



## KP TISSUE INC.

### NOMINATING COMMITTEE CHARTER

#### 1. PURPOSE

The Nominating Committee (the “**Committee**”) is appointed by the board of directors (the “**Board**”) of KP Tissue Inc. (the “**Corporation**”) to assist the Board in carrying out its responsibilities by reviewing Board nominee issues and making recommendations to the Board as appropriate. In particular, the Committee is responsible for identifying qualified individuals to become Board members or members of the Corporation’s Board committees, consistent with any criteria approved by the Board, and recommending to the Board proposed nominees for election to the Board.

#### 2. COMMITTEE MEMBERSHIP

- 2.1 The Committee shall consist of no fewer than three members. All members of the Committee shall be independent as defined by National Instrument 58-101 — Disclosure of Corporate Governance Practices and applicable stock exchange rules.
- 2.2 The Board shall appoint the members of the Committee. Committee members shall be appointed to serve as members of the Committee until the close of the next annual meeting of shareholders of the Corporation, but may be removed or replaced at any time by the Board and shall, in any event, cease to be a member of the Committee upon ceasing to be a member of the Board. Where a vacancy occurs at any time in the membership of the Committee, the Board may fill it.
- 2.3 The Board, upon the recommendation of the Committee, shall appoint the Chair of the Committee. If the Chair of the Committee is not present at a meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by a majority of the members of the Committee present at the meeting to preside over the meeting.

#### 3. MEETINGS

- 3.1 The Committee shall meet as often as it determines, but not less frequently than annually. Committee meetings may, by agreement of the Chair of the Committee, be held in person, by video conference, by means of telephone or by a combination of any of the foregoing. The Committee may request any officer or employee of the Corporation or the Corporation’s outside counsel to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
- 3.2 A majority of Committee members, present in person, by video conference, by telephone or by a combination thereof, shall constitute a quorum. Subject to the foregoing, applicable law and the Corporation’s by-laws, and unless otherwise determined by the Board, the Committee shall have the power to modify its quorum requirements and to regulate its procedures.
- 3.3 The Committee shall appoint a secretary to be the secretary of all meetings of the Committee and to maintain minutes of all meetings and deliberations of the Committee.
- 3.4 Matters decided by the Committee shall be decided by a majority vote, or, if there are only two members on the Committee, the vote shall be unanimous.
- 3.5 The Committee shall periodically, but at least quarterly, report to the Board on its proceedings, reviews undertaken and any associated recommendations.

- 3.6 The Committee, upon approval by a majority vote of the members of the Committee (or, if there are only two members of the Committee, the vote shall be unanimous), may delegate its duties and responsibilities to subcommittees of the Committee.

#### **4. AUTHORITY AND RESPONSIBILITIES**

Nominating. The Committee shall review and report to the Board on matters pertaining to composition of the Board and Board committees and in so doing will:

- 4.1 consider from time to time the appropriate size, composition, profile and director fees of the Board and committees thereof, and submit recommendations for Board consideration and decision, taking into account Board approved criteria for being a director of the Corporation;
- 4.2 identify and recommend new directors with appropriate skills to the Board. The Committee must assess whether each of the candidates so identified will be an independent director. In general, the Committee will consider the following in making its recommendations:
- (a) the competencies and skills considered necessary for the Board as a whole to possess;
  - (b) the competencies and skills that each existing director possesses; and
  - (c) the competencies and skills each new nominee will bring to the Board based on each new nominee's experience and background;
- 4.3 consider whether each new nominee can devote sufficient time and resources to his or her duties as a member of the Board;
- 4.4 submit to the Board for consideration and decision, the names of persons to be nominated for election as directors at the next annual meeting of shareholders, or to be appointed to fill vacancies between annual meetings;
- 4.5 consider the past performance of directors being considered for re-election to the Board;
- 4.6 have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms;
- 4.7 through the Chair of the Board, approach and secure confirmation of consent to act from persons approved by the Board either for appointment to the Board to fill vacancies or for nomination at the annual meeting;
- 4.8 assess the "participation, contribution and effectiveness" of the Chair and all other directors individually, on an annual basis;
- 4.9 consider from time to time the appropriate retirement age of directors, and submit recommendations for Board consideration and decision; and
- 4.10 make recommendations relative to the composition of the various committees of the Board.

#### **5. MISCELLANEOUS**

The Committee will:

- (a) perform such other functions as required by law, the Corporation's articles or by-laws, or the Board;

- (b) review and reassess the adequacy of this mandate annually; and
- (c) have its performance evaluated annually by the Board.