22, 2026, being 10 business days before the Meeting. If you do request a paper copy of the Proxy Materials or Financial Materials, please note that you will not receive a new form of proxy or voting instruction form. Therefore, please retain the original form received with the Notice of Meeting in order to vote for your voting purposes. After the Meeting, you can request paper copies by telephone at +1 514-934-8666 or by email at secretary@stella-jones.com.

You have a right to vote

If you held common shares of the Corporation (the “Shares”) at the close of business on March 12, 2026, being the record date, you are eligible to vote your Shares at the Meeting. We encourage you to attend the Meeting, either in person or virtually and vote your Shares.

Registered Shareholders

You are a “Registered Shareholder” if your Shares are held in your name.

Non-Registered Shareholders

You are a “Non-Registered Shareholder” if your Shares are listed in an account statement provided to you by an intermediary. If you are a Non-Registered Shareholder and wish to appoint yourself as proxyholder to attend, participate and vote at the Meeting, you MUST register such proxyholder after having submitted your voting instruction form identifying yourself as proxyholder. Non-Registered Shareholders whose Shares are registered in the name of an intermediary should carefully follow the voting instructions provided by the intermediary or as described elsewhere in the Circular.

Shareholders who are unable to attend the Meeting or who wish to vote in advance of the Meeting, are asked to carefully follow the instructions on the proxy or voting instruction form or as described elsewhere in the Circular. Only Registered Shareholders and proxyholders may attend, submit questions and vote at the Meeting. Guests will be able to attend the Meeting, but will not be able to submit questions, vote their shares (if any) or otherwise participate in the Meeting.

To be valid, proxies must be received by Computershare via the internet at www.investorvote.com or by mail at 320 Bay Street, 14th, Toronto, Ontario, M5H 4A6, no later than May 4, 2026, at 5:00 p.m. (Montréal time) or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to any such adjourned Meeting.

Shareholders are reminded to read the Circular carefully before voting their Shares.



Questions

If you have any questions regarding this Notice of Meeting, the notice-and-access procedures or the Meeting, whether you are a Registered or Non-Registered Shareholder, please contact Computershare at 1-800-564-6253 or at 1-514-982-7555 (outside North America), or at service@computershare.com.

We look forward to welcoming you to the Meeting on May 6, 2026.

By order of the Board of Directors,

A handwritten signature in black ink, appearing to read 'JPK', is written over a faint, light-colored signature line.

James P. Kenner
Senior Vice-President, Chief Legal Officer and Secretary
Montreal, Quebec, March 12, 2026

Useful Information

Certain Defined Terms

In this document, referred to as this “Circular”, the terms “you” and “your” refer to a shareholder of the Corporation, while “we”, “us”, “our”, “Corporation” and “Stella-Jones” refer to Stella-Jones Inc. and where applicable, its subsidiaries.

Currency, Exchange Rates and Share Prices

All amounts referred to in this Circular are presented in Canadian dollars, unless otherwise stated.

Non-GAAP and Other Financial Measures

This document includes non-GAAP financial measures and non-GAAP ratios. Such measures are not prescribed by International Financial Reporting Standards as issued by the International Accounting Standards Board and may therefore not be comparable to similar measures presented by other issuers. Management considers these non-GAAP measures to be useful information to assist knowledgeable investors to understand the Corporation’s operating results, financial position and cash flows as they provide a supplemental measure of its performance.

Definitions of all non-GAAP and other financial measures are in this document to give the reader a better understanding of the indicators used by management.

Information Currency

The information in this Circular is current as of March 12, 2026 unless otherwise stated.

Section 1 – Notice and Access

Management Proxy Circular



This Circular is furnished by the management of Stella-Jones in connection with the solicitation of proxies for use at the annual meeting of shareholders of the Corporation (the “Meeting”) to be held on Wednesday, May 6, 2026, or any adjournment thereof, in a hybrid format, at the time and place and for the purposes mentioned in the notice of meeting or shareholders and notice of availability of materials (the “Notice of Meeting”). The solicitation is made primarily by mail; however, officers and employees of the Corporation may solicit proxies directly, but without additional compensation. The Corporation may also reimburse brokers and other persons who hold common shares of Stella-Jones (“Shares”) in their names, or in the names of nominees, for the costs they incur in forwarding the Proxy Materials to principals and obtaining their proxies. The cost of the solicitation is borne by the Corporation. This cost is expected to be nominal.

The Corporation is using the notice-and-access (“Notice-and-Access”) procedures permitted by Canadian securities laws for the delivery of the Circular and other proxy-related materials (together, the “Proxy Materials”), as well as its annual report, which includes, among other things, the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2025, and the independent auditor’s report thereon, and related management’s discussion and analysis (together, the “Financial Materials”) to both Registered Shareholders (as defined below) and Non-Registered Shareholders (as defined below).

Under the Notice-and-Access procedures, instead of receiving paper copies of the Proxy Materials and the Financial Materials, shareholders of the Corporation (“Shareholders”) will receive a copy of the Notice of Meeting and a form of proxy or voting instruction form, as applicable. Notice-and-Access gives Shareholders more choice, substantially reduces the Corporation’s printing and mailing costs, and is environmentally friendly as it reduces paper and energy consumption.

Access to Proxy Materials and Financial Materials

The Proxy Materials and Financial Materials are available at www.envisionreports.com/SJI2026 and under the Corporation’s profile on SEDAR+ at www.sedarplus.ca.

Registered Shareholders may request paper copies of the Proxy Materials or Financial Materials by mail, free of charge by calling the Corporation’s transfer agent, Computershare Investor Services Inc. (the “Transfer Agent”), toll-free at +1-866-962-0498 within North America or +1-514-982-8716 outside North America and by entering the 15-digit Control Number indicated on the proxy form sent by mail or email. Non-Registered Shareholders may request paper copies of the Proxy Materials and Financial Materials by calling their Intermediaries (as defined below).

To ensure Shareholders receive the Proxy Materials or Financial Materials in advance of the voting deadline and the Meeting, all requests for paper copies must be received no later than April 22, 2026, being 10 business days before the Meeting. If you do request a paper copy of the Proxy Materials or Financial Materials, please note that you will not receive a new form of proxy or voting instruction form. Therefore, please retain the original form received with the Notice of Meeting in order to vote for your voting purposes. After the Meeting, you can request paper copies by telephone at 1 514-934-8666 or by email at secretary@stella-jones.com.

If you have any questions regarding the Meeting or the Notice-and-Access procedures, whether you are a Registered or Non-Registered Shareholder, please call Computershare at +1-800-564-6253 at +1-866-964-0492 (toll-free in North America) or at 1-514-982-7555 (outside North America), or by email at service@computershare.com.

Section 2 – Voting and Meeting Information

Management Proxy Circular



Shares and Quorum

The record date for determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is March 12, 2026 (the “Record Date”). The list of Shareholders on the Record Date is available for inspection by appointment during usual business hours at Computershare, 650 de Maisonneuve Blvd. West, 7th floor, Montréal, Québec H3A 3T2, and at the Meeting. Each Share carries the right to one vote. As at March 12, 2026, 54,583,771 Shares were issued and outstanding.

The Meeting may proceed and business transacted only if, at its commencement, holders of at least 25% of the Shares entitled to vote are present in person, online, or represented by proxy, regardless of the number of individuals physically present. Unless otherwise disclosed, a simple majority is required for each item of business to be passed at the Meeting.

Principal Shareholders

To the knowledge of the directors and officers of the Corporation, Caisse de dépôt et placement du Québec (“La Caisse”) and Baillie Gifford & Company, LTD are the sole persons or companies who beneficially own or exercise control or direction over Shares carrying 10% or more of the voting rights attached to the Shares of the Corporation, as follows:

Name	Number of Shares	% of Outstanding Shares
La Caisse	7,521,414	13.78%
Baillie Gifford & Company, LTD	6,016,337	11.02%

Attending the Meeting

The Corporation will hold its Meeting in a hybrid format. Registered Shareholders and duly appointed proxyholders, including Non-Registered Shareholders who beneficially own their Shares through an Intermediary and who have appointed themselves or another person as a proxyholder, will be able to attend, participate, and vote at the Meeting. The Meeting will begin promptly at 11:00 a.m. (Eastern Time) on May 6, 2026, unless otherwise adjourned or postponed.

Shareholders will have an equal opportunity to participate at the Meeting regardless of their geographic location. As the vast majority of Shareholders generally vote by proxy in advance of the Meeting, and Shareholders continue to be encouraged to do so.

The Meeting allows Registered Shareholders and duly appointed proxyholders to ask questions and vote regardless of whether they are participating in person or virtually. Guests, including Non-Registered Shareholders who have not duly appointed themselves or another person as a proxyholder, can attend the Meeting in person or virtually but, in either case, cannot vote nor ask questions.

In person

At Lumi Experience at 1250, René-Lévesque Blvd W., Suite 3610, Montréal, Québec H3B 4W8.

Virtually

Via live webcast by following these instructions, as applicable to you:

- Log in online at <https://meetings.lumiconnect.com/400-859-260-305>
- Click “Login” and then enter your 15-digit control number and the following password: “stella2026” (note the password is case sensitive); OR
- Click “Guest” and then complete the online form.

In order to find the Control Number to access the Meeting virtually:

- **Registered Shareholders:** The 15-digit control number is located on the form of proxy or in the email notification you received. If you use your control number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish to revoke a previously submitted proxy, you should not vote during the Meeting.
 - **Proxyholders:** The four-letter control number will have been provided by email from Computershare following your registration, following the instructions set forth in the section “Appointment of Proxyholders to vote at the Meeting”. Failure to register your proxyholder will result in the proxyholder not receiving a control number, which is required to vote at the Meeting.
-

Shareholders and duly appointed proxyholders who are attending via live webcast, including Non-Registered Shareholders who have appointed themselves or another person as a proxyholder, should log in at least 15 minutes before the start time of the Meeting and ensure they remain connected to the internet at all times during the Meeting in order to vote when balloting commences.

The Lumi platform is supported on Android, iOS, Chrome, Safari, Edge or Firefox. Internet Explorer is not supported. Internal network security protocols including firewalls and VPN connections may block access to the Lumi platform. If you are experiencing any difficulty connecting or watching the Meeting, ensure your VPN setting is disabled or use a computer on a network not restricted to security settings of your organization. For further assistance, you may contact Lumi technical support at support-ca@lumiglobal.com, which is available starting one hour prior to the Meeting.

Voting your Shares

As a Shareholder, it is very important that you read the following information on how to vote your Shares and then vote your Shares, either by proxy or by attending the Meeting. How you can vote your Shares depends on whether you are a Registered Shareholder or a Non-Registered Shareholder.

Registered Shareholders You are a “Registered Shareholder” if your Shares are registered directly in your name with Computershare. You may hold your Shares in the form of a physical share certificate or through the direct registration system (DRS) on the records of Computershare in electronic form.

Non-Registered Shareholders You are a “Non-Registered Shareholder” when an intermediary (such as a broker, a bank, a trust company or another financial institution) (an “Intermediary”) holds your Shares in your name. Intermediaries are required to request voting instructions from Non-Registered Shareholders prior to the Meeting. Intermediaries have their own procedures for sending materials and their own voting instructions. In Canada, brokers often use a service provider, such as Broadridge Financial Solutions Inc., to forward meeting materials to Non-Registered Shareholders and to obtain their clients’ instructions.

To attend the Meeting with full privileges, including the right to vote and ask questions, you **MUST** appoint yourself as your proxy by inserting your own name in the space provided on the voting instruction form sent to you and follow all of the applicable instructions, including the deadline, provided by your Intermediary. See the section “Appointment of Proxyholders” below.

If you have questions on how to exercise voting rights carried by Shares held through an Intermediary, please contact your Intermediary directly.

Option 1: Vote by Proxy in advance of the Meeting

Registered Shareholders

By Mail Complete your form of proxy following the instructions provided and return it in the business reply envelope provided for receipt before 5:00 p.m. (Eastern Time) on May 4, 2026.

By Internet Go to the website www.investorvote.com and follow the instructions on the screen. Your voting instructions are then conveyed electronically over the Internet.
You will need the 15-digit control number found on your form of proxy or contained in an email from Computershare.
The cut-off time for voting over the Internet is 5:00 p.m. (Eastern Time) on May 4, 2026.

By Telephone Voting by proxy using the telephone is only available to Shareholders located in Canada or the United States. Call 1-866-732-VOTE (8683) (toll-free in Canada and the United States) from a touchtone telephone and follow the instructions. Your voting instructions are then conveyed by using touchtone selections over the telephone.
You will need the 15-digit control number found on your form of proxy or contained in an email from Computershare.
If you choose to convey your instructions by telephone, you cannot appoint as your proxyholder any person other than the Named Proxyholders (as defined below).
The cut-off time for voting over the telephone is 5:00 p.m. (Eastern Time) on May 4, 2026.

Non-Registered Shareholders

Your Intermediary is required to ask for your voting instructions before the Meeting. Please contact your Intermediary if you did not receive a request for voting instructions. In most cases, Non-Registered Shareholders will receive a voting instruction form which allows them to provide their voting instructions by mail, by the Internet or by telephone.

By Mail You may vote your Shares by completing the voting instruction form as directed on the form and returning it in the business reply envelope provided for receipt before 5:00 p.m. (Eastern Time) on May 4, 2026.

By Internet Go to the website at www.proxyvote.com and follow the instructions on the screen. Your voting instructions are then conveyed electronically over the Internet. You will need the 16-digit control number found on your voting instruction form or contained in an email from your Intermediary.
The cut-off time for voting over the Internet is 5:00 p.m. (Eastern Time) on May 4, 2026.

By Telephone Voting by proxy using the telephone is only available to Shareholders located in Canada or the United States. Call 1-800-474-7493 or 1-800-474-7501 (toll-free in Canada and the United States in English or French) from a touchtone telephone and follow the instructions. Your voting instructions are then conveyed by using touchtone selections over the telephone.
You will need the 16-digit control number found on your voting instruction form or contained in an email from your Intermediary.
If you choose to convey your instructions by telephone, you cannot appoint as your proxyholder any person other than the Named Proxyholders (as defined below).
The cut-off time for voting over the telephone is 5:00 p.m. (Eastern Time) on May 4, 2026.



Option 2: Vote at the Meeting

Registered Shareholders

In person You do not need to complete or return your form of proxy. You will only need to register at the registration desk at Lumi Experience – 1250 René-Lévesque Blvd. West, Suite 3610, Montréal, Québec H3B 4W8.

Virtually If you are a Registered Shareholder, you will be able to attend, participate, submit questions and vote at the Meeting by logging in online and following the instructions under the section “Attending the Meeting”.

Non-Registered Shareholders

In person If you are a Non-Registered Shareholder, you can vote your Shares at the Meeting if you have instructed your Intermediary to appoint you as proxyholder by submitting your voting instruction form identifying yourself as proxyholder. To do this, enter your name in the appropriate box on the website or write your name in the blank space provided on the voting instruction form.

Virtually If you are a Non-Registered Shareholder, you can vote your Shares at the Meeting if you have instructed your Intermediary to appoint you as proxyholder by submitting your voting instruction form identifying yourself as proxyholder.

If you are a Non-Registered Shareholder and you have not instructed your Intermediary to appoint you as proxyholder, you will not be able to vote at the Meeting, but you will be able to participate as a guest. This is because your Shares are registered in the name of your Intermediary (instead of your name) and as a result, the Intermediary will have no knowledge of your entitlement to vote, unless you instruct your Intermediary to appoint you as proxyholder. Please refer to the section of this Circular “Appointment of Proxyholders to vote at the Meeting” below for instructions on how to appoint a proxyholder to vote at the Meeting.

In order to vote at the Meeting, YOU MUST ALSO visit www.computershare.com/stella-jones and provide the required proxyholder contact information by 5:00 p.m. (Eastern Time) on May 4, 2026 so that Computershare may provide the proxyholder with a four-letter code via email the day before the Meeting. Without the four-letter code you (if you appointed yourself as proxyholder) or your proxyholder will not be able to participate, interact, ask questions or vote at the Meeting, but you will be able to attend as a guest.

For further information on how to access the Meeting, follow the instructions under the section “Attending the Meeting”.



Appointment of Proxyholders

The persons named as proxyholders in the accompanying form of proxy or the voting instruction form are executive officers of the Corporation (the “Named Proxyholders”). Every Shareholder has the right to appoint as proxyholder a person other than the Named Proxyholders by inserting the name of his/her chosen proxyholder in the blank space provided for that purpose in the form of proxy or voting instruction form. A person acting as proxyholder need not be a Shareholder.

EXERCISE OF DISCRETION BY PROXYHOLDERS

The Named Proxyholders will vote (or withhold from voting, if applicable) all the Shares in respect of which they are appointed to act in accordance with the instructions indicated on the form of proxy or voting instruction form. If a Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. If no instructions are given, the Shares will be voted by the Named Proxyholders FOR:

- the appointment of the auditor
- the election of directors
- the adoption of an advisory, non-binding resolution in respect of our approach to executive compensation

HOW TO APPOINT YOURSELF OR A THIRD-PARTY PROXYHOLDER

Any Shareholder wishing to appoint a person (who need not be a Shareholder) other than the Named Proxyholders to represent such Shareholder at the Meeting must complete the following steps:

Registered Shareholder

First, you need to appoint yourself or a third-party proxyholder by (i) following the instructions on your proxy form or (ii) visiting www.investorvote.com.

You can also change your proxyholder online at www.investorvote.com.

Second, you must visit www.computershare.com/stella-jones and provide the required proxyholder contact information, by 5:00 p.m. (Eastern Time) on May 4, 2026 so that Computershare may provide the proxyholder with a four-letter code via email the day before the Meeting. Without a four-letter code, your proxyholder will not be able to participate, interact, ask questions or vote at the Meeting, but will be able to attend as a guest.

Non-Registered Shareholder

First, you need to appoint yourself or the third-party proxyholder by (i) following the instructions on your voting instruction form, completing the voting instruction form and returning it to your Intermediary, (ii) visiting www.proxyvote.com, or (iii) telephone if your Intermediary provides you with this option. You must follow the instructions and deadlines provided by your Intermediary in order to do so.

Second, you must visit www.computershare.com/stella-jones and provide the required proxyholder contact information, by 5:00 p.m. (Eastern Time) on May 4, 2026 so that Computershare may provide the proxyholder with a four-letter code via email the day before the Meeting. Without a four-letter code, your proxyholder will not be able to participate, interact, ask questions or vote at the Meeting, but will be able to attend as a guest.

The steps above must be completed prior to the proxy deadline or neither you nor your third-party proxyholder will be able to participate and vote at the Meeting.

Shareholders or duly appointed proxyholders requiring assistance should contact Computershare toll-free at 1-800-564-6253, by email at service@computershare.com or by mail at Computershare Investor Services Inc., 650 de Maisonneuve Boulevard West, 7th Floor, Montréal, Québec, H3A 3T2.

HOW TO REVOKE A PROXY

A Shareholder has the right to revoke a proxy by any of the following methods:

- (a) vote again by phone or online no later than 5:00 p.m. (Eastern Time) on May 4, 2026, or if the Meeting is adjourned, at least 48 hours (excluding weekends and holidays) before the Meeting is resumed; or
- (b) deliver another completed and signed form of proxy or voting instruction form dated later than the first proxy form or voting instruction form, to the Corporation's Senior Vice-President and Chief Legal Officer at 3100 de la Côte-Vertu Blvd., Suite 300, Saint-Laurent, Québec H4R 2J8, or Computershare at 650 de Maisonneuve Blvd. W., 7th Floor, Montréal, Québec, H3A 3T2, by no later than 5:00 p.m. (Eastern Time) on May 4, 2026, or if the Meeting is adjourned, at least 48 hours (excluding weekends and holidays) before the Meeting is resumed.



Section 3 – Business of the Meeting



1 | Presentation of the Audited Consolidated Financial Statements and the Independent Auditor’s Report

The audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2025, and the independent auditor’s report thereon (the “Financial Statements”) will be presented to Shareholders at the Meeting, but will not be subject to a vote. The Financial Statements are available at www.envisionreports.com/SJI2026 or on SEDAR+ at www.sedarplus.ca.

2 | Appointment of Auditors

The Board of Directors of the Corporation (the “Board”), on recommendation of the Audit Committee, proposes that PricewaterhouseCoopers LLP (“PwC”) be re-appointed as auditors of the Corporation to hold office until the close of the next annual meeting of Shareholders and that the directors of the Corporation be authorized to fix their remuneration. PwC has acted as auditors of the Corporation since May 7, 2008. They also served as the Corporation’s auditors from the time of the Corporation’s incorporation until May 4, 2005.

At the Corporation’s annual meeting of Shareholders held on May 7, 2025, 98.84% of shareholder votes cast voted for PwC as the Corporation’s auditors.

If you have not specified how you want your Shares voted and if you have authorized the Named Proxyholders as your Proxyholder, the Named Proxyholders will vote FOR the appointment of PwC as the Corporation’s auditors and to vote FOR authorizing the Board to determine their remuneration.

External Auditors Review and Engagement

The Audit Committee is responsible for oversight of the independence, qualifications and performance of the external auditors. In assessing whether to recommend the reappointment of PwC to the Board, the Audit Committee annually reviews PwC’s performance and independence based on the following key factors:

- the independence, objectivity and professional skepticism of the external auditors;
- the qualification, expertise and resources of the external auditors;
- the nature and quality of the services provided, including consideration of audit quality indicators, and the effectiveness of the audit process; and
- the communication and interaction between the external auditors and the Corporation.

The Audit Committee also assesses the auditors’ use of data-driven tools, such as automation, analytics, and artificial intelligence, to ensure the Corporation is receiving the benefits of improved efficiencies, quality, and insights from these technologies. The annual review takes into consideration the benefits and risks of having a long-tenured auditor as well as the controls and processes in place to ensure auditor independence.

To support this oversight, the Audit Committee has adopted an Auditor Independence Policy designed to prevent relationships that could impair, or be perceived to impair, the external auditor’s objectivity. The policy covers, among others, (a) the identification of services that may and may not be performed by the external auditors; (b) the governance procedures to be followed prior to approving and retaining services from its external auditors, which require pre-approval of all audit and non-audit services, and agreeing to fees relating to such services; (c) a restriction in the amount of non-audit services that can be awarded to PwC to less than 30% of the total fees paid to PwC in each financial year, (d) the reporting of services rendered to the Audit Committee; (e) a requirement to perform a comprehensive review every five (5) years with annual assessments based on audit quality indicators following each audit; (f) mandatory rotation of the lead audit partner and a prohibition to reappoint a prior audit partner in such capacity; and (g) required cooling off periods by partners, former partners, directors or former directors of the external auditors prior to serving in financial oversight roles for the Corporation.

The Audit Committee periodically considers the benefits of a formal request for proposal process regarding the selection of the independent audit firm as part of its governance oversight. As part of its most recent evaluation, the Audit Committee focused on



the mandatory rotation of the lead engagement partner as a key mechanism to ensure continued auditor independence. To ensure a seamless transition and maintain the highest standards of audit quality, the Audit Committee proactively managed this rotation process. In 2025, the Audit Committee selected a partner-elect who will begin shadowing the incumbent partner during the 2026 audit cycle before formally assuming the lead role for the 2027 audit.

In 2025, as required by the Corporation's Auditor Independence Policy, the Audit Committee conducted its first comprehensive review of the Corporation's external auditors to assess audit quality and independence standards in accordance with the guidance published by Chartered Professional Accountants Canada, the Canadian Public Accountability Board and the Institute of Corporate Directors. This review was broader and more in-depth than the Audit Committee's annual auditor assessment and focused on the following key factors affecting audit quality: (i) independence, objectivity and professional skepticism of the external auditors; (ii) quality of the external auditors' engagement team; (iii) quality of the communications and interactions between the Audit Committee and the external auditors; (iv) quality of service (including consideration of audit quality indicators); (v) inspection findings and audit quality; and (vi) public reputation of the external auditors. The Audit Committee determined that a key consideration of the comprehensive review was to address any possible risk of institutional familiarity resulting from PwC serving as the external auditor of the Corporation since 2008.

The comprehensive review was led by the Chair of the Audit Committee with discussion and review by the full Audit Committee at the May meeting in 2025.

Based on the results of the comprehensive review, the Audit Committee concluded that it remained satisfied with the audit quality provided by PwC and that retaining PwC as external auditors is in the best interest of the Corporation. In its review, the Audit Committee also considered the strong support for the appointment of PwC as auditors (98.84%) at last year's annual shareholders meeting, as well as feedback provided by management following their engagement with several of the Corporation's largest institutional shareholders. In order to foster long-term stability and continuity, the Audit Committee deems the benefits of PwC's strong knowledge and deep understanding of the Corporation's business and processes, as well as PwC's commitment to independence and audit quality, to exceed any potential audit quality risks resulting from PwC's tenure. The Audit Committee will continue to reassess these benefits and risks every year as well as its approach and governance in this area.

External Auditor Service Fee

For the years ended December 31, 2025 and December 31, 2024, the following fees were billed to the Corporation by PwC:

	Year ended December 31, 2025	Year ended December 31, 2024
Audit Fees ⁽¹⁾	\$1,197,100	\$1,062,200
Audit Related Fees ⁽²⁾	\$ 20,400	\$ 148,043
Tax Service Fees ⁽³⁾	\$ 132,203	\$ 119,631
Other Fees ⁽⁴⁾	\$ 22,400	\$ 22,000
Total Fees Paid	\$1,372,103	\$1,351,874

(1) The services comprising these fees include the audit of consolidated financial statements, the quarterly reviews of the interim financial statements and accounting consultations required to perform the audit in accordance with Canadian Generally Accepted Auditing Standards.

(2) These fees represent services for prospectus work, sustainability-related services and the audit of the pension plan.

(3) These fees include professional services rendered in connection with the transfer pricing.

(4) These fees represent services related to agreed-upon procedures on certain financial information.

Additional information on the Corporation's auditors, including the Audit Committee mandate and fees paid for services rendered by PwC in 2025 and 2024, is included in the Corporation's most recent Annual Information Form available on our website at www.stella-jones.com and SEDAR+ at www.sedarplus.ca.

3 | Election of Directors

The articles of the Corporation provide that the Board shall consist of no fewer than three (3) and no more than twelve (12) directors. The directors are elected annually. All directors hold office until the earlier of their resignation or the close of the Corporation's next annual general meeting of Shareholders at which directors are elected, unless a director ceases to hold office or his or her office is vacated due to death, removal or other cause. Except for items pertaining to their election or compensation, none of the directors or executive officers of the Corporation has a material interest in any of the voting items.

The Board proposes that the ten (10) current directors of the Corporation be elected (the "Director Nominees"). Please refer to "Section 4 – About the Nominated Directors" for further information regarding the experience and other relevant information you should consider in casting your vote for each nominee.

All of the Director Nominees, with the exception of Renée Laflamme and Sean Donnelly, were elected as such by the Shareholders of the Corporation at the annual meeting of Shareholders held on May 7, 2025. Ms. Laflamme¹ and Mr. Donnelly were appointed as members of the Board effective October 20, 2025.

If you have not specified how you want your Shares voted and if you have authorized the Named Proxyholders as your Proxyholder, the Named Proxyholders will vote **FOR** the election of each of the Director Nominees.

The management of the Corporation does not contemplate that any of the nominees will be unable, or for any reason refuse, to serve as a director but, if that should occur for any reason prior to the election, the persons named in the accompanying form of proxy will have the right to vote for another nominee in their discretion unless the Shareholder has specified otherwise.

4 | Non-Binding Advisory Vote on the Corporation's Approach to Executive Compensation

Shareholders may cast an advisory vote on the approach to executive compensation disclosed in "Section 7 – Compensation Discussion and Analysis" of this Circular. This section describes the Corporation's executive compensation principles and the key design features of compensation plans for executives.

The Board proposes that you indicate your support for the Corporation's approach to executive compensation disclosed in this Circular by voting in favor of the following advisory resolution:

"BE IT RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the shareholders accept the approach to executive compensation disclosed in the management proxy circular delivered in advance of the 2026 annual meeting of shareholders of the Corporation."

As this is an advisory vote, the results will not be binding upon the Board. However, the Human Resources and Compensation Committee and the Board will review and analyze the voting results and, as they consider appropriate, take into account such results when reviewing and establishing executive compensation policies and programs in the future. Results of the vote will be disclosed in the report of voting results and related press release to be posted on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.stella-jones.com shortly after the Meeting.

At the Corporation's May 7, 2025 annual meeting of Shareholders, the non-binding advisory resolution on executive compensation received 88.98% approval.

If you have not specified how you want your Shares voted and if you have authorized the Named Proxyholders as your Proxyholder, the Named Proxyholders will vote **FOR** the above non-binding advisory resolution on executive compensation.

¹ Under the Investor Rights Agreement entered into with the Corporation in July 2018, CDPQ has the right to recommend a nominee to the Board so long as CDPQ beneficially owns at least 7.5% of the Corporation's outstanding Shares, the whole subject to applicable laws and regulations and the receipt of a favourable recommendation from the Corporation's Governance and Nomination Committee. Such right has been exercised by CDPQ with the nomination of Ms. Renée Laflamme who has been appointed to the Board effective October 20, 2025.



Section 4 – About the Nominated Directors

Management Proxy Circular



The following tables set out information as at March 12, 2026, unless otherwise indicated, with respect to each person nominated for election as director. Statements contained with respect to each nominee are based upon information obtained from the person concerned.

Katherine A. Lehman

Chair of the Board

New York, U.S.A.

Age: 51

Independent Director Since: 2016

Stella-Jones Committees: Executive Committee (Chair), Audit Committee

Skills and Qualifications

Ms. Lehman is a Partner at Palladium Equity Partners, LLC, a private equity firm, where she leads the firm's Palladium Heritage strategy, focused on investments in industrial and business services companies. She joined Palladium as Partner in 2022, following a period as a consultant in 2021. Prior, she was Co-Founder and Managing Partner at Hilltop Private Capital, LLC. She brings more than 20 years of experience in private equity executive roles and board memberships, including more than 20 public and private, profit and not-for-profit entities. Included in Ms. Lehman's prior board roles are serving on the board of a private company in the rail and infrastructure services sectors and serving on the board of directors of Navient (NASDAQ: NAVI) from 2014 to 2022, where she served as chair of the risk committee and as a member of the compensation and personnel committee and the governance committee. Ms. Lehman's background in capital allocation, mergers and acquisitions, financial analysis and business operations as well as her governance expertise and board committee experience in human resources and compensation, audit, governance and risk committees, positions her well to lead the Board.

Education

Ms. Lehman holds an MBA from Columbia Business School and a B.S. in Economics from The Wharton School, University of Pennsylvania.



2025 Annual Meeting Votes For: 99.63%

Current Public Company Directorships:

CAE Inc. (TSX/NYSE: CAE)	Board Member and Member, Governance Committee
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Other Current Directorships and Memberships:

Southwest Strategies LLC	Board Member
Collision Auto Parts	Board Member

Board and Committee Attendance:

Board:	9 of 9	(100%)
Audit Committee:	5 of 5	(100%)
Total:	14 of 14	(100%)

Share Ownership:

Shares:	7,500
DSUs:	23,207
Market Value:	\$2,947,872 ⁽¹⁾
Director Share Ownership Requirements ⁽²⁾ :	\$885,000
% of Achievement:	333%



Michelle Banik, CHRE, C. Dir.

Ontario, Canada

Age: 56

Independent Director Since: 2024

Stella-Jones Committees: Human Resources and Compensation Committee, Governance and Nomination Committee

Skills and Qualifications

Ms. Banik served as Chief People Officer and Global Head of Human Resources at OMERS between 2015 and 2019, after having held increasingly senior HR roles at OMERS, including Vice-President, Human Resources (2013-2015) and Director, Human Resources between 2010 and 2013. Prior to her tenure at OMERS, Ms. Banik served as a senior executive in HR at TMX Group, where she was Director of Human Resources from 2002 to 2010. Ms. Banik's expertise in performance management, human resources innovation, succession planning and executive compensation, combined with her exceptional understanding of talent optimization, diversity and inclusion and organizational leadership, bring extensive knowledge to the Board.

Education

Ms. Banik holds a Bachelor of Arts from Western University, a Certified Human Resources Executive (CHRE) designation and a Chartered Director designation from the DeGroot School of Business at McMaster University.



2025 Annual Meeting Votes For: 99.85%

Current Public Company Directorships:

Empire Company Limited (TSX: EMP.A)	Board Member and Chair of Human Resources Committee
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Other Current Directorships and Memberships:

Western University	Board of Governors, Chair, Governance & By-Laws
BGC Canada (formerly, Boys & Girls Clubs of Canada)	Chair, National Board of Directors

Board and Committee Attendance:

Board:	9 of 9	(100%)
Human Resources and Compensation Committee:	7 of 7	(100%)
Governance and Nomination Committee:	15 of 15	(100%)
Total:	31 of 31	(100%)

Share Ownership:

Shares:	472
DSUs:	2,078
Market Value ⁽¹⁾ :	\$244,800
Director Share Ownership Requirements ⁽²⁾ :	\$525,000
% of Achievement:	47%

Robert Coallier

Québec, Canada

Age: 65

Independent Director Since: 2020

Stella-Jones Committees: Audit Committee, Human Resources and Compensation Committee (Chair), Executive Committee

Skills and Qualifications

Mr. Coallier served as Chief Executive Officer of Agropur Dairy Cooperative from 2012 to 2019 and was Vice-President and Chief Financial Officer of Dollarama L.P. from 2005 to 2010. He held various senior positions at Molson Inc./Molson Coors Brewing Company between 2000 and 2005, including Executive Vice-President, Corporate Strategy and International Operations, Global Chief Business Development Officer and Chief Financial Officer. Earlier roles included Chief Financial Officer of C-MAC Industries and Vice-President, Venture Capital of CDPQ. Mr. Coallier brings knowledge and experience from numerous public and private board of directors, including Transat, where he currently serves on the audit and human resources and compensation committees, and Sanimax Industries where he serves as chair of the board. In the past, he also served on numerous other board of directors, including Industrial Alliance Financial Services, where he was chair of the human resources committee and member of the audit committee, and Ivanhoé Cambridge, where he served on the audit committee. His depth of executive and financial experience across industries as well as his exceptional appreciation of governance matters bring valued experience to the Board and to both the Audit and Human Resources and Compensation Committees on which he serves.

Education

Mr. Coallier holds an MBA from Concordia University and a B.A. with a major in Economics from McGill University.



2025 Annual Meeting Votes For: 99.56%

Current Public Company Directorships:

Transat A.T. Inc. (“Transat”) (TSX: TRZ)	Board Member and member of the Audit Committee and the Human Resources and Compensation Committee
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Other Current Directorships and Memberships:

Sanimax Industries Inc.	Chair of the Board of Directors
Dose Juice	Chair of the Board of Directors
Posi+	Chairman of the Board of Directors

Board and Committee Attendance:

Board:	9 of 9	(100%)
Audit Committee:	5 of 5	(100%)
Human Resources and Compensation Committee:	7 of 7	(100%)
Total:	21 of 21	(100%)

Share Ownership:

Shares:	7,875
DSUs:	6,456
Market Value ⁽¹⁾ :	\$1,375,776
Director Share Ownership Requirements ⁽²⁾ :	\$562,500
% of Achievement:	245%



Sean Donnelly

Ontario, Canada

Age: 67

Independent Director Since: 2025

Stella-Jones Committees: Environmental, Health and Safety Committee, Governance and Nomination Committee

Skills and Qualifications

Mr. Donnelly is a seasoned executive with extensive experience in innovation, technology and manufacturing, acquired over a 40-year career in the steel industry, including his tenure as President and Chief Executive Officer of ArcelorMittal Dofasco from 2014 to 2021. Throughout his career, he held a range of senior leadership positions in technology, manufacturing and operations, driving significant improvements in operational performance, product development and market competitiveness. As President and Chief Executive Officer of ArcelorMittal Dofasco, Mr. Donnelly led major strategic initiatives, including large-scale capital investment programs, the advancement of technological innovation, and the strengthening of environmental, health and safety practices, while fostering a culture of continuous improvement and sustainability-focused growth. Mr. Donnelly brings valuable governance experience, serving as a director of Alectra Utilities Corporation, a municipally owned electricity utility and distributor, where he has been a member of the board of directors since 2019. His experience in managing complex industrial operations, safety-critical environments and large workforces contributes meaningfully to the deliberations of the Board and its committees.

Education

Mr. Donnelly holds a Bachelor of Engineering in Metallurgical Engineering from McMaster University.



2025 Annual Meeting Votes For⁽³⁾: N/A

Current Public Company Directorships:

Algoma Steel Group (TSX: ASTL)	Board Member, Operating Committee Member and Audit and Risk Management Committee Member
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Other Current Directorships and Memberships:

Alectra Utilities Corporation	Board Member, Chair of the Development Committee, Member of the Audit, Finance and Risk Management Committee
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Board and Committee Attendance⁽³⁾:

Board:	2 of 2	(100%)
Governance and Nomination Committee:	2 of 2	(100%)
Environmental, Health and Safety Committee:	1 of 1	(100%)
Total:	5 of 5	(100%)

Share Ownership:

Shares:	Nil
DSUs:	Nil
Market Value ⁽¹⁾ :	\$—
Director Share Ownership Requirements ⁽²⁾ :	\$525,000
% of Achievement:	—%

Anne E. Giardini, OC, OBC

Rome, Italy

Age: 66

Independent Director Since: 2021

Stella-Jones Committees: Governance and Nomination Committee (Chair), Environmental, Health and Safety Committee, Executive Committee

Skills and Qualifications

Ms. Giardini previously served as President of Weyerhaeuser Company Limited (“Weyerhaeuser”), a Canadian subsidiary of Weyerhaeuser Company, an international forest products company based in Washington, United States. Before, she was Canadian Vice-President, General Counsel and Assistant General Counsel for Weyerhaeuser, where she provided strategic advice in areas including environmental, sustainability, transparency and other aspects of sound corporate governance and advised in areas of corporate public reporting, employment, labour, as well as acquisitions and divestitures. Ms. Giardini served as Chancellor of Simon Fraser University from 2014 to 2020. Along with her leadership and professional credentials, she brings a wealth of public and private board of directors and committee experience to the Board, having previously served on the board of directors Pembina Institute, Hydro One, including chairing its health, safety, environment & indigenous committee, TransLink, Canada Mortgage and Housing Corporation, and Nevsun Resources Ltd., among many others. She has written and presented on sustainability, governance and ethics, was admitted as a member of the bar of British Columbia (1985-2020) and is an officer of the Order of Canada (2016) and Order of British Columbia (2018).

Education

Ms. Giardini holds a Master of Laws from the University of Cambridge, a Bachelor of Laws from University of British Columbia and a Bachelor of Arts (Economics) from Simon Fraser University.



2025 Annual Meeting Votes For: 99.60%

Current Public Company Directorships:

Capstone Copper Corp. (TSX: CS)	Chair of the Governance, Nominating and Sustainability Committee and member of the Audit Committee
K92 Mining Inc. (TSX: KNT; OTCQX: KNTNF)	Chair of the Board, Chair of the Nominating and Governance Committee, member of the Audit Committee and member of the Compensation Committee

Other Current Directorships and Memberships:

None

Board and Committee Attendance:

Board:	9 of 9	(100%)
Governance and Nomination Committee:	15 of 15	(100%)
Environmental, Health and Safety Committee:	4 of 4	(100%)
Total:	28 of 28	(100%)

Share Ownership:

Shares:	2,400
DSUs:	6,102
Market Value ⁽¹⁾ :	\$816,192
Director Share Ownership Requirements ⁽²⁾ :	\$562,500
% of Achievement:	145%



Karen Laflamme, FCPA, ASC, C. Dir.

Québec, Canada

Age: 63

Independent Director Since: 2018

Stella-Jones Committees: Audit Committee (Chair), Governance and Nomination Committee, Executive Committee

Skills and Qualifications

Ms. Laflamme served as Executive Vice-President and Chief Financial Officer, Retail, of Ivanhoé Cambridge, an investor and developer of superior quality real estate properties, projects and companies from 2016 to early 2020. She joined Ivanhoé Cambridge in 2012, where she served in various roles, including Executive Vice-President, Corporate Management & Institutional Affairs, where she was responsible for investor relations, internal audit and integrated risk management. From 2003 to 2012, she held various senior positions at La Caisse, including Senior Vice-President, Real Estate; Vice-President, Real Estate Portfolio; and Vice-President, Internal Audit. Ms. Laflamme brings knowledge and experience from numerous public and private boards of directors, having previously served on the board of directors of Uni-Select Inc. (2022-2023), including its audit committee, as well as the board of directors of Cominar Inc. (2020-2022) and its human resources (chair), audit, and strategic review process committees. She holds the designation of Certified Corporate Director and was named Fellow of the Québec Order of Chartered Professional Accountants (FCPA) in 2012.

Education

Ms. Laflamme holds a Bachelor of Business Administration (BBA) from HEC Montréal.



2025 Annual Meeting Votes For: 99.55%

Current Public Company Directorships:

None

Other Current Directorships and Memberships:

Collège des administrateurs de sociétés (CAS)	Board Member
Association d'entraide Le Chaînon	Board Member and Chair of the Governance and Ethics Committee

Board and Committee Attendance:

Board:	9 of 9	(100%)
Audit Committee:	5 of 5	(100%)
Governance and Nomination Committee:	15 of 15	(100%)
Total:	21 of 21	(100%)

Share Ownership:

Shares:	9,000
DSUs:	6,775
Market Value ⁽¹⁾ :	\$1,514,400
Director Share Ownership Requirements ⁽²⁾ :	\$585,000
% of Achievement:	259%

Renée Laflamme, FCPA, CFA, ICD.D

Québec, Canada

Age: 59

Independent Director Since: 2025

Stella-Jones Committees: Audit Committee, Human Resources and Compensation Committee

Skills and Qualifications

Ms. Laflamme is an accomplished executive with over 25 years of experience in the financial services and insurance sectors. She currently serves as Executive Vice-President, Individual Insurance, Savings and Retirement at iA Financial Group, where she is responsible for the growth strategy and oversight of all operations, including distribution, underwriting, product development, marketing and administration. She has a strong track record of leading transformational initiatives and innovation, including major digital transformation projects and the implementation of artificial intelligence solutions to enhance underwriting efficiency and operational performance. Ms. Laflamme also brings valuable governance experience, serving on the board of directors and the audit committee of each of Mila – Québec Artificial Intelligence Institute, a Quebec-based collaborative artificial intelligence research institute, and Société du Centre des congrès de Québec. Ms. Laflamme holds the designations of Fellow Chartered Professional Accountant (FCPA) and Chartered Financial Analyst (CFA). She also holds the Institute of Corporate Director designation (ICD.D).

Education

Ms. Laflamme holds a Bachelor's degree in Administration from Université Laval.



2025 Annual Meeting Votes For⁽⁴⁾: N/A

Current Public Company Directorships:

None

Other Current Directorships and Memberships:

Mila	Québec Artificial Intelligence Institute – Board Member and Audit Committee Member
Société du Centre des congrès de Québec	Board Member and Audit Committee Member

Board and Committee Attendance⁽⁴⁾:

Board:	2 of 2	(100%)
Audit Committee:	2 of 2	(100%)
Human Resources and Compensation Committee:	2 of 2	(100%)
Total:	6 of 6	(100%)

Share Ownership:

Shares:	Nil
DSUs:	Nil
Market Value ⁽¹⁾ :	\$—
Director Share Ownership Requirements ⁽²⁾ :	\$525,000
% of Achievement:	—%

Douglas Muzyka

Pennsylvania, U.S.A.

Age: 71

Independent Director Since: 2019

Stella-Jones Committees: Environmental, Health and Safety Committee (Chair), Governance and Nomination Committee, Executive Committee

Skills and Qualifications

Having held the positions of Senior Vice-President and Chief Science and Technology Officer of E.I. DuPont de Nemours & Company (2010-2017); President, DuPont Greater China (2006-2010); and President and Chief Executive Officer of DuPont Canada, Inc. (2003-2006), Mr. Muzyka brings a broad management background to the Board and an in-depth understanding of environmental health and safety management systems. His service on the boards of directors of CCL Industries and Chemtrade and role as Chair of the National Research Council of Canada add valued experience to his exceptional technical skill set that has brought numerous beneficial contributions to the Board and its committees. His role as Chair of the Corporation's Environmental, Health and Safety Committee since January of 2021 has served to strengthen the governance of environmental and sustainability matters throughout the organization.

Education

Mr. Muzyka holds a Bachelor of Science in Chemical Engineering, a Master of Science in Chemical Engineering, a Ph.D. of Chemical Engineering and an honorary LLD from the University of Western Ontario.



2025 Annual Meeting Votes For: 99.86%

Current Public Company Directorships:

Chemtrade Logistics Income Fund (TSX: CHE.UN)	Chair of the Board of Trustees
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Other Current Directorships and Memberships:

National Research Council of Canada	Chair
Canada Biologics Manufacturing Centre	Board Chair

Board and Committee Attendance:

Board:	9 of 9	(100%)
Governance and Nomination Committee:	15 of 15	(100%)
Environmental, Health and Safety Committee:	4 of 4	(100%)
Total:	28 of 28	(100%)

Share Ownership:

Shares:	4,700
DSUs:	11,142
Market Value ⁽¹⁾ :	\$1,520,832
Director Share Ownership Requirements ⁽²⁾ :	\$562,500
% of Achievement:	270%

Simon Pelletier

Georgia, U.S.A.

Age: 59

Independent Director Since: 2012

Stella-Jones Committees: Human Resources and Compensation Committee, Environmental, Health and Safety Committee

Skills and Qualifications

Mr. Pelletier serves as President and Chief Executive Officer of H-E Parts International, which offers global service and repair solutions in support of surface mining equipment fleets, as well as crushing and material processing equipment. Prior to joining H-E Parts International, Mr. Pelletier held several senior executive roles at Metso, including Senior Vice-President, Life Cycle Services, leading the development and expansion of a global services business delivering maintenance and operational service contracts to mining customers for their processing facilities. Mr. Pelletier brings over 30 years of extensive senior level international managerial and operational experience, providing a seasoned perspective to the Board and the Environmental, Health & Safety and Human Resources and Compensation Committees, on which he serves. Mr. Pelletier previously served as the Chair of the Corporation's Governance and Nomination Committee from September 2018 to May 2024, where he led initiatives to better identify key competencies, skills and experience of Board members and help develop the selection process of the Board, and ultimately shape Board composition and renewal.

Education

Mr. Pelletier holds a Bachelor of Materials Engineering from the University of Windsor.



2025 Annual Meeting Votes For: 98.60%

Current Public Company Directorships:

None

Other Current Directorships and Memberships:

H-E Parts International Board Member

Board and Committee Attendance:

Board:	9 of 9	(100%)
Human Resources and Compensation Committee:	7 of 7	(100%)
Environmental, Health and Safety Committee:	4 of 4	(100%)
Total:	20 of 20	(100%)

Share Ownership:

Shares:	8,000
DSUs:	7,087
Market Value ⁽¹⁾ :	\$1,448,352
Director Share Ownership Requirements ⁽²⁾ :	\$525,000
% of Achievement:	276%



Eric Vachon, CPA

Québec, Canada

Age: 58

Non-Independent Director Since: 2019

Stella-Jones Committees: None



Skills and Qualifications

Mr. Vachon serves as President and Chief Executive Officer (“CEO”) of the Corporation since October of 2019. Since joining the Corporation in 2007, he has held a variety of positions, including Director, Treasury and Financial Reporting, Vice-President Finance, U.S. Operations, Vice-President and Treasurer, and Senior Vice-President and Chief Financial Officer from August 2012 to October 2019. His extensive knowledge of operations, finance, capital markets and mergers and acquisitions has contributed to sound business insight to the CEO position, key to the Corporation’s evolution into a leading North American provider of vital infrastructure products that support the electrical grid and continental transportation. While providing the leadership and direction necessary to drive the execution of the Corporation’s strategic vision, he continues to prioritize a commitment to unparalleled customer service and operational excellence, a culture and practice of workforce health and safety, the advancement of sustainability initiatives and the implementation of innovative technologies throughout the organization. Mr. Vachon has been a member of the Québec CPA Order since 1991.

Education

Mr. Vachon holds a Bachelor in accounting from HEC Montréal.

2025 Annual Meeting Votes For: 99.97%

Current Public Company Directorships:

None

Other Current Directorships and Memberships:

None

Board and Committee Attendance:

Board:	9 of 9	(100%)
Total:	9 of 9	(100%)

Share Ownership:

Shares:	26,212
DSUs:	904 ⁽⁵⁾
RSUs:	Nil
PSUs:	27,427
TRSUs:	45,137
TPSUs:	35,195
Market Value:	\$2,603,136 vested ⁽⁶⁾ \$10,344,864 unvested ⁽⁷⁾
Share Ownership Requirements ⁽⁸⁾ :	\$4,375,000
% of Achievement:	159%

- Represents the market value of Shares and DSUs held as at March 12, 2026, calculated by multiplying the number of Shares or DSUs, as applicable, by the closing price of the Shares on the TSX on March 12, 2026 (\$96.00).
- Directors have five (5) years to meet the share ownership requirements of 3X the sum of their annual Board fees plus the dollar equivalent of annual awarded DSUs. See “Section 5 – Director Compensation – Director Share Ownership and Retention Requirements”.
- Mr. Donnelly was appointed to the Board on October 20, 2025.
- Ms. Laflamme was appointed to the Board on October 20, 2025.
- DSUs are issued to certain executive officers under a Supplementary Executive Retirement Plan of the Corporation. See “Section 7 – Compensation Discussion and Analysis – Long Term Incentive Plan – Retirement Savings Plan” of this Circular.
- Represents the market value of Shares and DSUs on March 12, 2026, calculated by multiplying the number of Shares or units, as applicable, by the closing price of the Shares on the TSX on March 12, 2026 (\$96.00) For vesting information, see “Section 7 – Compensation Discussion and Analysis – Incentive Plan Awards – Option-Based and Share-Based Awards” of this Circular.
- Represents the market value of unvested RSUs, PSUs, TRSUs and TPSUs on March 12, 2026, calculated by multiplying the number of units by the closing price of the Shares on the TSX on March 12, 2026 (\$96.00).
- For additional information on Mr. Vachon’s minimum ownership requirements, see “Section 7 – Compensation Discussion and Analysis – Share Ownership and Retention Requirements – Executive Officers” of this Circular.

Section 5 – Director Compensation



Our compensation program for non-executive directors aims to attract and retain highly qualified, committed and talented members of the Board with an extensive and relevant breadth of experience and align the interest of directors with those of our Shareholders.

The Board sets the compensation of non-executive directors based on recommendations from the Governance and Nomination Committee (“G&N Committee”). The G&N Committee, with the support of its independent consultant Meridian Compensation Partners (“Meridian”), reviews the compensation of non-employee directors and recommends to the Board such adjustments as it considers appropriate and necessary to recognize the workload, time commitment and responsibility of the Board and committee members and to remain competitive with market levels and structure of director compensation.

For 2025, the G&N Committee recommended that the Board maintain the compensation structure established in 2023 and 2024, which was set as follows:

Position ⁽¹⁾	Annual Retainer	Form of Payment ⁽⁴⁾
Chair of the Board	\$295,000	\$160,000 in DSUs \$135,000 in cash or DSUs at director’s election
Chair of the Audit Committee	\$195,000 ⁽²⁾	\$80,000 in DSUs \$115,000 in cash or DSUs at director’s election
Chair of each of the Governance and Nomination Committee, the Human Resources and Compensation Committee and the Environmental, Health and Safety Committee	\$187,500 ⁽³⁾	\$80,000 in DSUs \$107,500 in cash or DSUs at director’s election
Board Member only (inclusive of any committee membership)	\$175,000	\$80,000 in DSUs \$95,000 in cash or DSUs at director’s election

(1) A director who is also an employee of the Corporation or any of its subsidiaries does not receive compensation as director.

(2) Includes an annual \$20,000 cash retainer for the Chair of the Audit Committee.

(3) Includes an annual \$12,500 cash retainer for the Chair of each of the Governance and Nomination Committee, the Human Resources and Compensation Committee and the Environmental, Health and Safety Committee.

(4) For more information on DSUs granted under the Deferred Share Unit Plan for non-executive directors of the Corporation, please refer to “Section 5 – Director Compensation – Non-Executive Director’s Deferred Share Unit Plan” below.

In 2025, the G&N Committee reviewed director compensation pay levels relative to the Corporation’s comparator group which was updated in 2025. For more information, see “Section 7 – Compensation Discussion and Analysis – Compensation Design and Practices – Comparator Group” of this Circular. Following this review, the Board resolved to increase the annual cash retainer of the Chair of the Board from \$135,000 to \$200,000, to increase the annual director retainer paid in the form of DSUs from \$80,000 to \$120,000, and to increase the annual cash retainer of the Chair of each of the Environmental, Health and Safety Committee (“EH&S Committee”), the G&N Committee and the Human Resources and Compensation Committee (“HRC Committee”) from \$12,500 to \$15,000. In approving these adjustments, the G&N Committee considered (1) market median pay levels and average pay mix of the Corporation’s comparator group, (2) the time elapsed since the last compensation adjustment for directors of the Corporation, and (3) the business need to continue attracting and recruiting highly qualified directors to the Board. All changes will become effective on May 11, 2026.

Non-Executive Director’s Deferred Share Unit Plan

To provide non-executive directors with a supplemental form of compensation while promoting greater alignment of the interests of the directors with those of the Shareholders in creating long-term shareholder value, the Corporation has adopted a Deferred Share Unit Plan for non-executive directors of the Corporation (“DSU Plan”).

Under the DSU Plan, on or about May 15 of each year (“DSU Award Date”), participants who are non-executive directors as well as the Chair of the Board, receive a minimum participation amount of \$80,000 (or \$120,000 as of 2026 as described above) and \$160,000, respectively (the “Minimum Participation”) or such other amount as shall be determined by the Board in any given year. In addition, in 2025, as part of amendments to the DSU Plan, the Board approved the provision of additional DSUs to participants in respect of cash dividends paid on the Shares.

Under the DSU Plan, Board members may also elect to receive all or a portion of their annual Board or Chair fees in DSUs (the “Additional Participation” and together with the Minimum Participation, the “Deferred Remuneration”), which is then divided by the average closing price of the Shares on the Toronto Stock Exchange (“TSX”) during the five trading days immediately preceding the DSU Award Date (“DSU Value”). Each participant receives such number of DSUs as is obtained by dividing the Deferred Remuneration by the DSU Value on the DSU Award Date.

DSUs are settled for cash following an individual ceasing to be a director. On the settlement date, the total vested DSUs is multiplied by the average closing price of the Shares on the TSX during the five (5) trading days immediately preceding the settlement date.

Director Compensation Table

The following table sets forth all amounts of compensation provided to the non-executive directors of the Corporation for services carried out during its most recently completed financial year:

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Katherine A. Lehman	135,000 ⁽¹⁾	160,000 ⁽²⁾	—	—	—	—	295,000
Michelle Banik	95,000	80,000 ⁽²⁾	—	—	—	—	175,000
Robert Coallier	103,151 ⁽³⁾	80,000 ⁽²⁾	—	—	—	—	183,151
Sean Donnelly	19,000 ⁽⁴⁾	—	—	—	—	—	19,000
Rhodri J. Harries	33,055 ⁽⁵⁾	—	—	—	—	—	33,055
Anne E. Giardini	107,500 ⁽⁶⁾	80,000 ⁽²⁾	—	—	—	—	187,500
Karen Laflamme	115,000 ⁽⁷⁾	80,000 ⁽²⁾	—	—	—	—	195,000
Renée Laflamme	19,000 ⁽⁴⁾	—	—	—	—	—	19,000
James A. Manzi, Jr	37,404 ⁽⁸⁾	—	—	—	—	—	37,404
Douglas Muzyka	107,500 ⁽⁹⁾	80,000 ⁽²⁾	—	—	—	—	187,500
Simon Pelletier	95,000	80,000 ⁽²⁾	—	—	—	—	175,000

(1) Represents annual fees earned as Chair of the Board. Of this amount, the director elected that the entirety of her fees be paid in DSUs as Additional Participation, as permitted under the DSU Plan. Therefore, total cash fees received were nil.

(2) Equals the dollar value of the Minimum Participation of DSUs awarded under the DSU Plan to the Chair of the Board and the directors. In the case of Ms. Lehman, this does not include the Additional Participation referred to in footnote 1 above. Total DSUs held under the DSU Plan is provided in “Section 5 – Director Compensation – Outstanding Option-Based Awards and Share-Based Awards” below.

(3) Of this amount, \$8,151 represents prorated fees earned as Chair of the HRC Committee from May 7, 2025 to December 31, 2025.

(4) Represents Board fees prorated from October 20, 2025, the date Mr. Donnelly and Ms. Laflamme became directors.

(5) Represents Board fees prorated up until May 7, 2025.

(6) Of this amount, \$12,500 represents fees earned as Chair of the G&N Committee.

(7) Of this amount, \$20,000 represents fees earned as Chair of the Audit Committee.



- (8) Represents Board fees and fees earned as Chair of the HRC Committee of \$33,055 and \$4,349 respectively, in each case prorated up until May 7, 2025, the date Mr. Manzi left the Board.
- (9) Of this amount, \$12,500 represents fees earned as Chair of the EH&S Committee.

Non-Executive Director Share Ownership Guidelines

To further align the interests of directors with the Shareholders and demonstrate their commitment to the long-term success of the Corporation, the Board has adopted Non-Executive Director Share Ownership Guidelines (the “NED Ownership Guidelines”) providing for minimum director share ownership and retention requirements (the “Share Ownership Requirements”).

Pursuant to the NED Ownership Guidelines, each non-executive director is required to own Shares or DSUs (whether vested or not) equal in value to at least three (3) times the total of their annual Board and committee fees plus the dollar equivalent of annual awarded DSUs. Non-executive directors are required to meet these requirements within the later of (i) five (5) years after the NED Ownership Guidelines came into effect, or (ii) five (5) years after becoming a director, and the ownership requirements shall be maintained for as long as they are a member of the Board, and for a minimum of two (2) fiscal quarters following cessation of Board duties.

In addition, the Share Ownership Requirements have included that 25% be held in Shares. Effective on May 11, 2026, and as approved by the Board as part of the director compensation review described above, this 25% requirement will be replaced with a requirement for non-executive directors to hold 1,000 Shares. This element of the NED Ownership Guidelines, combined with the post-requirement hold period described above, demonstrate the Corporation’s commitment to strong corporate governance by ensuring that non-executive directors maintain a meaningful, ongoing investment in the Corporation and by promoting alignment with Shareholders’ interests.

The following table sets out the share ownership requirement for each nominee director, their holdings of Shares and DSUs and whether they meet their NED Share Ownership Requirements as at March 12, 2026. Mr. Vachon’s share ownership requirements are not included as he is subject to senior management shareholder requirements, as set out and presented in “Section 7 – Compensation Discussion and Analysis – Share Ownership and Retention Requirements – Executive Officers” of this Circular.

Director	2025 Total Annual retainer (Cash plus DSUs) (\$)	Shares (#)	DSUs (#)	Market Value of Shares and DSUs Held ⁽¹⁾ (\$)	Minimum Ownership requirement (\$)	% of Achievement
Katherine A. Lehman	295,000	7,500	23,207	2,947,872	885,000	333%
Michelle Banik	175,000	472	2,078	244,800	525,000	47% ⁽²⁾
Robert Coallier	183,151	7,875	6,456	1,375,776	562,500	245%
Sean Donnelly	19,000	—	—	—	525,000	—% ⁽³⁾
Anne E. Giardini	187,500	2,400	6,102	816,192	562,500	145%
Karen Laflamme	195,000	9,000	6,775	1,514,400	585,000	259%
Renée Laflamme	19,000	—	—	—	525,000	—% ⁽³⁾
Douglas Muzyka	187,500	4,700	11,142	1,520,832	562,500	270%
Simon Pelletier	175,000	8,000	7,087	1,448,352	525,000	276%

(1) Calculated based on the closing price of the Shares on the TSX on March 12, 2026 (\$96.00).

(2) Has until January 2029 to meet the Share Ownership Requirement.

(3) Has until January 2030 to meet the Share Ownership Requirement.

Additional information regarding the Share Ownership Requirements is included in the NED Ownership Guidelines available in the Investor Relations section of the Corporation's website at www.stella-jones.com.

Outstanding Option-Based Awards and Share-Based Awards

The following table shows all option-based and share-based awards held by each non-executive director as at December 31, 2025:

Name	Option-Based Awards				Share-Based Awards ⁽¹⁾		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the Money Options (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have Not Vested ⁽²⁾ (\$)	Market or Payout Value of Vested Share-Based Awards not paid out or distributed (\$)
Katherine A. Lehman	—	—	—	—	23,207	1,982,089	—
Michelle Banik	—	—	—	—	2,078	178,376	—
Robert Coallier	—	—	—	—	6,456	554,183	—
Sean Donnelly	—	—	—	—	—	—	—
Anne E. Giardini	—	—	—	—	6,102	523,796	—
Karen Laflamme	—	—	—	—	6,775	581,566	—
Renée Laflamme	—	—	—	—	—	—	—
Douglas Muzyka	—	—	—	—	11,142	956,429	—
Simon Pelletier	—	—	—	—	7,087	608,348	—

(1) Share-based awards consist of DSUs. See "Section 5 – Director Compensation – Non-Executive Director's Deferred Share Unit Plan" for additional information.

(2) Calculated by multiplying the number of DSUs by the average closing price of the Shares on the TSX on the five (5) trading days immediately preceding December 31, 2025 (\$85.84) assuming December 31, 2025, was the settlement date.



Section 6 – Corporate Governance

Management Proxy Circular



The Board considers sound and transparent corporate governance practices to be an important factor in the overall success of the Corporation. It strives for continuous improvement in its corporate governance practices to maintain effective oversight of the Corporation's business and management, promote accountability and ensure the governance framework continues to meet regulatory requirements and reflect evolving best practices.

Board Size and Independence

The Board currently consists of 10 members, all of whom are standing for election at the Meeting. See "Section 4 – About the Nominated Directors".

The Board annually reviews the independence of each of the directors and based on the information received from each director and the independence standards defined in applicable securities laws, the Board has determined that all of the current directors are independent, with the exception of Eric Vachon, the Corporation's President and CEO.

The independent directors held in-camera sessions following every meeting of the Board and its committees in 2025. These sessions provide meaningful opportunity for discussion without the presence of management and non-independent directors. Directors also have the authority, where appropriate, to retain and meet with external advisors and consultants at the Corporation's expense. In addition, the Board has regular access to information independent from management through direct engagement with the external and internal auditors, as well as independent compensation consultants. The Board is satisfied that sufficient processes are in place to operate independently of management.

Board Mandate

The Board has oversight responsibility for the stewardship of the Corporation and its business. The role of the Board is to supervise the management of the Corporation's business and affairs, with the objective of creating value for Shareholders and taking into account the interests of other stakeholders. In doing so, the Board assumes the duties and responsibilities set forth in its mandate, which is attached as Schedule "A" to this Circular. The Board mandate is reviewed on an annual basis.

Committees of the Board

The Board has five committees: the Audit Committee, the HRC Committee, the EH&S Committee, the G&N Committee and the Executive Committee. All five committees are composed exclusively of independent directors. The committees, their respective memberships and mandates are outlined below.

Committee	Membership
Audit Committee	Karen Laflamme (Chair) Robert Coallier Katherine A. Lehman Renée Laflamme
Human Resources and Compensation Committee	Robert Coallier (Chair) Renée Laflamme Simon Pelletier Michelle Banik
Environmental, Health and Safety Committee	Douglas Muzyka (Chair) Sean Donnelly Anne E. Giardini Simon Pelletier
Governance and Nomination Committee	Anne E. Giardini (Chair) Michelle Banik Sean Donnelly Karen Laflamme Douglas Muzyka
Executive Committee	Katherine A. Lehman (Chair) Anne E. Giardini Karen Laflamme Douglas Muzyka Robert Coallier

Audit Committee

The Board has adopted a written mandate for the Audit Committee, which sets out the Audit Committee's key responsibilities. The Audit Committee mandate is reviewed on an annual basis.

The Audit Committee meets quarterly with the Corporation's senior management, with the Senior Director, Corporate Internal Audit, Risk & Compliance and with the Corporation's external auditors to review financial statements prior to their approval by the Board and to address other financial matters as they may arise. The Audit Committee receives reports from the Corporation's external auditors and monitors compliance with appropriate internal control procedures.

The Audit Committee discusses accounting principles with the external auditors and has the opportunity to meet with them at least quarterly without the presence of management. The Audit Committee is responsible for recommending to the Board the nomination of the external auditors and their compensation, as well as evaluating the external auditors on an annual basis.

The Audit Committee meets at least quarterly with the Senior Director, Corporate Internal Audit, Risk & Compliance to receive reports on internal audit mandates and provide oversight of the internal audit function. It annually reviews and approves the internal audit charter, budget, resource plan, and risk-based internal audit plan, in addition to making appropriate inquiries to determine whether any scope or other limitations exist.

The Audit Committee receives quarterly reports on whistleblower complaints and corrective actions. It also reviews the Corporation's tax compliance and oversees information technology, cybersecurity, artificial intelligence and privacy risk exposures and controls. At each quarterly meeting, the Audit Committee receives detailed IT reports from the Vice-President, Information Technology and summarizes these for the Board, including updates on security initiatives, IT governance, phishing

campaigns, privacy, AI initiatives and related actions plans. In addition, the Audit Committee oversees the Auditors' Independence Policy and the Policy on Related-Party Transactions and approves related-party transactions in accordance with the policy.

The Audit Committee is composed exclusively of independent directors, all of whom have demonstrated audit experience. The Audit Committee believes there is the requisite number of directors who meet the threshold of "audit financial expert", meaning meeting at least any of the following: (i) a certified public accountant; (ii) a former or current chief financial officer of a public company or corporate controller of similar experience; (iii) current or former partner of an audit company; or (iv) having similar demonstrably meaningful audit experience. For more information regarding the relevant education, professional background and experience of each member of the Audit Committee, please refer to "Section 4 – About the Nominated Directors" of this Circular.

Additional information relating to the Audit Committee can be found in the section entitled "Audit Committee Disclosure" of the Corporation's annual information form available on the Corporation's website at www.stella-jones.com and on SEDAR+ at www.sedarplus.ca.

Environmental, Health and Safety Committee

In accordance with its written mandate, the EH&S Committee monitors the Corporation's responsibilities and matters related to environment, health and safety, and advises the Board on environmental risks, including those associated with business acquisitions. It provides oversight of management's plans to achieve environmental, health and safety objectives.

Separately, the EH&S Committee oversees the Corporation's sustainability priorities by regularly reviewing management's approach to measurable goals in areas such as climate change and greenhouse gas emissions, health and safety, our people, Indigenous Peoples, responsible supply chain practices and sustainability risk governance. It also monitors progress toward these goals, and timely reports to the Board on these matters. In addition, the EH&S Committee formally reviews and comments on the Corporation's annual Environmental, Social and Governance Report and recommends its approval to the Board prior to publication.

Through regular reports from the President and CEO, the Chief Operations Officer, the Vice-President, Environment, Health and Safety and the Senior Director, Project Management & Sustainability, the EH&S Committee oversees and monitors environmental, health and safety risks with a view to ensure that such risks are prudently mitigated through proactive strategies and remediation programs.

The Corporation's Vice-President, Environment, Health and Safety leads a North American team of environmental, health and safety professionals who, together with corporate operations management, local plant managers and onsite supervisors, manage environmental, health and safety matters across the organization. Their work ensures that a culture of safety is prioritized, that critical incident response plans support effective emergency preparedness, that training initiatives are developed, implemented and evaluated, and that the Corporation's environmental, health and safety programs, management systems, objectives and policies are executed efficiently and in compliance with applicable legislation to reduce overall risk and protect the environment, employees, the public and all stakeholders.

Governance and Nomination Committee

The Board has adopted a written mandate outlining the G&N Committee's responsibilities, including overseeing the implementation of and compliance with, effective corporate governance practices and policies, reviewing and making recommendations, on a biennial basis, to assist the Board in determining the remuneration of directors and assessing annually the performance and effectiveness of the Board, the Board committees and Board members.

The G&N Committee is responsible for monitoring the size and composition of the Board to support effective and timely decision-making. This includes ensuring an optimal mix of skills and a diversity of experience and perspectives and identifying the competencies, skills and experience required on the Board. The G&N Committee also recommends qualified new directors to the Board. In carrying out this work, the G&N Committee considers the Board's current composition, the need for ongoing refreshment and future skill requirements, and develops the process for recruiting and selecting candidates who meet the established criteria.



Human Resources and Compensation Committee

The HRC Committee advises and assists the Board on compensation and benefits policies, executive compensation, the administration of the Corporation's compensation plans, and oversight of sustainability considerations incorporated into such compensation and incentive plans. The HRC Committee also oversees management's progress with respect to employee engagement and executive development plans. The HRC Committee may engage and compensate such independent compensation advisors as it deems necessary to assist it in carrying out its duties. For further information on the HRC Committee's mandate, see "Section 7 – Compensation Discussion and Analysis – Human Resources and Compensation Committee" of this Circular.

Executive Committee

The purpose of the Executive Committee is to act on behalf of the full Board within the limited scope of its authority, provided that the following three conditions are met: (i) the circumstances are urgent ("Urgent Circumstances"); (ii) the Board is unable to meet and constitute a quorum to address the Urgent Circumstances in a timely manner and the full Board is unable to be convened for a consent resolution in a timely manner; and (iii) the Executive Committee reasonably believes that action with respect to the Urgent Circumstances should not be delayed. The Executive Committee Chair is responsible for reporting to the Board following meetings of the Executive Committee.

The Executive Committee has no authority with respect to numerous matters, including the approval of any action which is expressly prohibited to be delegated to committees by the Canada Business Corporations Act, or requires action by the full Board under the Corporation's certificate of incorporation, bylaws or Board resolution, the amendment or repeal of any resolution of the Board, the appointment or dismissal of the president and chief executive officer, the removal of Board members and the filling of vacancies on the Board or any of its committees, the appointment of other committees of the Board or the members thereof, the fixing of compensation of Board members, the approval of or change to the Corporation's annual budget, or the approval of any matter with material financial consequences, a material change in governance or in respect of any material transaction.

Position Descriptions

The Board has adopted written position descriptions for the Chair of the Board, the Chair of each Board committee and the President and CEO. All position descriptions are reviewed on an annual basis and revised at that time, if deemed necessary by the Board. All position descriptions are available in the Investor Relations section of the Corporation's website at www.stella-jones.com.

Director Nomination and Recruitment Process

The G&N Committee periodically reviews the Board's current composition to determine the competencies, skills and personal attributes the Board, as a whole, should possess. The G&N Committee then evaluates the current directors against these criteria and identifies any additional skills or attributes that would be beneficial. The G&N Committee may engage an independent third-party consultant to assist with the identification of suitable candidates and the overall recruitment process.

Candidates are assessed on their individual qualifications, breadth of experience, expertise, integrity and character, sound and independent judgment, insight and business acumen. Considerations such as citizenship, residency and other current board positions also factor into the suitability of each individual. Potential candidates are invited to meet members of the G&N Committee, who carry out thorough interviews for suitability, while evaluating each candidate's ability to devote the time and commitment required for the Board position. The lead candidates are then asked to meet with the Board Chair and CEO and ultimately, with the remaining Board members. The Board ultimately approves the candidate(s) for appointment or for election at the next annual meeting of Shareholders, as applicable.

Skills and Competencies Matrix

To assist in evaluating each director nominee's skills, experience and expertise, as well as the Board's overall strength and diversity of expertise, the Board uses the competency matrix presented below. Experience and expertise rankings are determined by director self-assessments carried out each year, using the levels of experience and expertise by skill/competency described directly beneath the matrix.

Director Nominee	Senior Executive	Industry Knowledge or Experience/ Supply Chain	Financial Literacy/ Audit	Legal/ Risk Management	Manufacturing	Business Development/ M&A/Capital Allocation	Human Resources/ Compensation/ Diversity and Inclusion	Sustainability	Health and Safety/ Social	Corporate Governance/ Public Company	Climate Change/ Carbon Management	Information Technology/ Cyber Security/ Artificial Intelligence
Katherine A. Lehman	2	2	3	3	3	3	3	2	2	3	1	2
Michelle Banik	3	1	2	2	1	2	3	1	3	3	1	1
Robert Coallier	3	2	3	2	3	3	3	2	2	3	2	2
Sean Donnelly	3	2	2	3	3	3	3	2	3	3	3	2
Anne E. Giardini	3	3	2	3	1	2	2	3	2	3	1	1
Karen Laflamme	3	2	3	3	1	3	3	2	1	3	2	2
Renée Laflamme	3	1	3	2	1	3	2	2	1	3	1	2
Douglas Muzyka	3	2	1	1	3	2	3	3	3	2	3	1
Simon Pelletier	3	2	2	2	3	3	2	2	3	3	1	2
Eric Vachon	3	3	3	2	3	3	3	3	3	3	1	3

Legend

1. **Limited Proficiency** refers to limited experience or exposure to the specific area
2. **Experienced** refers to general expertise or experience in the specific area. Prior substantive hands-on management or oversight, or certification or university degree in the specific area
3. **Expert** refers to highly experienced or mature expertise in the specific area with ability to advise

Description of Skill / Competency:

Senior Executive

Experience as chief executive officer or senior executive of publicly listed company or large private multinational

Industry Knowledge or Experience/ Supply Chain

Senior operating, management or marketing experience in any of the following industries: (industrial) pressure treated wood, forestry, chemical or infrastructure, combined with knowledge of key participants and core customer markets, or experience sourcing, designing, developing or managing logistics and supply chain

Financial Literacy/Audit

CPA or CFA designation, current or former chief financial officer role (financial expert), current or former senior role in auditing or accounting, corporate finance, overseeing complex financial transactions, or relevant experience overseeing financial functions, audits, or serving on audit committees

Legal/Risk Management Current or former senior attorney in private practice or legal department of a publicly listed company or current or former management role with responsibility for the identification, assessment and mitigation of risk and oversight of risk management programs and practices. Experience serving on risk committees of a board

Manufacturing Former or current executive role in, or significant experience with, the manufacturing sector

Business Development/M&A/Capital Allocation Executive or management experience with responsibility to identify value creation opportunities and/or manage the integration of significant mergers. Oversight of or experience in making capital allocation, M&A and investment decisions.

Human Resources/Compensation/Diversity and Inclusion Executive or board compensation committee experience in executive compensation and incentive planning, talent recruitment, management, development, retention, as well as workplace culture, diversity, inclusion and succession planning

Sustainability Current or former executive role with direct control and responsibility for environmental compliance practices or proven understanding and ability to assess environmental regulatory requirements in the manufacturing context. Experience in managing or overseeing sustainability risks and opportunities and plans for integration of sustainable strategies into overall business strategies. Experience in understanding and assessing compliance obligations in relation thereto

Climate Change/Carbon Management Experience in managing or overseeing de-carbonization and climate change risks and opportunities and plans for integration of sustainable strategies into overall business strategies. Experience in understanding and assessing compliance obligations in relation thereto

Health and Safety/Social Current or former executive role with direct oversight, control and responsibility for health and safety of the workplace. Former or current executive role in Human Resources, Health and Safety or deep understanding of the regulatory environment surrounding workplace health and safety and societal implications of compliance. Understanding of and experience in social responsibility, community engagement and their relevance to strategic decisions and corporate success

Corporate Governance/Public Company Experience as an executive or board member of a publicly traded company with a solid understanding of public reporting requirements, investor relations, stakeholder issues and strong grasp of the highest standards of corporate governance practices

Information Technology/Cybersecurity/Artificial Intelligence Current, former executive role, or oversight in information technology and systems, or expertise in digital technology, data management, artificial intelligence and/or management of related privacy and cybersecurity risks

Board Composition, Term and Directorship Limits and Board Renewal

The Board has adopted a written Board Diversity and Composition Policy (“D&C Policy”), as it recognizes the importance of having a Board composed of highly skilled and experienced individuals, combined with the benefits that diversity can bring in providing a wide range of perspectives and ideas, thereby improving the Board’s oversight and the quality of its decisions. When identifying suitable candidates and recommending director nominees to the Board and carrying out the annual performance evaluation of the effectiveness of the Board, the Board has committed itself to consider, among others, talent, experience, personal skills and qualities with regard to the Corporation’s skills and competency matrix and the promotion of diversity along gender, race, ethnicity, age and other dimensions.

Consideration of the level of representation of designated groups plays a part of the process when identifying and nominating candidates for the Board. Currently, the Board’s membership, comprising American and Canadian executives (current and retired), has numerous markers of diversity, while allowing Board members to work together as a strong and effective unit.

The D&C Policy includes a diversity target, setting out that at least thirty percent (30%) of the Board be gender diverse. Currently, women comprise five (5) of the Board’s ten (10) directors, representing fifty percent (50%) of Board members. This includes the Chair of the Board, the Chair of the Audit Committee and the Chair of the G&N Committee. The Corporation does not have a written policy relating to the identification and nomination of directors from designated groups such as Indigenous Peoples, persons with disabilities or members of visible minorities. There is, at present, one member of the Board who self-identifies as a visible minority, and no Indigenous Peoples nor persons with disabilities sit on the Board.

When assessing potential candidates, whether for director or senior management, all qualified individuals receive consideration without regard to race, colour, sex, national origin, ancestry, age or physical disability, among other characteristics. The Corporation makes all such decisions on the basis of the necessary experience, skills and qualifications required for the role at the time. Historically, the level of representation of designated groups has not been a central factor to identifying and nominating candidates for senior management.

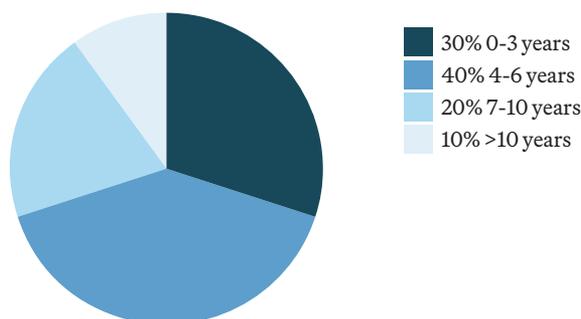
Currently, of the twenty-five (25) executive officers and other members of senior management holding a vice-president position or above, two (2) positions are held by women, representing eight percent (8%). At present, there are no Indigenous Peoples, persons with disabilities or members of visible minorities who serve in executive officer positions. The diversity representation on the Board and among senior management as at March 12, 2026 is set out in the table below.

	Current Directors	Directors Nominees	Senior Management
Women	5 of 10 (50)%	5 of 10 (50)%	2 of 25 (8)%
Visible Minorities	1 of 10 (10)%	1 of 10 (10)%	—
Indigenous Peoples	—	—	—
Persons with Disabilities	—	—	—

Acknowledging the benefit of fresh ideas and ongoing renewal, the Board, through its D&C Policy, has established a 15-year term limit for service and mandatory retirement at 75 years of age. The D&C Policy further encourages Committee Chair rotation every 5 years at the Board’s discretion. Exceptions to the Board member term limit or retirement age may be made when two or more directors are scheduled to reach their retirement age or term limit within the same 12-month period. The Board reviews its D&C Policy annually, and if advisable, proposes modifications in order to maximize its effectiveness towards reaching overall objectives. The D&C Policy is available in the Investor Relations section of the Corporation’s website at www.stella-jones.com.

Age Limit	Tenure Limit	Exception
75 years old	15 years of service	When 2 + directors are due to retire in a 12-month period, one director may be asked to delay retirement and/or serve an additional year.

**Board Tenure
(as at March 12, 2026)**



The average tenure of non-executive directors is approximately six (6) years and three (3) directors have joined the board within the past five (5) years.

To ensure the ability of each Board candidate to devote the time required to serve as a director of the Corporation, the D&C Policy sets out non-executive directors serving on four (4) or more public company boards, including the Corporation, will not be considered for nomination or renewal.

Orientation and Continuing Education

The G&N Committee is tasked with ensuring that new Board members are provided an appropriate orientation period, and that ongoing education is given to all members of the Board.

Orientation materials typically include the Corporation’s Code of Business Conduct and Ethics and policies with respect to disclosure and communications, whistleblowing procedures, trading blackout periods and insider reporting rules, in addition to policies supporting strong corporate governance, such as Board diversity and minimum shareholding requirements, along with Board and committee mandates to fully understand the role of the Board, its committees and the scope of their responsibilities, as well as expected contributions and time commitments from the newly onboarded directors. The Corporation’s most current Circular, Annual Information Form, Annual Report, Environmental, Social and Governance Report and other continuous disclosure documentation are also provided for review.

Arrangements are made for new Board members to meet one-on-one with the Corporation’s President and CEO, the Senior Vice-President and Chief Financial Officer and other senior members of management to discuss the nature and operation of its business, the Corporation’s organizational structure and its financial statements and financial procedures. New directors also attend site visits to gain further understanding of the Corporation’s manufacturing process.

Annually, a comprehensive manufacturing facility tour is arranged to allow Board members to better ascertain the challenges and resource requirements of each of the Corporation's major product categories as well as the overall production network. In June 2025, the members of the Board participated in a plant visit to the Corporation's Tacoma, Washington, facility. There, they met the local leadership team and staff, and following a thorough safety briefing, participated in a comprehensive tour of the production and administrative facilities, which specialize in the treatment of utility poles with oil-borne preservatives and residential lumber products with water-borne preservatives. The Board observed firsthand the critical stages of the utility pole and residential lumber treating processes, from the sorting and framing and through-boring based to meet customer specifications, to moving poles and lumber into the treating cylinders, removing moisture from within the wood fiber, and impregnating of the wood with the various preservative systems and lastly, the on-site laboratory where quality surveillance occurs.

Specialized events are also organized for the Board, featuring targeted training sessions designed to support ongoing and progressive director development. In 2025, a dedicated training program, delivered in two separate sessions, was tailored for the Board by two independent climate-change experts. Topics covered included greenhouse gas emissions and the science underlying climate change, the evolving regulatory landscape for climate-related disclosure, and emerging climate trends relevant to forest products and infrastructure.

The Board also receives continuing education in the form of reports and educational materials submitted with Board materials summarizing the latest market and industry trends and analyst reports, as well as developments of key aspects of the Corporation's business and in the areas of legal and accounting principles, corporate governance, sustainability considerations, executive compensation practices and other significant developments affecting their responsibilities. These reports may come from senior executives within the organization who provide first-hand industry knowledge and expertise or from external independent consultants, many of whom support their reports with formal presentations given at regularly scheduled or specially designated Board or Committee meetings. Twice a year, the Board also receives a detailed report by the enterprise risk management team on priority global, industry and company risks as well as key risk management initiatives.

To further facilitate ongoing education, the Corporation maintains a paid subscription for all directors in a third-party resource dedicated to providing director education opportunities, governance materials and director professional development programs.

Assessment of the Board's Performance

The G&N Committee is responsible for assessing the effectiveness of the Board and performance of its committees in relation to their mandates, and the contribution of individual directors relative to the skills and expertise they were envisaged to bring as a member of the Board. The G&N Committee, with agreement from the Board, also determines the process by which assessments will be carried out. This assessment is carried out formally on an annual basis through the use of a detailed online questionnaire completed by each member of the Board, providing ample opportunity to provide comments and suggestions regarding the Board as a whole and each committee, with a particular focus on areas of improvement. The questionnaire covers a wide range of topics, including requesting evaluations on the sufficiency of expertise of Board and committee members, quality of materials provided, effectiveness of the Chair to manage the business of the meetings, satisfaction with degree of Board and Committee interaction and peer preparedness and whether sufficient time is allocated for key topics and the expression of diverse viewpoints. Board members are asked to provide quantitative ratings and subjective comments on each area as well as suggestions for future agenda items and presentations pertaining to industry matters and continuing education. The responses are compiled, and a full report is distributed to Board members for review.

This is augmented by scheduled open and confidential one-on-one meetings between the Chair of the Board and each Board member to discuss their thoughts on Board effectiveness, priorities and other topics. At these meetings, each committee Chair provides a verbal evaluation of his or her committee members and the committee's overall performance over the past year. Individual director performance evaluations may also be carried out by the Chair of the Board at these meetings.

Following completion of the assessment, the Chair of the G&N Committee presents the results of the questionnaires, and the Chair of the Board presents a summary of one-on-one meetings. All Board members are invited to contribute their individual comments either to the whole Board or to the Chair of the Board privately. In addition, the Chair of the Board carries out ongoing informal assessments throughout the year through regular dealings with the members of the Board.



Strategic Oversight and Risk Oversight

Strategic oversight is a core responsibility of the Board. Each year, the Board reviews and approves the Corporation's strategic plan and capital plan. In addition to discussions held at its regularly scheduled meetings, at which various members of senior management participate on a rotating basis, the Board convenes throughout the year for dedicated sessions focused exclusively on strategy. These dedicated sessions include in-depth discussions with product category leaders on significant growth, sustainability, and health and safety initiatives, as well as ongoing monitoring of their execution. The Board also reviews industry developments, evolving customer profiles and priorities, demand drivers and other relevant trends. In addition, the Corporation's sustainability strategic plan and progress, along with the human resources strategic plan and key metrics, such as global compensation, learning and development, talent acquisition, employee experience and retention, are central topics at these sessions.

The Board as a whole ensures that management, through its enterprise risk management ("ERM") team, conducts and presents a risk analysis of company operations in the context of global risks, industry risk, company-specific risks, technology risks, climate change risks, supply chain workforce and social risk. This analysis enables the Board to assess management's understanding of potential impacts and its response to them, particularly those with environmental and social implications. It also allows the Board to oversee management's development and implementation of key risk-management initiatives and response plans related to priority emerging risks.

On a semi-annual basis, time is dedicated at designated Board meetings to receiving presentations from the Corporation's ERM team on principal risk identification, assessment and mitigation measures. Accompanying reports are delivered to enhance the Board's understanding and oversight of the efficiency and quality of the Corporation's risk management program. Between these meetings, the Board receives timely updates on identified risks and mitigation strategies to ensure any significant changes are addressed as they arise. Management's risk working group meets throughout the year to support the ERM group in identifying and categorizing risk exposures throughout the Corporation and discuss mitigation strategies and action plans.

Executive Succession Planning

The Board oversees the succession planning and appointment of the President and CEO as well as the NEOs and other members of the senior management team. It annually receives and reviews a succession plan report from the Corporation's head of human resources. Such report reviews various time horizons, identifies a successor pool through the presentation of high-performing and high potential talent within the organization and their qualifications in relation to applicable future vacancies. Developmental programs including individual development plans for key successors combining external coaching, formal training in specified areas and practical work assignments help prepare the identified individuals for future key roles. Upcoming changes to corporate functions and the evolving roles of key executives within each operational division are outlined in the succession plan report, along with anticipated new positions and the associated risks related to filling, retaining, and replacing individuals in these critical roles. The report also details the plans developed to address these scenarios. Where appropriate, external hiring may be recommended to strengthen organizational competencies and expertise, thereby enhancing diverse perspectives and fostering fresh thinking.

Ethical Business Conduct

The Board has adopted a Code of Business Conduct and Ethics (the "Code"). It sets out basic principles to govern the manner in which all employees, officers and directors of the Corporation shall conduct business and maintain relationships with their fellow employees, customers, competitors, business partners and regulatory authorities in all regions in which it operates.

The Code covers a range of topics, including fraud and dishonest acts, conflicts of interest, anti-bribery, protection of confidential and proprietary information, human rights, insider trading, and safeguarding the Corporation's assets. It also requires insiders to disclose any related-party transactions in which they are involved with the Corporation. In 2025, the Code was amended to, among other things, promote the responsible usage of artificial intelligence, reinforce fair dealings with customers, competitors, suppliers and other business partners, and relocate certain insider-trading provisions into a separate insider trading policy.

All employees, officers and directors receive a copy of the Code when they are hired or appointed and are required to sign an acknowledgement confirming their understanding of, and commitment to, comply with it. The Code is also redistributed to employees quarterly and to Board members annually for their review. In addition, office employees, officers and directors must

complete an annual certification in which they confirm their understanding of the Code and undertake to comply with its provisions, as well as all the Corporation's governance policies.

Individuals who note a violation of the Code or any other policies of the Corporation must notify their immediate supervisor or the Senior Vice-President and Chief Legal Officer, or alternatively, report such violation through the anonymous reporting system in accordance with the Corporation's Whistleblower Procedures. The anonymous reporting system is operated by an independent, secure third-party service and is accessible online or by phone.

Upon receipt of a complaint, (i) a report is created; (ii) the report is assigned to the appropriate reviewer based on the nature of the complaint and the individuals involved; (iii) an investigation is conducted, if required; and (iv) prompt and appropriate action is taken if the complaint is substantiated. The Chair of the Audit Committee receives real-time notices of all complaints submitted through the anonymous reporting system. On a quarterly basis, the Audit Committee receives a report summarizing the complaints received, how they were handled, the results of any investigation and any corrective actions taken.

With respect to transactions or agreements in which a director or executive officer has an interest, the Corporation's Policy on Related-Party Transactions sets out the process by which disclosure is made to and assessed by either a senior management evaluation committee or the Audit Committee for the review, approval, ratification or rejection, depending on certain predetermined criteria.

The Code is available in the Investor Relation's section of the Corporation's website at www.stella-jones.com and on SEDAR+ at www.sedarplus.ca.

Sustainability

In addition to sound governance practices, sustainability is a key priority that extends beyond a set of objectives. It is integrated into the Corporation's operations and embedded in its continuous efforts to contribute positively to the world while ensuring the Corporation's business remains profitable and resilient. The Corporation's sustainability strategy, titled "Connecting our Sustainable Future" is based on measurable targets across six key topics, namely (i) Climate Change & Greenhouse Gas Emissions, (ii) Health and Safety, (iii) Our People, (iv) Indigenous Peoples, (v) Responsible Supply Chain, and (vi) Sustainability Risk Governance.

The Corporation's latest Environmental, Social and Governance Report was published in September 2025 and shows progress on actionable goals in (i) increased renewable energy consumption contributing to the 2030 target of a 32% absolute reduction in Scope 1 and Scope 2 GHG emissions relative to the Corporation's 2022 baseline, (ii) reduction in total recordable injuries through effective training, implementation of process improvements and a communication campaign supporting a culture of active safety ownership, (iii) land remediation, water and waste management, and (iv) enhancement of employee engagement and human resources capabilities through dedicated recruitment, talent development and total rewards. Furthermore, a human rights risk assessment of tier 1 suppliers advanced the Corporation's ongoing commitment to ethical and responsible sourcing while its climate change transition scenario analysis was carried out to further refine resiliency strategies. The Corporation also took important steps this past year to develop its enterprise risk management and cultivate a framework for meaningful relationship agreements with Indigenous Peoples.

During 2025, the Corporation enhanced its sustainability reporting by delivering its first Climate Report within the Corporation's 2024 Annual Report. The climate risk assessment included in the Climate Report was informed by transition risks using the Shared Socioeconomic Pathway 2 (SSP2) models to evaluate 1.5°C and 4°C warming scenarios over 2030- and 2050-time horizons. The Corporation also completed its first Nature-related Risk Assessment under the Taskforce on Nature-related Financial Disclosures. In its latest Environmental, Social and Governance Report, the Corporation improved its reporting by aligning more closely with the Canadian Sustainability Standards Board ("CSSB") framework. Although the CSSB standard is not yet mandatory in Canada, the Corporation remains committed to following its recommendations to ensure transparent and useful disclosures for its stakeholders.

The Board has ultimate oversight for the Corporation's sustainability approach, including reviewing and approving the sustainability strategic plan and program and the annual Environmental, Social and Governance Report, and, on a semi-annual basis, reviewing the annual Enterprise Risk Review, which addresses climate-related risks and mitigation strategies and action plans.



The EH&S Committee is tasked with advising and assisting the Board on matters relating to sustainability, including management plans, long-term objectives for improved sustainability performance, and integrating sustainability into the Corporation's business strategies. It is also responsible for monitoring and reporting to the Board on the Corporation's health and safety performance on a quarterly basis, and on its progress against sustainability targets, including those related to climate change and greenhouse gas emission reduction, at least on an annual basis.

The HRC Committee oversees employee engagement, succession planning and compensation policies, including the setting and attainment of sustainability initiatives within the Amended Short-Term Incentive Plan for Executive Officers. The Audit Committee is responsible for financial reporting systems and internal controls, including sustainability data and related financial reporting requirements. The Audit Committee is also tasked with overseeing the Corporation's information technology, cybersecurity, artificial intelligence and privacy risk exposures and controls. The Audit Committee receives comprehensive detailed reports from the Vice-President, Information Technology at each quarterly Committee meeting to ensure that the Audit Committee is updated on technology and other means and most recent enhancements implemented by the Corporation to mitigate cyber risk.

The Corporation's Short-Term Incentive Plan for executive officers incorporates a sustainability metric or "Sustainability Target Achievement Factor" to incentivize management to attain annually defined sustainability initiatives by linking compensation to the achievement and progress towards strategic priorities and further align the interests of the leadership team with the sustainability direction of the Corporation. Recent strategic priorities have covered (i) environmental initiatives, such as Scope 3 Greenhouse Gas data collection, energy consumption reporting and pollution control program implementation; (ii) governance initiatives, such as fire risk assessments across identified facilities, Indigenous Cultural Awareness Training and Cybersecurity Phishing Campaigns; and (iii) health and safety initiatives, such as the achievement of the company-wide TRR² goal.

For more information on the Corporation's sustainability practices and targets, consult the Corporation's latest Environmental, Social and Governance Report available in the Investor Relations section of the Corporation's website at www.stella-jones.com.

Shareholder Engagement and Communications

The Corporation is committed to ensure open, ongoing dialogue with Shareholders and other stakeholders so that the Corporation's approach to corporate governance remains dynamic, attuned to the rapidly evolving business landscape, and responsive to the priorities of its Shareholders and other stakeholders. The Board seeks to engage, primarily through its Chair, the Chair of each of the Board committees, the CEO, the Chief Financial Officer ("CFO") and the Director, Investor Relations, in ongoing constructive dialogue with Shareholders and other stakeholders on a wide range of topics, including executive compensation and governance matters.

The Corporation keeps Shareholders informed of its activities and progress through various channels, including the Corporation's website, news releases, quarterly earnings conference calls, investor presentations, dedicated investor day, annual reports, environmental, social and governance reports and direct meetings.

In 2025, the Corporation continued to prioritize proactive engagement with investors through dedicated meetings and one site visit. Meetings were held between the Chair of the Board and certain committee chairs, and several major Shareholders to understand their perspectives on the organization and to discuss, among others, executive short and long-term compensation and its alignment with Shareholder interests, governance, climate change and Board composition and continued renewal.

The Board maintains a Disclosure Communication Policy designed to ensure that communications with the investment community, the media, and the public are timely, consistent, and accurate, and that information is disseminated in compliance with applicable legal and regulatory requirements. The Disclosure Communication Policy is reviewed on an annual basis by the Board and is available on the Corporation's website at www.stella-jones.com.

The Board encourages Shareholders' participation at the Meeting as it provides a valuable opportunity to discuss the Corporation's activities and general business, financial situation, corporate governance, and other important matters.

Shareholders may also contact the Board to express their views on matters that are important to them by sending an email to the Chair of the Board at boardchair@stella-jones.com.

² TRR is the total Recordable Injury Rate and is defined as the number of work-related injuries per 100 full-time workers during a one-year period.

Section 7 – Compensation Discussion and Analysis

Management Proxy Circular



Letter from the Chair of the Human Resources and Compensation Committee

On behalf of the HRC Committee and the Board, I am pleased to provide you with an overview of the Corporation's executive compensation program for 2025. Following recent structural updates to our compensation programs, 2025 was a year of continuity with our compensation framework continuing to directly link pay to long-term performance and value creation for our Shareholders.

Linking Performance with Pay

Our overriding focus remains the alignment between pay and performance, ensuring the interests of our senior management team are directly tied to those of our Shareholders. Our incentive plans are designed to balance profitable growth with strong economic returns, with metrics spanning EBITDA³, operational performance targets, return on average capital employed ("ROCE")⁴, and relative total shareholder return ("Relative TSR")⁵ working together to drive sustainable, long-term value creation.

Executive Base Salary

Following a thorough review of market conditions, comparator group data, individual performance, strategic considerations, and in consultation with our independent compensation advisor, Meridian Compensation Partners, for 2025, we approved an overall average base salary increase of 4% for our executive officers.

2025 Short-Term Incentives

The short-term incentive plan ("STIP") in 2025 for all executive officers remained based on an EBITDA³ target. In line with the changes to our STIP that took effect in 2025, operational performance targets were added for divisional executive officers. In 2025, the sustainability objectives focused on the implementation of a program for the transfer of bulk liquid preservative, cybersecurity training campaigns, and the Total Recordable Injury Rate.

Long-Term Incentives and Alignment

Our 2025 long-term incentive plan design remained consistent with prior years, measuring long-term performance through ROCE⁴, a key determinant of sustainable shareholder value creation, and Relative TSR⁵, which directly aligns management compensation with the shareholder experience. This approach continued to reinforce our commitment to rewarding long-term, meaningful performance. As a testament to this alignment, our 2023 PSUs have paid out at 200% of target, reflecting the strong shareholder return generated over the preceding three-year period.

In 2025, we introduced one meaningful enhancement: performance share units and restricted share units will now vest in the form of treasury shares rather than cash. This change deepens management's alignment with shareholders by ensuring that executives share directly in the long-term performance of the Corporation.

3 EBITDA refers to the operating income before depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets (also referred to as earnings before interest, taxes, depreciation and amortization). EBITDA is a non-GAAP measure and does not have any standardized meaning under International Financial Reporting Standards ("IFRS"). Therefore, it may not be comparable to similar measures presented by other issuers. Refer to the section entitled "Non-GAAP and Other Financial Measures" of the Corporation's management's discussion & analysis for the year ended December 31, 2025 ("2025 MD&A") for an explanation of how EBITDA provides useful information to investors and the purposes for which management uses it, as well as a reconciliation to the most directly comparable GAAP measure, which section is incorporated by reference into this Circular. The 2025 MD&A is available on SEDAR+ at www.sedarplus.ca and in the Investor Relations section of the Corporation's website at www.stella-jones.com.

4 ROCE (return on average capital employed) is defined as trailing 12-month operating income, divided by the average capital employed. Average capital employed is defined as the 12-month average of the capital employed balance at the beginning of the twelve-month period and the capital employed balances at the end of each quarter for the remainder of the twelve-month period. ROCE is a non-GAAP measure and does not have any standardized meaning under IFRS. Refer to the section entitled "Non-GAAP and Other Financial Measures" of the 2025 MD&A for an explanation of how ROCE provides useful information to investors and the purposes for which management uses it, as well as a reconciliation to the most directly comparable GAAP measure, which section is incorporated by reference into this Circular.

5 TSR, or relative total shareholder return, is calculated by taking into consideration the stock price at the beginning and end of the performance measurement period as well as dividends declared over the period. Dividends are assumed reinvested in common shares. Specifically, the TSR represents the annualized interest rate that equates the present value of the ending stock price and dividends declared to the beginning stock price. TSR for the S&P/TSX Capped Industrials Index is calculated identically. For the purposes of the Treasury Stock Unit Plan and Stock Unit Plan, relative three-year TSR is equal to the three-year annualized total shareholder return (TSR) relative to the S&P/TSX Capped Industrials Index.

To further solidify this alignment, I would like to reiterate the HRC Committee's initiative in proposing the adoption of formal minimum shareholding guidelines for our senior executives. These guidelines, which include a mandatory post-retirement hold period for the President and Chief Executive Officer, officially came into effect on January 1, 2025. This requirement ensures that our leadership maintains a significant personal vested interest in the Corporation's success both during and after their tenure.

Talent Management and Succession Planning

Beyond compensation, the HRC Committee remains deeply committed to the strength and continuity of the Corporation's leadership. In 2025, the HRC Committee actively supported the Corporation's recruitment efforts of senior executive talent. Furthermore, the Committee assisted the Corporation in designing an enhanced succession planning process. The Board, with the dedicated assistance of the HRC Committee, conducted a detailed review of this enhanced process this year to ensure our leadership transition strategies remain rigorous and aligned with our long-term strategic goals.

Shareholder Engagement

At our May 2025 annual meeting of Shareholders, our executive compensation approach received strong shareholder support, with 88.98% of votes cast in favor. The HRC Committee views this as an encouraging endorsement while remaining committed to continuous improvement of our compensation programs.

Conclusion

Looking forward, the HRC Committee will continue to work closely with management and our external independent advisors to evaluate our compensation programs against peer benchmarks and market best practices. We are also closely monitoring the effectiveness of the structural updates made in recent years to determine if further refinements are necessary. Our goal remains to ensure the program effectively incentivizes our workforce, supports long-term retention, and drives sustainable shareholder value.



Robert Coallier
Chair, Human Resources and Compensation Committee

Compensation Design and Practices

The Corporation's compensation policies are designed to recognize and reward individual performance as well as offer a competitive level of compensation. The overall compensation awarded to the Corporation's executive officers is designed to attract, motivate and retain those individuals who are key to maximizing the overall performance of the Corporation while enhancing shareholder value. It is designed to reward and encourage teamwork among senior executives and promote the common goal of overall financial and operating performance, and sound environmental, social and governance practices both short and long term.

The Corporation believes that sound compensation policies and practices are key to driving performance and mitigating factors that could result in inappropriate or excessive risk. The following table presents the Corporation's key compensation practices, which are regularly reviewed to ensure that decisions are made in the best interests of Shareholders.

Compensation Governance Policies and Best Practices

Pay-for-Performance:



The majority of the executive compensation package is variable and at risk. The treasury performance share units are performance-vesting incentives, which further align executive interests with the achievement of long-term corporate objectives. Furthermore, the treasury restricted share units are granted based on the trailing one-year ROCE performance. Therefore, the long-term incentive mix is effectively 100% performance contingent.

Alignment:



The compensation programs encourage collaborative company-wide performance and are aligned with the Corporation's business strategy and long-term value creation.

Independent Advice:



The HRC Committee regularly retains an independent compensation consultant to conduct comprehensive reviews of the executive compensation program. In 2025, the independent consultant carried out research and reported to the HRC Committee on matters including executive compensation trends and salary planning as well as incentive plan goal setting and delivered a report on director compensation to the G&N Committee.

Clawback: The executive



Officer Clawback policy provides the Board with a tool to recoup incentive compensation under specified circumstances (such as gross negligence, intentional misconduct or fraud), both in connection with and without financial restatement, aligned with a market leading approach in compensation risk mitigation.

Say-on-Pay:



Seventh annual advisory vote to be held on the Corporation's approach to executive compensation at its May 2026 annual meeting of Shareholders. The Corporation has had a strong record of Say on Pay support from investors.

Double-Trigger Change of Control:



Acceleration of long-term incentive awards vesting under change of control events require the combined occurrence of a termination of employment event (e.g. “double-trigger” vesting”).

Perquisites/Benefits:



Moderate and market-competitive executive perquisites and benefits are provided, consistent with reasonable market practice.

Stock Ownership Requirements:



Minimum Shareholding Policy for Senior Management requires executive officers and other members of senior management to hold a specified and meaningful equity stake in the Corporation to align their interests with those of its Shareholders.

CEO Post-Employment Hold:



The President and CEO is subject to a post-employment holding requirement of Shares (two quarters post-separation). This ensures that the President and CEO is actively involved and economically exposed to a successful leadership transition in the future.

Risk Management:



Compensation programs are designed not to encourage individual or collective opportunistic or inappropriate risk taking as short and long-term incentive plans are based, in most part, on company-wide targets.

Anti-Hedging Policy:



Anti-hedging policy prohibits insiders from entering into transactions that could hedge or offset their holdings in the event of a decrease in the Corporation’s Share price.

Reasonable Contractual Severances:



Contractual severances are capped within reasonable market practices.

Components of Overall Executive Compensation

Components of overall executive compensation for the year ended December 31, 2025 include the following:

	Compensation Element	Purpose	Performance Measured ⁽¹⁾	Outcome	Performance Period
Total Direct Compensation	Base Salary	Pay for value of role and to support attraction and retention	Individual contribution/competencies/skills	Provide a market competitive fixed rate of cash payment	Annual
	Short-Term Incentive Plan	Annual award based on the attainment of financial and, as applicable, operational objectives, and sustainability initiatives	Payout trigger based 100% on EBITDA Target for Senior Corporate Management and 75% on EBITDA Target and 25% on operational performance targets for Senior Operational Management, in each case with a potential positive modifier based on sustainability Initiatives	Cash payment (no guaranteed minimum payment)	Annual
	Treasury Restricted Share Units (“TRSUs”) under Treasury Share Unit Plan (“TSU Plan”) (50% of Long-Term Incentive Grants) ⁽²⁾	Aligns participants’ interests with Shareholders by fostering long-term share ownership and helping attract and retain quality talent	Number of TRSUs granted based on the ROCE for the grant year (from 0% to 200% target grant)	Payout in Shares at vesting. May be settled for cash or Shares purchased on the open market following a participant’s election, subject to the Corporation’s approval	3 years (one-third vesting each year)
	Treasury Performance Share Units (“TPSUs”) under TSU Plan (50% of Long-Term Incentive Grants) ⁽²⁾	Aligns participants’ interests with Shareholders by fostering long-term share ownership and helping attract and retain quality talent	Number of TPSUs granted based on 3-year average ROCE (75%) and 3-year relative TSR vs. S&P/TSX Capped Industrials Index (25%) (from 0% to 200% target grant)	Payout in Shares at vesting May be settled for cash or Shares purchased on the open market following a participant’s election, subject to the Corporation’s approval	Cliff vest at the conclusion of 3 years, subject to performance conditions
	Perquisites	Group medical insurance, lease of vehicle and other reasonable perquisites aligned with duties	Individual contribution/competencies	Annual perquisites provided	Annual
Indirect Compensation	Retirement Savings Plans and Pension Benefits	Encourages saving for retirement	Individual contribution/competencies	Annual contributions (in cash or through grants of deferred share units, as applicable) made by the Corporation	Annual

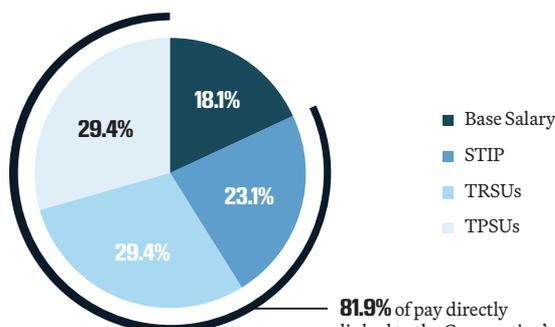
(1) For more information on the compensation components referred to in this column, see “Section 7 – Compensation Discussion and Analysis – Components of Overall Executive Compensation” of this Circular.

(2) Restricted share units and performance share units were previously granted under the Stock Unit Plan which has been phased out and replaced by the TSU Plan.

Compensation Mix

As illustrated below, the total direct compensation target of the President and CEO and that of the other NEOs places significant emphasis on at-risk and long-term incentive components, thereby enhancing alignment with Shareholder interests over time.

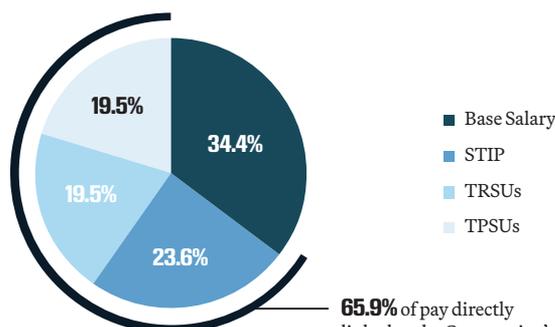
CEO Target Pay Mix*



* Calculated using short-term incentive at target and long-term incentive at target

81.9% of pay directly linked to the Corporation's performance

Average other NEOs Target Pay Mix



* Calculated using short-term incentive at target and long-term incentive at target

65.9% of pay directly linked to the Corporation's performance

Compensation Review Process

Human Resources and Compensation Committee

The HRC Committee meets at least four (4) times a year and more often, if required. It is the responsibility of the HRC Committee to make recommendations to assist the Board in its strategic oversight on matters regarding human resources and compensation for employees of the Corporation and its subsidiaries, including, without limiting the generality of the foregoing:

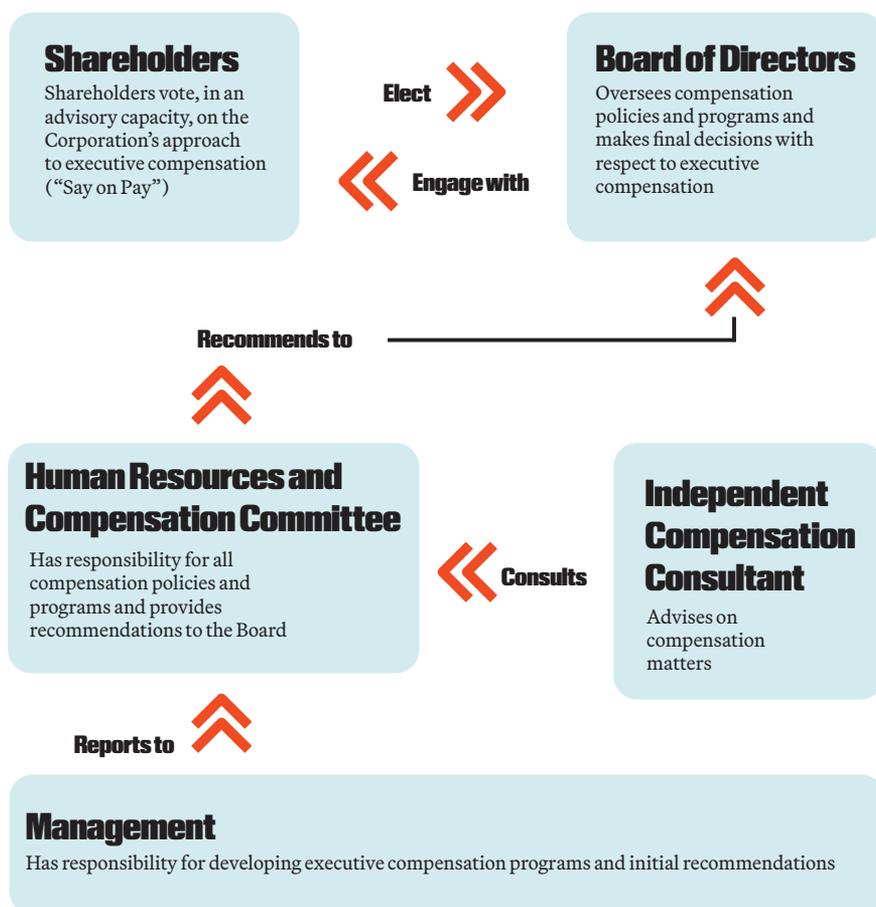
- (i) establishing general policies pertaining to wages, bonuses, incentives and any other form of compensation;
- (ii) at least annually, evaluating and reporting to the Board on the performance of the President and CEO and senior executives;
- (iii) determining, at least annually, the remuneration of the President and CEO and senior executives;
- (iv) recommending to the Board awards under the STIP and other profit sharing plans dedicated to non-senior management employees;
- (v) recommending to the Board the grant of equity-based incentives, including restricted share units and performance stock units under the Corporation's long-term incentive plans, as such may be amended from time to time;
- (vi) proposing changes or additions to incentive compensation plans and equity-based plans;



- (vii) establishing short, medium and long-range plans and policies for succession of senior executives;
- (viii) overseeing practices and policies related to employee recruitment, development, engagement and retention;
- (ix) reviewing retirement and severance policies, practices and plans proposed by management;
- (x) monitoring the appropriateness of the Corporation’s human resources and compensation practices, including practices with respect to privacy, human rights, diversity, fair practices, and compliance with applicable laws;
- (xi) ensuring a proper process for employee surveys; and
- (xii) reviewing the executive compensation disclosure in the Corporation’s management proxy circular and any offering document before their public release.

The compensation of the NEOs (as defined below) and the other senior executives is proposed to the HRC Committee by the Vice-President, Human Resources and the President and CEO. The HRC Committee reviews the proposals and recommends their approval or modification to the Board. The Board then considers the HRC Committee’s recommendations and makes the final determinations regarding the compensation of the NEOs and other senior executives. The President and CEO does not participate in decisions regarding his own compensation, which is instead reviewed independently by the HRC Committee, with advice from Meridian, its external compensation consultant.

Executive compensation decisions are based on a process as outlined below:



For more information regarding the experience of each member of the HRC Committee relevant to their responsibilities in executive compensation, please refer to “Section 4 – About the Nominated Directors” of this Circular. The Board is confident that the combined experience and skills of the members of the HRC Committee enables the HRC Committee to make appropriate decisions regarding the suitability of compensation policies, programs and practices.

Role of External Advisors

Meridian has been providing compensation consulting services since July 2023. In 2024 and 2025, Meridian provided independent consulting services with respect to the following matters:

- Proxy disclosure assistance and Compensation Discussion and Analysis drafting
- Assistance related to incentive plan goal setting
- Review of HRC Committee meeting materials and attendance at scheduled HRC Committee meetings
- Executive share ownership policy review
- Review of proxy advisor reports and policies
- Executive compensation trends and salary planning
- Input on President and CEO pay for the HRC Committee
- Input on Employee Share Purchase Plan design
- Board compensation benchmarking

The table below presents the fees paid to Meridian for the years ended December 31, 2025 and 2024:

Year	2025	2024
Executive compensation consulting fees	\$96,735	\$30,748
All other fees	\$32,855 ⁽¹⁾	\$ 4,718 ⁽¹⁾

(1) “All other fees” represent fees paid to Meridian for director compensation work in December 2024, January 2025, July 2025 and October 2025 through November 2025.

The information and advice provided by Meridian were factors considered when making decisions regarding executive compensation. However, the HRC Committee and the Board do not rely exclusively on this information and their decisions reflect a number of factors and considerations. Meridian also maintains protocols to ensure that independent and objective advice is provided and it does not provide any services to the Corporation other than those listed above.

Comparator Group

The comparator group used to determine the 2025 compensation for executive officers is outlined below:

Canadian Comparators (10 companies)	U.S. Comparators (7 companies)
Canfor Corporation	Armstrong World Industries, Inc.
Cascades Inc.	Gibraltar Industries, Inc.
Doman Building Materials Group Ltd.	Koppers Holdings Inc.
Methanex Corporation	Saia, Inc.
Mullen Group Ltd.	Simpson Manufacturing Co., Inc.
Richelieu Hardware Ltd.	The Greenbrier Companies, Inc.
Russel Metals Inc.	Werner Enterprises, Inc.
TFI International Inc.	
Toromont Industries Ltd.	
Winpak Ltd.	



As presented in the table below, the Corporation is generally aligned with the median of the comparator group’s revenue and total enterprise value, indicating that the group is representative of the Corporation’s size and complexity:

Statistics	Revenue (\$Millions) ⁽¹⁾	Total Enterprise Value (\$Millions) ⁽¹⁾
25 th Percentile	\$2,229	\$ 2,289
Median	\$4,167	\$ 3,209
75 th Percentile	\$4,790	\$10,371
Stella-Jones Inc.	\$3,495 ⁽²⁾	\$ 6,017 ⁽³⁾
Percentile Rank	P46	P65

(1) All values are in Canadian dollars; U.S. dollars are converted to CAD using the historical conversion rate at the filing date.

(2) Trailing twelve-month revenue as of September 30, 2025.

(3) Six-month average enterprise value as of September 30, 2025.

The Corporation’s comparator group was reviewed in 2025 to ensure the companies in the group and underlying selection criteria are still relevant. The comparator group is one of several important components of input that the HRC Committee utilizes to make informed pay decisions. Following this review, the following changes were made to the comparator group in light of the Corporation’s growth and evolving business strategy: Canfor Corporation, Mullen Group Ltd., Saia Inc., TFI International and Werner Enterprises, Inc. were removed and Arcosa Inc., ADENTRA Inc., BRP Inc., Interfor Corporation, NFI Group Inc., Transcontinental Inc., Trinity Industries Inc., UFP Industries, Inc., Valmont Industries, Inc. and West Fraser Timber Co. Ltd. were added.

The revised comparator group will be used to benchmark executive and director compensation for 2026.

The Corporation’s comparator group comprises a mix of appropriate and business relevant Canadian and U.S. companies. The primary criteria for selecting the comparator group companies are:

- Company size based on revenue and market capitalization, generally 1/3x to 3x the Corporation’s on revenue and market capitalization;
- Companies within the Corporation’s direct and adjacent industries;
- Companies with a focus on similar products, distribution channels, and end markets, with multiple operational segments and multiple plants; and
- Companies with a North American focus with customers and manufacturing plants in the U.S. market.

The following table presents the list of the 22 companies composing the updated comparator group:

Canadian Comparators (13 companies)	U.S. Comparators (9 companies)
ADENTRA Inc.	Arcosa Inc.
BRP Inc.	Armstrong World Industries, Inc.
Cascades Inc.	Gibraltar Industries, Inc.
Doman Building Materials Group Ltd.	Koppers Holdings Inc.
Interfor Corporation	Simpson Manufacturing Co., Inc.
Methanex Corporation	The Greenbrier Companies, Inc.
NFI Group Inc.	Trinity Industries Inc.
Richelieu Hardware Ltd.	UFP Industries, Inc.
Russel Metals Inc.	Valmont Industries, Inc.
Toromont Industries Ltd.	
Transcontinental Inc.	
West Fraser Timber Co. Ltd.	
Winpak Ltd.	

Managing Compensation-Related Risk

Risk Analysis

The Board and the HRC Committee are satisfied that the Corporation's compensation practices and incentive plans, which provide rewards for achievement of overall company-wide objectives while recognizing individual contributions, do not encourage any NEO or other employee to take inappropriate or excessive risks. There have been no risks identified from the Corporation's compensation policies or plans that are reasonably likely to have a material adverse effect on the Corporation. The Corporation's compensation policies and plans include a number of risk mitigating features:

- The incentive programs are predominantly conditional upon the attainment of stated corporate-wide thresholds that promote an environment that encourages employees to work together for the overall success of the Corporation.
- The compensation programs are balanced between fixed and variable pay, and between short- and long-term incentive plans.
- Overall, the compensation expense for executive officers and other members of senior management does not represent a significant portion of the Corporation's revenue.
- The Executive Officer Clawback Compensation Policy provides the Corporation with the ability to recoup awards that were earned under specified circumstances.
- The Corporation's Minimum Shareholding Policy for Senior Management requires shareholdings to continue through the tenure of the President and CEO, the Senior Vice-Presidents and the Vice-Presidents (and in the case of the CEO, for a holding period of two quarters thereafter).
- The anti-hedging policy ensures alignment with Shareholders.



Clawback Policy

The Executive Officer Clawback Compensation Policy (“Clawback Policy”) was implemented in 2019 to ensure that the Board is able to take direct and appropriate action to require reimbursement of all or a portion of compensation received by an executive officer pursuant to awards made under short-term and long-term incentive plans in certain situations. The Clawback Policy defines executive officers as all individuals at the vice-president level or above, currently or previously employed by the Corporation or one or more of its wholly owned direct or indirect subsidiaries.

The Clawback Policy discourages excessive risk-taking among executives and does not require a financial restatement in order to be triggered, as more fully provided below.

Under the Clawback Policy, the Board shall be entitled, on behalf of the Corporation, to require reimbursement of full or partial bonus, profit share (as applicable) and other incentive compensation, including cash and equity-based awards (together, “Awards”) from an executive officer or former executive officer in situations where:

- (i) the executive officer has engaged in gross negligence, intentional misconduct or fraud (any of the foregoing, a “Misconduct”); or
- (ii) the amount of a bonus, profit share or other incentive compensation was calculated based upon, or contingent on, the achievement of certain financial results of the Corporation that were subsequently the subject of or affected by a restatement of all or a portion of the Corporation’s financial statements where:
 - a. the executive officer has engaged in Misconduct that caused or substantially caused the need for the restatement; and
 - b. the amount of the bonus, profit share or other incentive compensation that would have been awarded to or the profit realized by the executive officer had the financial results been properly reported would have been lower than the amount actually awarded or received.

The Clawback Policy applies to all Awards made after August 6, 2019.

Anti-Hedging Policy

The Corporation’s Insider Trading Policy provides that the Corporation’s insiders may not buy, sell or enter into any instrument, agreement, security or derivative, the value, market price or payment obligations of which are based on the value, market price or payment obligations of a security of the Corporation, or any put, call, option or other similar right or obligation to purchase or sell securities of the Corporation, or any other instrument, agreement, arrangement or understanding that affects, directly or indirectly, their economic interest in securities of the Corporation or their economic exposure to the Corporation. The Corporation’s Insider Trading Policy further prohibits speculative trading in short-term price fluctuations in the value of the Shares.

Share Ownership and Retention Requirements for Executive Officers

The HRC Committee recommended, and the Board approved, effective January 1, 2025, a Minimum Shareholding Policy for Senior Management which provides for the following requirements:

Position	Minimum Share Ownership Requirements	Inclusions	Exclusions	Term to Meet Minimum Share Ownership Requirements and Term of Maintenance of Requirement
CEO	5 x annual base salary	<ul style="list-style-type: none"> • Shares held directly or indirectly (to comprise at least 25% of the minimum share ownership requirement) • Unvested RSUs, TRSUs and DSUs. • Vested and unexercised RSUs, TRSUs, PSUs and TPSUs 	<ul style="list-style-type: none"> • Unvested PSUs and TPSUs 	<p>By the later of five (5) years from the implementation of minimum share ownership requirements or promotion to position level</p> <p>To be maintained for at least two (2) quarters post-separation under the CEO's employment contract</p>
Senior Vice-Presidents	3 x annual base salary	<ul style="list-style-type: none"> • Shares held directly or indirectly (to comprise at least 25% of the minimum share ownership requirement) • Unvested RSUs, TRSUs and DSUs • Vested and unexercised RSUs, TRSUs, PSUs and TPSUs 	<ul style="list-style-type: none"> • Unvested PSUs and TPSUs 	<p>By the later of 5 years from the implementation of minimum share ownership requirements or promotion to position level</p> <p>Requirement to be maintained as long as the employee remains an executive officer</p>
Vice-Presidents	1 x annual base salary	<ul style="list-style-type: none"> • Shares held directly or indirectly (to comprise at least 25% of the minimum share ownership requirement) • Unvested RSUs, TRSUs and DSUs • Vested and unexercised RSUs, TRSUs, PSUs and TPSUs 	<ul style="list-style-type: none"> • Unvested PSUs and TPSUs 	<p>By the later of 5 years from implementation of minimum shareholder requirements or promotion to position level</p> <p>Requirement to be maintained as long as the employee remains an executive officer</p>

Members of senior management who have not met their target ownership within five (5) years from January 1, 2025 or the date on which they were promoted to their position level, may, at the discretion of the HRC Committee, in consultation with the CEO,



result in (i) mandatory conversion of a percentage of the net value of STIP payments to the executive officer into Shares, (ii) mandatory settlement of TRSUs and TPSUs in Shares, and/or (iii) suspension of LTIP, awards, STIP awards, or a portion thereof; and/or (iv) enforcement of a trading restriction in Shares until the minimum share ownership requirement is reached. Once the minimum share ownership requirement is achieved, it must be maintained as long as the employee remains an executive officer and in the case of the President and CEO, until at least two quarters following separation from the Corporation.

The table below presents the number and value of Shares and units held by each NEO as at March 12, 2026, as well as their respective progress toward meeting the share ownership requirement.

Name and Title	Share Ownership Requirement	Shares/ Units Held	Value Held in Shares/Units ⁽¹⁾	Meets the 25% Common Share Ownership Requirement	% of Achievement
Eric Vachon President and CEO	5 x annual base salary	26,212 Shares 45,137 TRSUs 904 DSUs	\$6,936,288	Yes	159%
Silvana Travaglini Senior Vice-President and CFO	3 x annual base salary	7,220 Shares 12,516 TRSUs 328 DSUs	\$1,926,144	Yes	128% ⁽²⁾
Wesley Bourland Senior Vice-President and Chief Operations Officer	3 x annual base salary	Nil Shares 5,304 TRSUs	\$ 509,184	—	25% ⁽³⁾⁽⁴⁾
Kevin Comerford Senior Vice-President, Utility Poles and U.S Residential Lumber Sales	3 x annual base salary	7,275 Shares 11,260 TRSUs	\$1,779,360	Yes	90% ⁽²⁾⁽⁴⁾
James P. Kenner Senior Vice-President and Chief Legal Officer	3 x annual base salary	4,138 Shares 6,899 TRSUs	\$1,059,552	Yes	66% ⁽⁴⁾⁽⁵⁾

(1) Calculated by using the closing price of the Shares on the TSX on March 12, 2026 (\$96.00).

(2) Ms. Travaglini and Mr. Comerford have until January 2030 to meet their share ownership requirements.

(3) Mr. Bourland joined the Corporation as Senior Vice-President and Chief Operations Officer on April 14, 2025 and has until April 2030 to meet his share ownership requirements.

(4) For the purposes of calculating the percentage of achievement for Messrs. Bourland Comerford and Kenner, their base salary was converted to Canadian dollars using the Bank of Canada closing exchange rate at year-end of 1.3706.

(5) Mr. Kenner was promoted to the role of Senior Vice-President and Chief Legal Officer on May 12, 2025 and has until May 2030 to meet his share ownership requirements.

Components of Overall Executive Compensation

Base Salary

Base salary takes into account sustained performance, the level of responsibility, the complexity of the duties and experience, and correspondingly, the positioning of the salary within the salary range for that position within the organization. Market-based adjustments may be made in response to comparative market compensation levels derived from comparator group benchmarking, due to a change in the executive's duties during the year, and with regard to the overall economic climate.

Base Salary 2-Year Evolution

Name and Title	2024 Base Salary	2025 Base Salary	% Change
Eric Vachon President and CEO	\$850,000	\$875,000	2.94%
Silvana Travaglini Senior Vice-President and CFO	\$476,100	\$500,000	5.02%
Wesley Bourland Senior Vice-President and Chief Operations Officer	— ⁽¹⁾	\$685,300 ⁽³⁾	—
Kevin Comerford Senior Vice-President, Utility Poles and U.S Residential Lumber Sales	\$647,450 ⁽³⁾	\$657,888 ⁽³⁾	6.67% ⁽⁴⁾
James P. Kenner Senior Vice-President and Chief Legal Officer	\$455,628 ⁽³⁾	\$534,534 ⁽³⁾	23.16% ⁽²⁾⁽⁴⁾

(1) Mr. Bourland joined the Corporation as Senior Vice-President and Chief Operations Officer on April 14, 2025.

(2) The increase in Mr. Kenner's base salary results in part from his promotion to the role of Senior Vice-President and Chief Legal Officer effective on May 12, 2025.

(3) The base salary of each of Messrs. Bourland, Comerford and Kenner are denominated in U.S. dollars and amounted to U.S.\$500,000, U.S.\$480,000 and U.S.\$390,000, respectively, in 2025. The base salaries of Messrs. Comerford and Kenner for 2024 amounted to U.S.\$450,000 and U.S.\$316,650, respectively. These U.S. dollar amounts were converted to Canadian dollars using the Bank of Canada's year-end closing exchange of 1.3706 for 2025 and 1.4387 for 2024.

(4) The percentage change for each of Mr. Comerford and Mr. Kenner was calculated using their base salaries denominated in U.S. dollars in order to eliminate the impact of foreign exchange fluctuations.

Short-Term Incentive Compensation

NEOs and certain other members of senior management are eligible to receive an annual incentive cash bonus pursuant to the Corporation's short-term incentive plan ("STIP") adopted in December 2022. The STIP is designed to reward the Corporation's CEO, CFO and other members of senior management upon the attainment of the following targets and initiatives:

- **Corporate Performance Target:** a financial target consisting of an annually determined EBITDA³ ("Target EBITDA"), which contributes to aligning the overall compensation with the Corporation's financial and operational performance and assess performance against the Corporation's comparator group.
- **Operational Performance Targets:** operational performance targets individually determined for each member of Senior Operational Management (as defined below) and based on metrics such as sales, operating costs, inventory levels and/or health and safety performance (the "Operational Performance Targets"). Such Operational Performance Targets are designed to drive operational performance of the Corporation by setting individual objectives that reflect the strategic and operational priorities of each division.
- **Sustainability Initiatives:** the sustainability initiatives (the "Sustainability Initiatives") are established in the context of the Corporation's evolving sustainability strategy and aim to promote priorities that, in addition to the growth and performance goals used to calculate the annual bonus of the NEOs, are key to the Corporation's long-term success. The Sustainability Initiatives for 2025 were composed of three categories whose objectives and factors are further outlined below.

³ EBITDA is a non-GAAP measure and does not have any standardized meaning under IFRS. Therefore, it may not be comparable to similar measures presented by other issuers. Refer to the section entitled "Non-GAAP and Other Financial Measures" of the 2025 MD&A for an explanation of how EBITDA provides useful information to investors and the purposes for which Management uses it, as well as a reconciliation to the most directly comparable GAAP measure, which section is incorporated by reference into this Circular.



On December 10, 2024, the Board, upon the recommendation of the HRC Committee, approved amendments to the STIP (“Amended STIP”). Under the Amended STIP, the Corporate Performance Target for senior management in a corporate function (“Senior Corporate Management”) remains unchanged and continues to be based 100% on the Target EBITDA. For senior management in operational functions (“Senior Operational Management”), the financial target has been restructured into two components: (i) the Target EBITDA, weighted at 75% of the target bonus, and (ii) the Operational Performance Targets, weighted at 25% of the target bonus.

Target EBITDA

Weighted at 75% of Senior Operational Management’s target bonus, and 100% of Senior Corporate Management’s target bonus

Performance Level	Performance Level Definition	% of Target Bonus*
Threshold	80% of EBITDA Target	50%
Target	EBITDA Target	100%
Maximum	120% of EBITDA Target	200%

* Linear interpolation is applied between the threshold and maximum percentage levels.

Operational Performance Targets

Weighted at 25% for Senior Operational Management

Performance Level	Performance Level Definition	% of Target Bonus*
Threshold	Minimal acceptable result	50%
Target	Target	100%
Maximum	Maximum compensable result	200%

* Linear interpolation is applied between the Threshold and Maximum percentage levels.

With respect to the Corporate Performance Target and the Operational Performance Targets, the Corporation does not disclose specific objectives as it considers that the publication of such information would place it at a significant business disadvantage. Disclosing the specific Target EBITDA and the Operational Performance Targets that are determined as part of the Corporation’s annual budget and strategic planning process would open it up to serious prejudice and negatively impact its competitive advantage, substantially impairing, among others, its ability to negotiate accretive business agreements, thereby putting additional pressure on its profit margins. In addition, the Corporation believes that disclosing performance objectives would be inconsistent with its strategic decision not to provide guidance on the metrics underlying these targets and would undermine the competitive and confidential nature of its operational planning.

Sustainability Initiatives

The HRC Committee considers that the Sustainability Initiatives selected for 2025 encouraged the NEOs to focus on various efforts that are expected to have a positive impact on the Corporation’s stakeholders and business. The Sustainability Initiatives consisted of three categories whose objectives and factors are as follows:

Category	Objective	Target	Maximum Factor if achieved	1.0 + Obtained
Environment	Implementation of the Bulk Liquid Transfer Program	100% of facilities	+0.03	0.03
Governance	Cybersecurity training campaigns	Average pass rate of 85% or above	+0.03	0.03
Health and Safety	TRR ⁽¹⁾ rate	Company-wide TRR ⁽¹⁾ rate of 5% below last 3-year rolling average	+0.04	0.00 ⁽²⁾
Sustainability Target Achievement Factor			1.10	1.06

- (1) TRR refers to the Total Recordable Injury Rate, which is defined as the number of work-related injuries per 100 full-time workers during a one-year period.
- (2) Although the Health and Safety objective was achieved in 2025, following Management’s recommendation, the Board opted to apply a factor of zero due to a third-party service provider fatality at one of the Corporation’s facilities during the year.

Payout Methodology

Under the Amended STIP, the total annual bonus (“Bonus Amount”) is calculated by (i) adding the Corporate Performance Target plus the Operational Performance Target, as respectively weighted (in the case of Corporate Senior Management, the Bonus Amount is determined solely by the Corporate Performance Target) and (ii) the Bonus Amount is then multiplied by the Sustainability Target Achievement Factor (ranging from 1.0 to 1.1). If maximum financial performance and all Sustainability Initiatives are achieved, the total payout can reach 220% of the target.

The Corporate Performance Target and the Operational Performance Targets are intended to serve as stretch objectives that support sustainable long-term growth of corporate and operational performance. These targets are set at a challenging and ambitious level and, while attainable, they require significant management effort and disciplined execution. The HRC Committee retains discretion to adjust Bonus Amounts to reflect overall performance or the impact of unusual or non-recurring items. For the final 2025 STIP payout calculation, the HRC Committee excluded an insurance gain from the EBITDA calculation, as reconciled in the table below:

Reconciliation of Operating Income to EBITDA for 2025 STIP Payout (in millions of dollars)	2025
Operating income	516
Depreciation and amortization	145
EBITDA	661
Gain on insurance settlement	(28)
EBITDA for STIP payout	633



2025 STIP Targets and Payouts

Each participant's target bonus is determined at the time of hire or when a review is carried out by management and/or the Board. In the case of the NEOs, the target bonus and corresponding payout levels are set out in the following table:

Participant Position	Target Bonus as a Percentage of Base Salary	Corporate and Operational Performance ⁽¹⁾	Sustainability Target	Final Payout (% of Target)	Final Payout (\$)
President & CEO	127.5%	93.9%	1.06	99,5%	1,110,426
Senior Vice-President and CFO	85%	93.9%	1.06	99,5%	423,020
Senior Vice-President and Chief Operations Officer ⁽²⁾	75%	93.9%	1.06	99,5%	367,216 ⁽⁴⁾
Senior Vice-President, Utility Poles and U.S. Residential Lumber	75%	92%	1.06	97,5%	481,114 ⁽⁴⁾
Senior Vice-President and Chief Legal Officer ⁽³⁾	75%	93.9%	1.06	99,5%	399,032 ⁽⁴⁾

- (1) Corresponds to (i) the Target EBITDA weighted at 100% for Senior Corporate Management and at 75% for Senior Operational Management, and (ii) the Operational Performance Targets for Senior Operational Management only, weighted at 25%.
- (2) Mr. Bourland joined the Corporation as Senior Vice-President and Chief Operations Officer on April 14, 2025. The STIP calculation is prorated based on his based salary effectively earned in 2025.
- (3) Mr. Kenner was promoted to the role of Senior Vice-President and Chief Legal Officer on May 12, 2025. Mr. Kenner's terms of employment provide that his STIP award for 2025 would be based on his annual base salary and STIP target following his promotion.
- (4) The final payout for the Senior Vice-President and Chief Operations Officer, the Senior Vice-President, Utility Poles and U.S. Residential Lumber, and the Senior Vice-President and Chief Legal Officer was denominated in U.S. dollars and amounted to U.S.\$267,924, U.S.\$351,024 and U.S.\$291,137 respectively. These U.S. dollar amounts were converted to Canadian dollars using the Bank of Canada closing exchange rate at year-end of 1.3706 for 2025.

Pursuant to the STIP:

- The Corporation's EBITDA for the year ended December 31, 2025, as adjusted, was 2.43% below the EBITDA Target, resulting in a payout of 93.9%.
- The achievement of the Operational Performance Targets for the Utility Poles division resulted in a payout of 92%.
- All Sustainability Initiatives for the year were fully attained which translated into a Sustainability Target Achievement Factor of 1.10x. However, Management opted to apply a factor of zero to the Health and Safety component due to a fatality at one of the Corporation's facilities during the year, which resulted in a Sustainability Target Achievement Factor of 1.06x.

Long-Term Incentive Compensation

STOCK UNIT PLAN AND TREASURY SHARE UNIT PLAN

For the 2021 – 2024 period (with grants made from March 2021 through March 2024), senior management were eligible to receive awards of restricted share units ("RSUs") and performance stock units ("PSUs") under the SUP adopted in 2019, targeting a mix of 50% RSUs and 50% PSUs. Following shareholder approval of the TSU Plan at the Corporation's 2024 annual and special meeting of Shareholders, the SUP was phased out and, as a result, senior management now only receives treasury restricted share units ("TRSUs") and treasury performance share units ("TPSUs") under the TSU Plan. Previously granted RSUs and PSUs under the SUP continue to vest in accordance with their original terms.

The objectives of the TSU Plan, and previously those of the SUP, include:

- Retain key employees of the Corporation

- Provide for a market competitive compensation package
- Incentivize both annual and long-term performance, as both RSU/TRSU and PSU/TPSU elements have performance indicators in order to be granted/vested
- Align with ROCE⁴, a measure of utmost importance for the Corporation's success and a key indicator for shareholder value creation
- Align performance-based payouts with Relative TSR, which measures the Corporation's performance relative to other industrial companies in which the Shareholders could decide to allocate capital

The following provides an overview of the key design elements of the TSU Plan and the SUP:

Element	RSUs and TRSUs	PSUs and TPSUs
Grant determination	<ul style="list-style-type: none"> • 50% of grant value adjusted up/down based on prior year ROCE relative to predetermined performance scale 	<ul style="list-style-type: none"> • 50% of grant value
Vesting period	<ul style="list-style-type: none"> • Three years (one-third vesting each year) 	<ul style="list-style-type: none"> • Three-year cliff vesting
Vesting criteria	<ul style="list-style-type: none"> • Time-vested 	<ul style="list-style-type: none"> • Performance-vesting based on 3-year average ROCE (75%) and relative TSR (25%) based on a predetermined performance scale
Payout range	<ul style="list-style-type: none"> • 0 to 200% of grant value 	<ul style="list-style-type: none"> • 0 to 200% of vested units

When considering new grants under the TSU Plan and the SUP, the HRC Committee applies pre-determined LTIP targets (as a percentage of base salary) based on the NEO's position (CEO, CFO, Senior Vice-President or Vice-President). These position-based LTIP targets are reviewed annually, taking into account the Corporation's compensation philosophy and competitive market positioning relative to the Corporation's comparator group. New grants are determined primarily by applying these position-based targets to current base salary. The value of previous outstanding grants does not factor into new grant determinations. This approach ensures that annual LTIP awards remain consistent with market practice and the Corporation's compensation framework for each executive level.

The number of TRSUs and TPSUs to be granted under the TSU Plan (and prior, RSUs and PSUs granted under the SUP) is then calculated by dividing this amount by the average trading price of the Shares on the TSX for the five (5) days immediately preceding the grant date.

The RSUs and PSUs granted under the SUP are full-value phantom shares payable in cash. The TRSUs and TPSUs granted under the TSU Plan are payable in Shares but may be settled for cash or Shares purchased on the open market following a participant's election, subject to the Corporation's approval. Vesting occurs one-third each year over three (3) years in the case of RSUs and TRSUs, provided the individual is still employed by the Corporation, and in the case of PSUs and TPSUs, cliff vesting occurs on the third (3rd) anniversary of their issue, provided performance targets are met, and the individual is employed by the Corporation. In the case of retirees, the HRC Committee shall have the discretion, on a case-by-case basis and according to reasonable and predetermined criteria, to permit unvested RSUs, PSUs, TRSUs and TPSUs to continue to vest beyond the retiree's last working day. The payout value is calculated by multiplying the number of RSUs, PSUs, TRSUs and TPSUs, as applicable, by the five-day average closing trading price of the Shares on the TSX immediately preceding the vesting date.

⁴ ROCE is a non-GAAP measure and does not have any standardized meaning under IFRS. Therefore, it may not be comparable to similar measures presented by other issuers. Refer to the section entitled "Non-GAAP and Other Financial Measures" of the 2025 MD&A for an explanation of how ROCE provides useful information to investors and the purposes for which Management uses it, as well as a reconciliation to the most directly comparable GAAP measure.

TRSUs

The percentage of TRSUs to be granted under the TSU Plan is based on the previous year's ROCE, using the following ROCE performance schedule:

Level	Prior-year ROCE	Percentage of TRSUs granted*
Minimum	<10.0%	0%
Threshold	10.0%	50%
Target	12.0%	100%
Maximum	>=14.0%	200%

* Linear interpolation is applied between the Threshold and Maximum percentage levels

Effective March 10, 2026, the Board approved the grant of TRSUs under the TSU Plan at 135% of each participant's target award as the Corporation's 2025 ROCE reached 12.7%. This resulted in the grant of 69,794 TRSUs.

TPSUs

TPSUs introduced under the TSU Plan are to complement the TRSUs, which serve primarily as a retention tool by providing a performance-based award aligned with the Corporation's business strategy and long-term shareholder value creation. TPSU payout is not guaranteed; TPSUs cliff vest and are paid out after three (3) years, based on two performance indicators:

- 75% of TPSUs vest based on three-year average ROCE
- 25% of TPSUs vest based on three-year Relative TSR

At the end of the three-year performance period, TPSU holders receive between 0% and 200% of their granted units in Shares issued from treasury, or they may be settled for cash or Shares purchased on the open market following a participant's election, and subject to the Corporation's approval, based on the following ROCE performance schedule and Relative TSR performance schedule.

ROCE Performance Schedule (75% of grant)

Level	Three-year average ROCE	Percentage of TPSUs Vested*
Minimum	<10.0%	0%
Threshold	10.0%	50%
Target	12.0%	100%
Maximum	14.0%	200%

* Linear interpolation is applied between the Threshold and Maximum percentage levels

Relative TSR Performance Schedule (25% of grant)

Level	Three-year Relative TSR	Percentage of TPSUs Vested*
Minimum	<-10% pts	0%
Threshold	-10% pts	50%
Target	Meet Index	100%
Maximum	+10% pts	200%

* Linear interpolation is applied between the Threshold and Maximum percentage levels

Effective March 10, 2026, the Board approved the grant of 51,695 TPSUs under the TSU Plan.

2025 LTIP Targets

Name and Title	Target LTIP as a Percentage of Base Salary	Target Mix	TPSU Award Value ⁽¹⁾	Prior Year ROCE Achievement (impacting TRSU grant)	TRSU Award Value ⁽¹⁾	Total Award Value ⁽²⁾
President & CEO	325%	162.5% TPSU 162.5% TRSU	\$1,568,749	135%	\$1,940,970	\$3,509,719
Senior Vice-President and CFO	125%	62.5% TPSU 62.5% TRSU	\$ 344,718	135%	\$ 426,509	\$ 771,227
Senior Vice-President and Chief Operations Officer	110%	55% TPSU 55% TRSU	\$ 415,842	135%	\$ 514,488	\$ 930,330
Senior Vice-President, Utility Poles and U.S. Residential Lumber	110%	55% TPSU 55% TRSU	\$ 399,226	135%	\$ 493,924	\$ 893,150
Senior Vice-President and Chief Legal Officer	110%	55% TPSU 55% TRSU	\$ 324,291	135%	\$ 401,289	\$ 725,580

(1) Represents the fair value of share-based awards of TRSUs and TPSUs granted to the NEOs under the TSU Plan on the grant date. The fair value of TRSUs and TPSUs was determined based on the closing price of the Shares on the TSX on the grant date (\$97.00), which is consistent with the grant date fair value determined in accordance with IFRS2, Share-based Payments.

(2) For the Senior Vice-President, Utility Poles and U.S. Residential Lumber, the Senior Vice-President and Chief Operations Officer and the Senior Vice-President and Chief Legal Officer, salaries were first converted from U.S. dollars to Canadian dollars by applying the Bank of Canada year-end closing exchange rate of 1.3706 before calculating their respective grants.

Retirement Savings Plans

The purpose of the Corporation's retirement savings plans (both defined contribution plans) for its U.S.-based and Canadian-based employees (together, the "Retirement Savings Plan") is to encourage NEOs and other eligible employees to save for retirement. The Retirement Savings Plan is composed of an employee contribution component and a corporation contribution component. In the case of NEOs and other salaried employees, employee contributions are up to four percent (4.0%) of base salary. A supplementary contribution of up to six percent (6.0%) of base salary is added by the Corporation, for a maximum total employee contribution of up to ten percent (10.0%) of base salary. In the case of Canadian-based employees, the maximum total employee contribution set by the government of Canada per individual is \$32,490 for 2025.



In the case of U.S.-based employees, the maximum total employee contribution is set yearly by the government of the United States. For 2025, the statutory limit was U.S.\$23,500 per individual, with an additional catch-up contribution of U.S.\$7,500 permitted annually for plan participants who are or will turn 50 years of age during the calendar year (for a total of U.S.\$31,000 for such individuals).

The employee component is placed into the Corporation's group registered retirement savings plan in the case of Canadian employees and into a safe harbor 401(k) plan in the case of U.S.-based employees. The Corporation's matching contribution is placed, in the case of Canadian-based employees, into a deferred profit-sharing plan ("DPSP"), and in the case of U.S.-based employees, into a safe harbor 401(k) plan, which, in both cases, are held in trust by a trustee appointed by the Corporation. The Corporation's matching contribution vests over a period of two years.

A Supplementary Executive Retirement Plan ("SERP") for certain designated Canadian members of senior management was implemented. Eligible participants are those whose 6% company contribution to the DPSP is not fully applied to their base salary due to regulatory contribution limits. Six percent (6%) of the designated participant's base salary, in excess of the DPSP contribution limit, will be granted to the eligible participant in the form of deferred share units, to be exercised upon the participant's separation from the Corporation. On March 10, 2026, 590 deferred share units were granted under the SERP.

Perquisites

Vehicles are provided by the Corporation to the NEOs as their primary means of transportation in conjunction with their duties. Each individual is fully responsible for the tax liabilities associated with their personal use of these vehicles.

Relocation assistance is provided for NEO transfers. Among the expenses covered are travel expenses for the NEO and their family, moving costs and temporary hotel accommodation for the NEO and their family, as required during the home-hunting phase prior to final relocation. Transaction fees associated with the sale of the former and purchase of the new primary residence may also be reimbursed.

Cell phones, smartphones, laptop computers and tablets are provided in a manner appropriate to and consistent with the duties and responsibilities of NEOs. These items are and remain the property of the Corporation.

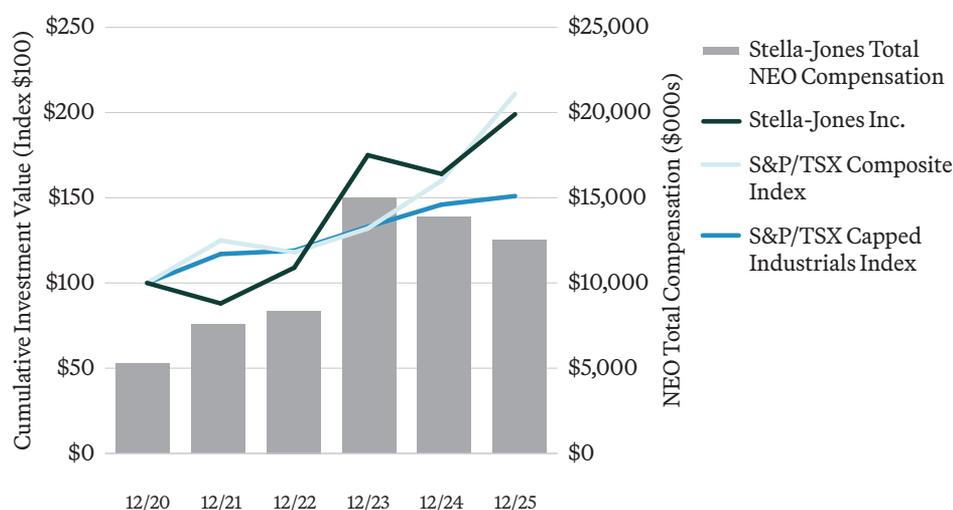
The HRC Committee believes that these components collectively provide a fair and competitive structure and an appropriate relationship between executive compensation levels, the Corporation's financial performance and shareholder value.

Performance Graph

The following graph illustrates the comparison between the cumulative total shareholder return over a five-year period on a \$100 investment in the Corporation's Shares and the cumulative total return of the S&P/TSX Composite Index and the S&P/TSX Capped Industrial Index of the TSX for the same period.

Comparison of 5-Year Cumulative Total Return

Among Stella-Jones, Inc., the S&P/TSX Composite Index, and S&P/TSX Capped Industrial Index as of December 31, 2025



The performance graph above demonstrates the trend in cumulative total shareholder return from December 31, 2020 through December 31, 2025. During this five-year period, cumulative total shareholder return increased by 99%, while aggregate total compensation for the Named Executive Officers (“NEOs”), as reported in the Summary Compensation Table below, increased by approximately 128.4%. In 2021, the Corporation did not grant any long-term incentives to its NEOs, which explains the higher percentage increase. Over the same 5-year period, if long-term incentives are removed from the calculation, the base salary and short-term incentive awards paid to NEOs, in the aggregate, increased by approximately 22.2%. A significant majority of the increase in total compensation over the period was driven by the introduction of annual long-term incentive awards, which directly align executive compensation with shareholders’ interest, particularly as share-based awards are now settled from treasury.

For the year ended December 31, 2025, aggregate total compensation for NEOs was approximately \$12.87 million, representing approximately 0.37% of the Corporation’s total revenues of approximately \$3,492 million for that period.

Summary Compensation Table

The summary compensation table sets forth compensation information for the CEO, the CFO as well as the next three most highly compensated executive officers of the Corporation (collectively, the “NEOs”) whose total compensation exceeded \$150,000 during the year ended December 31, 2025. Information is provided for the three most recently completed financial years.

Name and Principal Position	Year	Salary (\$) ⁽⁴⁾	Non-Equity Incentive Compensation Plan				Pension Value (\$)	All Other Compensation (\$) ⁽⁷⁾	Total Compensation (\$)
			Share-Based Awards (\$) ⁽⁵⁾	Option-Based Awards (\$)	Annual Incentive Plans ⁽⁶⁾	Long-Term Incentive Plans			
Eric Vachon									
President and CEO									
	Dec. 31, 2025	908,217	3,509,719	—	1,110,426	—	—	54,493	5,582,856
	Dec. 31, 2024	850,000	4,053,701	—	1,404,952	—	—	51,000	6,359,653
	Dec. 31, 2023	850,000	4,087,053	—	1,974,604	—	—	15,780	6,927,437
Silvana Travaglini									
Senior Vice-President and CFO									
	Dec. 31, 2025	518,780	771,227	—	423,020	—	—	31,127	1,744,153
	Dec. 31, 2024	476,100	862,577	—	524,626	—	—	28,565	1,891,868
	Dec. 31, 2023	460,000	850,723	—	712,407	—	—	15,780	2,038,910
Wesley Bourland⁽¹⁾⁽²⁾									
Senior Vice-President and Chief Operations Officer									
	Dec. 31, 2025	461,260	930,330	—	367,216	—	—	66,277	1,825,084
	Dec. 31, 2024	—	—	—	—	—	—	—	—
	Dec. 31, 2023	—	—	—	—	—	—	—	—
Kevin Comerford⁽¹⁾									
Senior Vice-President, Utility Poles and U.S. Residential Lumber Sales									
	Dec. 31, 2025	655,990	893,150	—	481,114	—	—	39,359	2,069,613
	Dec. 31, 2024	647,415	982,927	—	629,599	—	—	36,692	2,296,633
	Dec. 31, 2023	525,072	973,466	—	639,336	—	—	24,155	2,162,029
James P. Kenner⁽¹⁾⁽³⁾									
Senior Vice-President and Chief Legal Officer									
	Dec. 31, 2025	500,920	725,580	—	399,032	—	—	26,051	1,651,584
	Dec. 31, 2024	455,628	592,909	—	441,138	—	—	25,141	1,514,816
	Dec. 31, 2023	404,630	229,086	—	262,233	—	—	25,153	921,102

(1) The base salary and the annual incentive amount of each of Messrs. Comerford, Bourland and Kenner were paid in U.S. dollars. For the purposes of this Summary Compensation Table, U.S. dollar amounts were converted to Canadian dollars using the Bank of Canada year-end closing exchange rates of 1.3706 for 2025, 1.4387 for 2024 and 1.3226 for 2023.

(2) Mr. Bourland joined the Corporation as Senior Vice-President and Chief Operations Officer on April 14, 2025. His 2025 annualized base salary was \$685,300 (or U.S.\$500,000).

(3) Mr. Kenner was appointed to the role of Senior Vice-President and Chief Legal Officer on May 12, 2025. Prior to that date, Mr. Kenner was Vice-President, Risk Management and General Counsel, U.S. Operations. Mr. Kenner’s 2025 annualized base salary was \$534,534 (or U.S.\$390,000).

- (4) Amounts reported in the “Salary” column reflect the actual cash salary paid to the NEOs during 2025. Because of the timing of pay dates in the Canadian payroll calendar for 2025, the fiscal year included twenty-seven (27) bi-weekly pay periods instead of the usual twenty-six (26) pay periods. As a result, the salary amounts reported for 2025 for Mr. Vachon and Ms. Travaglini are higher than their annualized base salaries. For 2025, Mr. Vachon’s annualized base salary was \$875,000, and Ms. Travaglini’s annualized base salary was \$500,000.
- (5) Represents the fair value of share-based awards (namely RSUs, PSUs, TRSUs and TPSUs) granted to the NEOs under the TSU Plan (for the 2026 and 2025 grants) and the SUP (for 2024 grants) on the grant date. The fair value of RSUs and PSUs on the grant date was determined in accordance with an option pricing model and the fair value of TRSUs and TPSUs was determined based on the closing price of the Shares on the TSX on the grant date (\$97.00) for the TRSUs and TPSUs granted on March 10, 2026; \$68.91 for the TRSUs and TPSUs granted on March 10, 2025 and \$74.43 for the RSUs and PSUs granted on February 28, 2024), which is consistent with the grant date fair value determined in accordance with IFRS2, Share-based Payments.
- For further information on RSUs and PSUs granted under the SUP and TRSUs and TPSUs granted under the TSU Plan, see “Section 7 – Compensation Discussion and Analysis – Components of Overall Executive Compensation – Long-Term Incentive Plans” of this Circular.
- (6) The 2025 amounts were awarded under the Amended STIP and the 2024 and 2023 amounts were awarded under the STIP. For more information on the Short-Term Incentive Plan, see “Section 7 – Compensation Discussion and Analysis – Components of Overall Executive Compensation – Short-Term Incentive Compensation” of this Circular.
- (7) In the case of Mr. Vachon and Ms. Travaglini, this amount represents the employer DPSP contributions for the years indicated and for the fiscal years 2025 and 2024, it also includes amounts used to purchase DSUs under the Corporation’s SERP. In the case of Messrs. Comerford, Bourland and Kenner, this amount represents the 401(k) employer contributions that were paid in U.S. dollars. In the case of Mr. Bourland, this amount also includes a relocation allowance of \$58,370. Refer to footnote 1 for the exchange rates used to convert U.S. dollar amounts to Canadian dollar amounts for the purposes of this Summary Compensation Table.

Incentive Plan Awards – Option-Based and Share-Based Awards

The table below sets forth information relating to option-based and share-based awards outstanding at the end of the financial year ended December 31, 2025:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date (\$)	Value of Unexercised in-the-money Options (\$)	Number of Shares or Units That Have Not Vested	Market or Payout Value of Share-Based Awards That Have Not Vested (\$) ⁽²⁾	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed
Eric Vachon	—	—	—	—	104,561 ⁽¹⁾	8,934,292	—
Silvana Travaglini	—	—	—	—	23,422 ⁽¹⁾	2,001,664	—
Wesley Bourland	—	—	—	—	—	— ⁽³⁾	—
Kevin Comerford	—	—	—	—	19,839 ⁽¹⁾	1,870,596 ⁽⁴⁾	—
James P. Kenner	—	—	—	—	10,082 ⁽¹⁾	978,613 ⁽⁴⁾	—

- (1) Composed of DSUs granted on March 10, 2025 under the SERP, TRSUs and TPSUs granted on March 10, 2025 under the TSUP, as well as RSUs and PSUs granted on March 11, 2024 and March 13, 2023 under the SUP, less RSUs that vested on December 12, March 13 and March 11, 2025, and March 13, 2024.
- (2) Calculated by multiplying the number of outstanding RSUs and PSUs by \$85.84, being the five-day average closing price of the Shares on the TSX immediately preceding December 31, 2025, and by multiplying the number of outstanding TRSUs and TPSUs by \$85.13, being the closing price of the Shares on the TSX on December 31, 2025, assuming December 31, 2025 was the single payout date, that vesting conditions will be fully met and assuming a payout of 100%.
- (3) Mr. Bourland joined the Corporation as Senior Vice-President and Chief Operations Officer on April 14, 2025.
- (4) As at December 31, 2025, Mr. Comerford owned 1,439 RSUs and 4,148 PSUs and Mr. Kenner owned 1,439 RSUs and 2,261 PSUs, all of which are settled and paid in U.S. dollars in accordance with the SUP. For the purposes of this table, the market value of their RSUs and PSUs was translated into Canadian dollars using the Bank of Canada closing exchange rate at year-end of 1.3706. The fair value of RSUs, PSUs, TRSUs, and TPSUs was then calculated using the closing price of the Shares on the TSX on December 31, 2025 (\$85.13).



Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value of incentive plan awards vested or earned during the year ended December 31, 2025:

Name	Options-Based Awards – Value Vested During the Year (#)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$) ⁽³⁾
Eric Vachon	—	3,267,405 ⁽¹⁾	1,110,426
Silvana Travaglini	—	1,016,931 ⁽¹⁾	423,020
Wesley Bourland	—	— ⁽²⁾	367,216
Kevin Comerford	—	611,911 ⁽¹⁾	481,114
James P. Kenner	—	434,961 ⁽¹⁾	399,032

(1) Share-based awards were calculated by multiplying the number of RSUs that vested on December 12, 2025, March 13, 2025 and March 11, 2025, and the number of PSUs that vested on March 14, 2025 (collectively, the “Vesting Dates”) under the SUP by the five-day average trading price of the Shares on the TSX immediately preceding the Vesting Dates, being \$85.07, \$68.20, \$68.30 and \$67.82, respectively.

(2) Mr. Bourland joined the Corporation as Senior Vice-President and Chief Operations Officer on April 14, 2025.

(3) Represents amounts awarded under the Amended STIP. See “Section 7 – Compensation Discussion and Analysis – Components of Overall Executive Compensation – Short-Term Incentive Compensation” of this Circular. The annual incentive amount of each of Messrs. Comerford, Bourland and Kenner were paid in U.S. dollars. For the purposes of this table, U.S. dollar amounts were converted to Canadian dollars using the Bank of Canada year-end closing exchange rate of 1.3706 for 2025.

Termination of Employment and Change of Control Benefits

Employment Agreements – Cash Severance & Bonus

The following table summarizes, for each NEO, the severance entitlements relating to base salary as provided in their respective employment agreements with the Corporation, together with the treatment of short-term incentive awards under the STIP in connection with various termination scenarios.

Executive	Termination Scenario	Base Salary Severance	Bonus Treatment Under the STIP (as amended)
Mr. Vachon	Without cause or termination occurring contemporaneously upon a change of control	12 months base salary	Prorated bonus based on prior year
	Death or permanent incapacity	Earned and unpaid salary	Prorated bonus
	Resignation	Salary during notice period only	No bonus
	For cause	Earned and unpaid salary only	No bonus
Other NEOs	Without cause	6 to 12 months base salary depending on the NEO For certain NEOs only, an additional 1 month per completed year of service for a total severance capped at 12 to 18 months as applicable	Prorated bonus based on prior year
	Death or permanent incapacity	Earned and unpaid salary	No bonus
	Resignation	Salary during notice period only	No bonus
	For cause	Earned and unpaid salary only	No bonus

Long Term Incentives

The following table describes the impact of certain events upon the rights of holders under the SUP and TSU Plan, including resignation, termination for cause, termination other than for cause, termination other than for cause within 12 months following a change of control or retirement, death or disability:

Long-Term Incentive Plan	Termination Scenario	Treatment of Unvested Units	Treatment of Vested Units
RSUs and PSUs granted under the SUP	Resignation or termination with or without cause (except for fraud or misappropriation)	Forfeited on the last working day	Settlement within 30 days after the last working day
	Termination for fraud or misappropriation	Forfeited immediately	Forfeited immediately
	Termination contemporaneously with a change of control or death	Pro rata portion vests (conditional on performance criteria for the PSUs)	Settlement on the last working day
	Permanent disability	Continue to be eligible to vest during a 60-day period	Settlement within 60 days after the last working day
	Retirement	Forfeited on the last working day, but the HRC Committee may allow continued vesting beyond the retiree's last working day at discretion, on a case-by-case basis and according to reasonable and predetermined criteria	Settlement within 30 days after the last working day
TRSUs and TPSUs granted under the TSU Plan	Resignation or termination without cause	Forfeited on the last working day	Settlement within 30 days after the last working day
	Termination for cause	Forfeited immediately	Forfeited immediately
	Termination without cause within 12 months of a change of control	TRSUs vest and TPSUs vest at 100% payout multiplier. Settlement within 30 days after the last working day	TRSUs vest and TPSUs vest at 100% payout multiplier. Settlement within 30 days after the last working day
	Permanent disability	Continue to be eligible to vest during a 60-day period	Settlement within 60 days after the last working day
	Death	Pro rata portion vests (conditional on performance criteria for the PSUs)	Settlement within 30 days after the last working day
	Retirement	Forfeited on the last working day, but HRC Committee may allow continued vesting beyond the retiree's last working day at discretion on a case-by-case basis and according to reasonable and predetermined criteria	Settlement within 30 days after the last working day

All NEOs are subject to provisions of confidentiality, non-competition and non-solicitation clauses in accordance with their employment agreements and the Corporation's Code of Business Conduct and Ethics that continue to apply following termination of the executive's employment.

The following table provides a reasonable estimate of the potential payments to NEOs had their employment been terminated or had there been a change of control of the Corporation coupled with termination of the NEOs on December 31, 2025:

Name	Termination Without Cause (\$) ⁽¹⁾	Termination Within 12 Months of a Change of Control (\$) ⁽¹⁾
Eric Vachon	\$2,279,952	\$10,053,970
Silvana Travaglini	\$1,024,626	\$ 2,776,267
Wesley Bourland	\$ 898,885	\$ 898,885
Kevin Comerford	\$1,287,487	\$ 3,102,717
James P. Kenner	\$ 975,672	\$ 1,829,545

(1) The base salary and the short-term incentives of each of Messrs. Comerford, Bourland and Kenner are paid in U.S. dollars. For the purposes of this table, U.S. dollar amounts were converted to Canadian dollars using the Bank of Canada year-end closing exchange rate of 1.3706.

Retirement and Savings Plan

The Corporation's retirement savings program for Canadian-based employees provides for distribution of group registered retirement savings plan benefits to all employees at the earlier of termination of employment or the latest date permitted under the Income Tax Act for maturity retirement savings plans. Distribution of deferred profit-sharing plan benefits occur no later than the earlier of the end of the year in which the participant attains the age of sixty-nine (69), and ninety (90) days after the earliest of retirement, onset of disability, termination of service or death.

The Corporation's 401(k) plan for U.S. employees provides for distribution of all account balances upon termination of service with the Corporation (vested amounts only if prior to Normal Retirement Age), or upon the normal retirement age of sixty-five (65) ("Normal Retirement Age"). However, employees who reach the Normal Retirement Age and who continue to work are not required to take distributions until they terminate employment, and no later than 70.5 years of age. Distribution of amounts attributable to the employee contribution portion are permitted before termination of employment in the following circumstances: (i) the attainment of the age of 59.5; (ii) upon becoming disabled under the terms of the plan; (iii) in the event of a financial hardship as such term is defined in the plan; or (iv) by a qualified member of the reserves further to a "Qualified Reservist Distribution", as such term is defined in the plan.

None of the Corporation's retirement plans provide NEOs with additional enhancements, early vesting or other benefits in the event of a change of control.

Securities Authorized for Issuance Under Equity Compensation Plans

Equity Compensation Plan Information

The following table sets out information regarding compensation plans under which securities of the Corporation are authorized for issuance, as of the Corporation's most recently completed financial year-end:

Plan Category	Number of Securities to Be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans Excluding Securities Reflected in Column (a) (c)
Equity compensation plans approved by security holders ⁽¹⁾	—	—	1,637,529 ⁽²⁾
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	—⁽³⁾	—⁽³⁾	1,637,529

(1) For specifics of the Former Stock Option Plan (as defined below), the Employee Share Purchase Plans (as defined below) and the TSU Plan, see sections "Former Stock Option Plan for Directors, Officers and Employees", "Employee Share Purchase Plans" and "Treasury Share Unit Plan" under "Section 7 – Compensation Discussion and Analysis – Securities Authorized for Issuance Under Equity Compensation Plans".

(2) Representing the 185,000 securities (representing 0.34% of total issued and outstanding Shares (on a non-diluted basis) as at December 31, 2025) that have not yet been granted and are therefore available for future issuance under the Former Stock Option Plan, 1,300,000 securities (representing 2.38% of total issued and outstanding Shares (on a non-diluted basis) as at December 31, 2025) available for future issuance under the TSU Plan and 152,529 securities (representing 0.28% of total Shares (on a non-diluted basis) as at December 31, 2025) available for future issuance under the Employee Share Purchase Plans.

(3) On March 28, 2025, Mr. James A. Manzi Jr. exercised 5,000 stock options under the Former Stock Option Plan at an exercise price of \$49.01 See "Section 7 – Compensation Discussion and Analysis – Securities Authorized for Issuance Under Equity Compensation Plans – Former Stock Option Plan".

Employee Share Purchase Plans

The Corporation has two employee share purchase plans, an employee share purchase plan for Canadian resident employees ("CDN ESPP") and an employee share purchase plan for U.S. resident employees (the "U.S. ESPP") (and together with the CDN ESPP, the "Employee Share Purchase Plans").

Unless otherwise specified herein, the Employee Share Purchase Plans are identical. Under the Employee Share Purchase Plans, any regular full-time employee of the Corporation or any of its subsidiaries who at the date of enrolment in the Employee Share Purchase Plans, has six (6) months of service with the Corporation or any of its subsidiaries, may purchase Shares at a price equal to the average closing price per share of a board lot of the Shares on the TSX on the last five trading days immediately preceding the applicable purchase date (“Market Price”). An eligible employee who wishes to participate in an Employee Share Purchase Plan must contribute a minimum of \$200 on a yearly basis, up to a maximum of 5.0% of his or her gross base salary. Contributions are deducted from the employee’s periodic pay, and Shares are purchased on quarterly investment dates. While no financial assistance is provided by the Corporation to facilitate the purchase of Shares under the Employee Share Purchase Plans, employees receive additional Shares equivalent to 25.0% of the amount of their contributions made on each purchase date. These additional Shares are issued by the Corporation on behalf of eligible employees at the Market Price. All participants of the Employee Share Purchase Plans must hold their Shares in their Employee Share Purchase Plan for a minimum of 12 months following the purchase date of such Shares except in the event of death, termination of employment, or if an offer is made to all holders of Shares. Participants receive any cash dividends declared and paid on the Shares in additional Shares. The price per Share purchased with such reinvested dividends is the Market Price.

The rights of a participant pursuant to the provisions of the Employee Share Purchase Plans are non-assignable.

The aggregate number of Shares reserved for issuance under the Employee Share Purchase Plans is 1,300,000, representing approximately 2.4% of the Corporation’s issued and outstanding Shares as at December 31, 2025 and 2.4% of the Corporation’s issued and outstanding Shares as at March 12, 2026. As at December 31, 2025, 152,529 Shares remained issuable under the Employee Share Purchase Plans, representing approximately 0.3% of the Corporation’s outstanding Shares as at that date.

Termination of Employee Participation in the Employee Share Purchase Plans: The purpose of the Employee Share Purchase Plans is to provide an opportunity for eligible employees to participate in the ownership of the Corporation through the purchase of Shares. In the event of the death of the participant or termination of employment (whether or not for cause) of a participant and in the event a participant ceases to be a Canadian resident (or in the case of the U.S. ESPP, a resident of the United States), or becomes a retiree of the Corporation, participation in the Employee Share Purchase Plan will automatically terminate.

Amendment and Termination of the Employee Share Purchase Plans: The Board may, at any time and from time-to-time, with the approval of the TSX, suspend or terminate the Employee Share Purchase Plans or participation therein, in whole or in part, or in regard to any or all participants or former participants.

The Board has the general authority, subject to requisite regulatory approval, to make amendments to the Employee Share Purchase Plans without shareholder approval, including and not limited to:

- (a) amendments of a general “housekeeping” or clerical nature to clarify, correct or rectify any ambiguity, defective provision, error or omissions in the Employee Share Purchase Plans;
- (b) amendments necessary to comply with applicable laws or the requirements of any regulatory authority;
- (c) amendments required or advisable as a result of a split, a consolidation, a reclassification, a share dividend declaration or any other amendment pertaining to the Shares; and
- (d) suspending or terminating the Employee Share Purchase Plans.

Amendments to the Employee Share Purchase Plans requiring shareholder approval are, subject to regulatory requirements:

- (a) amendments to increase the number of Shares issuable under the Employee Share Purchase Plans;
- (b) amendments to reduce the Market Price of a Share; and
- (c) amendments relating to financial assistance to a participant provided by the Corporation.

The Employee Share Purchase Plans stipulate that the number of Shares issuable to insiders of the Corporation under all security-based compensation arrangements may not, at any time, exceed 10.0% of the issued and outstanding Shares and the number of Shares issued to insiders under all security-based compensation arrangements within any one-year period may not exceed 10.0% of the Shares outstanding.

Offer for Shares of the Corporation: If, at any time, an offer to purchase is made to all holders of Shares, notice of such offer shall be given by the trustee of the Employee Share Purchase Plans to each participant or former participant and the applicable 12-month



retention period will be deemed to be waived with respect to each participant's or former participant's Shares held in their respective Employee Share Purchase Plan ("Plan Shares") to the extent necessary to enable a participant or former participant to tender his or her Plan Shares should he or she so desire.

The Employee Share Purchase Plans are under the direction of the Board, or a committee appointed for such purpose. The CDN ESPP was initially adopted by the Board on June 13, 1994. The U.S. ESPP was initially adopted by the Board on March 15, 2006, and was adopted by the shareholders of the Corporation at its annual meeting held on May 4, 2006. The number of Shares reserved for issuance under the Employee Share Purchase Plans is 1,300,000 Shares.

Following Board and regulatory approvals, the Employee Share Purchase Plans were amended effective January 1, 2025 to, among other things, increase the employer contribution from 10% to 25% of participant contribution; remove the 10% discount to market price under the CDN ESPP and subject Plan Shares purchased via employer contribution to a 12-months retention period.

During the Corporation's financial year ended December 31, 2025, a total of 35,747 Shares were purchased under the Employee Share Purchase Plans, for a total of 1,147,471 Shares issued under the Employee Share Purchase Plans since their inception, representing, in the aggregate, approximately 2.1% of the issued and outstanding Shares at December 31, 2025. Between January 1, 2026, and March 12, 2026, no Shares were purchased under the Employee Share Purchase Plans.

Treasury Share Unit Plan

On May 8, 2024, Shareholders approved a treasury share unit plan for senior management of the Corporation (the "TSU Plan"). The TSU Plan authorizes the Corporation to grant TRSUs and TPSUs to members of senior management of the Corporation and its subsidiaries, namely its President and CEO, Senior Vice-Presidents and Vice-Presidents in charge of principal business units, divisions or functions (collectively, "Executive Officers" or "Participants"). The purpose of the TSU Plan is to advance the interests of the Corporation and its Shareholders by encouraging share ownership by Participants, increasing the proprietary interest of participants in the Corporation's success, encourage participants to remain with the Corporation or its subsidiaries, and attract quality talent to the organization.

The TSU Plan is under the direction of the Board, and the HRC Committee makes recommendations to the Board in relation to the number of TRSUs and TPSUs to be granted to Participants.

Grant, Vesting and Other Terms and Conditions: The Board may grant TRSUs and TPSUs to Participants in its sole discretion. Each grant of TRSUs and TPSUs shall be evidenced by a grant letter setting forth the date of the grant, the number of TRSUs and/or TPSUs granted, the performance objective(s) that must be attained for any TPSUs to become eligible to vest, and with respect to the payout multiplier applicable to a given TPSU, the vesting conditions, the settlements and any other terms and conditions applicable. The performance objectives for each TPSU performance period will be determined by the Board, based on measurable performance criteria established in advance.

Dividends: When cash dividends are paid on the Shares of the Corporation, Participants shall receive, on each dividend payment date, additional dividend TPSUs in respect of outstanding TPSUs held, and additional dividend TRSUs, in respect of outstanding TRSUs held, computed as set out in the TSU Plan. Any such dividend units credited shall have the same terms and conditions, including as to vesting, payout multiplier (as applicable) and settlement, as the underlying TPSUs or TRSUs to which they relate.

Expiry/Term: The Board will determine the expiry date for the TRSUs and TPSUs, provided that such date may not be later than the earlier of:

- (i) the date which is the 10th anniversary of the date on which such TRSU or TPSU was granted, subject to an automatic extension of 10 business days following the blackout period imposed by the Corporation upon certain designated persons ("Blackout Period") and/or an automatic extension to the next business day should the expiry date fall on a day that is not a business day;
- (ii) the latest date permitted under the applicable rules and regulations of the regulatory authorities, including the TSX (or any other stock exchange to which the Corporation's securities are listed); and
- (iii) the TSU Plan Addendum, as applicable.

Acceleration of Vesting – Change of Control: The TSU Plan provides for accelerated vesting in the event of a Participant’s termination without cause within twelve (12) months following a change of control of the Corporation. In the case of TRSUs, all unvested TRSUs and, in the case of TPSUs, all unvested TPSUs shall vest based on a 100% payout multiplier. Vested TRSUs and TPSUs must be settled within 30 days of the Participant’s last working day, the whole subject to the grant letter and TSU Plan Addendum.

Shares Available for TSU Plan Awards: As at December 31, 2025, a maximum of 1,485,000 Shares was available for issuance under the TSU Plan and the Former Stock Option Plan, on a combined basis, representing 2.7% of the total issued and outstanding Shares (on a non-diluted basis) as of December 31, 2025 and 2.7% of the total issued and outstanding Shares (on a non-diluted basis) as of March 12, 2026. Shares reserved for issuance pursuant to TSU Plan units which are cancelled, terminated or forfeited without having been settled or which are settled in cash or Shares purchased on the open market will again be available for issuance under the TSU Plan.

Insider Participation Limit and Maximum Issuable to One Person: The aggregate number of Shares (i) issued to insiders under the TSU Plan or any other security based compensation arrangement of the Corporation within any one-year period and (ii) issuable to insiders at any time under the TSU Plan or any other security based compensation arrangement of the Corporation, shall in each case not exceed ten percent (10%) of the total issued and outstanding Shares (on a non-diluted basis) from time to time. The TSU Plan and all other security-based compensation arrangements of the Corporation do not provide for a maximum number of Shares which may be issued to an individual.

Settlement: The Corporation shall settle the TRSUs and TPSUs by either:

- (i) issuing from treasury, such number of Shares as is equal to, in the case of TRSUs, the number of vested TRSUs elected to be settled, or, in the case of TPSUs, the number of vested TPSUs elected to be settled, multiplied by the payout multiplier applicable to such vested TPSUs; or further to the election by a Participant to settle vested TRSUs and/or TPSUs in cash, subject to the consent of the Corporation, at its sole discretion, paying an amount computed as follows: (A) in the case of vested TRSUs, the number of vested TRSUs settled, and in the case of vested TPSUs, the number of vested TPSUs settled, multiplied by the payout multiplier applicable to such vested TPSUs, multiplied by (B) the Fair Market Value (as hereinbelow defined) as of the cash settlement date; and/or
- (ii) further to the election by a Participant to settle vested TRSUs and/or TPSUs in cash, subject to the consent of the Corporation, at its sole discretion, delivering Shares purchased in the open market on behalf of the Participant.

Any settlement shall be net of any tax withholding amount and be subject to the TSU Plan Addendum in relation thereto.

Fair Market Value: For the purposes hereof, Fair Market Value shall mean, on any date, the average closing price of the Shares on the TSX for the five (5) trading days immediately preceding such date. If the Shares are not trading on the TSX, such other stock exchange or over-the-counter market on which the Shares are then listed and posted for trading, and, in the event that the Shares are not listed and posted for trading on any stock exchange or over-the-counter market, the fair market value of such Shares as determined by the Board in its sole discretion.

Financial Assistance: No financial assistance will be provided by the Corporation to any Participant in connection with any TRSUs or TPSUs.

Cessation of Entitlements under the TSU Plan: Participants may cease to be eligible Participants under the TSU Plan in the event of their resignation, termination of employment, disability, retirement or death, which in each case, are subject to the grant letter and TSU Plan Addendum. See “Section 7 – Compensation Discussion and Analysis – Termination of Employment and Change of Control Benefits – Long-Term Incentives” for more information.

Amendment and Termination of TSU Plan: The Board may at any time suspend or terminate the TSU Plan and may make certain amendments to the TSU Plan or any TRSU or TPSU without shareholder approval, including amending any vesting provisions, provisions for compliance with applicable laws, or the requirements of the applicable stock exchange or regulatory bodies provisions in respect of conditional settlements, provisions in respect of administration of the TSU Plan as well as amendments of a “housekeeping” nature, amendment to adopt separate or additional provisions and any other amendments that do not require Shareholder approval pursuant to the TSU Plan. Shareholder approval will be required to increase the fixed maximum number of Shares or percentage of Shares reserved for issuance under the TSU Plan, to remove or increase the insider participation limit,



extend the term of any TPSU or TRSU (except due to a blackout period), and any amendments requiring shareholder approval under applicable law (including the rules, regulations and policies of the TSX).

Assignability: TRSUs and TPSUs are neither transferable nor assignable, other than by will or under the laws of succession.

Plan Administration: The Board, in its sole discretion, has full and complete authority to administer and interpret the TSU Plan and to prescribe such rules and regulations and make such other determinations as it deems necessary or useful for the administration of the TSU Plan.

During the Corporation's financial year ended December 31, 2025, 126,650 TRSUs and 68,455 TPSUs were granted under the TSU Plan. Between January 1, 2026 and March 12, 2026, 69,794 TRSUs and 51,695 TPSUs were granted under the TSU Plan, for a total of 196,444 TRSUs and 120,150 TPSUs granted under the TSU Plan since inception. Therefore, awards representing 316,594 Shares are outstanding under the TSU Plan. As of March 12, 2026, 13,713 Shares have been issued under the TSU Plan, representing 0.03% of the issued and outstanding Shares as at March 12, 2026.

Burn rate: The annual burn rate of TSU Plan for 2025 and 2024 was 0.35% and 0.0% respectively. The burn rate is not provided for prior years as the TSU Plan was not in force during the Corporation's fiscal years 2023 and 2022.

Former Stock Option Plan for Directors, Officers and Employees

The Board has terminated its stock option plan for directors, officers and employees on February 25, 2026 (the "Former Stock Option Plan"). During the fiscal year of 2025, 5,000 options were exercised by James A. Manzi, Jr. and no option has been granted under the Former Stock Option Plan since November 10, 2015. As at the date hereof, there is no outstanding options granted under the Former Stock Option Plan.

Section 8 – Normal Course Issuer Bid

Management Proxy Circular



On November 5, 2024, the TSX accepted the Corporation's notice of intention to carry out a normal course issuer bid ("2025 NCIB") during the 12-month period commencing November 14, 2024, and ending November 13, 2025 (the "2025 12-month Period"). Under the 2025 NCIB, the Corporation was authorized to purchase for cancellation up to 2,500,000 Shares, representing approximately 4.5% of the public float of Shares as at October 31, 2024. During the 2025 12-month Period, the Corporation repurchased 1,192,388 Shares for cancellation under the 2025 NCIB, in consideration of approximately \$89,987,850.

On November 4, 2025, the TSX accepted the Corporation's notice of intention to carry out a normal course issuer bid ("2026 NCIB") during the 12-month period commencing November 14, 2025, and ending November 13, 2026. Under the 2026 NCIB, the Corporation may purchase for cancellation, up to 1,500,000 Shares, representing approximately 2.7% of the Shares outstanding on October 31, 2025. As at March 12, 2026, the Corporation had purchased for cancellation 246,669 Shares under the 2026 NCIB for an approximate aggregate cash consideration of approximately \$22,043,590 million at a weighted average price of \$89.37 per Share.

A copy of the Corporation's Notice of Intention relating to the 2026 NCIB may be obtained free of charge. See "Section 9 – Other Important Information – Additional Information" of this Circular.

Section 9 – Other Important Information

Management Proxy Circular



The management of the Corporation knows of no other matter to come before the Meeting. If, however, any other matters properly come before the Meeting, the persons designated in the accompanying form of proxy shall vote on such matters in accordance with their best judgment pursuant to the discretionary authority conferred thereon by the proxy with respect to such matters.

Interest of Informed Persons in Material Transactions

No informed person (including any director or executive officer) of the Corporation, or any associate or affiliate of any informed person, had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

Indebtedness of Directors and Executive Officers

The Corporation does not offer its directors or executive officers loans. The Corporation and its subsidiaries have not given any guarantee, support agreement, letter of credit or similar arrangement or understanding to any other entity in connection with indebtedness of the Corporation's directors or executive officers.

Additional Information

Additional information regarding the Corporation is available on SEDAR+ at www.sedarplus.ca. The Corporation's financial information is provided in the Corporation's consolidated financial statements and management's discussion and analysis for its most recently completed financial year and may be viewed on SEDAR+ as noted above.

Shareholders of the Corporation may request copies of the Corporation's consolidated financial statements and management's discussion and analysis by contacting Mr. James P. Kenner, Senior Vice-President and Chief Legal Officer c/o Stella-Jones Inc. at 3100 de la Côte-Vertu Blvd., Suite 300, Saint-Laurent, Québec, H4R 2J8, Canada.

Submission of Proposals

Any shareholder wishing to submit a proposal at the Corporation's next annual shareholders meeting must deliver the proposal to the Senior Vice-President and Chief Legal Officer's office of the Corporation, 3100 de la Côte-Vertu Blvd., Suite 300, Saint-Laurent, Québec H4R 2J8, between December 8, 2025, and February 6, 2026.

Approval of Directors

The directors of the Corporation have approved in substance the contents of this management proxy circular and have authorized the sending thereof.



James P. Kenner
Senior Vice-President, Chief Legal Officer and Secretary
Montréal, Québec, March 12, 2026

Schedule “A”

MANDATE OF THE BOARD OF DIRECTORS OF STELLA-JONES INC.

The Board of Directors of Stella-Jones Inc. (the “Corporation”) establishes the overall policies for the Corporation and its subsidiaries, monitors and evaluates the Corporation’s strategic direction, and retains plenary power for those functions not specifically delegated by it to its Committees or to management. Accordingly, in addition to the duties of directors of a Canadian corporation as prescribed by statute, the mandate of the Board is to supervise the management of the business and affairs of the Corporation with a view to evaluate, on an ongoing basis, whether the Corporation’s resources are being managed in a manner consistent with enhancing short-term and long-term shareholder value, ethical considerations and sustainability. In order to better fulfill its mandate, the Board is responsible for, among other matters:

1. Reviewing and approving, prior to the beginning of each fiscal year, the business plan, capital budget and financial goals of the Corporation, as well as longer term strategic plans (taking into account the opportunities and risks of the business) prepared and elaborated by management and, throughout the year, monitoring the achievement of the objectives set.
2. Reviewing and approving all significant decisions relating to the business, among others, acquisitions, dispositions, senior management changes, budgets, capital expenditures and major financing.
3. Identifying, with management, the principal risks of the Corporation’s business and ensuring the implementation of appropriate systems to manage these risks as well as monitoring, on a regular basis, the adequacy of such systems.
4. Ensuring the adequacy, efficiency and integrity of the Corporation’s internal financial and/or disclosure control and management of information systems.
5. Adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account among other things, the opportunities and risks of the business.
6. Reviewing the content of and approving all regulatory filings and public disclosure, such as the quarterly financial statements, the interim and annual Management’s Discussion and Analysis, the interim and annual CEO and CFO certifications, the annual audited consolidated financial statements, the Annual Report, Proxy Circular, Annual Information Form and reporting requirements of Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act.
7. Selecting the Corporation’s Chief Executive Officer (“CEO”), monitoring his/her individual performance, and reviewing and ratifying the Human Resources and Compensation Committee’s assessment of the performance of the CEO on an annual basis.
8. Developing a position description for the CEO and developing and approving the corporate goals and objectives that the CEO must meet.
9. Appointing the Corporation’s officers.
10. Reviewing and approving compensation mechanisms for senior management.
11. To the extent feasible, satisfying itself as to the integrity of the CEO and other senior officers and that the CEO and other senior officers create a culture of integrity throughout the organization.
12. Adopting, enforcing and monitoring good corporate governance practices, processes and disclosure.



13. Adopting a communications policy to ensure effective, timely and non-selective communications between the Corporation, its shareholders and the public.
14. Adopting a Code of Business Conduct and Ethics and monitoring its compliance from time to time.
15. Nominating or appointing directors, as appropriate, considering the size of the Board and the competencies and skills of directors and proposed directors.
16. Ensuring the new directors receive comprehensive orientation to the Board and that an appropriate continuing education program is made available to all directors.
17. Ensuring that the compensation of directors reflects the time spent, responsibilities and risks involved in being an effective director.
18. With the assistance of the Governance and Nomination Committee, reviewing annually the performance of the Board, its Committees and each of its directors.
19. In conjunction with the Human Resources and Compensation Committee, review the succession plans of the Corporation for the chair of the Board, the CEO and other members of senior management, including the appointment, training and performance of such persons.
20. Recommending to shareholders, pursuant to the recommendation of the Audit Committee, the appointment of auditors and approving auditor compensation.
21. Approving the submission to the shareholders of the Corporation, any amendment to the articles of the Corporation or the approval of any adoption, amendment or repeal of any by-laws of the Corporation.
22. Declaring dividends on the shares of the Corporation.
23. Receiving timely reporting from the Environmental, Health and Safety (“EH&S”) Committee on the Corporation’s execution of its EH&S policies and management of environmental risk and health and safety measures.
24. Overseeing the Corporation’s sustainability approach, including reviewing and approving the sustainability strategic plan, program and related annual report, and receiving timely reporting from the EH&S Committee on the Corporation’s progress with respect to the integration of sustainability and climate change risk management initiatives throughout the organization.
25. Receiving timely reporting from the Governance and Nomination Committee on the adoption and application of governance policies.

The Board of Directors discharges its duties both directly and through its Audit, Human Resources and Compensation, Governance and Nomination and Environmental, Health and Safety Committees.

In discharging its duties and responsibilities, and when the complexity of the situation dictates, members of the Board of Directors may conduct such examinations, investigations or inquiries, and engage such special legal, accounting or other advisors, at the expense of the Corporation, at such time or times and on such terms and conditions, including fees, as the Board of Directors considers appropriate.

The Board of Directors shall review and assess the adequacy of the mandate of the Board of Directors annually.

Reviewed and approved by the Board of Directors on December 11, 2025

**STELLA
JONES**

