

### Introduction

At Paper Excellence Group, we value our relationships with our customers, suppliers, investors, fellow employees and the communities in which we do business. To maintain these relationships, it is imperative that all of our business be conducted with absolute integrity in an atmosphere of respect, candor and good faith. We believe that the way we do our business is as important as the business that we do.

Our Code of Ethics and Business Conduct requires all employees, officers, and directors to observe high standards of business and personal ethics. As employees and representatives of Paper Excellence Group, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

The Policy and Procedures for the Submission of Whistleblower Complaints (“the Policy”) complements our Code of Ethics and Business Conduct and confirms that each one of us has a duty to raise and report our questions, complaints, and concerns relating to potential or suspected breaches of the law, the Code of Ethics and Business Conduct, or any other applicable company policy and/or procedures. Paper Excellence Group is committed to open communication; this policy aims to provide an avenue for employees to raise concerns and to assure them that they will be protected from retaliation.

Should you have any questions about the Policy and Procedures for the Submission of Whistleblower Complaints, please do not hesitate to contact the Vice-President, Compliance at 514-848-6919.

### 1. Policy Statement

This policy provides a means whereby any person (“Reporter”) may report issues and/or concerns in connection with an actual or perceived violation.

In responding to a complaint, Paper Excellence Group will take appropriate action with respect to any individual named in the complaint, taking into account the seriousness of the issue raised, the credibility of the information or allegations in the complaint, and the prospects of an effective investigation.

Paper Excellence Group will not retaliate, or threaten to retaliate, against any Reporter for reporting violations pursuant to this policy, including specifically for any lawful act performed by an employee Reporter in providing information to the U.S. Securities and Exchange Commission (SEC) or any government agency in a manner or as permitted by any relevant law or regulation.

## 2. Nature of Complaints

All Paper Excellence Group employees have a **duty to raise and report concerns**. By reporting concerns, you contribute to strengthening the ethical culture within Paper Excellence Group. Paper Excellence Group has adopted the procedures identified in this Policy to facilitate the submission, on a confidential and anonymous basis, of complaints, reports, and concerns by a Reporter regarding (i) accounting, internal accounting controls, or auditing matters, (ii) actual or potential violations of laws, rules or regulations, and (iii) other suspected wrongdoing, including in connection with the Code of Ethics and Business Conduct.

Complaints regarding accounting, internal accounting controls, or auditing matters include the following:

- any fraud or deliberate error in the preparation, evaluation, review, or audit of financial statements;
- any fraud or deliberate error in the recording or maintenance of financial records;
- any deficiencies in or non-compliance with internal accounting controls;
- any deviation from full and fair reporting of financial condition;
- any override or attempted override of accounting policies or procedures by any level of management; any misrepresentations or false statements to or by a senior officer or accountant regarding a matter contained in financial records, financial reports, or audit reports.

## 3. Protection of Reporters

This Policy and related procedures offer protection from retaliation to Reporters with respect to matters that the Reporter reasonably believes are, or could give rise to, violations (“Complaints”).

No Complaint shall result in any retaliation or threat of retaliation against the Reporter. This means that Paper Excellence Group and its directors, officers, employees, and agents shall not penalize, discharge, demote, suspend, threaten, harass, transfer to an undesirable assignment or location, or otherwise discriminate (collectively, “retaliate” or “retaliation”) against any Reporter for making a Complaint or otherwise calling attention to suspected illegal or unethical acts. In addition, Paper Excellence Group and its directors, officers, employees, and agents shall not retaliate, or threaten to retaliate, against any employee as a result of lawful acts performed by the employee in providing information to the U.S. Securities and Exchange Commission (SEC) or any government agency or regulator in a manner or as permitted by any relevant law or regulation.

Any act of retaliation shall itself be treated by Paper Excellence Group as a violation of this Policy and could result in disciplinary action up to and including discharge. This protection extends to anyone providing information in relation to an investigation, including an internal investigation.

Paper Excellence Group and its directors, officers, employees and agents also shall not take any action to impede or interfere with any Reporter's ability to communicate directly with the SEC or any other government agency or regulator in connection with any Complaint or other allegation of a violation. Any such act of interference shall also be treated by Paper Excellence Group as a violation of this Policy and could result in disciplinary action up to and including discharge.

#### 4. Confidentiality

Paper Excellence Group will make reasonable efforts to treat all Complaints by Reporters as confidential and privileged to the fullest extent permitted by law. A Complaint may be made anonymously as provided in Section 5 below, however, please keep in mind that anonymity may hinder Paper Excellence Group from being able to thoroughly review and resolve the allegations in the Complaint.

#### 5. How to Make a Complaint?

Any Complaint under this policy must be submitted through one of the following confidential means of communication:

- Vice-President, Compliance:
  - in person or by telephone to 514-848-6919
  - by mail: Domtar Corporation  
395 de Maisonneuve Blvd. West  
Montreal, Quebec H3A 1L6, Canada  
Attention: Vice-President, Compliance (Strictly Confidential)
- Ethicspoint hotline:
  - Online at <http://www.paperexcellencegroup.ethicspoint.com>
  - by telephone at the following toll-free number: 1-866-323-3653 *(Please note there is no caller identification on this telephone number)*
- by e-mail: [whistleblower@domtar.com](mailto:whistleblower@domtar.com)

Please note that when submitting information through the hotline, Paper Excellence Group's external service provider, NAVEX, will process such information (including personal data) pursuant to NAVEX's terms and conditions.

Any Complaint should provide sufficient, precise, and relevant information, including, but not limited to, a description of the issue, dates, places, individuals involved and/or witnesses so that a reasonable investigation can be conducted. If the Reporter wishes to discuss any such matter with the Vice-President, Compliance, they should indicate this in the submission or message and include a telephone number at which they might be contacted if the Vice-President, Compliance deems it appropriate. When possible, the Vice-President, Compliance shall acknowledge receipt of the complaint to the sender.

## 6. Investigation

Upon receiving a Complaint, the Vice-President, Compliance, or their delegate, shall promptly register it in a log of complaints and open a file, which shall be maintained in a secure location to protect the confidentiality of the Reporter.

If the Vice-President, Compliance determines that the Complaint is covered under this Policy, they shall then initiate an investigation. In conducting the investigation, the Vice-President, Compliance may enlist internal or external legal, accounting, human resources, or other advisors, as appropriate. The Vice-President, Compliance shall have access, during an investigation, to all books and records of Paper Excellence Group, always subject to applicable local laws. Paper Excellence Group directors, officers, employees, and agents are expected to fully co-operate in the investigation. In conducting any investigation, the Vice-President, Compliance shall use reasonable efforts to protect the confidentiality of the Reporter to the fullest extent permitted by law.

Investigations will be conducted as quickly as possible, taking into account the nature and complexity of the complaint and the issues raised therein. To the extent possible, the following timeline will be followed to ensure timely investigation of complaints:

- Receipt of Complaints will be acknowledged within 7 days of receipt\*
- To the extent possible, investigations will be completed within 90 days of receipt of Complaint

*\* The acknowledgement of receipt is dependent upon having an available channel of communication with the Reporter (either through <http://www.paperexcellencegroup.ethicspoint.com> or via e-mail, mail or phone)*

The Vice-President, Compliance shall retain as a part of the records any and all Complaints, reports or concerns, and related documentation for a period of no less than seven (7) years from the moment the claim is resolved, and file closed, always subject to applicable local laws.

## 7. Reporting

Each quarter, the Vice-President, Compliance shall report to the appropriate governing body of Paper Excellence Group and to the external auditors, in the aggregate, the number, the nature, and the outcome of Complaints received and investigated under this policy. Additionally, the Vice-President, Compliance shall promptly report to the appropriate governing body of Paper Excellence Group, any Complaint that may have material consequences or that otherwise alleges a violation by a member of the Paper Excellence Group's senior management.