



PRESS RELEASE

For immediate release

Howe Sound mill operations indefinitely idled

Port Mellon, BC, August 20, 2026 — Domtar today announced the indefinite idling of its affiliates' operations at both the Howe Sound mill and Bayview Fibre chipping facility in Port Mellon, British Columbia.

The decision will remove approximately 380,000 metric tons of northern bleached softwood kraft (NBSK) pulp from the market annually. The announcement will affect approximately 400 employees.

"Despite capital investment of nearly CAD\$500 million since the mill was purchased in 2010, and the construction of the Bayview Fibre facility, the business cannot overcome reduced demand from Asia, unprecedented and sustained poor pricing for pulp globally, and a decline in affordable domestic fiber," said Luc Thériault, Domtar's President – Canada and CEO, Pulp and Wood Products.

"The business decision to indefinitely idle these facilities is the result of careful consideration and is not a reflection on the employees. The teams at Howe Sound and Bayview Fibre worked tirelessly to improve performance but current market conditions require this step," added Thériault.

"We recognize the hardship this decision will have on the employees of the facilities and the Sunshine Coast community as well as the coastal forest sector. The business will monitor market conditions, domestic fiber availability and the overall business environment, and will evaluate future opportunities if conditions improve," stated Thériault. "In the process of idling the facilities, the primary focus will be on the safety and well-being of the employees."

About Domtar

Domtar is a leading, privately held manufacturer of diversified forest products with locations across North America. The company manufactures pulp, paper, packaging and tissue, as well as lumber and other wood products.

Domtar prides itself on operational excellence, delivering high-quality, cost-effective products to meet and exceed customer needs globally. The company is dedicated

to sustainability and committed to turning responsibly sourced wood fiber into everyday essential products. For more information, visit www.domtar.com.

-30-

Media Contact:

Brenda Martin
Senior Manager, Strategic Communications
Domtar
C: 236-982-0484
E: brenda.martin@domtar.com