

SHERRITT INTERNATIONAL CORPORATION

MANDATE OF THE ENVIRONMENT, HEALTH, SAFETY AND SUSTAINABILITY COMMITTEE

1. Mandate

The mandate of the Environment, Health, Safety and Sustainability Committee (the “Committee”) of the Board of Directors (the “Board”) of Sherritt International Corporation (the “Corporation”) is to provide corporate direction to, and to monitor and review, environment, health and safety, security and other sustainability management systems, policies, programs and targets to assist the Board in overseeing the Corporation’s performance in these areas.

Specific areas of oversight include: environment; health and safety; security; human rights; community, stakeholder and indigenous people relations; sustainable development, including local employment and procurement, socio-economic development and social impact mitigation; transparency and communication related to sustainability matters; and government relations.

2. Duties and Responsibilities

- (a) review and make recommendations to the Board regarding the scope of environment, health and safety, security and sustainability risks to the Corporation’s operations and future growth and the adequacy and effectiveness of the Corporation’s management systems and controls to mitigate these risks and attendant liabilities;
- (b) review and make recommendations to the Board on compliance with legal and regulatory requirements and any voluntary commitments the Corporation has made related to environment, health and safety, security and sustainability with a focus on continuous improvement and ensuring consistent practice across the Corporation and its divisions;
- (c) ensure that the Corporation monitors trends and reviews current and emerging legislation and regulation, international norms, stakeholder expectations and industry best practices on the environment, health and safety, security and sustainability, and evaluate their actual or potential impact on the Corporation and its stakeholders;
- (d) regularly review management reports on environment, health and safety, security and sustainability performance, and assess the Corporation’s performance against goals, objectives and targets in these areas and make recommendations for improvement, where appropriate;
- (e) review of Sherritt’s annual sustainability report for external audiences;

- (f) review the Corporation's processes for the selection, preparation and disclosure of sustainability performance data and information to external stakeholders and the public, and the adequacy of the Corporation's transparency on its performance in this area;
- (g) review corporate-level audits and management responses/plans in the areas of environment, health and safety, security and sustainability;
- (h) review the Corporation's corporate-level crisis management plan and other plans relating to emergency and disaster response and assess actions related to significant and/or material incidents and the remedial measures taken;
- (i) ensure alignment with the Audit Committee on the assessment and adequacy of controls to manage environment, health and safety, security and sustainability risks;
- (j) consult with the Reserves Committee regarding the identification and monitoring of environment, health and safety, security and sustainability risks and actual performance in connection with the Corporation's current or future capital projects;
- (k) visit at least one site of major operations at least once per calendar year; and
- (l) perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time.

3. **Composition and Chair**

The members of the Committee shall, subject to appointments made as a result of resignations or retirements, be appointed annually by the Board on the recommendation of the Nominating and Corporate Governance Committee.

The Committee shall consist of not less than three directors, each of whom shall be "independent" as determined under applicable Canadian securities laws. The requirements for qualification of Committee members shall be determined and interpreted by the Board from time to time based upon recommendations by the Nominating and Corporate Governance Committee.

One or more committee members shall have experience, training and knowledge of sustainability management in the mining business.

The Board shall annually designate a Committee Chair from among the Committee members on the recommendation of the Nominating and Corporate Governance Committee. If, in any year, the Board does not appoint a Chair, the Committee members shall appoint a Chair from their number.

4. **Meetings**

The Committee shall meet as often as the Committee determines is necessary to fulfill its responsibilities.

Notice of every meeting will be given to each member.

A majority of the Committee members will constitute a quorum. No business may be transacted by the Committee except at meetings at which a quorum is present.

The Committee may invite such members of management or such outside advisors as it may see fit from time to time to attend its meetings and assist in the discussion and consideration of any matter.

A meeting of the Committee may be convened by the Chair or any two members of the Committee.

An in-camera session will be held at each regularly scheduled Committee meeting.

5. **Reporting**

The Committee will:

- regularly report to the Board on all significant matters that are within its responsibilities; and
- oversee the preparation of any disclosure required under applicable Canadian securities laws with respect to matters that are within its responsibilities.

6. **Annual General Meeting of Shareholders**

The Committee Chair will make himself or herself available at each annual meeting of shareholders to answer any questions shareholders may have with respect to the Committee's duties and responsibilities.

7. Resources and Authority of the Committee

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, provided that if the fees and expenses of any such special counsel or other experts or consultants retained by the Committee exceed, or are expected to exceed C\$150,000, the approval of the full Board will be obtained.

The Committee may engage outside experts to provide education relevant to the mandate of the Committee.

The Committee must pre-approve any experts or consultants retained by the Corporation if such experts or consultants are currently or have previously been retained by the Committee.

8. Tenure

Each member shall hold office until his or her term as a Committee member expires or is terminated.

9. Removal and Vacancies

Any Committee member may be removed and replaced at any time by the Board and shall cease to be a Committee member upon ceasing to be a director. The Board shall fill vacancies in the Committee by appointment from among the members of the Board. If a vacancy exists on the Committee, the remaining members shall exercise all of the Committee's powers so long as a quorum remains in office.

(Revised June 2015)