

**ALGOMA STEEL GROUP INC.
CHARTER OF THE RISK MANAGEMENT COMMITTEE**

1. Purpose

The Risk Management Committee (the “**Committee**”) is a committee of the Board of Directors (the “**Board**”) of Algoma Steel Group Inc. (the “**Company**”). The members of the Committee, including the chair of the Committee (the “**Chair**”), are appointed by the Board on an annual basis (or until their successors are duly appointed) for the purpose of overseeing the Company’s enterprise risk management (“**ERM**”) program to assist the Board in providing oversight of the ERM activities of the Company and its subsidiaries and to advise the Board with respect to the effectiveness of the ERM framework of the Company.

2. Composition

- (1) The Committee should be comprised of a minimum of three (3) directors.
- (2) The Chair of the audit committee of the Company shall sit on the Committee.
- (3) A majority of the members of the Committee must be independent within the meaning of National Policy 58-201 – *Corporate Governance Guidelines*, the Nasdaq Stock Market LLC rules and applicable rules under the U.S. *Securities Exchange Act of 1934*, as amended.
- (4) Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director. The Board may fill vacancies on the Committee by election from among the Board. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all powers of the Committee so long as a quorum remains.

3. Limitations on Committee’s Duties

In contributing to the Committee’s discharge of its duties under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which any member of the Board may be otherwise subject.

Members of the Committee are entitled to rely, absent actual knowledge to the contrary, on (i) the integrity and competency of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, (iii) representations made by management of the Company, and (iv) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

4. Meetings

The Committee should meet not less than [**four**] times annually. A quorum for the transaction of business at any meeting of the Committee shall be a majority of the members of the Committee or such greater number as the Committee shall by resolution determine. The Committee shall keep minutes of each meeting of the Committee. A copy of the minutes shall be provided to each member of the Committee.

Meetings of the Committee shall be held from time to time and at such place as any member of the Committee shall determine upon two days’ prior notice to each of the other Committee members. The members of the Committee may waive the requirement for notice. In addition, each of the Chief Executive Officer and the Chief Financial Officer of the Company shall be entitled to request that the Chair call a meeting.

The Committee may ask members of management and employees of the Company (including, for greater certainty, its affiliates and subsidiaries) or others (including external advisors and consultants) to attend meetings and provide

such information as the Committee requests. Members of the Committee shall have full access to information and records of the Company (including, for greater certainty, its affiliates, subsidiaries and their respective operations) and shall be permitted to discuss such information and any other matters relating to the results of operations and financial position of the Company with management, employees, the external auditor and others as they consider appropriate.

5. Committee Activities

As part of its function in assisting the Board in fulfilling its oversight responsibilities (and without limiting the generality of the Committee's role), the Committee will have the power and authority to:

A. ERM Program

- (1) Ensure that management of the Company (“**Management**”) has established an appropriate tone and culture with respect to risk identification, risk awareness, risk-taking and risk mitigation.
- (2) Oversee the Company's ERM program to assist the Board in providing oversight of the ERM activities of the Company and its subsidiaries and to advise the Board with respect to the effectiveness of the ERM framework of the Company.
- (3) Review and evaluate Management's assessment of the Company's principal strategic, financial and operational risks, such as those pertaining to credit, market, liquidity, security, property, IT, legal, regulatory and reputational matters, and any other events or circumstances that could have a material impact on the Company, and assess the steps Management has taken to manage, monitor and control such risks within the Company's risk tolerance.
- (4) Receive reports from Management on potential emerging risks to the business and how these may interrelate with or compound known risks.
- (5) Review and discuss with Management, at least annually, the Company's overall risk appetite and tolerance and make recommendations to the Board with respect thereto.
- (6) Review and evaluate the Company's overall process for the identification and evaluation of principal business and operational risks and the prevention and/or mitigation thereof.
- (7) Ensure that the due diligence appraisal process on all proposed strategic transactions, including acquisitions, disposals, project developments includes the identification and assessment of risk exposures and their implications for the risk appetite and tolerance of the Company.
- (8) Review and evaluate the development and implementation of appropriate policies, processes and systems to manage the Company's principal business risks within its approved risk tolerance, to monitor the effectiveness of such policies, processes and systems and to ensure that the Board receives sufficient information about the Company's risk exposures.
- (9) Review the Company's public disclosures in respect of risk governance and the Company's principal risks.
- (10) Annually, together with Management, report and review with the Board the overall effectiveness of the enterprise risk management process and program.
- (11) Review issues raised by the Company's external auditor or internal auditor that impact the ERM framework of the Company.

B. Risk Management Compliance and Disclosure

- (1) Monitor and review the Company's risk management compliance and obtain reasonable assurance that the risk management policies for significant non-financial risks are being adhered to.

- (2) Review, provide input and approve the disclosure of risks in the documents sent by the Company to shareholders, made available to the public or filed with securities regulators.

C. Project Pre-Approvals and Approvals

- (1) Review all project proposals and contracts that: (a) are not included in the approved business plan of Algoma; and are anticipated to have a value, in the aggregate, greater than \$10,000,000 or as otherwise specified in a policy of the Committee; or (b) determined by the Board or Management to warrant additional risk review due to complexity and/or increased probability of risk to the Company.

D. Insurance Coverage

- (1) Review and monitor the adequacy of the Company's insurance coverage.
- (2) Review with Management, annually, the Company's insurance coverage and insurance report, including its risk retention philosophy and resulting uninsured exposure, if any, and provide assurances and recommendations to the Board with respect thereto.

E. Environmental Social Governance

The Committee shall:

- (1) Review with Management emerging environmental, social and corporate governance ("ESG") issues affecting the Company and liaise, as appropriate, with other Committees of the Board regarding administering the ESG program of the Company and related best practices.

F. Other

- (1) Make such recommendations with respect to any of the above and other matters as the Committee deems necessary or appropriate.
- (2) Perform any other activities as the Committee or the Board deems necessary or appropriate.

6. Independent Advice

In discharging its mandate, the Committee shall have the authority to retain independent counsel and special advisors as the Committee determines to be necessary to permit it to carry out its duties.

7. Funding

The Company must provide for appropriate funding, as determined by the Committee, in its capacity as a committee of the Board, for payment of:

- (1) Compensation to any counsel or advisors employed by the Committee under Section 6 above.
- (2) Ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

8. Annual Evaluation

At least annually, the Committee shall, in a manner it determines to be appropriate:

- (1) Perform a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this Charter.

- (2) Review and assess the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee believes to be appropriate.

9. No Rights Created

This Charter is a broad policy statement and is intended to be part of the Committee's flexible governance framework. While this Charter should comply with all applicable law and the Company's constating documents, this Charter does not create any legally binding obligations on the Committee, the Board, any director or the Company.