



**NOTICE OF ANNUAL MEETING  
AND  
INFORMATION CIRCULAR**

**ANNUAL MEETING OF SHAREHOLDERS OF  
SUPREMEX INC.**

March 31, 2015





**SUPREMEX INC.**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**TAKE NOTICE** that the annual meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares (the “**Shares**”) of Supremex Inc. (“**Supremex**”) will be held at the head office of Supremex located at 7213 Cordner Street, LaSalle, Québec, H8N 2J7 on Thursday, May 7, 2015 at 2:00 p.m. (Montreal time) for the following purposes:

- (1) to receive the consolidated financial statements of Supremex for the financial year ended December 31, 2014, together with the independent auditors’ report;
- (2) to elect the directors of Supremex (the “**Directors**”) who will serve until the end of the next annual Shareholders’ meeting or until their successors are appointed;
- (3) to appoint the auditors of Supremex and authorize the Directors to fix their remuneration; and
- (4) to transact such other business as may properly come before the Meeting or any adjournment thereof.

The accompanying management information circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

The management’s discussion and analysis of financial condition and results of operations, the consolidated financial statements of Supremex and the auditors’ report for the financial year ended December 31, 2014 are posted at [www.sedar.com](http://www.sedar.com).

The record date (the “**Record Date**”) for determining those Shareholders entitled to receive notice and to vote at the Meeting is the close of business on April 2, 2015. Only persons registered as Shareholders on the books of Supremex as of the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting, and no person becoming a Shareholder after the Record Date shall be entitled to receive notice of and to vote at the Meeting or any adjournment thereof. The failure of any Shareholder to receive notice of the Meeting does not deprive the Shareholder of the right to vote at the Meeting. Shareholders are invited to attend the Meeting; there will be an opportunity to ask questions and meet management.

**A Shareholder who is unable to be present at the Meeting and who wishes to appoint some other person (who need not be a Shareholder) to represent him or her at the Meeting may do so either by striking out the names set forth in the enclosed form of proxy and by inserting such person's name in the blank space provided therein or by completing another proper form of proxy, and, in either case, by returning the completed proxy in the pre-addressed return envelope provided for that purpose to Computershare Investor Services Inc. at 100 University Avenue, 9<sup>th</sup> floor, Toronto, Ontario, M5J 2Y1 or by fax to 1-866-249-7775/1-416-263-9524, such form of proxy to be received by Computershare no later than 5:00 p.m. (Montreal time) on May 5, 2015 or if the Meeting is adjourned, no later than 48 hours before any reconvened meeting.**

DATED at Montréal, Québec, this 31<sup>st</sup> day of March, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

*(signed)* Stewart Emerson  
President and Chief Executive Officer  
of Supremex Inc.

# SupremeX

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## INFORMATION CIRCULAR

### *Introduction*

**This Management Information Circular (the “Information Circular”) is furnished in connection with the solicitation of proxies by the management of Supremex Inc. (“Supremex”) for use at the annual meeting (the “Meeting”) of holders (collectively, the “Shareholders”) of common shares (the “Shares”) of Supremex to be held at the time and place and for the purposes set forth in the accompanying Notice of the Meeting, and all adjournments thereof.**

It is expected that the solicitation will be made primarily by mail but proxies may also be solicited by telephone, over the Internet, in writing or in person, by directors (the “**Directors**”), officers or regular employees of Supremex and its subsidiaries who will receive no compensation therefore in addition to their regular remuneration. The cost of any such solicitation is expected to be nominal and will be borne by Supremex. Supremex may also reimburse brokers and other persons holding Shares in their name or in the name of nominees, including objecting beneficial owners, for their costs incurred in sending proxy material to their principals in order to obtain their proxies. Such costs are expected to be nominal.

Unless the context indicates otherwise, all references to “Supremex” refer to Supremex Inc. and, as applicable, its predecessor, Supremex Income Fund (the “**Fund**”).

### *Appointment of Proxies*

The persons named in the enclosed form of proxy are Directors or officers of Supremex. **Each Shareholder is entitled to appoint a person other than the individuals named in the enclosed form of proxy to represent such Shareholder at the Meeting.**

A Shareholder who is unable to be present at the Meeting and who wishes to appoint some other person (who need not be a Shareholder) to represent him or her at the Meeting may do so either by striking out the names set forth in the enclosed form of proxy and by inserting such person’s name in the blank space provided therein or by completing another proper form of proxy, and, in either case, by returning the completed information in the pre-addressed return envelope provided for that purpose, to Computershare Investor Services Inc. at 100 University Avenue, 9<sup>th</sup> floor, Toronto, Ontario, M5J 2Y1 or by fax to 1-866-249-7775/1-416-263-9524 and such envelope must be received by Computershare no later than 5:00 p.m. (Montreal time) on May 5, 2015 or if the Meeting is adjourned, no later than 48 hours before any reconvened meeting.

### *Revocation of Proxies*

A Shareholder who has given a proxy has the power to revoke it as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy and may do so: (a) by depositing an instrument in writing executed by him or her or by his or her attorney authorized in writing or, if the Shareholder is a corporation, under the corporate seal or by an officer or attorney thereof duly authorized (i) at the Toronto office of Computershare Investor Services Inc. at 100 University Avenue, 9<sup>th</sup> floor, Toronto, Ontario, M5J 2Y1 at any time up to 5:00 p.m. (Montreal time) on May 5, 2015 or if the Meeting is adjourned, no later than 48 hours before any reconvened meeting, (ii) at the registered office of Supremex at any time up to 5:00 p.m. (Montreal time) on May 5, 2015, or if the Meeting is adjourned, no later than 48 hours before any reconvened meeting, or (iii) with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof; or (b) in any other manner permitted by law.

### *Voting of Proxies*

**The Shares represented by the accompanying form of proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any show of hands or ballot that may be called for. If the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. If no specification has been made with respect to any such matter, the persons named in the enclosed form of proxy intend to cast the votes represented by such proxy IN FAVOR of any such matter as described in this Information Circular.**

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of the Meeting and other matters which may properly come before the Meeting or any adjournment thereof. As at March 31, 2015, the Directors of Supremex know of no such amendments, variations or other matters. If matters which are not known as at March 31, 2015, should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the person voting it.

### *Completing the Form of Proxy*

You can choose to vote “For” or “Withhold” with respect to the election of the Directors and the appointment of the auditors. If you are a non-registered Shareholder voting your Shares, please follow the instructions provided in the voting instruction form provided.

When you sign the form of proxy without appointing an alternate proxyholder, you authorize Messrs. Robert B. Johnston or Mathieu Gauvin who are directors of Supremex, to vote your Shares for you at the Meeting in accordance with your instructions. **If you return your proxy without specifying how you want to vote your Shares, your vote will be counted FOR the election of the Directors, FOR the appointment of the auditors and as your proxyholder sees fit on any other matters to be considered at the Meeting.**

**You have the right to appoint someone other than the proxy nominees to be your proxyholder. If you are appointing someone else to vote your Shares for you at the Meeting, fill in the name of the person voting for you in the blank space provided on the form of proxy.**

A proxyholder has the same rights as the Shareholder by whom he or she was appointed to speak at the Meeting in respect of any matter, to vote by way of ballot at the Meeting and, except where one proxyholder has conflicting instructions from more than one Shareholder, to vote at the Meeting in respect of any matter by way of any show of hands.

If you are an individual Shareholder, you or your authorized attorney must sign the form of proxy. If you are a corporation or other legal entity, an authorized officer or representative must sign the form of proxy.

If you need assistance completing your form of proxy (or voting instruction form), please contact Computershare Investor Services Inc. at 1-800-564-6253 for service in English or in French.

### *Record Date*

The record date (the “**Record Date**”) for determining those Shareholders entitled to receive notice and to vote at the Meeting is the close of business on April 2, 2015. Only persons registered as Shareholders on the books of Supremex as of the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting, and no person becoming a Shareholder after the Record Date shall be entitled to



receive notice of and to vote at the Meeting or any adjournment thereof. The failure of any Shareholder to receive notice of the Meeting does not deprive the Shareholder of the right to vote at the Meeting.

The information contained herein is given as at March 31, 2015, except as otherwise stated.

### ***Voting of Shares – Advice to Beneficial Shareholders***

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold their Shares in their own name. Shareholders who do not hold their Shares in their own name (the “**Beneficial Shareholders**” or, individually, a “**Beneficial Shareholder**”) should note that only proxies deposited by Shareholders whose names appear on the records of the registrar and transfer agent of Supremex (the “**Transfer Agent**”) as the registered holders of Shares can be recognized and acted upon at the meeting. The Shares of Beneficial Shareholders are registered in the name of an intermediary, such as a securities broker, financial institution, trustee, custodian or other nominee who holds the Shares on their behalf, or in the name of a clearing agency in which the intermediary is a participant. Intermediaries have obligations to forward meeting materials to the non-registered Shareholders, unless otherwise instructed by the Shareholder (and as required by regulation in some cases, despite such instructions).

Only registered Shareholders or their duly appointed proxyholders are permitted to vote at the Meeting. Non-registered Shareholders should follow the directions of their intermediaries with respect to the procedures to be followed for voting. Generally, intermediaries will establish procedures to permit the non-registered Shareholders to direct the voting of the Shares that they beneficially own and will provide non-registered Shareholders with either: (a) a voting instruction form for completion and execution by the non-registered Shareholder, or enabling voting by alternate means such as telephone or Internet, or (b) a form of proxy, executed by the intermediary and restricted to the number of Shares owned by the non-registered Shareholder, but otherwise uncompleted.

If the non-registered Shareholder wishes to attend and vote in person at the Meeting, one must insert their own name in the space provided for the appointment of a proxyholder on the voting instruction or proxy form provided by the intermediary and carefully follow the intermediary’s instructions for return of the executed form or other method of response.

### ***Voting Requirements***

The appointment of the auditors of Supremex and the election of the Directors of Supremex will be determined by a majority of votes cast at the Meeting by proxy or in person. If there is a tie, the chair of the Meeting is not entitled to a second or casting vote, and the motion will not pass. The Transfer Agent counts and tabulates the votes.

### ***Voting Shares and Quorum***

As of March 31, 2015, 28,750,967 Shares were outstanding, each carrying the right to one vote on all matters to come before the Meeting. Shareholders of record on April 2, 2015 are entitled to receive notice of and vote at the Meeting. The list of Shareholders entitled to vote at the Meeting will be available for inspection on and after April 3, 2015 during usual business hours at the Montreal office of the Transfer Agent, Computershare Investor Services Inc. at 1500 Robert-Bourassa Blvd., 7<sup>th</sup> floor, Montreal, Québec, H3A 3S8 and at the Meeting.

A quorum of Shareholders is present at the Meeting if two (2) or more individuals present in person either hold personally or represent as proxies not less in the aggregate of the votes attached to all outstanding

Shares. If a quorum is present within 30 minutes of the time fixed for the Meeting, the Shareholders present or represented by proxy may proceed with the business of the Meeting. If a quorum is not present within 30 minutes of the time fixed for the Meeting, the Shareholders present or represented by proxy may adjourn the Meeting to a day not less than 14 days later and to such place and time as may be determined by the chair of the Meeting but may not transact any other business.

***Principal Shareholders***

The following table shows the name and information of the persons or companies who, as March 31, 2015, owned of record, or who, to the knowledge of Supremex, owned beneficially, directly or indirectly, more than 10% of the Shares.

<u>NAME</u>	<u>NUMBER OF SHARES OWNED</u>	<u>PERCENTAGE OF OUTSTANDING SHARES</u>
The Article 6 Marital Trust created under the First Amended and Restated Jerry Zucker Revocable Trust dated 4-2-07	5,487,385	19.1%

**INTERESTS OF CERTAIN PERSONS OR COMPANIES IN THE MATTERS TO BE ACTED UPON**

As at March 31, 2015, the Directors and officers of Supremex and their associates, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, an aggregate of 5,778,994 Shares representing approximately 20.1% of the outstanding Shares.

No Director or officer of Supremex, or any person who has been a Director or officer of Supremex since the beginning of Supremex’ last fiscal year, nor any associate or affiliate of any such person, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than as set forth herein.

**BUSINESS OF THE MEETING**

***Election of Directors***

Supremex is required to have a minimum of three (3) and a maximum of ten (10) Directors and 25% of the Directors shall be residents of Canada. The Board of Directors is currently comprised of six (6) Directors.

Directors of Supremex are elected annually. **Unless a proxy specifies that the Shares it represents should be withheld from voting in respect of the election of a proposed nominee or voted in accordance with the specification in the proxy, the persons named in the enclosed form of proxy intend to vote FOR the election of the proposed nominees whose names are set forth below in the section “Nominees for Election to the Board of Directors - Description of the Proposed Director Nominees”.** Each Director of Supremex elected will hold office until the next annual meeting or until his successor is elected or appointed, unless his office is vacated earlier.

Management of Supremex does not expect that any of the nominees will be unable to serve as a Director. However, if, for any reason, at the time of the Meeting any of the nominees are unable to serve and unless

otherwise specified, it is intended that the persons designated in the form of proxy will vote in their discretion for a substitute nominee or nominees.

The Board believes that each of its members should carry the confidence and support of the shareholders. Therefore, in addition to the individual voting process implemented several years ago, the Board also has a majority voting policy. Pursuant to this policy, any nominee for election as a director at a shareholders' meeting for whom the number of votes withheld exceeds the number of votes in favour will be deemed not to have received the support of shareholders and will immediately tender his or her resignation to the Board following the meeting. The Corporate Governance Committee shall consider the resignation and whether or not it should be accepted and shall make a recommendation to the Board of Directors.

The Board of Directors shall determine whether or not to accept the resignation within 90 days following the applicable shareholders' meeting. Any director who tenders his or her resignation pursuant to this policy shall not participate in the deliberations of the Committee or the Board of Directors regarding the resignation. Save in exceptional circumstances, the resignation shall be accepted by the Board of Directors. In considering whether exceptional circumstances exist justifying the director's continuance in office, the Board will consider the factors considered by the Committee and such additional factors and information that the Board of Directors considers to be relevant. The resignation will be effective when accepted by the Board. Following the Board of Director's decision on the resignation, the Board of Directors shall promptly disclose, via press release, its decision whether or not to accept the director's proposed resignation and a copy of such press release shall be provided to the TSX. Should the Board of Directors determine not to accept the resignation, the press release shall fully state the reasons for the decision. This policy applies only to uncontested elections, meaning elections where the number of nominees for director is equal to the number of directors to be elected as determined by the Board.

### *Appointment of Auditors*

At the Meeting, Shareholders will be asked to reappoint Ernst & Young LLP, Chartered Professional Accountants, Montreal, as auditors of Supremex to serve until the end of the next annual Shareholder meeting or until their successors are appointed at a remuneration to be determined by the Directors of Supremex. Ernst & Young LLP was first appointed as auditors of Supremex on February 10, 2006. Ernst & Young LLP has informed Supremex that it is independent with respect to Supremex within the meaning of the Code of Ethics of the Ordre des comptables professionnels agréés du Québec.

**Unless a proxy specifies that the Shares it represents should be withheld from voting in respect of the appointment of the auditor or voted in accordance with the specification in the proxy, the persons named in the enclosed form of proxy intend to vote FOR the reappointment of Ernst & Young LLP, Chartered Accountants, Montreal, as auditors of Supremex, and the authorization of the Directors to fix their remuneration.**

### ***Audit Fees***

During the fiscal years ended December 31, 2014 (“**Fiscal 2014**”) and 2013 (“**Fiscal 2013**”), Supremex retained Ernst & Young LLP as auditors to provide services in the categories and for the approximate amounts that follow:

<b>Fees</b>	<b>Fiscal 2014</b>	<b>Fiscal 2013</b>
Audit Fees <sup>(1)</sup> .....	110,000	150,000
Audit-Related Fees <sup>(2)</sup> .....	20,000	20,000
Tax Fees <sup>(3)</sup> .....	<u>22,450</u>	<u>5,700</u>
<b>Total Fees Paid .....</b>	<b>152,450</b>	<b>175,700</b>

(1) “Audit Fees” include fees paid for professional services rendered for the audit of Supremex annual financial statements.

(2) “Audit-Related Fees” include fees for audit-related fees paid for consultations concerning financial accounting or the presentation of financial information which are not categorized as “audit services”, pension plan audits, accounting work related to acquisitions and review of documents filed with regulatory authorities.

(3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees paid for various consultations and the review of tax returns.

Additional details with respect to the Audit Committee and the above-mentioned fees can be found under the section “Audit Committee” of the Annual Information Form, which can be viewed at [www.sedar.com](http://www.sedar.com).

### ***Presentation of Financial Statements***

The audited financial statements of Supremex for the period commencing January 1, 2014 and ended December 31, 2014 and the report of the auditors thereon will be presented at the Meeting. The financial statements placed before Shareholders are available on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of such statements will also be available at the Meeting.

## **NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS**

### ***Description of the Proposed Director Nominees***

Six (6) directors are to be elected at the Meeting, each of whom is to hold office until the close of the next annual meeting of shareholders or until his successor is elected or appointed. All of the individuals nominated as Directors are currently members of the Board of Directors of Supremex. All nominees have established their eligibility and willingness to serve as directors.

The following summary sets forth for each person proposed to be nominated for election by Supremex as a Director of Supremex, his name, municipality, province or state of residence and country of residence, his principal occupation, business or employment held presently and within the five (5) preceding years, the date of his election or appointment as Director of Supremex, the committees on which he serves and other boards of companies on which he serves. The summary also indicates whether the nominee is independent and the number of Shares beneficially owned, directly or indirectly, or controlled or directed by him as at March 31, 2015.

<b>NAME</b>	<b>PRINCIPAL OCCUPATION</b>
<p><b>Robert B. Johnston</b><sup>(1)(2)</sup> Isle of Palms, South Carolina, USA</p> <p>Director since May 8, 2014 Chairman since December 11, 2014 Independent Number of Shares: 7,100</p>	<p><b>Executive Vice President and Chief Strategy Officer of The InterTech Group, Inc.</b></p> <p>Robert B. Johnston is Executive Vice President of The InterTech Group, Inc. since 2008. Mr. Johnston previously served as Chief Executive Officer and Vice Chairman of The Hudson's Bay Company. Mr. Johnston holds an MBA Degree from the John Molson School of Business, a Master's Degree in Public Policy and Public Administration, as well as a Bachelor's Degree in Political Science from Concordia University and holds the ICD.D Designation from the Institute of Corporate Directors. Mr. Johnston is a Director of Fyffes, PLC, Span America Medical Systems, Corning Natural Gas Holding Corporation and Circa Enterprises Inc.</p>
<p><b>Stewart Emerson</b> Toronto, Ontario, Canada</p> <p>Director since December 11, 2014 Number of Shares: 210,000</p>	<p><b>President and Chief Executive Officer of Supremex Inc.</b></p> <p>Stewart Emerson is the President and Chief Executive Officer of Supremex. Prior to his current role, Mr. Emerson began his career as Account Manager at Innova Envelope Inc. in 1990 and has since held a number of positions, including Sales Manager, General Sales Manager, and Vice President and General Manager, Central Region. He holds a Bachelor's Degree in Business Administration with a double major in Marketing and Management from the Northeastern University of Boston.</p>
<p><b>Mathieu Gauvin</b><sup>(2)(3)</sup> Montreal, Québec, Canada</p> <p>Director since June 2, 2011 Chair of the Audit Committee since June 2, 2011 Independent Number of Shares: 0</p>	<p><b>Partner of Richter Advisory Group Inc.</b></p> <p>Mathieu Gauvin is Partner at Richter Advisory Group Inc. and works for the company since September 2006. He is director and chairman of the Audit Committee of HNZ Group Inc., and director of Richelieu Hardware Ltd. and Logistik Unicorp Inc. Previously, from January 2006 to May 2006, he was Chief Financial Officer of Europe's Best Inc. From February 1991 to January 2006, he was Vice President and Partner of Schroders &amp; Associates Canada Inc. and, from November 1987 to February 1991, he was Director, Acquisition Analysis, for this company or for its predecessor corporations. He holds a Bachelor's degree in Commerce from the McGill University and is also Chartered Professional Accountant, Chartered Financial Analyst and Chartered Business Valuator.</p>
<p><b>Georges Kobrynsky</b><sup>(2)(4)</sup> Montreal Québec, Canada</p> <p>Director from March 31, 2006 to May 7, 2012 and since February 21, 2013 Chair of the Pension Investment Committee since February 19, 2014 Independent Number of Shares: 0</p>	<p><b>Director</b></p> <p>Georges Kobrynsky, a former Trustee of Supremex Income Fund and Director of Supremex Inc. from 2006 to 2012, is currently a corporate director of Cascades Inc. Previously, Mr. Kobrynsky was Senior Vice President, Investments Forest Products of the Société générale de financement du Québec from 2005 to 2010 and held various senior positions at Domtar Inc. over 30 years. He also held a position at the Ministry of the Environment of Canada from 1971 to 1975. Mr. Kobrynsky has completed the Senior Executive Program from University of Western Ontario. He also holds a Master of Business Administration from McGill University, a Bachelor's degree in Sciences from the Université Laval and a Bachelor's of Arts degree from the Université de Montréal.</p>

<b>NAME</b>	<b>PRINCIPAL OCCUPATION</b>
<p><b>Dany Paradis</b><sup>(2)(5)</sup> Montreal Québec, Canada</p> <p>Director since February 21, 2013 Chair of the Human Resources Committee since December 11, 2014 Independent Number of Shares: 1,000</p>	<p><b>Vice President and Chief Human Resources Officer of Yellow Media Limited</b></p> <p>Dany Paradis, ICD.D, is Vice President and Chief Human Resources Officer at Yellow Media Limited since June 2014. Previously, he was a senior executive at Fibrek Inc. leading the supply chain teams and the corporate services. Mr. Paradis has held various senior management positions at ReebokCCM/Reebok Canada (adidas Group) from 2005 to 2008 and Domtar Inc. from 1998 to 2005. He holds a Bachelor of Actuarial Sciences from Laval University and has completed the Advanced Leadership Program at McGill University. He is certified from the Institute of Corporate Directors.</p>
<p><b>Warren J. White</b><sup>(2)(6)</sup> Dollard-des-Ormeaux, Québec, Canada</p> <p>Director since December 11, 2014 Chair of the Corporate Governance Committee since December 11, 2014 Independent Number of Shares: 3,000</p>	<p><b>Independent Consultant</b></p> <p>Mr. Warren J. White is a CPA and an MBA graduate from Concordia University. He has held many senior leadership roles for large international manufacturing organizations with responsibilities in information technology, finance, procurement and strategic planning. Before becoming an independent consultant, Mr. White was Senior Vice President, Global Business Engineering at CGI until 2012 and Vice President, Information Technology and Global Procurement at Alcan Aluminum until 2003. Mr. White is also a director of Circa Enterprises Inc.</p>

<sup>(1)</sup> Chairman of the Board of Directors since December 11, 2014. Mr. Johnston was appointed at the board on May 8, 2014 and was a member (Chair) of the Compensation, Corporate Governance and Nominating Committee from then until December 11, 2014.

<sup>(2)</sup> On December 11, 2014, the Board of Directors divided the Compensation, Corporate Governance and Nominating Committee into two separate committees, the Human Resources Committee and Corporate Governance Committee. Also, the Pension Investment Committee, created on February 19, 2014 that previously reported to the Compensation, Corporate Governance and Nominating Committee reports directly to the Board of Director since December 11, 2014.

<sup>(3)</sup> Member of the Audit Committee. Mr. Gauvin was also appointed as member of the Corporate Governance Committee and of the Pension Investment Committee on December 11, 2014.

<sup>(4)</sup> Member of the Pension Investment Committee since its inception on February 19, 2014. Mr. Kobrynsky was appointed as member of the Audit Committee and of the Human Resources Committee on December 11, 2014. Mr. Kobrynsky was also a member of the Compensation, Corporate Governance and Nominating Committee until December 11, 2014. Furthermore, Mr. Kobrynsky acted as Vice-Chairman of the Board of Directors until May 7, 2014

<sup>(5)</sup> Member of the Pension Investment Committee since its inception on February 19, 2014. Mr. Paradis was also appointed as member of the Human Resources Committee and the Corporate Governance Committee on December 11, 2014. Mr. Paradis also acted as Chairman of the Board of Directors until May 30, 2014 and was a member of the Audit Committee and the Compensation, Corporate Governance and Nominating Committee until March 21, 2014. Mr. Paradis was Interim President and Chief Executive Officer from March 4, 2014 until May 30, 2014.

<sup>(6)</sup> Member of the Corporate Governance Committee, the Human Resources Committee and the Audit Committee since December 11, 2014.

### ***Corporate Cease Trade Orders or Bankruptcies***

To the knowledge of Supremex, in the last ten (10) years, none of the persons proposed for election as Directors is or has been a director or executive officer of any company that, while that person was acting in that capacity, (a) was the subject of a cease trade order or similar order, or an order that denied the relevant company access to any exemptions under securities legislation, for a period of more than 30 consecutive days, (b) was the subject of an event that resulted, after that person ceased to be a director or executive officer, in the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to an exemption under securities legislation, for a period of more than 30 consecutive days or (c) while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### ***Penalties or Sanctions***

To the knowledge of Supremex, none of the persons proposed for election as Directors, (a) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or (b) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### ***Personal Bankruptcies***

To the knowledge of Supremex, in the last ten (10) years, none of the persons proposed for election as Directors has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

### ***Directors' Liability Insurance***

The Directors and officers of Supremex are covered under a director's insurance policy that provides an aggregate limit of liability to the insured Directors and executive officers of \$5 million and an additional coverage of \$5 million in the case of non-indemnifiable losses and the premium paid in 2014 was \$30,041.

### ***Directorship of Other Reporting Issuers***

Certain proposed nominees are directors and/or trustees of other reporting issuers. These are as follows:

<b><u>DIRECTOR</u></b>	<b><u>REPORTING ISSUER</u></b>
Mathieu Gauvin	Richelieu Hardware Ltd. HNZ Group Inc.
Robert B. Johnston	Circa Enterprises Inc. Corning Natural Gas Holding Corporation Span America Medical Systems Fyffes PLC
Georges Kobrynsky	Cascades Inc.
Warren J. White	Circa Enterprises Inc.

### ***Meetings and Attendance***

Directors are expected to attend all meetings and each Director generally attends all meetings, subject to occasional scheduling conflicts. During Fiscal 2014, the Board of Directors and its standing committees met as follows:

	<u>REGULAR</u>	<u>TELEPHONE</u>	<u>TOTAL</u>
Board of Directors	6	4	10
Audit Committee	4	1	5
Compensation, Corporate Governance and Nominating Committee	4	1	5
Pension Investment Committee <sup>(1)</sup>	3	1	4
Total	17	7	24

<sup>(1)</sup> A Pension Investment Committee was created on February 19, 2014 to, inter alia, assist the Compensation, Corporate Governance and Nominating Committee in the administration of the Company's sponsored pension plans and the investment of the funds therein since December 11, 2014 and directly reports to the Board of Directors since then.



The following table shows the attendance record of each Director for all Board of Directors and committee meetings held during the twelve-month period ended December 31, 2014, being Supremex' most recently completed financial year. The overall attendance record at Board of Directors and at committee meetings was 92.4% and 97.7%, respectively.

<b>NAME OF DIRECTOR</b>	<b>BOARD OF DIRECTORS</b>	<b>AUDIT COMMITTEE</b>	<b>COMP., CORP. GOV. &amp; NOMINATING COMMITTEE<sup>(1)</sup></b>	<b>PENSION INVESTMENT COMMITTEE<sup>(1)</sup></b>
Robert B. Johnston <sup>(2)</sup>	5	—	2	—
Stewart Emerson <sup>(3)</sup>	1	—	—	—
George Armoyan <sup>(4)</sup>	9	—	5	3
Gilles Cyr <sup>(5)</sup>	1	—	—	—
Mathieu Gauvin <sup>(6)</sup>	9	5	—	—
Georges Kobrynsky <sup>(7)</sup>	9	—	5	4
Dany Paradis <sup>(8)</sup>	10	2	3	4
Charles Pellerin <sup>(4)(9)</sup>	9	5	4	—
Michael Rapps <sup>(4)</sup>	7	—	—	—
Warren J. White <sup>(3)</sup>	1	—	—	—
<b>Total</b>	<b>61</b>	<b>12</b>	<b>19</b>	<b>11</b>
<b>Overall Attendance</b>	<b>92.4%</b>	<b>100%</b>	<b>100%</b>	<b>91.7%</b>

<sup>(1)</sup> On December 11, 2014, the Board of Directors divided the Compensation, Corporate Governance and Nominating Committee into two separate committees, the Human Resources Committee and the Corporate Governance Committee. Also, the Pension Investment Committee, created on February 19, 2014 that previously reported to the Compensation, Corporate Governance and Nominating Committee reports directly to the Board of Directors since December 11, 2014.

<sup>(2)</sup> Mr. Johnston was appointed to the Board of Directors and on the Compensation, Corporate Governance and Nominating Committee on May 8, 2014. On December 11, 2014 Mr. Johnston was appointed Chairman of the Board of Directors.

<sup>(3)</sup> Messrs. Stewart Emerson and Warren J. White were appointed to the Board of Directors on December 11, 2014.

<sup>(4)</sup> Messrs. George Armoyan, Charles Pellerin and Michael Rapps resigned from the Board of Directors on December 11, 2014. Mr. Armoyan was appointed Chairman effective May 30, 2014 and served as a member of the Compensation, Corporate Governance and Nominating Committee until May 7, 2014. Mr. Armoyan was also a member of the Pension Investment Committee.

<sup>(5)</sup> Mr. Gilles Cyr resigned as the President and Chief Executive Officer and as a Director of Supremex on March 4, 2014.

<sup>(6)</sup> Member of the Audit Committee. Mr. Gauvin was also appointed as member of the Corporate Governance Committee and of the Pension Investment Committee on December 11, 2014.

<sup>(7)</sup> Mr. Kobrynsky was appointed as a member of the Audit Committee and the Human Resources Committee on December 11, 2014. Mr. Kobrynsky was also a member of the Compensation, Corporate Governance and Nominating Committee until December 11, 2014 and is a member of the Pension Investment Committee. Furthermore, Mr. Kobrynsky acted as Vice Chairman of the Board of Directors until May 7, 2014.

<sup>(8)</sup> Mr. Paradis acted as a member of the Audit Committee from June 27, 2013 to March 21, 2014, as a member of the Compensation, Corporate Governance and Nominating Committee from April 9, 2013 to March 21, 2014 and as Chairman of the Board from December 17, 2013 to May 30, 2014. Mr. Paradis was also appointed as member of the Human Resources Committee and the Corporate Governance Committee on December 11, 2014. Mr. Paradis is a member of the Pension Investment Committee.

<sup>(9)</sup> Mr. Pellerin resigned from the Compensation, Corporate Governance and Nominating Committee on May 7, 2014.

### *Compensation of Directors*

Each director who is not a member of the management of the Corporation (each a “**Non-Executive Director**”) is eligible to receive compensation. The Human Resources Committee reviews on an annual basis the compensation of Non-Executive Directors and recommends to the Board of Directors the level of compensation and any adjustments necessary to take into account the level of work and responsibilities of the members of the Board of Directors and its committees.

In order to do this, Management retained the services of AON Consulting in 2011 to prepare, based on publicly available information, a summary of compensation practices of certain companies, the shares of which are listed on an exchange (the “**Comparative Group**”). With respect to the compensation payable to Directors during Fiscal 2013 and Fiscal 2014, the Comparative Group was composed of the following 18 Canadian companies, each of which have a head office in Canada:

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Boralex Inc.	MDC Partners Inc.
Boyd Group Inc.	H. Paulin & Co. Ltd.
Brampton Brick Limited	PFB Corporation
Groupe HNZ Inc.	Richelieu Hardware Ltd.
Davis + Henderson Corporation	Strongco Corporation
Goodfellow Inc.	Data Group Inc.
IPL Inc.	Velan Inc.
Inscape Corporation	WFI Industries Ltd.
Jewett-Cameron Trading Co. Ltd.	Winpak Limited

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The Comparative Group is comprised of companies having one or more of the following characteristics: they operate in the same type of industry as Supremex, the complexity of their businesses is similar to Supremex and they are publicly listed companies and having annual revenues ranging from \$35 to \$600 million.

The following table describes the compensation paid to Non-Executive Directors for Fiscal 2014. The Non-Executive Directors did not receive any compensation other than the fees described below. All fees are in Canadian dollars.

NAME	ANNUAL FEES			PORTION OF FEES CASH	CASH
	RETAINER	RETAINER AS CHAIR	MEETING ATTENDANCE		
Robert B. Johnston <sup>(1)</sup>	\$16,441	\$2,303	\$7,000	100%	\$25,744
Stewart Emerson <sup>(2)</sup>	—	—	—	—	—
George Armoyan <sup>(3)(4)(5)</sup>	\$25,000	\$10,208	\$17,000	100%	\$52,208
Mathieu Gauvin <sup>(6)(7)</sup>	\$25,000	\$6,000	\$14,000	100%	\$45,000
Georges Kobrynsky <sup>(6)(8)</sup>	\$43,750	\$1,415	\$20,000	100%	\$65,165
Dany Paradis <sup>(9)</sup>	\$25,000	\$72,916	\$8,000	100%	\$105,916
Charles Pellerin <sup>(4)(6)(10)</sup>	\$25,000	—	\$17,000	100%	\$42,000
Michael Rapps <sup>(4)(5)</sup>	\$24,334	—	\$7,000	100%	\$31,334
Warren J. White <sup>(6)</sup>	—	—	—	—	—

(1) Chairman of the Board of Directors since December 11, 2014. Mr. Johnston was appointed at the board on May 8, 2014 and was a member (Chair) of the Compensation, Corporate Governance and Nominating Committee from then until December 11, 2014.

(2) Mr. Stewart Emerson is the President and Chief Executive Officer of Supremex and was appointed to the Board of Directors on December 11, 2014.

(3) Mr. Armoyan was appointed Chairman effective May 30, 2014 and served as a member of the Compensation, Corporate Governance and Nominating Committee until May 7, 2014.

(4) Messrs. George Armoyan, Charles Pellerin and Michael Rapps resigned from the Board of Directors on December 11, 2014.

(5) Annual fees paid to Clarke Inc. until June 30, 2014.

(6) Member of the Audit Committee.

(7) Mr. Gauvin was appointed as member of the Corporate Governance Committee and of the Pension Investment Committee on December 11, 2014. Mr. Gauvin is also the Chair of the Audit Committee.

(8) Member (Chair) of the Pension Investment Committee since its inception on February 19, 2014. Mr. Kobrynsky was appointed as member of the Audit Committee and of the Human Resources Committee on December 11, 2014. Mr. Kobrynsky was also a member of the Compensation, Corporate Governance and Nominating Committee until December 11, 2014. Furthermore, Mr. Kobrynsky acted as Vice Chairman of the Board of Directors until May 30, 2014 and was entitled to an annual retainer of \$75,000.

(9) Member of the Pension Investment Committee since its inception on February 19, 2014. Mr. Paradis was also appointed as Chair of the Human Resources Committee and member of the Corporate Governance Committee on December 11, 2014. Mr. Paradis also acted as Chairman of the Board of Directors until May 30, 2014 during which time he was entitled to an annual retainer of \$200,000, and was a member of the Audit Committee and the Compensation, Corporate Governance and Nominating Committee until March 21, 2014. Mr. Paradis acted as Interim President and Chief Executive Officer from March 4, 2014 until May 30, 2014.

(10) Mr. Pellerin resigned from the Compensation, Corporate Governance and Nominating Committee on May 7, 2014.

## COMPENSATION DISCUSSION AND ANALYSIS

### *Compensation Discussion and Analysis*

The following is a description of the compensation program with the Named Executive Officers. Pursuant to Form 51-102 F6 – *Statement of Executive Compensation*, the Named Executive Officers of the Company shall be comprised of each individual who acted as Chief Executive Officer or Chief Financial Officer, or in any similar capacities, for any part of the most recently completed fiscal year, and each of the three most highly compensated executive officers of the Company, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer or the Chief Financial Officer, at the end of the most recently completed fiscal year whose total compensation was,

individually, more than \$150,000. For Fiscal 2014, the Company had five (5) Named Executive Officers (“NEO”), namely:

- Gilles Cyr, Former President and Chief Executive Officer;
- Stewart Emerson, President and Chief Executive Officer;
- Benoît Crowe, Vice President, Finance and Corporate Secretary;
- Edward Gauer, General Manager Western Region; and
- Suzie Gaudreault, General Manager Eastern Region.

The Human Resources Committee is responsible for monitoring and evaluating such program, with adjustments if and when necessary. The Corporate Governance Committee consults with, and makes recommendations to, the Board of Directors on matters concerning executive compensation, including individual salary rates and other supplemental compensation.

### *Human Resources Committee*

On December 11, 2014, the Board of Directors divided the Compensation, Corporate Governance and Nominating Committee into two separate committees, the Human Resources Committee and the Corporate Governance Committee.

The Human Resources Committee of the Board of Directors is composed of the following members:

Chair:	Dany Paradis	(since December 11, 2014)
Members:	Georges Kobrynsky	(since December 11, 2014)
	Warren J. White	(since December 11, 2014)

The members of the Human Resources Committee were selected according to their experience and their knowledge of matters to be dealt with the Human Resources Committee. All three (3) members of the Human Resources Committee are independent.

Each member of the Human Resources Committee has direct experience that is relevant to his responsibilities in executive compensation, as well as the skills and experience necessary to enable him to make decisions as to the suitability of Supremex’ policies and practices. These skills were acquired in large part through their experience as executive senior officers or owners of businesses where human resources functions were either reporting directly to them or where human resources decisions were taken by the executive committee of these businesses of which they were part of. Please see “Election of Directors” of this Information Circular for more detailed biographical information concerning members of the Human Resources Committee. In connection with their various responsibilities, all of these Directors have also implemented and managed compensation policies and practices, including with respect to wages policies, components of management compensation, succession plans, pension plans and share based incentive programs.

The Human Resources Committee reviews compensation policies and practices of Supremex, taking into account the risks associated with these policies and practices. The Human Resources Committee has not identified any risks associated with Supremex’ compensation policies that are reasonably likely to have material adverse consequences on Supremex. Those risks and uncertainties which are likely to have material adverse consequences on Supremex are reviewed on a quarterly basis by management and the

Audit Committee and are disclosed in Supremex' management's discussion and analysis accompanying the financial statements. No such risks relate to the compensation policies and practices of Supremex.

The senior management compensation components at Supremex have been in effect for many years and have been modified to reflect Supremex' economic conditions. The senior management compensation plan is communicated every year. Furthermore, all the incentive payment calculations are revised by the chairman of the Human Resources Committee after their review and approval by the President and Chief Executive Officer and the Vice President Finance.

The duties and responsibilities of the Human Resources Committee are established by the Board of Directors and include, amongst others, the following: (a) reviewing and making recommendations to the Board of Directors of wage and compensation policies; (b) administering Supremex' compensation plans for senior management and the Board of Directors, including the variable compensation plan, and any other share incentive plan adopted by Supremex from time to time; (c) administering the pension and insurance plans for Supremex employees; (d) reviewing the succession planning program with respect to the position of President and other senior management positions; (e) reviewing the corporate goals and objectives and responsibilities of the President and Chief Executive Officer and determining the elements of his compensation; and (f) approving the compensation and other employment conditions of senior management.

A copy of the Human Resources Committee charter can be found in this Information Circular at Appendix C.

During Fiscal 2014, the Compensation, Corporate Governance and Nominating Committee held five meetings (5) and during four (4) of these meetings, the Committee held '*in camera*' sessions without the presence of management. During Fiscal 2014, the Compensation, Corporate Governance and Nominating Committee amongst others, reviewed the variable compensation plan, approved the wage and salary increase policy, reviewed and approved the compensation of the Named Executive Officers, reviewed the succession plan for senior management and reviewed the pension plan financial status.

### ***Objective of Compensation Program***

Within Supremex, remuneration plays an important role in attracting and retaining key members of the management team. Supremex is committed to a compensation policy that drives business performance, is competitive in the short-term and in the long-term and encourages entrepreneurial behavior.

Plans and programs are designed so as to constitute adequate reward for services and incentive for the Named Executive Officers to implement both short-term and long-term strategies aimed at increasing share value and creating economic value. Supremex' compensation strategy is therefore heavily weighted towards pay-for-performance components. Actual rewards are directly linked to the results of Supremex. Financial performance targets set each year are based on a required return on capital employed and working capital objectives, and are therefore aligned with Shareholder interests.

The compensation policy for Fiscal 2014 was determined based on the review of market practices as well as an analysis of the compensation offered by organizations forming part of a reference group composed of the following 13 companies considered comparable to Supremex (the “**Reference Group**”):

Ainsworth Lumber Co. Ltd.	Brampton Brick Limited
Davis & Henderson Corporation	Gildan Activewear Inc.
Goodfellow Inc.	H. Paulin & Co. Limited
International Forest Products Limited	Intertape Polymer Group Inc.
Stella-Jones Inc.	Data Group Inc.
Velan Inc.	Western Forest Products Inc.
Winpak Limited	

The Reference Group includes publicly traded Canadian companies and certain other comparable private companies, which similarly to Supremex, are involved in the print and the paper converting industry, and those of other publicly traded and privately-owned Canadian companies of comparable size in terms of revenue.

Remuneration potential as well as the allocation of various remuneration and incentive components have been established in order to compete with remuneration practices of the Reference Group. In addition, Supremex reviews general compensation surveys on an annual basis to compare Supremex’ compensation policies to generally accepted practices for publicly traded companies. When analyzing the remuneration practices and levels of the Reference Group, the Human Resources Committee also takes into consideration Supremex’ financial targets and also Supremex’ financial results and long-term outlook of the business. The Human Resources Committee believes that the compensation policy is generally competitive with what is offered by Canadian companies of a similar size and having operations in similar markets.

#### ***Compensation Consultation Services***

In 2011, the Compensation, Corporate Governance and Nominating Committee retained the services of Aon Consulting for advice relating to the competitiveness and appropriateness of Supremex’ compensation programs for the Named Executive Officers. In 2011, the Compensation, Corporate Governance and Nominating Committee also retained the services of Perrault Conseil to analyze the compensation of the Named Executive Officers.

#### ***Elements of Compensation Program, Determination and Rationale for Amounts of each Element***

The elements of the executive compensation program are the base salary, the variable compensation plan and the pension plan. In the past, the executive compensation program also included the deferred share unit plan element, which was terminated in April 2013.

The performance and related salary level, and the amount of payment under the variable compensation plan for the Named Executive Officers other than the Chief Executive Officer (“**CEO**”), is reviewed and approved annually by the CEO and the Corporate Governance Committee. The compensation for the CEO, as described at the end of this section, is recommended by the Corporate Governance Committee and approved by the Board of Directors.

Perquisites and personal benefits provided to senior Management reflect competitive practices and particular business needs.

### *Base Salary*

For Fiscal 2014, base salary was evaluated based on the principles established following the review of the Reference Group in 2012, as well as on more subjective criteria such as internal equity and performance of each senior executive. Base salary is lower than the median of the base salaries offered by the Canadian companies included in the Reference Group.

The Human Resources Committee re-evaluates the base salary component of the compensation for Supremex' Named Executive Officers, as applicable, to ensure that it reflects salaries offered for positions involving similar responsibilities and complexity, internal equity comparisons, as well as the ability and experience of Supremex' Named Executive Officers and also Supremex' financial results and long-term outlook of the business.

### *Variable Compensation Plan*

The variable compensation plan (the “**Plan**”) is a new plan for Supremex. The incentive (bonus) plan and the management profit sharing plan have both been terminated. The Plan was adopted by the Board of Directors in May 2013 and aims at encouraging the achievement of financial performance targets and rewarding the Named Executive Officers based on Supremex' success.

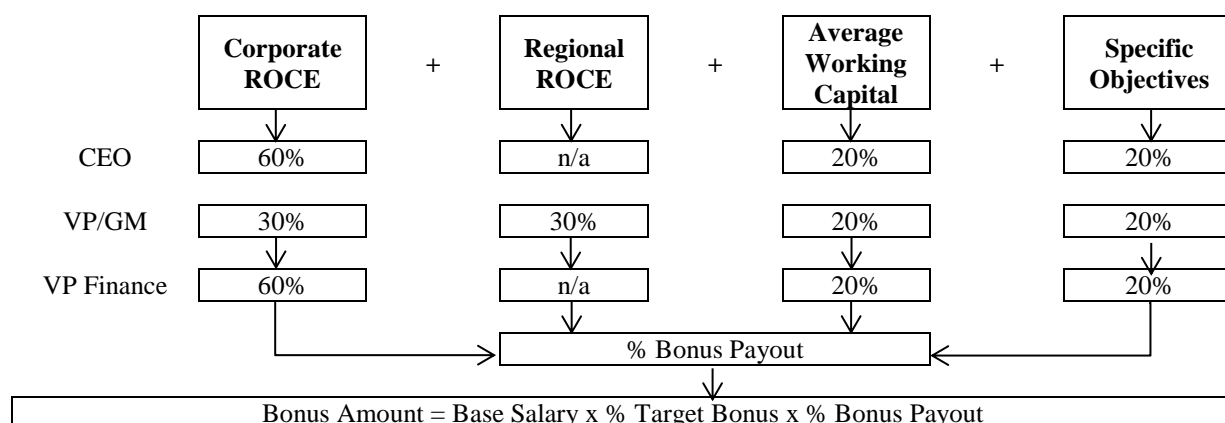
Annual variable compensation paid is determined as a percentage of base salary (the “**Target Bonus**”). The 2014 target bonuses for the Named Executive Officers under the variable compensation (expressed as a percentage of their base salary) were as set forth below. The maximum bonus payable to an executive is two (2) times the Target Bonus.

	<b>Target Bonus (% of base salary)</b>
President and Chief Executive Officer	50%
Vice President, Finance and Corporate Secretary	30%
General Manager, Western Region	35%
General Manager, Eastern Region	30%

The Named Executive Officers, other than the CEO, are entitled to a variable compensation based on three components which targets may vary from year to year. The components are: (i) a portion of the compensation is calculated on the corporate Return on Capital Employed (“ROCE”), (ii) a portion of the compensation is calculated on the NEO's regional ROCE, when applicable and (iii) a portion of the compensation is calculated on average working capital.

The Plan entitles the CEO to a variable compensation based on three components which may vary from year to year. The components are: (i) a portion of the compensation is calculated on the ROCE on a corporate basis, (ii) a portion of the compensation is calculated on average working capital and (iii) a portion is calculated on specific objectives set yearly by the Human Resources Committee and the Board of Directors.

The payouts under the variable compensation plan are calculated as follows:



For Fiscal 2014, Supremex set the corporate ROCE at 27.2% and the monthly average working capital target at \$16.25 million. The General Manager who heads the Western region had a regional ROCE target at 30.3% and the General Manager who heads the Eastern region had a regional ROCE target at 34.7%.

For Fiscal 2014, the following table establishes the payments made out to the executives:

<b>Non-equity incentive plan compensation</b>		
<b>Payment as a Percentage of</b>		
<b>Named Executive Officer</b>	<b>Payment</b>	<b>Base Salary</b>
Gilles Cyr <sup>(1)</sup>	n/a	n/a
Stewart Emerson	\$341,135	150%
Benoît Crowe	\$115,200	73%
Edward Gauer	\$123,480	84%
Suzie Gaudreault	\$54,192	35%

<sup>(1)</sup> For 2014, no payments were made out to Mr. Cyr under this Plan due to his departure prior to year end.

ROCE is defined as of earnings before financing charges, income tax expense, amortization of property, plant and equipment and of intangible assets, (loss) gain on disposal of property, plant and equipment for the business unit, divided by the capital employed, which is based among other factors on the sum of (i) the average working capital; (ii) the net book value of the main manufacturing equipment and other assets; and (iii) a value allocated for goodwill.

#### *Pension Plan*

Named Executive Officers participate in the pension plan for non-union employees of Supremex which provides both a defined benefit component and a defined contribution component. Effective July 1, 2012, Supremex has frozen credited service under the defined benefit component of the plan and the plan was converted into a defined contribution plan for future years of service.

Under the defined benefit component of the plan, Management employees are entitled to an annual retirement pension equal to 1.5% of their best average salary, multiplied by their number of years of credited service from January 1, 2009 up to July 1, 2012 (for certain members who participated to the plan prior to January 1, 2009, the annual retirement pension for service prior to January 1, 2009 is equal to 1% of the best average salary for each year of credited service prior to January 1, 2009). For the purposes of the plan, salary includes commissions and bonuses. Normal retirement age is 65. The annual



pension at retirement is payable in monthly installments in the form of a life annuity with a five (5) year guarantee and 60% of this annual pension is payable to the surviving spouse upon the member's death. Members are eligible for early retirement from age 55. For members employed in Quebec and members employed outside of Quebec and who were at least age 55 on January 1, 2013, the applicable reduction upon early retirement is equal to 3% for each year that early retirement date precedes age 61. For members employed outside of Quebec and who were not aged 55 and over on January 1, 2013, the early retirement reduction is calculated on an actuarial equivalent basis from the pension payable at age 65. Finally, members who were at least age 55 on January 1, 2013 are also eligible for a bridge benefit if they retire on or after age 61. This annual bridge benefit is equal to \$120 for each year of service (up to a maximum of 30 years) under the plan and is payable upon the earlier of age 65 or the member's death.

Under the defined contribution component of the plan, Supremex contributes an annual amount equal to 6% of the Named Executive Officers' salary, to which the member can add a voluntary contribution ranging from 0% to 12% of his salary. The Human Resources Committee believes that this type of pension plan helps to retain its key employees in the long term and enables them to benefit from a reasonable retirement income.

Pension plan provisions are also subject to the limits prescribed by the *Income Tax Act* (the "Tax Act"). Some of the Named Executive Officers reach the maximum thresholds currently in effect under the Tax Act.

The following table sets out the defined benefit obligation component under the pension plan offered to the Named Executive Officers. These amounts were calculated according to the actuarial assumptions described in note 8 of Supremex' audited consolidated financial statements for Fiscal 2014.

Name	Years of credited service (number)	Annual benefits payable <sup>(1)</sup> (\$)		Opening present value of defined benefit obligation <sup>(2)</sup> (\$)	Compensatory change <sup>(3)</sup> (\$)	Non-compensatory change <sup>(4)</sup> (\$)	Closing present value of defined benefit obligation <sup>(2)</sup> (\$)
		At fiscal year-end	At 65 years of age				
Gilles Cyr <sup>(5)</sup>	3.5	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	127,900	—	21,500	149,400
Stewart Emerson <sup>(7)</sup>	8.0	22,200	22,200	247,600	—	49,100	296,700
Edward Gauer	19.4	41,700	41,700	435,600	(2,000)	117,300	550,900
Suzie Gaudreault	3.5	8,300	8,300	87,100	4,100	28,700	119,900

<sup>(1)</sup> Benefits are limited by the Tax Act. Projected benefits are based on the member's current salary level.

<sup>(2)</sup> The accrued benefit obligation represents the estimated value of the retirement benefits on the date indicated.

<sup>(3)</sup> The difference attributable to compensation elements represents the estimated value of the retirement benefits accrued for 2014, less the member's contribution.

<sup>(4)</sup> The difference attributable to non-compensation elements includes the amount of the contribution made by the member, interest on the accrued benefit obligation and realized gains or losses other than related to the member's remuneration.

<sup>(5)</sup> Mr. Gilles Cyr resigned as the President and Chief Executive Officer of Supremex on March 4, 2014.

<sup>(6)</sup> As at December 31, 2014, Mr. Cyr's pension funds had not yet been withdrawn and are included in the pension obligation.

<sup>(7)</sup> Mr. Stewart Emerson is a vested member as a non-executive employee prior to 2009. The annuity credit for this prior vesting is 1.0% of the average of the best three (3) years of salary per year of service.

The following table shows the defined contribution obligation component under the pension plan offered to the Named Executive Officers. These amounts were calculated according to the actuarial assumptions described in note 8 of Supremex' audited consolidated financial statements for Fiscal 2014.

Name	Accumulated value at start of year (\$)	Compensatory <sup>(1)</sup> (\$)	Accumulated value at year end (\$)
Gilles Cyr <sup>(2)</sup>	34,835	8,003	45,182
Stewart Emerson	28,898	17,807	50,985
Benoît Crowe	—	9,495	10,030
Edward Gauer	67,367	11,675	88,311
Suzie Gaudreault	20,503	12,338	34,609

<sup>(1)</sup> The compensation amount corresponds to the amount of the contribution paid by Supremex into the member's account.

<sup>(2)</sup> Mr. Gilles Cyr resigned as President and Chief Executive Officer of Supremex on March 4, 2014.

### *Deferred Share Unit Plan*

The deferred share unit plan has been abolished in April 2013 and all Named Executive Officers have renounced their rights under this plan. Accordingly, the Named Executive Officers do not hold any deferred shares units as of the date hereof.

### *Chief Executive Officer*

On March 4, 2014 Mr. Gilles Cyr resigned as the President and Chief Executive Officer and a director of Supremex. On May 22, 2014, Mr. Stewart Emerson was named President and Chief Operating Officer, was appointed President and Chief Executive Officer of Supremex on September 2, 2014 and appointed to the Board of Directors on December 11, 2014.

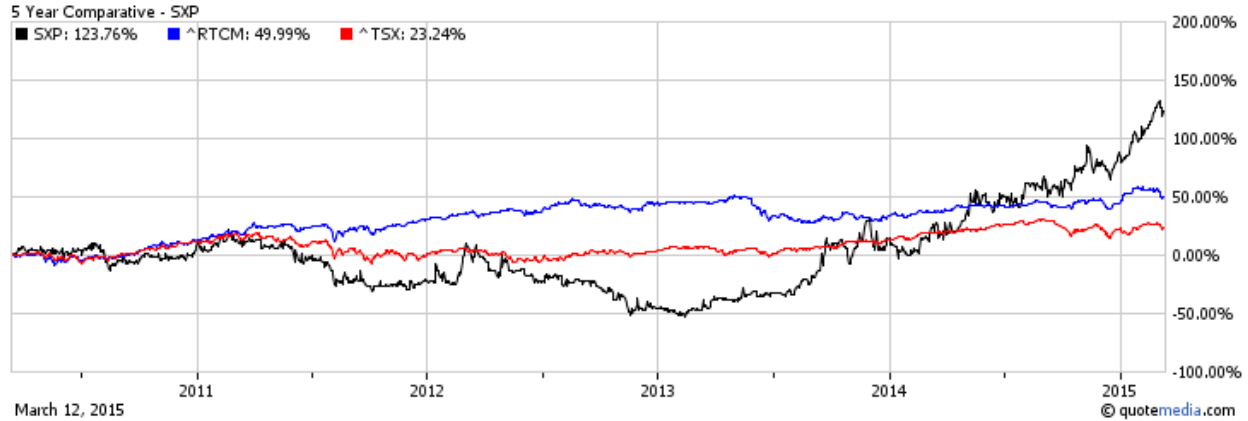
For the 2014 fiscal year, the CEO's base salary and bonus were based upon the same principles as those used for the other Named Executive Officers of Supremex. The CEO's compensation package was determined by the Compensation, Corporate Governance and Nominating Committee. Stewart Emerson's base salary was fixed at \$260,000. The target bonus was established as being 50% of his base salary, which could range from 0 to 150% depending on his achieving financial or individual objectives and depending on the financial performance of Supremex, the whole in accordance with Supremex' compensation policies. For the 2014 fiscal year, the CEO was entitled to a bonus representing 150% of his paid salary.

The base salary and incentive plan of the CEO were at the median of the base salaries and short term incentives offered by the corporations included in the Reference Group.

Compensation matters relating to the CEO are approved by the Board of Directors on the recommendation of the Human Resources Committee.

### *Performance Graph*

The following graph compares the total cumulative return on \$100 invested in Shares of Supremex (or prior to the conversion effective January 1, 2011 of the Fund into a corporate structure (the "Arrangement"), units of the Fund) on the TSX with the cumulative total return on the S&P/TSX Composite Index (assuming reinvestment of distributions/dividends as of the date of payment of same) for the previous five (5) years to March 2015.



SXP: Supremex Inc.  
 ^RTCM: S&P/TSX Income Trust Index  
 ^TSX: S&P/TSX Composite Index

This graph demonstrates that the value of the return on the Shares of Supremex has increased over the past five (5) years. The evolution of the total compensation of the Named Executive Officers does not reflect the evolution of the price of Supremex' Shares insofar as the compensation has been aligned with the need to maintain a competitiveness in attracting and retaining qualified individuals as well as being aligned with variable compensation objectives. Indeed, a significant portion of the compensation is composed of a fixed salary and a variable short term component which depends on the achievement of financial objectives.

The price of the Shares also depends on a number of factors outside of Supremex' control, including the negative perception of investors of the envelope industry, in which Supremex is involved, and the unfavorable economic conjuncture, to name just a few. The introduction in 2013 of the variable compensation plan was required in order to better align compensation with the business objectives and financial results of Supremex.

***Insider Policy***

Supremex has established a policy to ensure compliance with securities legislation regarding actions that may be taken by Directors, officers, employees or any other person having privileged information regarding Supremex' securities. The policy was approved by the Board of Directors in 2006 and amended from time to time. From time to time, Supremex reminds its insiders that all applicable trades must be reported to the competent authorities within five (5) days of any transaction and that failure to do so can lead to penalties. In addition, Supremex established a rule whereby insiders cannot trade on Supremex' securities starting two (2) trading days after the end of each quarter and ending two (2) business days after the release of Supremex' annual or quarterly financial results, as applicable. The policy expressly provides that an insider cannot carry out any trades if he or she has knowledge of a material fact, the disclosure of which could materially affect the Share price. The policy further prohibits insiders from short selling or trading any put or call options with respect to securities of Supremex.

### Summary Compensation Table

The following table provides a summary of the compensation earned during the three (3) most recently completed financial years by the Named Executive Officers for services rendered in all capacities to Supremex.

Name and Principal Position with Supremex	Year	Salary Paid (\$)	Share based awards <sup>(1)</sup> (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation <sup>(3)</sup> (\$)	Total (\$)
				Variable Compensation Plan <sup>(2)</sup>			
Gilles Cyr <sup>(4)</sup> Former President and CEO	2014	47,744	—	—	8,003	627,380 <sup>(5)</sup>	683,127
	2013	280,000	—	85,634	24,270	—	389,904
	2012	280,000	68,100	184,109	24,970	—	557,179
Stewart Emerson <sup>(4)(6)</sup> President and CEO	2014	227,423	—	341,135	17,807	—	586,365
	2013	203,750	—	69,358	113	—	273,221
	2012	200,000	25,538	61,471	22,470	—	309,479
Benoît Crowe <sup>(7)</sup> VP Finance and Corporate Secretary	2014	158,256	—	115,200	9,495	—	282,951
Edward Gauer <sup>(6)</sup> GM Western Region	2014	146,892	—	123,480	9,675	—	280,047
	2013	142,308	—	47,683	(53,841)	—	136,150
	2012	138,654	12,769	53,344	17,423	—	222,190
Suzie Gaudreault <sup>(6)(8)</sup> GM Eastern Region	2014	155,513	—	54,192	16,438	—	226,143
	2013	140,654	—	50,114	11,483	—	202,251
	2012	131,808	—	57,698	16,179	—	205,685

<sup>(1)</sup> In April 2013, the Deferred Share Unit Plan was cancelled. For the previous years, the values represent the value of share-based awards pursuant to the deferred share unit plan based upon the average closing price of Supremex' Shares (or, prior to the Arrangement, the Fund's units) on the TSX during the 20-day period prior to the grant of the share-based awards. This methodology is used as it is simple and the most accurate at the time of the grant.

<sup>(2)</sup> The annual incentive plan and the management profit sharing plan were abolished and replaced by a variable compensation plan in May 2013. The sums for 2013 represent the payments under the variable compensation plan.

<sup>(3)</sup> The aggregate amount of perquisites and other personal benefits paid annually to each Named Executive Officer was no greater than the lesser of \$50,000 or 10% of the base salary.

<sup>(4)</sup> Mr. Paradis was named Interim President and Chief Executive Officer on March 4, 2014 following Mr. Cyr's resignation on that date. Mr. Emerson was named President and Chief Operating Officer on May 22, 2014 and appointed President and Chief Executive Officer on September 2, 2014.

<sup>(5)</sup> Compensation paid as part of a settlement following his resignation on March 4, 2014.

<sup>(6)</sup> As of March 31, 2015, 210,000 Shares of Supremex were held by Stewart Emerson, 300 by Edward Gauer and 70,209 by Suzie Gaudreault.

<sup>(7)</sup> Mr. Crowe joined the Company on January 6, 2014 as Vice President, Finance and was appointed as Corporate Secretary of Supremex on March 21, 2014.

<sup>(8)</sup> Mrs. Suzie Gaudreault was appointed as General Manager of the Eastern Region on September 2, 2014.

### Termination of Employment, Change of Responsibilities and Employment Agreements

Supremex has entered into an employment agreement with each of the Named Executive Officers (collectively, the "Employment Agreements"). The Employment Agreements set out the duties and responsibilities and annual compensation (including the base salary) and benefits of the applicable Named Executive Officer and include confidentiality and non-competition covenants.

The base salary is as follows for each of the Named Executive Officers, subject to annual increases that may be determined by Supremex: (i) Stewart Emerson, \$260,000; (ii) Benoît Crowe, \$160,000; (iii) Edward Gauer, \$147,000 and (iv) Suzie Gaudreault, \$165,000. In addition, the Named Executive Officers are eligible to receive variable compensation calculated on the basis of 50% of the annual base salary in the case of the CEO, on the basis of 30% for the Vice President, Finance and Corporate Secretary, on the basis of 35% for the General Manager, Western Region and on the basis of 30% for the General Manager, Eastern Region.

The Employment Agreements contain confidentiality covenants which apply indefinitely, as well as non-competition covenants which apply during the Named Executive Officer's employment and for a period up to two (2) years following the termination of his employment with Supremex.

In the event of the termination of the Named Executive Officer's employment by Supremex without cause or by the Named Executive Officer in certain circumstances, the Employment Agreements provide that each Named Executive Officer will receive an aggregate amount equal to up to two (2) times their base salary and target bonus, when applicable, plus certain benefits. Assuming a termination as of December 31, 2014, being the last day of Supremex' most recently completed fiscal year, such amounts would have represented approximately \$836,049 for Stewart Emerson, \$434,716 for Edward Gauer and \$371,816 for Suzie Gaudreault.

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the Directors, executive officers, employees, former directors, former executive officers or former employees of Supremex, and none of their associates, is or has, at any time since the beginning of the most recently completed fiscal year, been indebted to Supremex or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by Supremex, except for routine indebtedness.

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set out below, none of (i) the Directors or executive officers of the Company, (ii) the shareholders who beneficially own or control or direct, directly or indirectly, more than 10% of the voting shares of the Company, or (iii) any associate or affiliate of the persons referred to in (i) and (ii), has or has had any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or is reasonably expected to materially affect the Company between the beginning of the financial year and the date of this Information Circular.

##### *Clarke Inc.*

During Fiscal 2014, the Company has, in the normal course of business, received services from a former major shareholder, Clarke Inc., in an amount representing approximately \$37,334. Clarke Inc. is located at 6009 Quinpool Road, 9<sup>th</sup> Floor in Halifax, Nova Scotia, B3K 5J7.

On November 20, 2014, Clarke Inc. sold all its common shares of Supremex. Prior to the sell, Clarke Inc. held 12,886,300 common shares, representing 44.7% of the issued and outstanding common shares of Supremex at that time.

## CORPORATE GOVERNANCE DISCLOSURE

On December 11, 2014, the Board of Directors divided the Compensation, Corporate Governance and Nominating Committee into two separate committees, the Human Resources Committee and the Corporate Governance Committee.

The Corporate Governance Committee of the Board of Directors is composed of the following members:

Chairman: Warren J. White (since December 11, 2014)

Members: Mathieu Gauvin (since December 11, 2014)

Dany Paradis (since December 11, 2014)

### *Guidelines and Policies*

The Board of Directors considers good corporate governance practices to be an important factor in the overall success of Supremex. Under applicable securities laws and regulations, Supremex is required to disclose information relating to its system of corporate governance.

Supremex believes that its corporate governance practices generally comply with applicable requirements, including the requirements or recommendations applicable under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Effective Corporate Governance*, as reflected in the disclosure made hereunder.

Supremex' 2014 annual information form which may be obtained on request to Supremex or at [www.sedar.com](http://www.sedar.com) also contains information pertaining to corporate governance.

The Corporation recognizes the importance and benefit of having a board of directors (the “**Board**”) and senior management/executive officers comprised of highly talented and experienced individuals who reflect the diversity of the Corporation’s stakeholders, including its customers and employees and the changing demographics of the communities in which the Corporation operates.

While the Board has not adopted a formal written policy, the Board/Corporate Governance Committee will, when identifying candidates to nominate for election to the Board or appoint as senior management/executive officers:

- (a) consider individuals who are highly qualified, based on their talents, experience, functional expertise and personal skills, character and qualities having regard to the Corporation’s current and future plans and objectives, as well as anticipated regulatory and market developments;
- (b) consider the level of representation of women on the Board and in senior management/executive officer positions along with other markers of diversity when making recommendations for nominees to the Board or for appointment as senior management/executive officers and in general with regard to succession planning for the Board and senior management/ executive officers; and
- (c) as required, engage qualified independent external advisors to assist the Board in conducting its search for candidates that meet the Board’s criteria regarding skills, experience and diversity.

Industry and institutional knowledge along with commitment and expertise are vital to the successful functioning of the Board. Given the nature and size of the Supremex’ business and its industry, the Board

has determined that while it is committed to fostering diversity among board members, it would be unduly restrictive and not in the best interests of the Corporation to adopt specific director term limits. Diversity and Board renewal will be supported through the other mechanisms designed to address the needs of the Corporation (as described elsewhere in this policy) and not through the imposition of arbitrary term limits.

Given the nature and size of Supremex' business and its industry, it may be challenging for the Company to identify a qualified pool of candidates that adequately reflects the various diverse characteristics that the Company seeks to promote. Supremex has therefore not adopted any specific targets, but will promote its objectives with respect to Board renewal with a view to identifying and fostering the development of a suitable pool of candidates for nomination or appointment over time. As of the date of this management information circular there are no women on the Company's board of directors, representing 0% of the directors. As of the date of this management information circular one of the Company's executive officers is a woman representing 25% of the Company's executive officers, including the Company's major subsidiaries.

### ***Independence of the Board of Directors***

Pursuant to National Instrument 52-110 – Audit Committees, as amended from time to time (“NI 52-110”), a Director is “independent” if the Board of Directors determines that the Director is not a member of management of Supremex (including, as applicable, its subsidiaries and affiliates) and is free from any material direct or indirect relationship which could, in the view of the Board of Directors, reasonably be expected to interfere with the Directors' exercise of independent judgment.

The Corporate Governance Committee and the Board of Directors participate in the determination of Director independence. The determinations are based on information concerning the personal, business and other relationships and dealings between the Director of Supremex, its subsidiaries and affiliates, collected, among other means, through questionnaires completed by the Directors. Save and except for Stewart Emerson who is President and CEO of the Corporation, the Board of Directors has determined that all other Directors standing for election to the Board of Directors are “independent” within the meaning of the relevant CSA Disclosure Instrument, being Robert B. Johnston, Mathieu Gauvin, Georges Kobrynsky, Dany Paradis and Warren J. White.

Please see “Business of the Meeting – Election of Directors” in this Information Circular for additional information relating to each Director standing for nomination, including other company boards on which they serve.

### ***Independent Directors' Meetings***

The independent members of the Board of Directors are entitled to meet without any members of the Board of Directors who are not independent and without management present.

Supremex has implemented adequate structures and processes which permit the Board of Directors to function independently of its management. The Board of Directors maintains the exercise of independent supervision over management. Any independent Director may, at any time, call a meeting or request an *in camera* portion of a meeting of the Board of Directors at which non-independent Directors and members of management are not present.

At three (3) Board meetings held in 2014, the Board members met for ‘*in camera*’ sessions. Directors are entitled to request at any time a meeting amongst independent directors only. At three (3) Audit Committee meetings held in 2014, the members of the Committee met with the auditors for ‘*in camera*’

sessions without the presence of management. All the current Audit Committee members are independent. The members of the Compensation, Corporate Governance and Nominating Committee met for ‘*in camera*’ at four (4) sessions during their meetings held in 2014.

### ***Independent Chair***

The Board of Directors has in place appropriate structures and procedures which ensure that the Board of Directors can function independently of management. The positions of Chief Executive Officer and Chairman of the Board of Directors are split. Mr. Robert B. Johnston is the Chairman of the Board of Directors and is generally responsible for overseeing that the Board of Directors is carrying out its responsibilities, including overseeing that these responsibilities are carried out independently from management.

The Corporate Governance Committee is charged with facilitating the independent functioning of the Board of Directors and maintaining an effective relationship between the Board of Directors and senior management. The committee is responsible for reviewing and assessing the Board’s relationship with management.

### ***Board of Directors Size***

The Board of Directors is currently comprised of six (6) Directors and the Board of Directors is of the view that its size and composition are well suited to the circumstances of Supremex and allow for the efficient functioning of the Board of Directors as a decision-making body. See “Nominees for Election to the Board of Directors – Description of Proposed Director Nominees”.

### ***Mandate of the Board of Directors***

The Board of Directors establishes the overall policies for Supremex shareholders, monitors and evaluates Supremex’ 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 powers and authorities conferred upon and to the duties of the directors of a Canadian corporation as prescribed by applicable laws, the mandate of the Board is to supervise the management of the business and affairs of Supremex with a view to evaluate, on an ongoing basis, whether Supremex’ resources are being managed in a manner consistent with enhancing shareholder value, ethical considerations and stakeholder’s interests. In discharging their duties, Board members must act honestly and in good faith, with a view to the best interests of Supremex. Board members must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Under its mandate, the Board of Directors is entitled to engage outside advisers, at Supremex’ expense, where, in the view of the Board of Directors, additional expertise or advice is required. The mandate of the Board of Directors is attached hereto as Appendix A.

### ***Position Description***

The Board of Directors has developed written charters for itself, the Audit Committee, the Human Resources Committee, the Corporate Governance Committee and the Pension Investment Committee. Although the Board of Directors does not have yet written position descriptions for the Chairman of the Board of Directors or the chair of each committee of the Board of Directors, the Board of Directors expects the Chairman of the Board to manage the Board and ensure that the Board of Directors carries out its mandate effectively and clearly understands and respects the boundaries between the Board and



management's responsibilities. The Board of Directors also expects the Chairman of the Board to provide leadership to enhance Board's effectiveness.

The Board of Directors expects and requires that each committee chair's key role is to manage his respective committee and ensure that the committee carries out its mandate effectively. Like the Chairman of the Board of Directors, each committee chair is expected to provide leadership to enhance committee effectiveness and must oversee the committee's discharge of its responsibilities. Committee chairs must report regularly to the Board on the businesses of their committees.

The Board of Directors has delegated to the Chief Executive Officer and Management the responsibility for the day-to-day management while respecting Supremex' strategic plans, operational agenda, corporate policies and financial limits approved from time to time by the Board. The Board has developed a position description for the Chief Executive Officer.

In addition to those matters which by law must be approved by the Board of Directors, or a committee of the Board of Directors to which approval authority has been delegated by the Board of Directors, Board's approval is required for all matters of policy and all actions proposed to be taken by Supremex which are not in the ordinary course of business. In particular, the Board of Directors of Supremex approves major capital expenditures and any transaction out of the ordinary course of business.

### ***Orientation and Continuing Education***

In addition to having extensive discussions with the Chairman of the Board of Directors and the Chief Executive Officer with respect to the business and operations of Supremex, new directors will be provided with extensive information on Supremex' business, its strategic and operational business plans, its corporate objectives, its operating performance, its corporate governance system and its financial position. The Board of Directors is committed to ensure that any prospective candidate will fully understand the role of the Board of Directors and its committees and the contribution that individual Directors are expected to make.

Presentations are made from time to time by management and outside consultants, including external lawyers, to the Board of Directors to educate and keep Board members informed of changes within Supremex and of regulatory and industry requirements and standards.

In addition, site visits are conducted with members of the Board of Directors to enhance the Directors' understanding of Supremex' business.

### ***Ethical Business Conduct***

Supremex has adopted a written Code of Business Ethics and Conduct (the "**Code of Ethics**") which provides guidelines and expectations to ensure that Supremex' commitment to conduct business with the highest degree of ethical conduct is understood and complied with.

The Code of Ethics was reproduced under Schedule 5 to the Information Circular of the Fund dated March 22, 2007 prepared in connection with the 2007 annual meeting (the "**2007 Information Circular**") and is available at [www.sedar.com](http://www.sedar.com). A paper copy is also available upon request from the Secretary of Supremex.

The Board of Directors is responsible for monitoring compliance with the Code of Ethics. The Code of Ethics has been distributed to employees and Directors.

The Board of Directors can and does exercise independent judgment in considering transactions and agreements in respect of which a Director or executive officer has a material interest. The Board of Directors monitors the disclosure of conflicts of interest by Directors and ensures that no Director will vote or participate in a discussion on a matter in respect of which such Director has a material interest.

The Board of Directors actively monitors compliance with the Code of Ethics and promotes a business environment where employees are encouraged to report malfeasance, irregularities and other concerns. The Board of Directors has adopted a whistleblower policy, which was reproduced under Schedule 6 of the 2007 Information Circular of the Fund and is available at [www.sedar.com](http://www.sedar.com), which provides for specific procedures for reporting non-compliant practices in a manner which, in the opinion of the Board of Directors, encourages and promotes a culture of ethical business conduct. Supremex has engaged an outside consultant to whom anonymous calls can be addressed to.

### ***Nomination of Directors***

The responsibility for identifying, reviewing and recommending new candidates for nomination as Board member is delegated to the Corporate Governance Committee. Such committee maintains an overview of the desired size of the Board of Directors, the need for recruitment and the expected skill-set of the new candidates. The Board of Directors approves the final choice of candidates for nomination and election by the Shareholders.

The Board of Directors has established a nominating committee, namely the Corporate Governance Committee, which is composed of Warren J. White, Mathieu Gauvin and Dany Paradis, whom are all independent. Every year, the Corporate Governance Committee considers the competencies and skills that the Board, as a whole, should possess. It reviews the credentials and performance of candidates proposed for election to the Board of Directors, and assesses their competencies and skills. In doing so, it considers their qualifications under applicable laws, regulations and rules as well as the needs of Supremex and the talents already represented on the Board of Directors. Based on its assessment of the existing strengths of the Board of Directors and the changing needs of the organization, the Corporate Governance Committee determines the competencies, skills and personal qualities it should seek in new Board members to add value to the organization.

The responsibilities, powers and operation of the Corporate Governance Committee are set out in its charter reproduced under Appendix D to this Information Circular.

### ***Assessment of Directors***

The Corporate Governance Committee will periodically evaluate the effectiveness of the Board of Directors as a whole, the committees and the committee chairs, and the qualification of individual Directors.

The Corporate Governance Committee prepares a questionnaire to assess the performance both of the Board of Directors and the committees of the Board of Directors, which questionnaire is approved by the Board of Directors. The questionnaire includes a section called 'peer review' which relates to any weaknesses identified by the Board members, and each Board member is welcome to give any recommendation.

The Board of Directors retains the services of a firm to administer and compile all of the responses to the questionnaires in order to protect the confidentiality of the answers given by each director. A detailed report of the answers is provided to the Chairman of the Board of Directors.

The Board of Directors believes that the Board, the committees of the Board, the chairs of the committees of the Board and individual Directors are effectively, fulfilling their responsibilities. The Corporate Governance Committee does not assess the contribution of individual Directors. Supremex is of the view that the size of its Board of Directors does not require individual director's assessments.

## **OTHER INFORMATION**

### ***General***

The Directors of Supremex know of no matter to come before the Meeting other than the matters referred to in the accompanying notice of the Meeting.

### ***Additional Information***

Additional information relating to Supremex is available electronically on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the audited financial statements of Supremex and related management's discussion and analysis, which are also available on SEDAR. Shareholders may also contact Supremex at its principal and head office located at 7213 Cordner, LaSalle, Québec, Canada, H8N 2J7, facsimile number: (514) 595-3092 to request copies of the financial statements and the management's discussion and analysis.

## **SHAREHOLDER PROPOSALS FOR OUR NEXT ANNUAL SHAREHOLDERS MEETING**

Supremex will include proposals from shareholders that comply with applicable laws in next year's management information circular for our next annual shareholder meeting to be held in respect of the fiscal year ending on December 31, 2015. Please send your proposal to the Vice President Finance and Corporate Secretary of Supremex at its principal and head office: 7213 Cordner, LaSalle, Québec, Canada, H8N 2J7, facsimile number: (514) 595-3092 by December 31, 2015.

## **APPROVAL OF DIRECTORS**

The contents and the sending of this Information Circular to Shareholders of Supremex have been approved by the Directors of Supremex.

Dated at the City of Montreal, in the Province of Québec, this 20<sup>th</sup> day of March, 2015.

**BY ORDER OF THE DIRECTORS OF  
SUPREMEX INC.**

(signed) Stewart Emerson  
President and Chief Executive Officer of  
Supremex Inc.

## **APPENDIX A CHARTER OF THE BOARD OF DIRECTORS**

### **I. PURPOSE**

This charter prescribes the role the board of directors (“**Board**”) of Supremex Inc. (“**Supremex**”). This charter is subject to the provisions and the articles of incorporation and by-laws of Supremex and to applicable laws. This charter is not intended to limit, enlarge or change in any way the responsibilities of the Board as determined by articles of incorporation and by-laws and applicable laws. The Board members are elected annually by the shareholders of Supremex and together with those appointed to fill vacancies or appointed as additional Board members throughout the year, collectively constitute the Board.

### **II. ROLE**

The prime stewardship responsibility of the Board is to ensure the viability of Supremex and to ensure that it is managed in the interests of the shareholders as a whole.

The Board establishes the overall policies for Supremex shareholders, monitors and evaluates Supremex’ 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 powers and authorities conferred upon and to the duties of the directors of a Canadian corporation as prescribed by applicable laws, the mandate of the Board is to supervise the management of the business and affairs of Supremex with a view to evaluate, on an ongoing basis, whether Supremex’ resources are being managed in a manner consistent with enhancing shareholder value, ethical considerations and stakeholder’s interests. In discharging their duties, Board members must act honestly and in good faith, with a view to the best interests of Supremex. Board members must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### **III. COMPOSITION**

#### *Selection*

The Board shall be comprised of that number of Board members as shall be determined from time to time by the Board upon recommendation of the Corporate Governance Committee of the Board.

The Corporate Governance Committee of the Board maintains an overview of the desired size of the Board, the need for recruitment and the expected skill-set of the new candidates. The Chair of Corporate Governance Committee together with the Chairman of the Board and the President and CEO reviews and recommends to the Board the candidates for nomination as Board members. The Board approves the final choice of candidates for nomination and election by the shareholders.

Board members must have an appropriate mix of competencies, knowledge and experience in business and an understanding of the geographical areas in which Supremex operates. Board members selected should be able to commit the requisite time for all of the Board’s business.

#### *Chairman and Lead Member*

A Chairman of the Board shall be appointed by the Board. If the President or any senior executive of Supremex is also the Chairman of the Board, a Lead Member to the Board shall be appointed among the

Board's independent members. The Lead Member shall ensure that the Board carries its responsibilities effectively and its role and responsibilities shall be set out in a written charter.

#### *Independence*

A majority of the Board shall be composed of Board members who must be determined to have no material relationship with Supremex and who, in the reasonable opinion of the Board, must be independent under the laws, regulations and listing requirements to which Supremex is subject.

#### *Criteria for Board membership*

Board members are expected to possess the following characteristics and traits:

- (a) demonstrate high ethical standards and integrity in their personal and professional dealings;
- (b) act honestly and in good faith with a view to the best interests of Supremex;
- (c) devote sufficient time to the affairs of Supremex and exercise care, diligence and skill in fulfilling their responsibilities both as Board members and as a Committee members;
- (d) provide independent judgment on a broad range of issues;
- (e) understand and challenge the key business plans of Supremex;
- (f) raise questions and issues to facilitate active and effective participation in the deliberations of the Board and of each Committee;
- (g) make all reasonable efforts to attend all Board and Committee meetings; and
- (h) review the materials provided by management in advance of the Board and Committee meetings.

#### *Term limits and retirement age for Board members*

The Board has determined that neither fixed term limits nor a compulsory retirement age for board members should be established. The Board is of the view that such a policy would have the effect of forcing board members off the Board who have developed, over a period of service, increased insight into Supremex and who, therefore, can be expected to provide an increasing contribution to the Board. At the same time, the Board recognizes the value of some turnover in Board membership to provide on-going input of fresh ideas and views. The Board will therefore use the formal evaluation of its Board members every second year to consider the appropriate term limitations, if any.

## **IV. COMPENSATION**

The Board determines that the Board members should be compensated in a form and amount which is appropriate and which is customary for comparable corporations, having regard for such matters as time commitment, responsibility and trends in director compensation. Such compensation is to be reviewed from time to time.

## V. RESPONSIBILITIES

Without limiting the Board's governance obligations, general Board responsibilities shall include the following:

### A. *WITH RESPECT TO STRATEGIC PLANNING*

- (a) Approving Supremex' long-term strategy, taking into account, amongst other matters, business opportunities and risks.
- (b) Approving and monitoring the implementation of Supremex' annual business plan.
- (c) Advising management on strategic issues.

### B. *WITH RESPECT TO HUMAN RESOURCES AND PERFORMANCE ASSESSMENT*

- (a) Choosing the President and approving the appointment of other senior management executives.
- (b) Approving a position description of the President and CEO which includes delineating management's responsibilities, as well as approving the corporate goals and objectives that the President and CEO has responsibility for meeting. Periodically, the Board shall review this position description and such corporate goals and objectives.
- (c) Monitoring and assessing the performance of the President and of senior management and approving their compensation, taking into consideration Board expectations and fixed goals and objectives.
- (d) Monitoring management and Board succession planning process.
- (e) Monitoring the size and composition of the Board and its Committees based on competencies, skills and personal qualities sought in Board members.
- (f) Approving the list of Board nominees for election by shareholders.

### C. *WITH RESPECT TO FINANCIAL MATTERS AND INTERNAL CONTROL*

- (a) Monitoring the integrity and quality of Supremex' financial statements and the appropriateness of their disclosure.
- (b) Reviewing the general content of, and the Audit Committee's report on the financial aspects of, Supremex' Annual Information Form, Annual Report (if any), Management Proxy Circular, Management's Discussion and Analysis, prospectuses and any other document required to be disclosed or filed by Supremex before their public disclosure or filing with regulatory authorities.
- (c) Approving operating and capital budgets, the issuance of securities and, subject to the schedule of authority adopted by the Board, any transaction out of the ordinary course of business, including proposals on mergers, acquisitions or other major transactions such as investment or divestitures.
- (d) Determining dividend policies and procedures.
- (e) Taking all reasonable measures to ensure that appropriate systems are in place to identify business risks and overseeing the implementation of processes to manage these risks.

- (f) Monitoring Supremex' internal control and management information systems.
- (g) Monitoring Supremex' compliance with applicable legal and regulatory requirements.
- (h) Reviewing at least annually Supremex' communication policy and monitoring Supremex' communications with analysts, investors and the public.

**D. WITH RESPECT TO CORPORATE GOVERNANCE MATTERS**

- (a) Taking all reasonable measures to satisfy itself as to the integrity of the President and other executive officers and that management creates a culture of integrity throughout Supremex.
- (b) Reviewing, on a regular basis, appropriate corporate governance structures and procedures, including the identification of decisions requiring approval of the Board and, where appropriate, measures for receiving stakeholder feedback, and the adequate public disclosure thereof.
- (c) Adopting and reviewing, on a regular basis, Supremex' Code of Business Ethics and Conduct applicable to Supremex' directors, senior officers and other officers and employees of Supremex and monitoring compliance with such code.

**E. WITH RESPECT TO OTHER MATTERS**

- (a) If deem required, overseeing the development and implementation, and assessing and monitoring, environmental, safety and security policies, procedures and guidelines.
- (b) Overseeing the Whistleblower Procedures, including in respect of financial matters.

**VI. MEETINGS**

The Board will meet at least quarterly, with additional meetings scheduled as required. Each Director has a responsibility to attend and participate in meetings of the Board. The Chairman with the help of the President will prepare and distribute the meeting agenda and minutes to the Board.

Information and materials that are important to the Board's understanding of the agenda items and related topics are distributed in advance of a meeting. Supremex will deliver information on the business, operations and finances of Supremex to the Board on an as-required basis.

On the occasion of each Board meeting, independent Board members will meet *in camera* under the chairmanship of the Chairman or the Lead Member, if any. Additional meetings may be held at the request of any Board member. The Chairman or Lead Member, as the case may be, will forward to the President any questions, comments or suggestions of the Board members.

**VII. BOARD COMMITTEES**

There are four Committees of the Board: the Audit Committee, the Human Resources Committee, the Corporate Governance Committee and the Pension Investment Committee. The roles and responsibilities of each Committee are described in the respective Committee charters.

The Audit Committee, the Human Resources Committee, the Corporate Governance Committee and the Pension Investment Committee shall each have at least three members who have no material relationship with Supremex and such members shall be otherwise independent under the laws, regulations and listing requirements to which Supremex is subject.

## **VIII. ADVISERS**

The Board may engage outside advisors at the expense of Supremex in order to assist the Board in the performance of its duties and set and pay the compensation for such advisors.

The Board has determined that any Board member who wishes to engage a non-management advisor to assist on matters involving the Board member's responsibilities as a Board member at the expense of Supremex should review the request with, and obtain the authorization of, the Chairman of the Board.

## **IX. BOARD INTERACTION WITH THIRD PARTIES**

If a third party approaches a Board member on a matter of interest to Supremex, the Board member should bring the matter to the attention of the Chairman who shall determine whether this matter should be reviewed with management or should more appropriately be dealt by the Board *in camera* session.

## **X. COMMUNICATION WITH THE BOARD**

Shareholders and other constituencies may communicate with the Board and individual Board members by contacting any one of the Chairman of the Board, the Chair of the Audit Committee, the Chair of the Human Resources Committee or the Chair of the Corporate Governance Committee.

## **XI. OTHER MATTERS**

The Board expects Board members, as well as officers and employees of Supremex to act ethically at all times and to acknowledge their adherence to the policies comprising the Code of Business Ethics and Conduct (the "**Code**"). The Board, with the help of the Corporate Governance Committee, is responsible for monitoring compliance with the Code.

Board members shall disclose all actual or potential conflicts of interest and refrain from voting on matters in which the Board member has a conflict of interest. In addition, the Board member shall excuse himself or herself from any discussion or decision on any matter in which the Board member is precluded from voting as a result of a conflict of interest or which otherwise affects his or her personal, business or professional interests.



## APPENDIX B AUDIT COMMITTEE CHARTER

### Section 1      **PURPOSE**

The Audit Committee (sometimes referred to herein as the “**Committee**”) is a committee of the Board of directors (the “**Board**”) of Supremex Inc. (“**Supremex**”). Its primary function is to assist the Board members in fulfilling their applicable responsibilities to Supremex, the shareholder(s), the investment community and others by:

- (1) recommending to the Board the appointment and compensation of the external auditor;
- (2) reviewing and approving all audit services provided by the external auditors;
- (3) overseeing the work of the external auditor, including the resolution of any issues between the external auditor and management;
- (4) pre-approving the list of non-audit services (or delegating such pre-approval if and to the extent permitted by law) to be provided to Supremex or its subsidiaries by the external auditor;
- (5) reviewing and recommending the approval of the annual and interim financial statements, related management discussion and analysis (“**MD&A**”), and annual and interim earnings press releases before such information is publicly disclosed;
- (6) ensuring that adequate procedures are in place for the review of Supremex’ public disclosure of financial information extracted or derived from its financial statements, including periodically assessing the adequacy of such procedures; and
- (7) reviewing and approving any proposed hiring of current or former partner or employee of the current and former auditor of Supremex or its subsidiaries.

The Committee should primarily fulfill these responsibilities by carrying out the activities enumerated in this Charter. However, it is not the duty of the Committee to prepare financial statements, to plan or conduct audits, to determine that the financial statements are complete and accurate and are in accordance with International Financial Reporting Standards (“**IFRS**”), to conduct investigations, or to assure compliance with laws and regulations or Supremex’ internal policies, procedures and controls, as these are the responsibility of management and in certain cases the external auditor, as the case may be.

### Section 2      **COMPOSITION AND MEETINGS**

- (1) The Committee shall be composed as required under National Instrument 52-110 – *Audit Committees*, as it may be amended or replaced from time to time (“**NI 52-110**”), of at least, three independent directors of Supremex.
- (2) The Committee should be comprised of such members as are determined by the Board, all of whom (except to the extent permitted by NI 52-110) should be independent members Directors (as defined by NI 52-110), and free from any relationship that, in the view of the Board, could be reasonably expected to interfere with the exercise of his or her independent judgment as a member of the Committee.

- (3) All members of the Committee and its Chairman must (except to the extent permitted by NI 52-110) be financially literate (which is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Supremex' financial statements).
- (4) The members of the Committee shall be elected by the Board on an annual basis or until their successors shall be duly appointed. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.
- (5) Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a Director. The Board may fill vacancies on the Committee by election from among the Board. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all of its powers so long as a quorum remains.
- (6) The Committee shall meet at least four times annually, or more frequently as circumstances require.
- (7) The Committee should meet at least once per annum or more frequently as circumstances require. The Committee may ask members of Management or others to attend meetings and provide pertinent information as necessary. The Committee shall have full access to all information it deems appropriate for the purpose of fulfilling its role, and shall be permitted to discuss such information and any other matters relating to the financial position of Supremex with senior employees, officers and the external auditor of Supremex, and others as they consider appropriate.
- (8) In order to foster open communication, the Committee or its Chair shall meet at least quarterly with management and the external auditor in separate sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. In addition, the Committee or its Chair should meet with management quarterly in connection with Supremex' interim financial statements.
- (9) A quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.
- (10) Meetings of the Committee shall be held from time to time and at such place as any member of the Committee shall determine upon reasonable notice to each of its members, which shall not be less than 48 hours. The notice period may be waived by all members of the Committee. Each of the Chairman of the Board and the external auditor, and the President and Chief Executive Officer and the Vice President, Chief Financial Officer and Corporate Secretary of Supremex, shall be entitled to request that any member of the Committee call a meeting.
- (11) The Committee shall determine any desired agenda items.

### **Section 3      ROLE**

The Committee shall, in addition to the matters described in Section 1:

- (1) Review on an annual basis and recommend to the Board changes to this Charter as considered appropriate from time to time.
- (2) Review the public disclosure regarding the Committee required by NI 52-110.
- (3) Review and discuss, on an annual basis, with the external auditor all significant relationships they have with Supremex to assess their independence.
- (4) Review the performance of the external auditor and any proposed discharge of the external auditor when circumstances warrant.
- (5) Perform an annual assessment of the external auditor as recommended by the Canadian Public Accountability Board. At least every five years, conduct a comprehensive review of the external auditor.
- (6) Periodically consult with the external auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the fullness and accuracy of the financial statements, including the adequacy of internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper.
- (7) Arrange for the external auditor to be available to the Committee and the Board as needed.
- (8) Review the integrity of the financial reporting processes, both internal and external, in consultation with the external auditor.
- (9) Consider the external auditor's judgments about the quality, transparency and appropriateness, not just the acceptability, of Supremex' accounting principles and financial disclosure practices, as applied in its financial reporting, including the degree of aggressiveness or conservatism of its accounting principles and underlying estimates, and whether those principles are common practices or are minority practices.
- (10) Review all material balance sheet issues, material contingent obligations (including those associated with material acquisitions or dispositions) and material related party transactions.
- (11) Consider proposed major changes to Supremex' accounting principles and practices.
- (12) If considered appropriate, establish separate systems of reporting to the Committee by each of management and the external auditor.
- (13) Review the scope and plans of the external auditor's audit and reviews. The Committee may authorize the external auditor to perform supplemental reviews or audits as the Committee may deem desirable.
- (14) Periodically consider the need for an internal audit function, if not present.

- (15) Following completion of the annual audit and, if applicable, quarterly reviews, review separately with each of management and the external auditor any significant changes to planned procedures, any difficulties encountered during the course of the audit and, if applicable, reviews, including any restrictions on the scope of work or access to required information and the cooperation that the external auditor received during the course of the audit and, if applicable, reviews.
- (16) Review with the external auditor and management significant findings during the year and the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented. This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.
- (17) Review activities, organizational structure and qualifications of the chief financial officer and the staff in the financial reporting area and see to it that matters related to succession planning are raised for consideration by the Board.
- (18) Review management's program of risk assessment and steps taken to address significant risks or exposures of all types, including insurance coverage and tax compliance.
- (19) Establish procedures for: the receipt, retention and treatment of complaints received by Supremex regarding accounting, internal accounting controls or auditing matters; and the confidential, anonymous submission by Supremex employees of concerns regarding questionable accounting or auditing matters.

#### **Section 4      GENERAL MATTERS**

- (1) The Committee is authorized to retain independent counsel, accountants, consultants and any other professionals (“**Advisors**”) it deems necessary to carry out its duties, and the Committee shall have the authority to determine the compensation of and to cause Supremex to pay any such Advisors.
- (2) The Committee is authorized to communicate directly with the external (and, if applicable, internal) auditors as it sees fit.
- (3) The Committee also has the authority to delegate certain responsibilities to individual members or subcommittees of the Committee in accordance with NI 52-110.
- (4) If considered appropriated by it, the Committee is authorized to conduct or authorize investigations into any matters within the Committee's scope of responsibilities, and to perform any other activities as the Committee deems necessary or appropriate.
- (5) Notwithstanding the foregoing and subject to applicable law, the Committee shall not be responsible for preparing financial statements, for planning or conducting internal or external audits or for determining that Supremex' financial statements are complete and accurate and are in accordance with generally accepted accounting principles, as these are the responsibility of management and in certain cases the external auditor, as the case may be. Nothing contained in this Charter is intended to make the Committee liable for any non-compliance by Supremex with applicable laws or regulations.
- (6) The Committee is a committee of the Board and is not and shall not be deemed to be an agent of Supremex' shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision

contained herein is intended to give rise to civil liability to securityholders of Supremex or to any other liability whatsoever.

**APPENDIX C**  
**HUMAN RESOURCES COMMITTEE CHARTER**

**Section 1      PURPOSE**

The Human Resources Committee is a committee (sometimes referred to herein as the “**Committee**”) of the Board of directors (the “**Board**”) of Supremex Inc. (“**Supremex**”). Its primary function is to assist the Board members in fulfilling their applicable responsibilities to Supremex, the shareholder(s), the investment community and others by:

- (1) recommending to the Board the appointment of officers for Supremex and its subsidiary entities;
- (2) reviewing and recommending to the Board for approval the compensation of the President and other members of the senior management team;
- (3) ensuring that appropriate mechanisms are in place regarding succession planning for the position of President and other senior management positions;
- (4) reviewing corporate goals and objectives relevant to the President and other senior management positions;
- (5) administering of Supremex’ compensation plans for senior management and the Board, including Variable Compensation Plan (the “**VCP**”), any other share incentive plans, outside Directors’ compensation plans, including any share ownership policy for Board members and members of the senior management team, and such other compensation plans or structures as are adopted by Supremex from time-to-time;
- (6) administering the pension and insurance plans for Supremex employees, including examination, evaluation and the development of design of the plans, setting asset allocation objectives and selection of professional advisers (including actuaries, auditors, custodians, fund managers, pension funds' consultants and others); and
- (7) overseeing the development and implementation, and assessing and monitoring, environmental, safety and security policies, procedures and guidelines, including an emergency response plan.

**Section 2      COMPOSITION AND MEETINGS**

- (1) The Committee should be comprised of such members as are determined by the Board, all of whom should be independent directors (as defined under applicable securities laws), and free from any relationship that, in the opinion of the Board, would interfere with the exercise of their independent judgment as members of the Committee.
- (2) The members of the Committee and its Chairman shall be elected by the Board on an annual basis, or until their successors are duly appointed. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.
- (3) The Committee should meet at least once per annum or more frequently as circumstances require. The Committee may ask members of Management or others to attend meetings or to provide information as necessary. The Committee shall have full access to all information it deems appropriate for the purpose of fulfilling its role. In addition, the Committee may retain the

services of outside compensation specialists or other experts to the extent required to carry out its duties.

- (4) A quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.
- (5) Meetings of the Committee shall be held from time to time as any member of the Committee shall determine upon 48 hours' notice to each of members. The notice period may be waived by all members of the Committee.

### **Section 3      ROLE**

The Committee shall, in addition to the matters described in Section 1:

- (1) Determine any desired agenda items.
- (2) Review this Charter on an annual basis and recommend to the Board changes to this Charter, as considered appropriate from time to time.
- (3) Summarize in Supremex' annual reportings the Committee' composition and activities.
- (4) Submit the minutes of all meetings of the Committee to the Board.

#### **Review of Compensation**

- (1) Review the senior management and Board compensation policies and/or practices followed by Supremex and seek to ensure such policies are designed to recognize and reward performance and establish a compensation framework, which is industry competitive and which results in the creation of shareholder value over the long-term (i.e. management and Board incentives are aligned with owners' gains).
- (2) Seek to ensure that base salaries are competitive relative to the industry and that bonuses, if any, reflect individual performance in the context of the overall performance of Supremex. Overall performance should be measured by issues such as profitability, share price, dividends and initiatives being undertaken in the year, which should provide future shareholder benefit. Participation in the Variable Compensation Plan should reflect the level of responsibility and level of contribution of senior managers within Supremex.

#### **Compensation Discussion & Analysis**

- (1) The Committee shall prepare a review the section of the annual proxy circular entitled Compensation Discussion and Analysis on an annual basis in connection with the preparation of the annual proxy circular or as otherwise required pursuant to applicable securities laws.
- (2) The Compensation Discussion and Analysis should describe the compensation program with the named executive officer pursuant to Form 51-102F6 – *Statement of Executive Compensation*.

### **Compensation of the Board**

- (1) The Committee is responsible for reviewing and recommending to the Board the compensation of the Board, including annual retainer, meeting fees and other benefits conferred upon the directors and any compulsory share ownership policy for Board members and members of the senior management team, if considered appropriate.

### **Reporting Process**

- (1) The Committee's role is to review and submit to the Board as whole, recommendations concerning executive compensation and compensation plan matters. Unless such matters are delegated, and except in the case of items described in (6), the Committee shall only make recommendations to the Board for their consideration and approval, if appropriate. The Board will have the responsibility to instruct management to implement the Board's directives.

### **General**

- (1) Notwithstanding the foregoing and subject to applicable law, nothing contained in this Charter is intended to require the Committee to ensure Supremex' compliance with applicable laws or regulations.
- (2) The Committee is a committee of the Board and is not and shall not be deemed to be an agent of Supremex' shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to securityholders of Supremex or other liability whatsoever.



**APPENDIX D**  
**CORPORATE GOVERNANCE COMMITTEE CHARTER**

**Section 1      PURPOSE**

The Corporate Governance Committee (sometimes referred to herein as the “**Committee**”) is a committee of the Board of directors (the “**Board**”) of Supremex Inc. (“**Supremex**”). Its primary function is to assist the Board members in fulfilling their applicable responsibilities to Supremex, the shareholder(s), the investment community and others by:

- (1) assessing the effectiveness of the Board as a whole as well as discussing the contribution of individual members, with a formal evaluation of the Board to take place every second year;
- (2) periodically assessing Supremex’ governance;
- (3) proposing new nominees for appointment to the Board (Chairman of the Committee to work with the Chairman of the Board and the President in order to select potential nominees);
- (4) orienting new Directors; and
- (5) administering of the Code of Business Ethics and Conduct.

**Section 2      COMPOSITION AND MEETINGS**

- (1) The Committee should be comprised of such members as are determined by the Board, all of whom should be independent directors (as defined under applicable securities laws), and free from any relationship that, in the opinion of the Board, would interfere with the exercise of their independent judgment as members of the Committee and each of whom should be (or should become within a reasonable period of time after appointment) familiar with corporate governance practices.
- (2) The members of the Committee and its Chairman shall be elected by the Board on an annual basis, or until their successors are duly appointed. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.
- (3) The Committee should meet at least once per annum or more frequently as circumstances require. The Committee may ask members of Management or others to attend meetings or to provide information as necessary. The Committee shall have full access to all information it deems appropriate for the purpose of fulfilling its role. In addition, the Committee may retain the services of outside compensation specialists or other experts to the extent required to carry out its duties.
- (4) A quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.
- (5) Meetings of the Committee shall be held from time to time as any member of the Committee shall determine upon 48 hours’ notice to each of members. The notice period may be waived by all members of the Committee. Each of the Chairman of the Board, the President and Chief

Executive Officer, the Chief Financial Officer or the Secretary shall be entitled to request that any member of the Committee call a meeting.

### **Section 3      ROLE**

The Committee shall, in addition to the matters described in Section 1:

- (1) Determine any desired agenda items.
- (2) Review this Charter on an annual basis and recommend to the Board changes to this Charter, as considered appropriate from time to time.
- (3) Summarize in Supremex' annual reportings the Committee's composition and activities.
- (4) Submit the minutes of all meetings of the Committee to the Board.

#### **Governance**

- (1) The Committee should review, on a periodic basis, the size and composition of the Board and ensure that an appropriate number of independent directors sit on the Board.
- (2) The Committee should facilitate the independent functioning and seek to maintain an effective relationship between the Board and senior management of Supremex.
- (3) The Committee should assess the effectiveness of the Chairman of the Board.
- (4) The Committee should assess, at least annually, the effectiveness of the Board as a whole, Committees of the Board and the contribution and qualification of individual Directors, including making recommendations where appropriate that a sitting Director be removed or not re-appointed.

#### **Nominating Responsibilities**

- (1) The Committee should, as necessary or appropriate, establish qualifications for Directors and procedures for identifying possible nominees who meet these criteria.
- (2) The Committee should provide orientation or information as requested to new Directors.
- (3) The Committee should analyze the needs of the Board when vacancies arise on the Board and identify and recommend nominees who meet such needs.

#### **Reporting**

- (1) The Committee should review with the Board the Committee's judgment as to the quality of Supremex' governance and suggest changes to Supremex' operating governance guidelines as determined appropriate.
- (2) The Committee should record minutes of its meetings and submit those to the whole Board on a timely basis.
- (3) The Committee should adopt, periodically review and update Supremex' written disclosure policy. This policy, among other things: (i) articulates the legal obligations of Supremex, its

affiliates and their respective directors, officers, employees and consultants with respect to confidential information; (ii) identifies spokespersons of Supremex who are the only persons authorized to communicate with third parties such as analysts, the media and investors; (iii) provides guidelines on the disclosure of forward-looking information; (iv) requires advance review by senior executives of Supremex of any selective disclosure of financial information to ensure the information is not material or, if selective disclosure of material information does occur, that a news release is issued immediately; and (v) establishes “black-out” periods prior to and following the disclosure of quarterly and annual financial results and prior to the disclosure of certain material changes, during which periods Supremex, its affiliates and their respective directors, officers, employees and consultants may not purchase or sell securities.

### **General**

- (1) Notwithstanding the foregoing and subject to applicable law, nothing contained in this Charter is intended to require the Committee to ensure Supremex’ compliance with applicable laws or regulations.
- (2) The Committee is a committee of the Board and is not and shall not be deemed to be an agent of Supremex’ shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to securityholders of Supremex or other liability whatsoever.

**APPENDIX E  
PENSION INVESTMENT COMMITTEE (PIC) CHARTER**

**Section 1 PENSION GOVERNANCE STRUCTURE**

Supremex (the “**Company**”) currently sponsors the following defined benefit (DB) and defined contribution (DC) pension plans:

<b>Plan</b>	<b>Plan type and status</b>	<b>Province of registration</b>
Pension Plan for Union Employees and Ville Lasalle Hourly employees of Supremex Inc.	<ul style="list-style-type: none"> <li>• DB plan closed to new entrants and no further DB accruals</li> <li>• DC module open</li> </ul>	Québec
Pension Plan for Non-Union Employees of Supremex Inc.	<ul style="list-style-type: none"> <li>• DB plan closed to new entrants and no further DB accruals</li> <li>• DC module open</li> </ul>	Ontario
Pension Plan for Markham Bargaining Employees of Innova Envelope, a division of Supremex inc.	<ul style="list-style-type: none"> <li>• DB plan closed to new entrants and no further DB accruals</li> <li>• DC accruals accumulate in the Non-Union plan</li> </ul>	Ontario

The above referenced DB/DC plans sponsored by the Company (collectively referenced as the “**Plans**”) are currently administered either by a formal pension committee, for the plan registered in Québec (as required under the Quebec Supplemental Pension Plans Act), or by the Company (acting through its Board of Directors), for plans registered in Ontario.

The pension committee and the Company (acting through its Board) have ultimate responsibility for all aspects of the operations of the Plans and the pension funds and, as such, act as administrator of the Plans and of the funds (the “**Administrator**”).

In order to ensure that strategic functions for the Quebec registered plan are also performed by the Company (acting through its Board), the pension committee in place for the Quebec registered plan has formally delegated to the Company all strategic funding and investment functions. Furthermore, the Company is authorized to sub-delegate some or all of these functions as it sees fit during the normal course of its administration of the Plans and of the funds.

In order to assist the Company (acting through its Board) in meeting its pension obligations, the Board has established a Pension Investment Committee (the “**PIC**”) and delegated to this committee powers and responsibilities relative to the administration of the Plans and of the funds as set forth in section 3 of this document.

**Section 2 COMPOSITION AND OPERATIONS OF THE PIC**

Pursuant to a Resolution of the Board passed on December 11, 2014, the PIC shall operate as a committee of the Board of Directors (the “**Board**”) and shall be composed of, at least, three individuals named by the Board.

Members of the PIC shall select one of its members to act as Chairperson. This Chairperson shall preside over meetings and attend any meetings with the Board to report on the PIC’s delegation. The Chairperson shall nominate a secretary to prepare minutes of the meetings. Any decisions of the PIC will be approved by a unanimous decision.

The PIC shall meet at least four times per year. Quorum for a meeting shall require the presence of all members in person or by telephone. A meeting schedule together with recurring subject items is provided in Appendix A.

**Section 3 ROLES AND RESPONSIBILITIES OF THE PIC**

The PIC shall have full authority over the administration of the Plans and the administration and the investment of the Plans’ assets for both DB and DC plans/modules. The PIC is hereby authorized to execute and deliver, in the name of and on behalf of the Company, all documents, instruments and agreements, and to take all such other action as may be appropriate or requisite for the purpose of carrying out its responsibilities.

With respect to the funding of the Plans and the investment of Plans’ assets, the PIC is expected, but not limited, to perform the following tasks:

With respect to DB plans/modules:

<b>Investments</b>	<b>Funding</b>
1. Adopting and recommending amendments to the Plans’ investment policy, and reviewing its appropriateness on an annual basis (including the purchase of annuities);	1. Adopting a formal funding policy for the Plans and confirming its appropriateness annually;
2. Approving the current trust arrangement and determining its appropriateness for the Investment of the funds;	2. Reviewing the Plans’ funded positions annually, both on a going concern and a solvency basis;
3. Approving the external investment manager structure (including the internal investment structure should the Company invest a portion or all of the pension assets);	3. Reviewing current year contribution requirements and upcoming budgeted contribution requirements;
4. Approving the selection, appointment and replacement when deemed necessary, of the custodian, the internal and external investment managers, the investment advisor and the fee structure;	4. Reviewing and approving the use of letters of credit to fund past service special payments;
5. Allocating the portion of each pension fund to be invested by each investment manager and/or the Company and selecting any specific plan investments as it sees fit and in compliance with the investment policy;	5. Reviewing the filing strategy for actuarial valuation reports; and
6. Approving the changes in the funds’ asset allocation;	6. Estimating the Plans’ solvency ratios on a regular basis in order to identify triggers, if any, with respect to the investment policy (asset mix, duration, FX, etc....).

<b>Investments</b>	<b>Funding</b>
<ol style="list-style-type: none"> <li>7. Monitoring on a quarterly basis the performance and financial position of the fund, the performance and continuing suitability of the internal and external investment managers, each manager’s compliance with the investment policy and their respective mandate;</li> <li>8. Ensuring that financial statements are prepared and audited on an annual basis and approving the audited financial statements; and</li> <li>9. Implementing and monitoring internal control procedures to detect and prevent irregularities, non-compliance and errors in the operations of the funds.</li> </ol>	

With respect to DC plans/modules:

<b>Investments</b>	<b>Funding</b>
<ol style="list-style-type: none"> <li>1. Adopting and recommending amendments to the Plans’ investment policy and reviewing its appropriateness on an annual basis;</li> <li>2. Approving the current recordkeeping and pooled funds structure offered to plan members through the insurance company and associated plan expenses, and determining its continued appropriateness;</li> <li>3. Approving the selection, appointment and replacement when deemed necessary of the record-keeper, the investment managers and associated pooled funds and the investment advisor and the fee structure;</li> <li>4. Ensuring compliance with CAP Guidelines;</li> <li>5. Monitoring the performance at least semi-annually of the pooled funds offered to plan members and continuing suitability of the investment managers;</li> <li>6. Monitoring plan members’ selected asset allocations and investment options relative to their risk profiles in order to identify potential problems and solutions to remedy;</li> </ol>	<ol style="list-style-type: none"> <li>1. Reviewing current year contribution requirements; and</li> <li>2. Reviewing employee participation rates</li> </ol>

Investments	Funding
<p>7. Implementing and following internal control procedures to detect and prevent irregularities, non-compliance and errors in the operations of the funds;</p> <p>8. Ensuring that financial statements are prepared and audited on an annual basis, when required, and approving the audited financial statements; and</p> <p>9. Adopting a formal training and education program for DC plan members and reviewing its appropriateness on a regular basis.</p>	

In order to help the PIC carry out its responsibilities, an officer of the Company shall serve as Plan Manager and shall be responsible for the day to day administration of the Plans and of the funds on behalf of the PIC. The PIC may replace such Plan Manager with another officer of the Company from time to time, as it deems appropriate. The Plan Manager shall report to the PIC.

Finally, the PIC shall prepare annually for the Board a report on its activities for the previous year. Such report shall include relevant information on investment results, policies and compliance and shall be presented by the Chairperson.

#### **Section 4 RESPONSIBILITIES OF THE BOARD**

The Board shall ultimately be responsible for:

- (1) Approving any amendments to the Plans' provisions, acting on the advice and recommendations of the PIC, as it sees fit;
- (2) Reviewing and confirming or amending delegated responsibilities; and
- (3) Reviewing on an annual basis the activities of the PIC.

#### **Section 5 USE OF AGENTS/EXPERTS AND DELEGATIONS**

In fulfilling its responsibilities, the PIC may utilize staff members or external experts/advisors to act as agents and/or may delegate certain activities relating to the responsibilities set forth in section 3. The PIC shall retain ultimate responsibility and shall utilize suitable personnel for such activities, and review their work and the process undertaken to complete the work.

#### **Section 6 COMMITTEE EXPENSES AND REMUNERATION**

All reasonable expenses incurred by the PIC in the administration of the Plans and the administration and investment of the funds, including the remuneration of PIC members, shall be paid by the funds unless first paid by the Company. Where the Company has made payments on account of such expenses, the Company shall be entitled to reimbursement from the funds. The remuneration of PIC members shall be determined by the Board.

## **Section 7      INDEMNIFICATION OF PIC MEMBERS**

The members of the PIC as a body, and every individual member thereof shall be indemnified and saved harmless by the Company in respect of any matter arising out of the performance of his or her duties and responsibilities hereunder save for his or her own gross neglect, wilful misconduct, fraud or lack of good faith. Members of the PIC shall also be covered under the Company's D&O insurance policy with respect to fiduciary liability.

The members of the PIC shall also be fully protected in acting in good faith on the opinion or advice of, or on information obtained from, any staff members, agent or expert/advisor employed by the Company, affiliated companies or outside companies, in connection with the administration of the Plans or the administration and investment of the funds, and in performing their duties and responsibilities hereunder, and each such person shall be entitled to rely conclusively on any instrument, certificate, indemnity, paper or report prepared by such employee, agent, expert or advisors and believed by them to be genuine, and shall be under no duty to make investigations or inquiries as to any statement contained in such document, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.