



The Steel Company of Canada

STELCO HOLDINGS INC. CHARTER OF THE ENVIRONMENTAL, HEALTH AND SAFETY COMMITTEE OF THE BOARD OF DIRECTORS

FUNCTION AND PURPOSE

The function and purpose of the Environmental, Health and Safety Committee (the “**Committee**”) shall be to assist the Board of Directors (the “**Board**”) of Stelco Holdings Inc. (the “**Company**”) in fulfilling its responsibilities with respect to: (i) reviewing and reporting the Company’s policies, standards and practices with respect to environmental compliance and occupational health and safety; (ii) overseeing compliance with applicable environmental and occupational health and safety laws, regulations and orders; (iii) overseeing the Company’s efforts to minimize and mitigate adverse impacts on the natural environment and the communities in which the Company operates; (iv) reviewing and monitoring any critical incidents respecting the Company’s assets or operations; (v) reviewing and monitoring any significant regulatory audits, findings, orders, reports and/or recommendations issued by or to the Company related to environmental or occupational health and safety matters or issues, together with management’s response thereto; and (vi) such other matters that relate to environmental or health and safety matters that the Committee considers appropriate.

COMPOSITION AND ORGANIZATION

Membership and Qualifications

Composition: The Committee shall at all times consist of at least two directors, including a Chair. Except for a director that is designated by the Bedrock Group for appointment to the Committee under the terms of the investor rights agreement (the “**Investor Rights Agreement**”) between the Company and Bedrock Industries B.V. (“**Bedrock Industries**”), all directors to be appointed to the Committee shall be designated by the Board. The Chair and the other member(s) of the Committee shall serve until their successors are duly appointed, or until the earlier of their death, resignation or removal by the Board.

Independence: A minimum of one member of the Committee shall be independent, as determined in accordance with the rules of applicable stock exchanges and securities regulatory authorities. Members must have suitable experience and should be familiar with environmental and health and safety practices of public entities. No member of the Committee will be one of the Company’s officers.

Meetings

Frequency: The Committee shall meet as frequently as the Chair of the Committee deems appropriate.

Agendas and Notice: The Chair of the Committee shall establish the meeting dates and the meeting agenda. The Chair of the Committee or the Company Secretary shall send proper notice of each Committee meeting and information concerning the business to be conducted at the meeting, to the extent practical, to each member prior to each meeting. The Chair or a majority of the members of the Committee may call a special meeting of the Committee at any time.

Holding and Recording Meetings: Committee meetings may be held in person or telephonically, or action may be taken by written consent in accordance with the relevant corporate law. The Committee may act by a majority vote at a meeting of the Committee or by a writing or writings signed by all of its members without a meeting. The Committee shall keep written minutes of its meetings and submit such minutes to the Board. The Committee may request that members of management be present at Committee meetings as needed in order to execute the Committee's primary responsibilities. The Committee shall report to the Board with respect to its meetings, and all actions taken or authorized by the Committee shall be reported to the Board at its next meeting following such action(s) by the Committee.

Quorum: A majority of the members of the Committee shall constitute a quorum for meetings of the Committee.

Compensation of the Committee: The compensation of Committee members shall be determined by the Board in compliance with the Investor Rights Agreement.

Chairperson: If the Chair of the Committee is not present at any meeting of the Committee, an acting Chair for the meeting shall be chosen by majority vote of the Committee from among the members present. In the case of a deadlock on any matter or vote, the Committee shall refer the matter to the Board.

AUTHORITY AND RESPONSIBILITIES

While the Committee has the responsibilities and powers set forth in this mandate, the role of the Committee is oversight. The members of the Committee are not full time employees of the Company and may or may not be experts in the environmental or health and safety matters, and, in any event, do not serve in such capacity. Consequently, it is not duty of the Committee to plan or conduct environmental and health and safety initiatives, environmental and health and safety audits or the like, or to determine that the Company is in compliance with such environmental and health and safety initiatives, environmental and health and safety audits or the like, or that the Company's environment and health and safety policies, management systems and programs are complete, accurate or are in compliance with applicable legal and regulatory requirements. Management will continue to have the responsibility to conduct investigations and to assure compliance with applicable laws and regulations and the Company's environmental and health and safety policies and programs.

Environmental, Health & Safety

Overall Approach: The Committee will review the Company's overall approach to environmental and health and safety matters, taking into account those elements that are unique to the Company. The Committee will monitor developments in the area of environmental and occupational health and safety law, and after discussions with any person, the Committee considers appropriate, recommend any changes relating thereto.

Legislation and Regulations: The Committee will review, monitor and report to the Board on the performance and activities of the Company on environmental and health and safety matters including compliance with applicable and proposed legislation, regulations and orders; conformance with industry standards and leading practices; occupational health, safety and security; process safety; and emergency response plans and programs; review and monitor significant regulatory audits, findings, orders, reports and/or recommendations issued by or to the Company related to environmental and health and safety matters or issues, together with management's response thereto.

Policies and Procedures: The Committee will review, monitor and report to the Board on whether the systems, programs and policies relating to environmental and health and safety matters are being appropriately developed and effectively implemented.

Risk Management and Mitigation: The Committee will review, monitor and report to the Board on actions

and initiatives undertaken by the Company to prevent, mitigate and manage risks related to environmental and health and safety matters which may have the potential to adversely impact the Company's operations, activities, plans, strategies or reputation; or prevent loss or injury to the Company's employees, contractors, vendors, suppliers and visitors and its assets or from malicious acts, natural disasters or other crisis situation.

Critical Incident Oversight: The Committee will review and monitor any critical incidents respecting the Company's assets or operations involving: a fatality or a life threatening injury to a person; any operational incidents resulting in significant property damage or loss of production; any whistleblower events relating to environmental and health and safety matters; or any incidents involving personnel and public safety, property damage, environmental damage or physical security that have the potential to severely and adversely impact the Company's reputation and or business continuity.

Other Authority and Responsibilities

Access to Records and Personnel: The Committee shall have full access to any relevant records of the Company that it deems necessary to carry out its responsibilities. The Committee may request that any officer or other employee of the Company or any advisor to the Company meet with members of the Committee or its advisors, as it deems necessary to carry out its responsibilities.

Independent Advisors: The Committee shall have the authority to engage, terminate and determine funding for such independent legal counsel, environmental consultants, engineers and other advisors as it deems necessary to carry out its responsibilities and to cause the Company to pay the compensation of such advisors.

Reports to Board of Directors: The Committee shall report regularly to the Board of the Company regarding the meetings of the Committee with such recommendations to the Board as the Committee deems appropriate.

Periodic Review of this Charter: The Committee shall periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

Delegation: Subject to applicable law, the Committee may delegate any or all of its functions to any of its members or any sub-set thereof, or other persons, from time to time as it sees fit.

Other Responsibilities: The Committee shall take such other action with respect to environmental and health and safety matters as may be delegated from time to time by the Board. The Committee shall discharge its responsibilities, and shall assess the information provided to the Committee, in accordance with its business judgment. The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate.