



Domtar Corporation 2024 Report

**To the Canadian Minister of Public Safety and Emergency Preparedness
Fighting Against Forced Labour and Child Labour in Supply Chains Act
May 31, 2025**



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About Domtar

Domtar is a leading, privately held manufacturer of diversified forest products and designs, manufactures, markets and distributes a wide variety of fibre-based products, including paper, market pulp, wood products and tissue, which are marketed in more than 90 countries. Domtar's annual production capacities are 9.1 million metric tons of pulp, paper, packaging and tissue and approximately 3 billion board feet of lumber and other wood products. The company is the largest integrated manufacturer and marketer of uncoated freesheet paper and uncoated mechanical papers in North America, as well as a leading global producer of newsprint, fluff, recycled and softwood pulp in North America. It owns or operates, through its subsidiaries, manufacturing facilities, including pulp and paper mills, tissue facilities and sawmills, as well as power generation assets in the United States and Canada. Domtar's paper and tissue manufacturing operations are supported by its converting and forms manufacturing operations.

Reporting entity's legal name	Domtar Corporation
Financial reporting year	January 1, 2024, to December 31, 2024
Identification of a revised report	None
Identification of a joint report	This report jointly covers Domtar Corporation's primary operating subsidiaries in Canada: Domtar Inc., Resolute FP Canada Inc., Fibrek General Partnership, Resolute Engineered Wood Larouche Inc., Resolute Engineered Wood St-Prime LP, and Forest Products Mauricie LP (collectively referred to as "Domtar")
Entity categorization according to the Act	Has a place of business in Canada, does business in Canada or has assets in Canada and, on the basis of its consolidated financial statements, meets at least two of the following conditions for at least one of its two most recent financial years: <ul style="list-style-type: none"> a) It has at least \$20 million in assets; b) It has generated at least \$40 million in revenue; c) It employs an average of at least 250 employees.
Sector/Industry	Pulp, paper, tissue, packaging and wood products manufacturing in Canada and the United States (U.S.)
Location	Domtar Corporation is incorporated in Delaware, with a head office in Fort Mill, South Carolina, and numerous manufacturing facilities operated by its subsidiaries and affiliates across the United States and Canada

Domtar's commitment to reduce the risk of forced labour and child labour

Domtar is committed to upholding human rights in all its global activities. It strives to prevent and mitigate any adverse human rights impacts resulting from its activities and, on becoming aware of any such impacts, takes prompt action. Domtar's employees are required to adhere to the company's policies and to comply with all applicable laws and regulations concerning human rights in the jurisdictions where it operates. Its [Code of Ethics and Business Conduct](#)

provides the framework and expectations for Domtar's operations, outlining its commitment to human rights and ethical conduct. Additionally, Domtar aligns its principles with international

standards, including the United Nations Global Compact, the Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work.

Domtar recognizes the critical role of sound supply- and value-chain management in upholding its commitments to human rights. The company is committed to ensuring its value chain is free of practices that violate individual freedom and dignity. It strictly prohibits child labour and forced labour under any circumstances, nor does it tolerate its use by contractors and suppliers. Domtar also rejects any form of physical abuse as disciplinary action. Furthermore, it is strongly opposed to, and does not permit, human trafficking in its labour force or that of its contractors and suppliers.

In response to the enactment of *Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") in 2023, Domtar has taken additional steps to assess any risks related to forced or child labour, as well as to strengthen its procurement practices, policies, contract language and oversight.

This report describes the work Domtar has undertaken to:

1. establish a task-force with representatives from its legal, logistics, procurement, and sustainability functions, as well as personnel from its operations, to oversee compliance with the Act;
2. conduct a risk assessment of its supply chain to identify risks related to slavery, child and forced labour, and human trafficking;
3. establish a strategic framework for extending risk assessments to its entire value chain;
4. enhance procurement practices;
5. revise and update procurement policies;
6. improve the language related to procurement in contractual agreements; and
7. provide training to responsible personnel in its procurement function in relation to the Act and warning signs to look for in the forest products sector.

Domtar's structure, activities, governance and supply chains

Domtar is a Delaware corporation with its head office in Fort Mill, South Carolina, United States. It is a voluntary filer with the Securities and Exchange Commission in the United States. Its most recent [10-K annual report](#) is available at on the SEC website.

Domtar has 14,000 full-time employees in Canada and the United States, and through its subsidiaries, operates more than 60 pulp, paper, tissue, packaging, converting, wood products and office facilities across North America. A list of the subsidiaries is provided in the Appendix.

Paper and Packaging: Domtar has six integrated pulp and paper mills, with an annual paper production capacity of 2.2 million tons of uncoated freesheet paper, serving a variety of customers, including merchants, retail outlets, stationers, printers, publishers, converters and end-users. It also has one mechanical paper mill with an annual paper production capacity of 265,000 tons of coated, directory and specialty papers. Its paper manufacturing operations are supported by converting and forms manufacturing operations. The company produces a wide variety of paper, including office papers, printing and publishing papers, digital and production inkjet papers, technical and specialty papers and converting papers. In 2023, Domtar started operations at its newly converted packaging mill in Kingsport, Tennessee. The mill manufactures packaging materials made from 100% recycled content with an annual production

capacity of approximately 600,000 tons of high-quality recycled linerboard and corrugating medium, giving the company a strategic footprint in a growing market. Approximately 49% of Domtar's pulp is consumed internally to manufacture paper, with the balance sold as market pulp. In addition, Domtar produces fluff pulp at its pulp mills in Ashdown, Arkansas, and Plymouth, North Carolina, as well as softwood pulp at its Skookumchuck and Crofton, British-Columbia, pulp mills. Domtar can sell 1.8 million metric tons of market pulp a year, depending on market conditions.

Iconex Paper: On November 1, 2024, Domtar acquired Iconex Paper, the thermal paper converting division of Iconex. Iconex Paper specializes in converting thermal paper rolls into point-of-sale (POS) receipt rolls used across various industries, including food service, retail, pharmacy, and financial services. The business operates five facilities located in Arizona, Kansas, Tennessee, Virginia, and Nogales, Mexico. The acquisition strengthens Domtar's position in the lightweight POS thermal paper market and complements its capabilities in base paper production and thermal coating. Approximately 400 employees joined Domtar as part of the transaction, and the business continues to be led by the former Iconex Paper President under Domtar's Paper and Packaging segment. The Iconex name will be used during the transition period prior to rebranding.

Pulp and Tissue: Domtar produces softwood and recycled bleached kraft pulp at three facilities, with a total capacity of 0.6 million metric tons. The company produces softwood pulp at its pulp mill in Saint-Félicien, Québec, fluff pulp at its Coosa Pines, Alabama, pulp mill and recycled pulp at its Menominee, Michigan, pulp mill. It produces newsprint and specialty papers at six mills strategically located to serve major markets, with a total capacity of 1.3 million tons. Its specialty papers comprise uncoated mechanical papers, including supercalendered paper and white paper. Domtar produces tissue products at three facilities with a total capacity of 128,000 tons. The company also has one converting facility and a total of 11 tissue-converting lines. It manufactures a range of tissue products for the retail and away-from-home markets, including recycled and virgin paper products, covering premium, value and economy grades.

Wood Products: Domtar owns or operates 14 sawmills in Canada and two sawmills in the Southern United States, with a total mechanical capacity of 2,791 million board feet. The company's Canadian sawmills produce dimension spruce-pine-fir lumber and provide wood chips to its pulp and paper mills in Canada and to third parties. Its U.S. sawmills produce dimension lumber and decking from southern yellow pine and provide wood chips and other wood residue to one of its pulp and paper mills in the United States as well as to third-party pulp and paper mills and other end users. Domtar sawmills also supply wood residue to its other segments, to be used as fuel to produce electricity and steam from renewable sources. The company also operates two remanufactured wood products facilities that produce bed-frame components, finger joints and furring strips, as well as two engineered wood products facilities that manufacture I-joists for the construction industry and one wood pellet facility.

Domtar's executive officers are:

- **John D. Williams.** As Non-Executive Chairman of the Management Board, Mr. Williams leads a team of executives responsible for providing additional oversight and financial checks and balances. He retired as President and Chief Executive Officer of Domtar on June 30, 2023, a position he had held since January 2009.
- **Joe Ragan,** Executive Vice President and Chief Financial Officer. Mr. Ragan was previously President and Chief Investment Officer of Paper Excellence Group and was appointed to his new role in April 2023.
- **Steve Henry,** President of Paper and Packaging.

- **Luc Thériault**, President of Wood Products.
- **Richard Tremblay**, President of Pulp and Tissue.

Fibre: Domtar's sources of wood include local producers, sawmills that supply residual wood chips, government-owned land where the company holds timber supply guarantees or harvesting rights, and property that it owns or leases. In the United States, the company uses mainly wood fibre (softwood and hardwood) as well as old corrugated containers. In Canada, it uses hardwood and softwood, including a significant amount of residual chips from its sawmills. Domtar holds licenses from government authorities in Ontario and Quebec to harvest fibre from public lands in those provinces.

Chemicals: Domtar purchases various chemical compounds for its manufacturing operations under contracts with terms of one to 10 years to ensure product availability. For pulp manufacturing, the company uses chemicals such as caustic soda, sodium chlorate, sulphuric acid, hydrogen peroxide and lime. For paper manufacturing, it uses starch, precipitated calcium carbonate, clay, optical brighteners, dyes and aluminum sulfate. Many of these products are purchased globally and involve international supply chains.

Energy: Domtar's operations produce and consume substantial amounts of energy, mainly from biomass, natural gas and electricity. Most of its energy comes from renewable sources, such as bark and by-products from its manufacturing process, including spent pulping liquor. The remainder comes from natural gas, electricity, other fossil fuels and steam purchased under supply contracts. The company has cogenerating assets at a number of its integrated pulp and paper mills. These assets generate green energy, primarily from renewable biomass. It also has a hydroelectric generation and transmission network with seven generating stations totalling 170 MW of capacity. These assets provide most of the electricity needed for its manufacturing operations, with the balance supplied by local utilities.

Policies and due diligence processes

Domtar has adopted policies on ethics, business conduct and fundamental human rights, including its Code of Ethics and Business Conduct, Whistleblower Complaints Policy and Procedures, California Transparency in Supply Chains Act Disclosure and Human Rights Policy. The company's strong corporate governance and oversight of its policies include regular audits and annual senior management reviews. As part of its compliance program, annual online training is provided to its employees on the Code of Ethics and Business Conduct. Domtar's comprehensive compliance program guides its actions and helps ensure the company remains in compliance with applicable laws and regulations in the countries where it operates.

Domtar's relationship with its suppliers is based on fair and legal practices. The company expects its suppliers to obey laws concerning fair treatment of workers, to provide safe and healthy work environments and to act in an environmentally responsible manner. It is committed to ensuring that its supply chain reflects its values and respects human rights. Domtar expects its suppliers to act responsibly, as outlined in its Code of Ethics and Business Conduct. Specifically, Domtar expects its suppliers:

- not to use any form of compulsion, coercion, forced labour or involuntary prison labour, including any human trafficking and slavery;

- not to employ underage employees, as defined by applicable child labour laws;
- to comply with applicable minimum-wage, overtime and maximum-hour laws, as well as other wage and hour regulations; and
- to comply with applicable laws related to an employee's choice to join, or not to join, any legally sanctioned organization or association.

To monitor compliance with its expectations, Domtar periodically assesses a select number of suppliers on the basis of its reasonable judgment of potential risks. Supplier participation in the assessments is mandatory. The company also requires its suppliers to certify that they comply with applicable laws on slavery and human trafficking.

Enterprise risk management (ERM)

Domtar's ERM process helps it identify and manage potential risks that could affect its operations and business objectives. The company evaluates such risks in terms of likelihood and magnitude of impact, determines a response strategy and monitors progress. Its internal audit team leads the annual ERM process by seeking input from senior management on key risks and mitigation plans. This information helps the executive team and the Management Board's Audit Committee understand the major risks facing the company. The identified risks are taken into account in the development of Domtar's annual audit plan. The Audit Committee oversees risk assessment and management, including contingent liabilities and risks that may be material to the company.

Domtar also conducted a double materiality assessment (DMA) in Q4 2024 and Q1 2025, identifying key sustainability-related impacts, risks, and opportunities (IROs) across the value chain through the lens of both impact materiality (how Domtar affects people and the environment) and financial materiality (how sustainability matters affect Domtar). This comprehensive process allowed for the assessment of a wide range of environmental, social, and governance (ESG) topics and ensured that the company's material topics are well defined. While social topics such as worker safety and community impact were identified as material, human rights did not emerge as a significant risk area. Domtar's existing policies, governance frameworks and responsible business practices help mitigate human rights-related risks, reaffirming alignment with ethical and regulatory standards.

2024 supply-chain risk assessment of slavery, child and forced labour, and exposure to human trafficking

In 2024, Domtar undertook a supply-chain risk assessment focusing primarily on its global chemical and industrial fabric suppliers. Energy and fibre were excluded from this initial assessment because they are locally sourced from low-risk regions in Canada and the United States. Additionally, 100% of Domtar's fibre supply is sourced in accordance with the following third-party certification requirements: the Sustainable Forestry Initiative's fibre-sourcing requirements; the Programme for the Endorsement of Forest Certification's chain-of-custody due diligence requirements; or the Forest Stewardship Council's Controlled Wood Standard; and in some cases a combination of all three standards. All the standards require rigorous due diligence, including strict labour practices.

Furthermore, all Domtar's mills and wood product facilities have fibre-tracking systems and are third-party certified according to one or more of the following internationally recognized chain-of-custody standards:

- Sustainable Forestry Initiative® (SFI®);
- Programme for the Endorsement of Forest Certification (PEFC);
- Forest Stewardship Council® (FSC®).

For the risk assessment, Domtar began by gathering data on over 10,000 suppliers from its SAP system. The company then vetted the suppliers using a third-party supply-chain visibility platform called Descartes, which provided more details about each supplier's reputation and any concerns, especially those linked to high-risk countries. It identified an industrial fabric supplier, with global business involvement that warranted further due diligence inquiries. The supplier was sent an online questionnaire about their compliance with Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act. The questions covered child labour, forced labour and human trafficking, and their policies and practices on these matters. The supplier completed the questionnaire and provided supporting documents, including their code of business conduct. Domtar's assessment found no issues or red flags.

In addition to the risk assessment and due diligence that were carried out, Domtar is working on an updated procurement policy that will require new suppliers to comply with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* under their contracts and purchase-order terms and conditions. The Descartes platform will continue to be used to screen potential suppliers for compliance, to assess their risk status through a survey and to have them sign an affidavit confirming they do not use child labour or forced labour.

Domtar's Sustainability Strategy

In May 2025, Domtar released a comprehensive Sustainability Strategy to guide the company's sustainability efforts through 2030. The result of two years of intensive, company-wide work and extensive engagement with internal and external stakeholders, the strategy is built on three pillars, each supported by a guiding principle as defined in Domtar's Sustainability Policy:

- Environmental Stewardship: Steward the planet's resources responsibly by striving to reduce the environmental footprint of operations and by setting actionable objectives that positively impact nature and the environment.
- Our People and Communities: Contribute to the prosperity and quality of life in operating communities through trusted partnerships, thoughtful engagement, and support for the wellbeing and development of employees in a safe and inclusive workplace.
- Responsible Business: Uphold ethical and sustainable business practices and engage with customers, business partners, and stakeholders honestly and transparently.

Under these pillars, the company established 12 objectives, each linked to performance indicators and one or more targets for 2026 and 2030. The Responsible Business pillar includes an objective focused on safeguarding the people in Domtar's value chain by ensuring respect for human rights and labour standards, providing safe working conditions, and prohibiting all forms of abuse, including child and forced labour. The objective includes two targets:

- By 2026, develop a global human rights policy aligned with international standards, including the Universal Declaration of Human Rights.
- By 2030, conduct comprehensive human rights risk assessments across the value chain, ensuring alignment with the global human rights policy and implementing actionable measures to mitigate identified risks.

Forced labour and child labour risks

Domtar's risk assessment and due diligence processes to address potential risks of child and forced labour within its supply chain did not identify any material concerns.

Remediation measures

Domtar's Code of Ethics and Business Conduct, along with its Whistleblower Complaints Policy and hotline, provides a platform for its employees and suppliers to report any ethical, legal or other concerns. The company is committed to addressing and remediating any verified cases of child labour or forced labour within its supply chain. In 2024, no remediation measures were necessary because the risk assessment and due diligence processes did not uncover any material risks of child or forced labour within its supply chain.

Remediation of loss of income

The risk assessment and due diligence on the potential presence of child labour and forced labour within Domtar's supply chain identified no material child or forced labour risks. Accordingly, no remediation actions were required to address income loss from such risks.

Training

In March 2024, Domtar held a mandatory training session on modern slavery for 50 procurement leaders, in English and French. The training covered the global issue of modern slavery, highlighting the risks of forced labour and the warning signs to look for in the forest products sector. It also outlined the current reporting standards and laws, including *Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act* and similar laws in other jurisdictions.

Additionally, Domtar provided ESG training to 280 executives, directors and managers between November 2023 and February 2024. The training included an overview of sustainability best practices for risk management, governance and reporting on high-impact material issues, such as modern slavery and human rights.

Assessing effectiveness

Domtar's risk assessment and due diligence processes give it confidence that the risk of child labour or forced labour within its supply chain is low. The company has a comprehensive compliance program and appropriate policies, which are audited on an annual basis, to prevent and to reduce such risks. It will continue to reassess the effectiveness of these measures, including use of the latest risk management tools enabling procurement professionals to screen suppliers.

From a business management perspective, Domtar is confident that ongoing improvements to its procurement systems (practices, policies, contractual language, training and oversight) are making the systems more robust and better at identifying and mitigating potential illegal supplier practices.

Approval

This report was approved by Domtar's management board at the time of its signature.

Attestation

In accordance with the requirements of the Act, in particular section 11 thereof, I attest that I have reviewed the information contained in the report for Domtar. On the basis of my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Name: John D. Williams

Title: Non-Executive Chair of the Management Board

Date: May 29, 2025

Signature: 

I have the authority to bind Domtar Corporation.

Appendix: List of Domtar's subsidiaries

Domtar Industries LLC
Domtar Funding Limited Liability Company
E.B. Eddy Paper, Inc.
Ariva Distribution Inc.
Domtar A.W. LLC
Domtar Wisconsin Dam Corp.
Domtar Europe Sprl
Domtar AI Inc.
EAM Corporation
Palmetto Enterprises LLC
Domtar Paper Company, LLC
Domtar Delaware Holdings, LLC
West Carrollton Paper LLC
Domtar Delaware Holdings Inc.
Domtar Luxembourg Investments Sarl
Domtar Inc.
13536637 Canada Inc.
Domtar Pulp and Paper General Partnership
Domtar Asia Limited
Domtar Hong Kong Limited
468327 B.C. Ltd.
0606890 B.C. Ltd.
British Columbia Forest Products Limited
Catalyst Pulp and Paper Sales Inc.
Crofton Pulp and Paper Limited
Echelon Paper Corporation
Elk Falls Pulp and Paper Limited
Export Sales Co. Ltd.
NSC Holdings (Philippines) Inc.
Pacifica Poplars Ltd.
Catalyst Pulp Sales Inc.
Catalyst Paper General Partnership
Catalyst Paper Holdings Inc.
Catalyst Paper Recycling Inc.
Catalyst Paper (Snowflake) Inc.
Catalyst Paper (USA) Inc.
Pacifica Papers U.S. Inc.
Pacifica Poplars Inc.
Pacifica Papers Sales Inc.
Domtar Renaissance LLC
New Receiptco Opco LLC
Iconex Holdco Inc.
Iconex Minority Shareholder LLC
Interactive Printing Solutions Mexico I, S.A. de C.V.
Resolute Forest Products Inc.
Donohue Corp.
Resolute US Lumber Inc.
Resolute El Dorado Inc.
Resolute Navcor LLC
Resolute Cross City LLC
Resolute Cross City Timber Management LLC
Resolute Caddo River LLC
Resolute Cross City Real Estate Holdings LLC
Resolute Glenwood LLC

FibreK U.S. Inc.
FibreK Recycling U.S. Inc.
GLPC Residual Management, LLC
AbiBow Recycling LLC
Abitibi Consolidated Sales LLC
Resolute FP Augusta LLC
Resolute Growth US LLC
Resolute FP Florida Inc.
Atlas Tissue Holdings, Inc.
Atlas Paper Mills, LLC
Atlas Paper Management, LLC
Accurate Paper Holdings, LLC
Atlas Southeast Papers, Inc.
Resolute Tissue LLC
Bowater Newsprint South LLC
Resolute FP US Inc.
Bowater Nuway Mid-States Inc.
Resolute FP Sub 1 Inc.
Lake Superior Forest Products Inc.
Calhoun Newsprint Company
Calhoun Note Holdings AT LLC
Calhoun Note Holdings TI LLC
Resolute Hagerstown LLC
Resolute Engineered Wood Sales LLC
Bowater South American Holdings Incorporated
Bowater Canadian Holdings Incorporated
Bowater Canadian Limited
AbitibiBowater Canada Inc.
Resolute FP Canada Inc.
Resolute Engineered Wood Larouche Inc.
Resolute Engineered Wood St-Prime Limited Partnership
9192-8515 Quebec Inc.
Forest Products Mauricie LP
9340939 Canada Inc.
SFK Pulp Finco Inc.
FibreK General Partnership
FibreK International Inc.
15477468 Canada Inc.
Profor Renaissance LP
Profor Renaissance, LLC

Affiliated Companies - (minority interest):

Celluforce Inc.
Clergue Forest Management Inc.
Northshore Forest Inc.
Vermilion Forest Management Co.
Prisma Renewable Composites, Inc.
3436900 Canada Inc.
Société en Commandite Scierie Opitciwan
Tradepak Internacional S.A. de C.V.
Boundary Waters Forest Management Corp
Performance BioFilaments Inc.