
ENVIRONMENTAL MANAGEMENT AND HEALTH & SAFETY COMMITTEE CHARTER

GENERAL

1. Purpose and Responsibility

The Committee's purpose is to assist Board oversight of environmental and health & safety policies, and specifically to:

- a) review and evaluate the Corporation's actual performance as compared to industry standard and the Corporation's set standard and; make recommendations to ensure that the Corporation conducts its activities in a manner which complies with applicable environmental and occupational health and safety laws, and which minimizes adverse impact to the natural environment, or to the communities in which the Corporation operates; and
- b) perform any other activities consistent with this Charter, or as may otherwise be assigned to the Committee by the Board.

2. Definitions and Interpretation

2.1. Definitions

In this Charter:

- a) "Board" means the board of directors of Russel;
- b) "Chair" means the chair of the Committee;
- c) "Committee" means the environmental management and health & safety committee of the Board;
- d) "Director" means a member of the Board; and
- e) "Russel" means Russel Metals Inc.

2.2. Interpretation

The provisions of this Charter are subject to the provisions of the by-laws of the Corporation and to the applicable provisions of the Canada Business Corporations Act (the "Act"), and any other applicable legislation.

3. Continuation and Composition of Committee

The Committee is hereby continued with the constitution, function and responsibilities herein set forth.

3.1. Appointment and Removal of Members of the Committee

- a) **Board Appoints Members.** The members of the Committee shall be appointed by the Board, having considered the recommendation of the Nominating and Corporate Governance Committee.
- b) **Annual Appointments.** The appointment of members of the Committee shall take place not less frequently than annually, with effect immediately following a meeting of the shareholders at which Directors are elected; provided that if the appointment of members of the Committee is not so made, the Directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed; and provided further that the Board may from time to time and at any time appoint any Director to a Committee or remove any Director from a Committee.
- c) **Vacancies.** The Board may appoint a member to fill a vacancy which occurs in the Committee between annual elections of Directors.
- d) **Removal of Member.** Any member of the Committee may be removed from the Committee by a resolution of the Board.

3.2. Number of Members

The Committee shall consist of three or more Directors.

3.3. Independence of Members

A majority of the members of the Committee shall be independent for the purposes of all applicable regulatory and stock exchange requirements.

3.4. Rotation of Membership

The Nominating and Corporate Governance Committee shall review the Committee's membership annually and recommend to the Board any changes to the Committee's membership. In making its recommendations, the Nominating and Corporate Governance Committee shall consider the tenure of its existing members and shall endeavour to rotate membership as reasonably practicable with regard to, among other things, the composition of the Board, the skill set of current Directors and Russel's business requirements.

4. Committee Chair

4.1. Board to Appoint Chair

The Board shall appoint the Chair from the members of the Committee (or if it fails to do so, the members of the Committee shall appoint the Chair of the Committee from among its members).

4.2. Chair to be Appointed Annually

The designation of the Committee's Chair shall take place not less frequently than annually, with effect immediately following a meeting of the shareholders at which Directors are elected; provided that if the designation of Chair is not so made, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed; and provided further that the Board may from time to time and at any time designate a new Committee Chair. The Board shall endeavour to rotate the position of Chair as reasonably practicable with regard to, among other things, the composition of the Board, the skill set of current Directors and Russel's business requirements.

5. Training of Committee Members

All Committee members are to receive specific training relating to Russel's health and safety policies and procedures within three months from their initial date of appointment.

6. Committee Meetings

6.1. Quorum

A quorum of the Committee shall be a majority of the Committee members.

6.2. Secretary

The Chair shall designate from time to time a person who may, but need not, be a member of the Committee, to be Secretary of the Committee.

6.3. Time and Place of Meetings

The Committee shall meet at least three times per year. The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee.

6.4. Right to Vote

Each member of the Committee shall have the right to vote on matters that come before the Committee.

6.5. Invitees

The Committee may invite Directors, officers and employees of Russel or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee.

7. Authority of Committee

7.1. Retaining and Compensating Advisors

The Committee shall have the authority to retain outside counsel and any other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms of any such firm and other advisors.

7.2. Subcommittees

The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee.

7.3. Recommendations to the Board

The Committee shall have the authority to make recommendations to the Board, but shall have no decision-making authority other than as specifically contemplated in this Charter.

8. Remuneration of Committee Members

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time.

9. Specific Duties and Responsibilities

9.1. Policies

- a) **Review of Policies.** Review with management the appropriateness of the Corporation's environmental and occupational health and safety policies as required, and any changes to those policies as such changes are recommended by management; and make such recommendations to the Board as it may consider appropriate with respect to these policies.
- b) **Effectiveness of Policies.** Monitor the Corporation's performance in relation to its environmental and occupational health and safety policies, and make such recommendations to the Board as it may consider appropriate.

9.2. Programs

- a) **Implementation of Programs.** Review the implementation and adequacy of environmental and occupational health and safety programs implemented by the Corporation, and where appropriate shall report, or make recommendations or provide direction on significant issues to the Board and/or management.
- b) **Amendments to Programs.** Meet as required with any appropriate corporate officers and shall review any proposed amendments to the Corporation's environmental management and occupational health and safety programs.

9.3. Disclosure

Review the adequacy and content of the Corporation's public disclosure in respect of its environmental emissions and occupational health and safety performance.

9.4. Personnel and Financial Resources

Review the adequacy of the personnel and financial resources of the Corporation directed to environmental and occupational health and safety matters and shall make such recommendations to the Board as it may consider appropriate.

9.5. Reports from Management / External Advisors

Receive regular reports from management and receive comments from external advisors, if any, on:

- a) the Corporation's principal environmental and occupational health and safety risk;
- b) known and potential environmental and occupational health and safety liabilities;
- c) the strategies in place to manage those risks and liabilities;

and shall recommend to the Board whether any new material strategies presented by management should be considered appropriate and approved.

9.6. New Issues

Review emerging environmental and occupational health and safety issues and evaluate their potential impact on the Corporation and make such recommendations to the Board as it may consider appropriate.

9.7. External Relationships

Review Russel's relationships with external environmental and occupational health and safety regulatory authorities and stakeholders and make such recommendations to the Board as it may consider appropriate

10. Regular Reporting

The Committee shall report to the Board at each Board meeting concerning the proceedings at the meetings of the Committee and any recommendations adopted by the Committee since its most recent report to the Board.

11. Annual Performance Evaluation

On an annual basis, the Committee shall follow the process established by the Nominating and Corporate Governance Committee of the Board for assessing the performance and effectiveness of the Committee.

12. In Camera Session

At the conclusion of each meeting of the Committee, the members of the Committee shall meet without any member of management being present (including any Director who is a member of management).

13. Charter Review

The Committee shall review and assess the adequacy of this Charter biennially and recommend to the Board any changes it deems appropriate.