

RUSSEL METALS INC.

POLICY ON MAJORITY VOTING IN DIRECTOR ELECTIONS

In an uncontested election of Directors of Russel Metals Inc. (the "Company"), any nominee for Director who receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "Majority Withheld Vote") shall promptly tender his or her resignation to the Chair of the Board of Directors following the Company's annual meeting. In this policy, an "uncontested election" shall mean an election where the number of nominees for Director shall be equal to the number of Directors to be elected.

The Nominating and Corporate Governance Committee (the "Committee") of the Board of Directors shall consider the resignation offer and shall recommend to the Board of Directors whether or not to accept it. The Committee shall be expected to accept the resignation except in situations where extenuating circumstances would warrant the applicable Director to continue to serve on the Board of Directors. In considering whether or not to accept the resignation, the Committee will consider all factors deemed relevant by members of such Committee including, without limitation, the stated reasons why shareholders "withheld" votes from the election of that nominee, the length of service and the qualifications of the Director whose resignation has been tendered, such Director's contributions to the Company and the Company's Corporate Governance Policies.

The Board of Directors shall act on the Committee's recommendation within 90 days following the applicable annual meeting. In considering the Committee's recommendation, the Board of Directors will consider the factors considered by that Committee and such additional information and factors that the Board of Directors considers to be relevant. Following the Board of Directors' decision on the resignation, the Board of Directors shall promptly disclose, via press release, their decision whether to accept the Director's resignation offer including the reasons for rejecting the resignation offer, if applicable. If a resignation is accepted, the Board of Directors may, in accordance with the provisions of the *Canada Business Corporations Act*, appoint a new Director to fill any vacancy created by resignation or reduce the size of the Board of Directors.

Any Director who tenders his or her resignation pursuant to this Policy shall not participate in the meeting of the Committee, if he or she is a member of that Committee, to consider the decision to recommend to the Board of Directors whether his or her resignation shall be accepted. However, if each member of the Committee received a Majority Withheld Vote in the same election, or a sufficient number of Committee members such that that Committee no longer has a quorum, then the independent Directors shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board of Directors whether to accept them. However, if the only Directors who did not receive a Majority Withheld Vote in the same election constitute four (4), all Directors may participate in the determination of whether or not to accept the resignation offers.

In the event that any Director who received a Majority Withheld Vote does not tender his or her resignation in accordance with this policy, he or she will not be re-nominated by the Board of Directors.

The Committee may adopt such procedures as it sees fit to assist it in its determinations with respect to this Policy.

Each of the current directors has agreed to abide by the provisions of this Policy and any subsequent candidate nominated by Management will, as a condition to such nomination, be required to abide by this Policy.