

Weyerhaeuser Shareholder Engagement

ESG Update

December 2019



BUSINESS HIGHLIGHTS

Weyerhaeuser Investment Thesis

Portfolio

PREMIER
TIMBER, LAND &
WOOD PRODUCTS
ASSETS

NEARLY
12
MILLION
ACRES

35
MANUFACTURING
FACILITIES

Performance

NEARLY
\$550 MILLION
of sustainable
**OPERATIONAL
EXCELLENCE**
improvements
SINCE 2014

Capital Allocation

RETURNED
\$8 BILLION
TO SHAREHOLDERS
SINCE 2014

\$5
BILLION
DIVIDENDS

\$3
BILLION
SHARE
REPURCHASE



SUSTAINABILITY @ WEYERHAEUSER

Integrating ESG Into Everything We Do



Our vision demonstrates our strong ESG commitment

Our board of directors is actively engaged in ESG oversight

All our employees are engaged in ESG initiatives, which are included on business roadmaps and in performance & bonus plans

SUSTAINABILITY IS A CORE VALUE AT WEYERHAEUSER

SUSTAINABILITY @ WEYERHAEUSER

We Have A Solid ESG Foundation | We Continuously Drive Improvement



ENVIRONMENTAL STEWARDSHIP



Sustainable Forest
Management
Environmental Impact
Carbon Footprint



SOCIAL RESPONSIBILITY



Safety & Human Capital
Workplace Culture
Community Investment
& Engagement



CORPORATE GOVERNANCE



Governance Practices
Board Composition
Executive Compensation
Ethics & Integrity

SUSTAINABILITY IS A CORE VALUE AT WEYERHAEUSER





CORPORATE GOVERNANCE



CORPORATE GOVERNANCE: Aligned with Best Practices



Board Practices

- ✓ Board/Chair Separation
- ✓ Lead Independent Director
- ✓ Annual Elections
- ✓ Mandatory Retirement Age
- ✓ Limits on Outside Board Service
- ✓ Annual Board and Committee Evaluations



Shareholder Matters

- ✓ Robust Shareholder Engagement
- ✓ Proxy Access for Shareholders
- ✓ Majority Voting for Director Elections
- ✓ Annual Say-on-Pay Voting
- ✓ Shareholder Right to Call Special Meetings



Other Practices

- ✓ Rigorous Share Ownership Requirements
- ✓ Clawback & Hedging Policies
- ✓ Comprehensive Risk Oversight
- ✓ Sound Executive Compensation Practices
- ✓ Commitment to Full and Transparent Disclosure



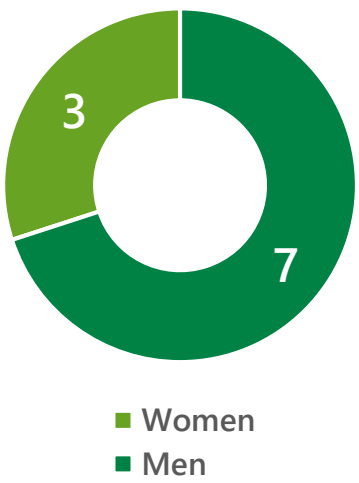


CORPORATE GOVERNANCE: Board Composition

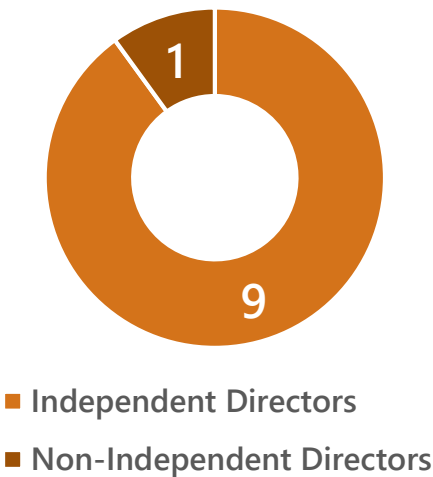
Key Board Demographics

- ✓ 9 of 10 directors are independent
- ✓ 30% of directors are women
- ✓ 2 of 3 committees chaired by women
- ✓ 5 new directors since 2015
- ✓ Average tenure of 8 years
- ✓ 99% director attendance in 2019
- ✓ Board focuses on gender and ethnic diversity in recruitment and nomination process

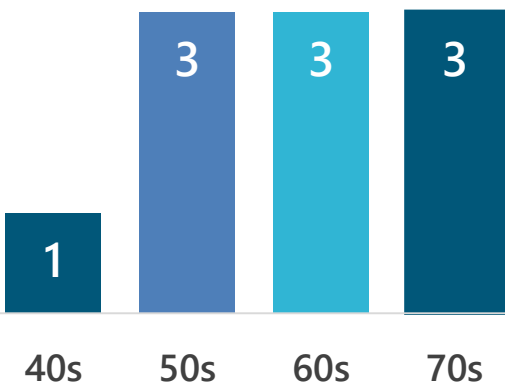
GENDER DIVERSITY



INDEPENDENCE



AGE DISTRIBUTION





CORPORATE GOVERNANCE: Executive Compensation

Executive Compensation Objectives

Competitive Pay to Attract and Retain Talent

- ✓ Benchmark against peers
- ✓ Target compensation in median range of market pay

Pay for Performance

- ✓ CEO compensation is 60% performance based
- ✓ Rigorous goals align with business strategy & include ESG metrics
- ✓ Proven willingness to exercise negative discretion

Shareholder Alignment

- ✓ 76% of CEO compensation is equity based
- ✓ Performance Share Units tied to 3-year TSR
- ✓ Stock ownership guidelines for CEO and SVPs

Mitigate Undue Risk

- ✓ Clawback & hedging policies
- ✓ No tax gross-ups
- ✓ No executive perquisites (other than limited relocation)

CEO
COMPENSATION IS
60%
PERFORMANCE
BASED

CEO
COMPENSATION IS
76%
EQUITY
BASED





CORPORATE GOVERNANCE: Ethics & Transparency

WE ARE
TRANSPARENT
ABOUT OUR
POLITICAL ACTIVITIES
AND WE DISCLOSE OUR
DONATIONS
ANNUALLY

We are
consistently named
ONE OF THE
WORLD'S
MOST ETHICAL
COMPANIES
by
ETHISPHERE

WE PUBLISH A
COMPREHENSIVE
SUSTAINABILITY
REPORT
AND WE
REPORT ESG DATA
TO A NUMBER OF
3RD PARTY
SERVICES

Integrity is a core value at Weyerhaeuser





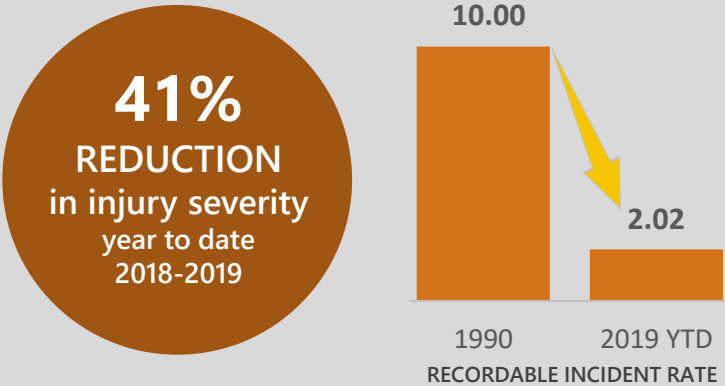
SOCIAL RESPONSIBILITY



SOCIAL RESPONSIBILITY: Human Capital Management

SAFETY

- Industry-leading results
- Caring leadership
- Engaged employees
- Focused on reducing risks and hazards
- Significant and sustained reduction in recordable incidents



Our goal is to create an injury-free workplace.

PEOPLE DEVELOPMENT

- Robust succession planning
- Three formal leadership programs
- Individual development plans
- 3rd-party review of pay equity practices
- Transparent hiring & promotion
- Competitive pay & benefits



Our goal is to be a magnet for diverse top talent.

WORKPLACE CULTURE

- Unwavering core values
- Focused on inclusion
- “No tolerance” anti-discrimination and anti-harassment policies
- Unconscious bias training
- Regular employee surveys



Our goal is to be an inclusive, rewarding place to work.





SOCIAL RESPONSIBILITY: Community Investment & Engagement



We are deeply connected to the communities where we operate





ENVIRONMENTAL STEWARDSHIP





ENVIRONMENTAL STEWARDSHIP: 120 Years of Leadership

100%
OF OUR TIMBERLANDS
ARE CERTIFIED



ON AVERAGE
WE HARVEST

ONLY 2%
OF OUR
TIMBERLANDS
EACH YEAR

ON AVERAGE
WE PLANT

150
MILLION
SEEDLINGS
EVERY YEAR

100%

OF OUR
TIMBERLANDS ARE
REFORESTED
AFTER HARVEST

1900

Company founded by
Frederick Weyerhaeuser

1930

Led the industry to develop
sustainable practices

1941

Established first tree
farm in the U.S.

1942

Established first forest
research facility in U.S.

2000

Achieved 100%
certification to SFI

2005

First listing on Dow Jones
Sustainability Index



WE PROTECT **WATERWAYS** AND **WILDLIFE HABITAT**

Our forests are
healthy and rich
with biodiversity

We leave
tree buffers
along
waterways



We participate in 13
habitat protection plans
across North America

OUR GROWING FORESTS

ABSORB CO₂

FROM THE ATMOSPHERE

OUR WOOD PRODUCTS

STORE CARBON

FOR THE LIFE OF THE PRODUCT

WE PLANT MORE TREES TO

REGROW THE FOREST

AND THEY IMMEDIATELY BEGIN ABSORBING MORE CO₂

Sustainable forestry allows a continuous cycle of CO₂ absorption and carbon storage that is net positive for the environment, even considering the greenhouse emissions required for the harvest, manufacture and transportation of wood products





ENVIRONMENTAL STEWARDSHIP: Manufacturing Excellence

ON AVERAGE
WE USE

95%
OF EVERY
LOG

WE MEET NEARLY

70%
OF OUR OWN
ENERGY NEEDS
USING RENEWABLE
BIOMASS

OUR
WOOD PRODUCTS
store the equivalent of

9 MILLION
METRIC TONS OF
CARBON DIOXIDE
EVERY YEAR

WE REDUCED
OUR GREENHOUSE GAS
EMISSIONS BY

>50%
SINCE 2000

98%

OF OUR WASTE IS
**REUSED OR
RECYCLED**

We have set aggressive targets to reduce our environmental footprint



WOOD IS THE ULTIMATE GREEN-BUILDING MATERIAL

1

IT STORES CARBON



2

IT'S ENDLESSLY RENEWABLE



3

IT REQUIRES FEWER GHG EMISSIONS



A wood-framed home results in lower embodied greenhouse gas emissions than steel or concrete





POSITIVE IMPACT



WHY OUR FORESTS & FACILITIES MATTER

Demonstrating Our Positive Impact



CLIMATE



Our working forests contribute to climate change solutions



HOMES



Our sustainable wood products help provide homes for everyone



COMMUNITY



We help make rural communities thriving places to work and live

We set annual goals to drive positive impact in these areas





ENVIRONMENT, SOCIAL & GOVERNANCE: External Recognition

LISTINGS ON ESG INDICES

WE ARE THE ONLY

North American forestry or wood products company on the

MEMBER OF

Dow Jones Sustainability Indices



In collaboration with a RobecoSAM brand



STOXX INNOVATIVE. GLOBAL. INDICES.

ESG RATINGS AND RANKINGS

WE ARE IN THE TOP 50 OF THE 100 BEST CORPORATE CITIZENS
according to Corporate Responsibility Magazine



ETHISPHERE named us one of the **World's Most Ethical Companies®**



We have a **"WINNING"** rating from 2020 Women on Boards





APPENDIX



ALIGNMENT WITH INVESTOR STEWARDSHIP GROUP PRINCIPLES

ISG Principle	WY Governance Practice
Principle 1: Boards are accountable to shareholders.	<ul style="list-style-type: none"> • All directors stand for election annually • Proxy access with market terms • Majority voting standard in uncontested director elections • Directors not receiving majority support must tender resignation for consideration • No poison pill; Board-adopted policy requires shareholder approval prior to adoption unless approved by majority of independent directors • Robust disclosure of our corporate governance practices
Principle 2: Shareholders should be entitled to voting rights in proportion to their economic interest.	<ul style="list-style-type: none"> • Single class of voting shares • One share, one vote standard
Principle 3: Boards should be responsive to shareholders and be proactive in order to understand their perspectives.	<ul style="list-style-type: none"> • Directors attend our annual meeting, providing an opportunity for shareholder engagement • Board considers annual voting results and ongoing investor engagement feedback in setting company policies and strategy • Directors engage with major shareholders as appropriate as a part of our ongoing outreach programs
Principle 4: Boards should have a strong, independent leadership structure.	<ul style="list-style-type: none"> • Independent Chair of the Board, with clearly defined responsibilities • Strong Lead Independent Director, with clearly defined responsibilities • Board considers appropriateness of its leadership structure at least annually • Proxy statement discloses why Board believes current leadership structure is appropriate
Principle 5: Boards should adopt structures and practices that enhance their effectiveness.	<ul style="list-style-type: none"> • Board composition reflects broad range of relevant perspectives, skills and knowledge • 90% of Board members are independent; each key committee is fully independent • Active director refreshment with 5 new board members since 2015 • Mandatory retirement age (72) • Directors attended 99% of total Board and committee meetings in 2019 • All directors attended our 2019 annual meeting • Limits on outside board service • Policy provides Board may retain independent outside advisors in its discretion • Annual Board and committee evaluation process
Principle 6: Boards should develop management incentive structures that are aligned with the long-term strategy of the company.	<ul style="list-style-type: none"> • Compensation Committee annually reviews and approves incentive program design for alignment with business strategies • Compensation program structure includes combination of short- and long-term performance goals • Clear and robust disclosure regarding compensation program philosophy, objectives and design

