

ENVIRONMENTAL, HEALTH, SAFETY AND SUSTAINABILITY COMMITTEE

OF THE BOARD OF DIRECTORS OF DOMTAR CORPORATION

CHARTER

AS AMENDED AND RESTATED EFFECTIVE FEBRUARY 21, 2017

I. PURPOSE AND ROLE OF THE COMMITTEE

The purpose of the Environmental, Health, Safety and Sustainability Committee (the “Committee”) is to:

- (i) Generally review the effectiveness of the Corporation’s policies, programs and practices at optimizing its efforts to maintain sustainable ecosystems, safe and healthy employees, and vital communities as integral elements of its commitment to create long-term shareholder value.
- (ii) Provide oversight of the sustainability systems and performance of the Corporation that are integral components of the Corporation’s business strategy.
- (iii) Provide oversight in respect of the Corporation’s response to public policy, legislative, regulatory, political and social issues and trends related to environmental, health and safety, and sustainability (EHSS) performance that may significantly affect the business operations, financial performance or public image of the Corporation or the industry;
- (iv) Keep the Board of Directors informed on such matters and make recommendations which may arise from such review with respect to them;
- (v) Provide oversight in respect of the Corporation’s compliance with legal and regulatory requirements in the areas of the Committee’s responsibilities and duties; and
- (vi) Review the risks and opportunities associated with matters within the Committee’s responsibilities and duties.

The Committee also shall perform such other duties as assigned to it from time to time by the Board of Directors.

II. STRUCTURE AND OPERATIONS

A. COMPOSITION AND QUALIFICATIONS

The Committee shall be comprised of no fewer than three members of the Board of Directors.

B. APPOINTMENT AND REMOVAL

The members of the Committee shall be appointed by the Board of Directors in accordance with the Corporation's by-laws and shall serve until such member's successor is duly appointed or until such member's earlier resignation or removal. The members of the Committee may be removed, with or without cause, by the Board of Directors in accordance with the Corporation's by-laws.

C. CHAIR

Unless a chairperson is elected by the Board of Directors, the members of the Committee shall designate a chairperson by the majority vote of the full Committee membership. The chairperson will chair all regular sessions of the Committee and set the agendas for Committee meetings.

D. SUBCOMMITTEES

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee.

E. MEETINGS

The Committee shall meet at least three times each year, or more frequently as circumstances dictate. The Chairman of the Board or the chairperson of the Committee may call meetings of the Committee. All meetings of the Committee may be held in person, telephonically or by videoconference, and the Committee may take action by written consent.

The Committee may invite to its meetings any director, member of the Corporation's management and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

The Committee also shall, whenever practicable, hold onsite meetings with the local health and safety committee or management.

III. RESPONSIBILITIES AND DUTIES

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities. These functions shall serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and

procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. While acting within the scope of its stated purpose, the Committee shall have all the authority of the Board of Directors. The Committee shall:

1. Review the Corporation's EHSS policies in light of applicable legislative and regulatory requirements, industry best practices, and the need to manage EHSS risks effectively so as to protect the sources of fiber, environment and health and safety of employees, contractors, customers and the public.
2. Review the Corporation's audit and monitoring systems designed to assure compliance with the Corporation's EHSS policies and with applicable legislation and regulations as well as reports from management of deficiencies and remedial plans and programs proposed and timelines therefor, and to make recommendations to the Board of Directors as may be appropriate in respect of such systems, plans and programs.
3. Review the Corporation's EHSS standards, procedures, practices and organizational capabilities against applicable regulatory requirements and industry best practices, and provide oversight of compliance by the Corporation.
4. Review the Corporation's objectives and plans for implementing the Corporation's policies, procedures, practices, compliance measures and risk management programs regarding sustainability, fiber-sourcing, environmental protection, occupational health and safety, and wellness.
5. Review fiber-sourcing and product sustainability matters and stewardship.
6. Discuss annually with management the scope and plans for the conduct of audits of the Corporation's EHSS performance. The Committee also will meet with management to discuss the significant results of the audits.
7. Review and discuss with management pending or threatened administrative, regulatory or judicial proceedings that are material to the Corporation relating to EHS matters and the management's response to such proceedings.
8. Monitor contemporary and emerging EHSS issues to keep abreast of legislative, regulatory and other significant developments with regard to EHSS matters and make recommendations to the Board of Directors in light of such developments as may be appropriate.
9. Review with management the Corporation's procedures for the handling of complaints regarding EHSS matters and the submission by the Corporation's employees of concerns regarding management of EHSS matters.
10. Review and assess the Corporation's Health and Wellness program.
11. Report regularly to the Board of Directors with respect to (a) such matters as are relevant to the Committee's discharge of its responsibilities, including (i) significant issues relevant to the Corporation's Sustainability Governance Statement, (ii) policies,

management plans, programs and practices, (iii) the performance of the Corporation in EHSS matters, (iv) safety statistics and other metrics relevant to the assessment of the Corporation's safety performance in its various operations and relative to its industry peers and (v) matters generally related to the health of employees and (b) such recommendations as the Committee may deem appropriate.

12. The Committee shall provide such recommendations as the Committee may deem appropriate. The report to the Board of Directors may take the form of an oral report by the chairperson or any other member of the Committee designated by the Committee to make such report.

13. Maintain minutes or other records of meetings and activities of the Committee.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate. In this regard, the Committee shall have the authority to retain outside legal counsel or other advisors for this purpose, including the authority to approve the fees payable to such advisors and any other terms of retention.

IV. ANNUAL PERFORMANCE EVALUATION

The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee and its members, including by reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board of Directors any improvements to this Charter that the Committee considers necessary or valuable. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate.