

**FINANCE COMMITTEE**  
**OF THE BOARD OF DIRECTORS OF DOMTAR CORPORATION**

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**CHARTER**

*AS AMENDED AND RESTATED EFFECTIVE OCTOBER 31, 2017*

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**I. PURPOSE AND ROLE OF THE COMMITTEE**

The general purpose of the Finance Committee (the “*Committee*”) is to assist the Board of Directors in the oversight of financial resource strategies and policies, including oversight of the risks associated with matters within the Committee’s responsibilities and duties.

The Committee shall also 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, none of whom shall be a member of management, and all of whom shall have a working familiarity with corporate finance issues and practices.

**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, the quorum of which may be established at a whole number of members of the Committee which is less than the majority of the members of such subcommittee.

#### **E. MEETINGS**

The Committee shall meet at least two 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.

### **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 review and make recommendations to the Board, as necessary, with respect to the following matters:

1. Capital structure and capital allocation, including dividends and stock repurchases.
2. Equity and debt issuances/redemption.
3. Cash flow management.
4. Significant financing transactions, mergers, acquisitions and divestitures.
5. Insurance coverage and programs.
6. Derivatives and hedging.
7. Investor relations and shareholder services.
8. Credit ratings and dealings with credit agencies.
9. Compliance with debt covenants.
10. The Pension Administration Committee's (PAC) annual report with respect to financial aspects.

The Committee's duties and responsibilities shall also include other matters which may from time to time be delegated to the Committee by the Board.

The Board has delegated to the Committee full authority to review and approve:

1. The Corporation's Funding Policy for Defined Benefit Pension Plans;
2. Additional contributions to the Corporation's pension plans.

The Committee shall report regularly to the Board of Directors with respect to (a) such matters as are relevant to the Committee's discharge of its responsibilities and (b) 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.

The Committee shall 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.