

## **RAYONIER INC.**

### **CHARTER OF THE AUDIT COMMITTEE**

**As Amended November 2, 2018**

#### **I. PURPOSE**

The Audit Committee (the “Committee”) of Rayonier Inc. (the “Company”) is responsible for assisting the Board in its oversight of: (i) the integrity of the Company’s financial statements and accounting and financial reporting processes, including disclosure controls and procedures and internal controls over financial reporting; (ii) the independent auditor’s qualifications, independence, compensation, performance and selection; (iii) the performance of the Company’s internal auditor and internal audit function; (iv) the Company’s compliance with legal, tax and regulatory requirements, as well as compliance with the Company’s ethical standards; (v) the Company’s enterprise risk management (“ERM”) program; and, (vi) the administration and investment performance of the Company’s pension and savings plans.

Management is responsible for determining that the Company’s financial statements are complete and presented fairly and prepared in accordance with generally accepted accounting principles; the independent auditor is responsible for auditing the financial statements. The independent auditors and the internal auditors report directly to the Committee.

#### **II. MEMBERSHIP**

The Committee shall consist of not less than three directors. The Committee members shall meet the experience and independence requirements of the New York Stock Exchange and the Securities Exchange Act of 1934, as amended. At least one member of the Committee shall be an “audit committee financial expert” (as defined by the Securities and Exchange Commission). No member of the Committee may serve simultaneously on the audit committee of more than two other public companies.

#### **III. MEETINGS**

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Committee shall meet periodically in separate executive sessions with management (including the chief financial officer and chief accounting officer), the internal auditors and the independent auditor, and have such other direct and independent interaction with such persons from time to time as the members of the Committee deem necessary or appropriate. The Committee may request any officer or employee of the Company or the Company’s outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

#### **IV. AUTHORITY AND RESPONSIBILITIES**

In furtherance of its purpose, the Committee shall have the following authority and responsibilities. The Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.

The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Company and to any advisors employed by the Committee, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee may carry out additional duties and responsibilities as may be appropriate and such other duties and responsibilities delegated to it from time to time by the Board:

##### **A. Financial Reporting**

1. Discuss the audited annual financial statements and quarterly financial statements of the Company with management and the independent auditors, including the Company's related disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Form 10-K and Form 10-Qs. Make a recommendation to the Board of Directors regarding whether the annual audited financial statements should be included in the annual Form 10- K.
2. Review with the independent auditors the results of their annual audit of the Company's financial statements and audit of internal control over financial reporting, and the required communications under (i) Auditing Standards No. 1301, including a discussion of events, transactions, and changes in accounting principles or estimates or financial statement presentation that may affect the quality of the Company's financial reporting, any significant audit issues and management response, and their view on the adequacy of internal controls, and (ii) Public Company Accounting Oversight Board rules regarding the independence of the independent auditors.
3. Review with management and the independent auditor (i) all significant issues, deficiencies and material weaknesses in the design or operation of internal controls, and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
4. Review with the independent auditor any audit problems or difficulties and management's response. Resolve any disagreements between management and the independent auditor regarding financial reporting.

5. Review with management and the independent auditors (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the selection or application of accounting principles, (ii) all critical accounting policies and practices and all significant financial reporting issues and judgments made in connection with the preparation of the financial statements, (iii) alternative treatments within generally accepted accounting principles that have been discussed with management, ramifications of the use of alternative disclosures and treatments, and the treatment preferred by the independent auditors, (iv) the effect of regulatory and accounting initiatives, as well as any significant off-balance sheet structures, on the Company's financial statements, and (v) other material written communications between the independent auditors and management.
6. Review press releases, guidance, rating agency and investor presentations and other public disclosures of financial information, with particular attention to any use of "pro forma" or "adjusted" non-GAAP information.

**B. Independent Auditor**

1. Pre-approve all audit and allowable non-audit services by the independent auditor and review at least annually a report from the independent auditor on any relationships with the Company or others that might affect independence.
2. At least annually review a report from the independent auditors describing the firm's internal quality control procedures, any material issues raised by the most recent Public Company Accounting Oversight Board inspections and internal quality control review, or peer review of the firm, or by any inquiry or investigation by governmental or professional authorities within the past five years, with respect to one or more independent audits carried out by the firm, and any steps taken to deal with such issues; and all relationships between the independent auditor and the Company.
3. Establish hiring policies for employees or former employees of the independent auditor.
4. Review the annual audit plan with the independent auditors, including scope, timing, budget and coordination with the internal audit function, as well as any developments in accounting principles and auditing standards that may affect either the financial statements or the audit.
5. Directly appoint, retain, compensate, oversee and evaluate the qualifications, independence and performance of and, if necessary, terminate and replace the Company's independent auditor.

C. Internal Audit

1. Review and approve the internal audit function, including: (i) purpose, authority and organizational reporting lines; (ii) annual audit plan, budget and staffing and (iii) concurrence in the appointment and compensation of the director of internal audit.

D. Legal, Tax and Regulatory Compliance

1. Meet annually, or more frequently as appropriate, with management, including the General Counsel, Chief Risk Officer and the Chief Compliance Officer, for purposes of evaluating the adequacy and efficacy of the Company's legal compliance and ethics programs. The Chief Compliance Officer shall have a direct reporting obligation to the Committee, with the express authority to communicate personally to the Committee promptly on any matter.
2. Review periodically the Company's Standard of Ethics and Code of Corporate Conduct.
3. Establish procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
4. Review at least annually material claims and litigation, and legal, regulatory and related government policy matters affecting the Company and its subsidiaries.
5. Oversee the Company's ongoing compliance with the tax rules under applicable Internal Revenue Code provisions and related regulations in order for the Company to qualify as a real estate investment trust.
6. Review and recommend to the Board proposed actions on environmental, health and safety compliance and regulatory matters which could have a significant impact on the business and strategic operating objectives of the Company and its subsidiaries.

E. Enterprise Risk Management

1. Oversee the Company's ERM process, including an annual review of the identification, assessment and management of material financial and other risks facing the Company, and assisting the Board in its risk management oversight responsibilities.
2. Discuss the Company's guidelines and policies with respect to risk assessment and risk management, with particular focus on risks related to financial statements and

information issued.

F. Pension and Savings Plans

1. Oversee the policies, objectives, administration and investment performance of the Company's ERISA-qualified pension and savings plan assets and liabilities, including oversight of the Company's ERISA plan committees and others acting as fiduciaries and/or administrators of such pension and savings plans.

G. Other

1. Periodically meet privately with management, the internal and independent auditors, and the Company's Chief Compliance Officer and Ombudsman when the Committee or any of such persons deems necessary or appropriate.
2. Issue an annual report, for inclusion in the Company's proxy statement, as required by regulations of the Securities and Exchange Commission.
3. Determine appropriate funding for the Committee, including compensation for special legal, accounting or other experts or consultants the Committee may deem necessary or appropriate.
4. Conduct or authorize investigations into any matters within the scope of the powers and responsibilities delegated to the Committee.

The Committee shall report its actions and recommendations to the Board after each committee meeting and shall review and reassess annually the performance of the Committee and the adequacy of this charter and recommend any changes to the Nominating and Corporate Governance Committee for approval.

**Limitation of Committee's Role**

While the Committee has the responsibilities and powers set forth in this charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP, applicable rules and regulations. These are the responsibilities of management and the independent auditor.