

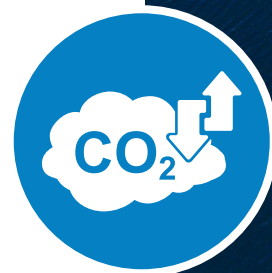
# SUSTAINABILITY AT DOMTAR

Domtar's sustainability priorities align with our efforts to responsibly use natural resources and reduce the long-term effects of our operations on the natural environment.

## WE FOCUS OUR WORK ON THE FOLLOWING KEY AREAS:

### FOREST

- Our goal is to source our fiber from responsibly-managed forests. At minimum this means:
  - No purchases from illegal logging.
  - No purchases from controversial sourcing.
  - No violations of indigenous or other local stakeholders' rights.
  - Fiber sourced from sites with a permanent loss of forest cover will be purchased in accordance with the deforestation policies of FSC, SFI and PEFC. Procurement of this material will be minimized and no fiber from large scale deforestation or high conservation forest conversions will be purchased.
- All of Domtar's pulp and paper mills are certified to the 3rd-party certifications of the Forest Stewardship Council® (FSC®), Sustainable Forestry Initiative® (SFI®) and/or the Programme for the Endorsement of Forest Certification (PEFC), which are renewed every five years. Domtar offers chain-of-custody certified products as needed and where we can.
- With help from our forestry partners, Domtar works to educate land owners about certification and encourage an increased volume of certified fiber, improve wood sourcing traceability and better tracking of responsible forest practice use.



### CLIMATE

- Our pulp and paper mills have reduced total direct (Scope 1) and indirect emissions from purchased energy (Scope 2) by 30% since 2010.
- Our goal is to develop a credible pathway to become a net zero emitter of Greenhouse Gas (GHG) emissions by 2050.

### WATER

- Domtar has established a goal to reduce water use by 20% per unit of product by the end of 2030, from 2019 levels.
- To achieve this goal we are building water conservation measures into large capital projects when we transform assets (e.g., Kingsport from integrated UFS mill to 100% recycled containerboard mill), funding water reduction projects at mills and educating employees on the full impact of water use.

# PAPER AND OTHER PRODUCTS COME FROM THE HIGHLY EFFICIENT USE OF A TREE.

Sustainably harvesting trees to make paper products doesn't cause deforestation, defined as the permanent conversion of forests to other land uses. Trees will grow back. According to the U.N. Food and Agriculture Organization, net U.S. forest area increased by 18 million acres over the past 30 years despite deforestation from urban development.

Forests are the source of the everyday paper and pulp products that Domtar provides consumers.

It may be surprising, but the vast majority of wood used in our production line is residue from the tree trunk (sawdust and wood chips) after it has been used by other industries in producing construction lumber, fine veneer flooring, doors and tables and production of stairs, furniture, cabinets, shipping crates and pallets.

Tree bark, branches and the tree canopy are also used in Domtar's processes.

## BREAKDOWN OF A TYPICAL HARVESTED TREE

### PULPWOOD QUALITY

The top part of the tree, including larger branches, is considered pulp wood, used for paper making and residential firewood.

### AVERAGE HIGH QUALITY

From this part, the wood quality lends itself to making products such as shipping crates and pallets

### HIGH QUALITY

In this area, the tree's wood may be used for cabinets, hardwood floors, stairs and furniture.

### VERY HIGH QUALITY

The large diameter base of a tree's trunk may be used to produce fine veneers for doors and tables.

The bark from the same sustainably harvested tree may be used for landscaping or it may be used as a renewable fuel that displaces the need for fossil fuels.

### DID YOU KNOW?

In addition, a variety of natural chemicals are often extracted from the same tree – chemicals that are used in making flavors, fragrances and even food. One of these chemicals, lignin, is the most widely available natural polymer on Earth.