

Weyerhaeuser

Raymond James 42nd Annual Institutional Investors Conference

DEVIN STOCKFISH | President & CEO

March 1, 2021

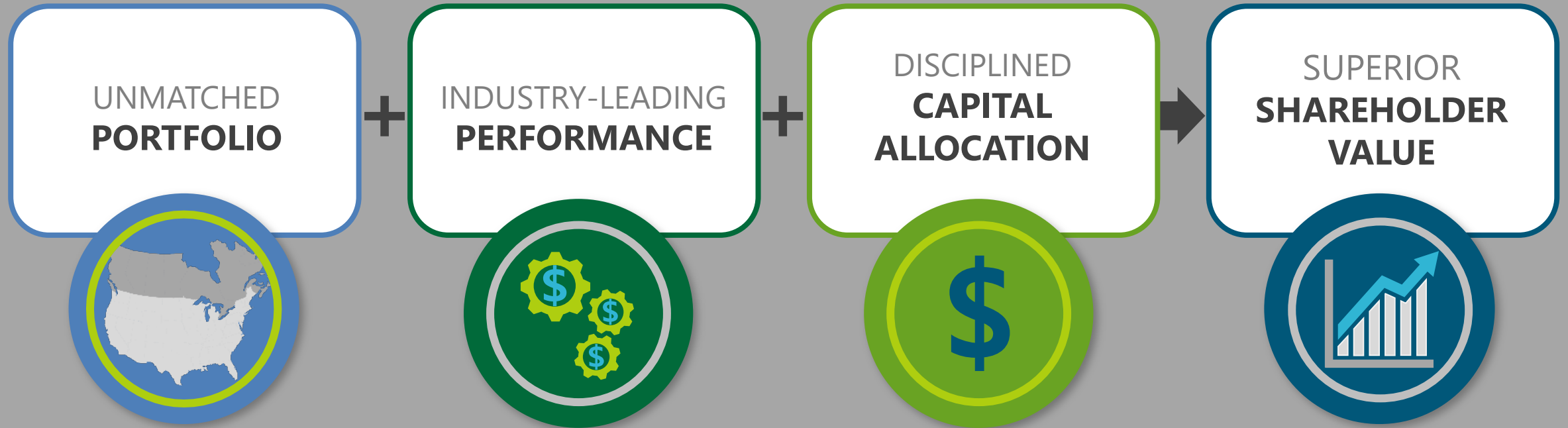


FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

This presentation contains statements and depictions that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including, without limitation, with respect to: future goals and prospects; business strategies; factors affecting market supply of lumber; key initiatives; levels of demand and market drivers for our products, including expected growth in U.S. housing demand and repair and remodel activity, as well as expected Western housing starts; market dynamics; HBU acres and our 2021 Adjusted EBITDA outlook and buyer demand for our Real Estate and Energy and Natural Resources business; our new cash dividend framework, base dividend sustainability, payment of supplemental cash dividends and return of cash as a percentage of Adjusted Funds Available for Distribution (Adjusted FAD); capital structure, credit ratings, future debt maturities and use of revolving line of credit; our outlook for 2021 capital expenditures across the company; plans to upgrade and maximize the value of our timberland portfolio; our ambitions set forth in "3 by 30" sustainability goals; and 2021 operational excellence targets. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and may be identified by our use of certain words in such statements, including without limitation words such as "anticipate," "believe," "committed," "continue," "continued," "could," "forecast," "growing," "estimate," "outlook," "goal," "will," "plan," "expect," "sustainable," "maintain," "target," "would" and similar words and terms and phrases using such terms and words. Depictions or illustrations that constitute forward-looking statements may be identified by graphs, charts or other illustrations indicating expected or predicted occurrences of events, trends, conditions, performance or achievements at a future date or during future time periods. We may refer to assumptions, goals or targets, or we may reference expected performance through, or events to occur by or at, a future date, and such references may also constitute forward-looking statements. Forward-looking statements are based on our current expectations and assumptions. The realization of our expectations and the accuracy of our assumptions are subject to a number of risks and uncertainties that are difficult to predict and often are beyond the company's control. These and other factors could cause one or more of our expectations to be unmet, one or more of our assumptions to be materially inaccurate or actual results to differ materially from those expressed or implied in our forward-looking statements, or all of the foregoing. Such uncertainties and other factors include, without limitation: the effect of general economic conditions, including employment rates, interest rate levels, housing starts, general availability of financing for home mortgages and the relative strength of the U.S. dollar; the effects of COVID-19 and other viral or disease outbreaks and their potential impacts on our business, results of operations, cash flows, financial condition and future prospects; market demand for the company's products, including market demand for our timberland properties with higher and better uses, which is related to, among other factors, the strength of the various U.S. business segments and U.S. and international economic conditions; changes in currency exchange rates, particularly the relative value of the U.S. dollar to the Japanese yen, the Chinese yuan, and the Canadian dollar, and the relative value of the euro to the yen; restrictions on international trade and tariffs imposed on imports or exports; the availability and cost of shipping and transportation; economic activity in Asia, especially Japan and China; performance of our manufacturing operations, including maintenance and capital requirements; potential disruptions in our manufacturing operations; the level of competition from domestic and foreign producers; our operational excellence initiatives; the successful and timely execution and integration of our strategic acquisitions, including our ability to realize expected benefits and synergies, and the successful and timely execution of our strategic divestitures, each of which is subject to a number of risks and conditions beyond our control including, but not limited to, timing and required regulatory approvals or the occurrence of any event, change or other circumstances that could give rise to a termination of any acquisition or divestiture transaction under the terms of the governing transaction agreements; raw material availability and prices; the effect of weather; changes in global or regional climate conditions and governmental response to such changes; the risk of loss from fires, floods, windstorms, hurricanes, pest infestation and other natural disasters, including the 2020 fire outbreaks in the Pacific Northwest; energy prices; transportation and labor availability and costs; federal tax policies; the effect of forestry, land use, environmental and other governmental regulations; legal proceedings; performance of pension fund investments and related derivatives; the effect of timing of employee retirements and changes in the market price of our common stock on charges for share-based compensation; the accuracy of our estimates of costs and expenses related to contingent liabilities and charges related to casualty losses; changes in accounting principles; and other risks and uncertainties identified in our 2020 Annual Report on Form 10-K, as well as those set forth from time to time in our other public statements, reports, registration statements, prospectuses, information statements and other filings with the SEC. It is not possible to predict or identify all risks and uncertainties that might affect the accuracy of our forward-looking statements and, consequently, our descriptions of such risks and uncertainties should not be considered exhaustive. There is no guarantee that any of the events anticipated by these forward-looking statements will occur, and if any of the events do occur, there is no guarantee what effect they will have on the company's business, results of operations, cash flows, financial condition and future prospects. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update or revise any forward-looking statements. Nothing on our website is intended to be included or incorporated by reference into, or made a part of, this presentation. Also included in this presentation are certain non-GAAP financial measures, which management believes complement the financial information presented in accordance with U.S. GAAP. Management believes such non-GAAP measures may be useful to investors. Our non-GAAP financial measures may not be comparable to similarly named or captioned non-GAAP financial measures of other companies. A reconciliation of each presented non-GAAP measure to its most directly comparable GAAP measure is provided in the appendices to this presentation.



WEYERHAEUSER INVESTMENT THESIS



Strong ESG Foundation | Our Forests and Wood Products are Natural Climate Solutions

POSITIONED FOR SUPERIOR LONG-TERM VALUE CREATION

DELIVERING RECORD OPERATING PERFORMANCE

Highest Adjusted EBITDA in 15 years
Delivered \$100 million of OpX



STRENGTHENED BALANCE SHEET

Reduced debt by \$900 million
Achieved target leverage ratio



IMPLEMENTED NEW DIVIDEND FRAMEWORK

Returning significant and appropriate
levels of cash to shareholders



ENHANCING ESG LEADERSHIP

Launched new "3 By 30" initiatives
Enhancing safety, diversity and inclusion



EXPANDED LEADERSHIP TALENT

Added Chief Development Officer role
Newly appointed CFO



CAPITALIZING ON MARKET OPPORTUNITIES

Growing demand for wood-based
construction and natural climate solutions



STRONG HOUSING SECTOR FUNDAMENTALS

Best U.S. Housing Backdrop in a Decade

- ✓ Renewed preference for larger, single-family homes
- ✓ Ongoing work-from-home flexibility enables migration to affordable locations
- ✓ Demographic trends support growing Millennial homeownership
- ✓ Mortgage rates near record lows
- ✓ Very limited existing re-sale inventory
- ✓ Aging housing stock
- ✓ Rising home equity



Weyerhaeuser is uniquely positioned to capitalize on U.S. housing strength and create value for shareholders



UNMATCHED PORTFOLIO

Our Quality, Diversity and Scale Cannot Be Replicated



WHO WE ARE

A Tax-Efficient Timber REIT with Three Industry-Leading Businesses



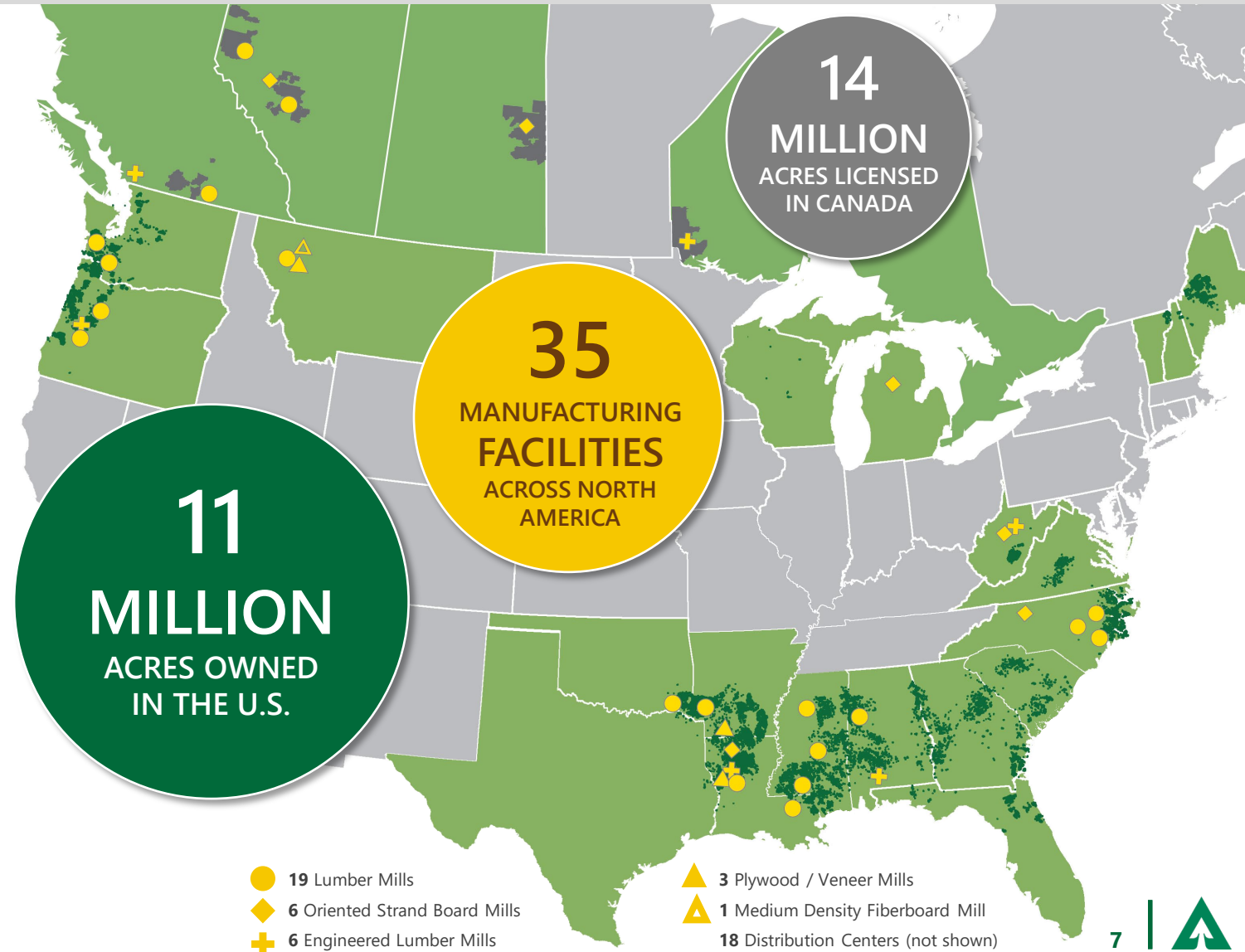
TIMBERLANDS
We are the largest private timberland owner in North America



REAL ESTATE, ENERGY & NATURAL RESOURCES
We deliver the most value from every acre



WOOD PRODUCTS
We are a scale, low-cost wood products manufacturer



Approximate total acres as of December 31, 2020.

WHAT WE DO

Create and Capture Superior Value at Every Step



Proprietary seedlings yield superior growth, wood quality and survival characteristics



Customized planting deploys the best genetic material for each acre on our land base



Targeted silviculture generates superior volume and value in each geography



Healthy forests are diverse, productive, and grown sustainably to financial maturity



Premium land sales capture every acre's highest value



Steady royalty and lease income maximizes the value of surface and subsurface assets



Diverse customer mix that fully values our quality, scale, reliability and sustainable practices



Low-cost producer to ensure top margin for lumber, panels and engineered wood



Optimal raw materials are cost effectively sourced internally and externally to maximize mill margins



Delivered log model captures maximum value from each tree using data-driven optimization



Superior efficiency and logistics capabilities for low-cost and reliable operations



HOW WE DO IT

Our Sustainability Strategy



WEYERHAEUSER SUSTAINABILITY AMBITIONS



Working to Solve
3 BIG CHALLENGES BY 2030

CLIMATE



HOMES



COMMUNITIES



Sustainability Is a Core Value

For more information, see our full [ESG Presentation](#), view our [alignment with key ESG frameworks](#), and visit www.wy.com/sustainability.

STRONG ESG FOUNDATION

Environmental Stewardship



TIMBERLANDS

WE PLANT ABOUT

150
MILLION
TREES

EVERY YEAR



WE HARVEST

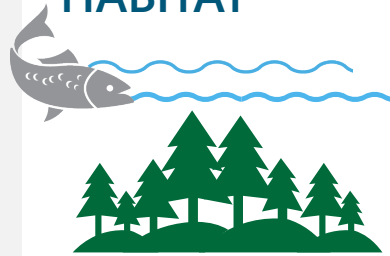
ONLY 2%

of our forests each year



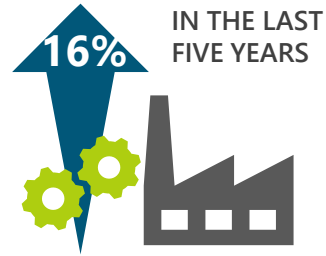
WE LEAVE

TREE BUFFERS
ALONG WATERWAYS TO
**PROTECT AQUATIC
HABITAT**



OUR MILLS HAVE

**IMPROVED
ENERGY
EFFICIENCY**



IN THE LAST
FIVE YEARS

WE STORE

the equivalent of

**9 MILLION
METRIC TONS**

of CO₂

IN OUR

**WOOD PRODUCTS
EVERY YEAR**

That's like taking
**2 MILLION
CARS**
OFF THE ROAD
every year!



WE REDUCED OUR
**GREENHOUSE GAS
EMISSIONS**

BY MORE THAN



SINCE 2000

WE MEET ABOUT

70%
OF OUR OWN
ENERGY NEEDS

USING
**RENEWABLE
BIOMASS**



100%

OF OUR

**TIMBERLANDS
& WOOD FIBER
PROCUREMENT
IS CERTIFIED**

TO THE



**SUSTAINABLE
FORESTRY
INITIATIVE**

SFI-00008

100%

OF OUR

**TIMBERLANDS
ARE REFORESTED**

AFTER HARVEST



WE PARTICIPATE IN

**11
HABITAT
CONSERVATION
PLANS**

IN NORTH AMERICA



ON AVERAGE
WE USE

95%

OF EVERY
LOG



STRONG ESG FOUNDATION

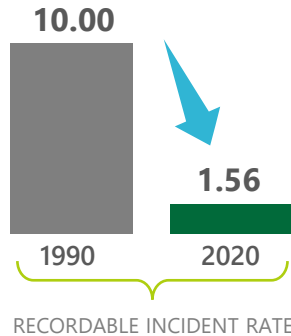
Social Responsibility and Corporate Governance



SAFETY

WE DRIVE SIGNIFICANT SAFETY IMPROVEMENT

WE ARE AN **INDUSTRY LEADER IN SAFETY**



HUMAN CAPITAL MANAGEMENT

90% OF JOB OFFERS EXTENDED WERE **ACCEPTED** IN 2020



GOVERNANCE

ETHISPHERE NAMED BY ONE OF THE **WORLD'S MOST ETHICAL COMPANIES®**



OUR **GOVERNANCE PRACTICES** ALIGN WITH **INVESTOR STEWARDSHIP GROUP PRINCIPLES**

WE **REDUCED** SERIOUS EMPLOYEE INJURIES **BY 60%** IN 2020



94% OF ALL SALARIED EMPLOYEES HAVE AN **INDIVIDUAL DEVELOPMENT PLAN**

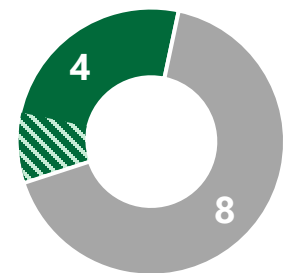


1,600+ LEADERS & EMPLOYEES HAVE COMPLETED **UNCONSCIOUS BIAS TRAINING**

WE'VE APPOINTED **7 NEW DIRECTORS** TO OUR BOARD SINCE 2015



BOARD DIVERSITY



■ Women ■ Men ■ Racially Diverse



TIMBERLANDS



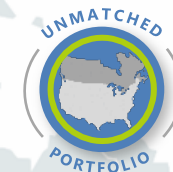
**SUPERIOR
HOLDINGS
CREATE VALUE
TODAY AND
TOMORROW**

- ✓ Unrivaled portfolio that cannot be replicated
- ✓ Diversified holdings at scale
- ✓ Unmatched timber-growing expertise
- ✓ Superior supply chain
- ✓ Enduring value across market cycles
- ✓ Enhancing portfolio over time



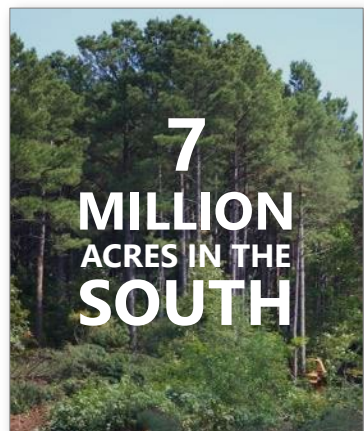
OUR TIMBERLANDS PORTFOLIO

Unmatched Quality, Scale and Diversification



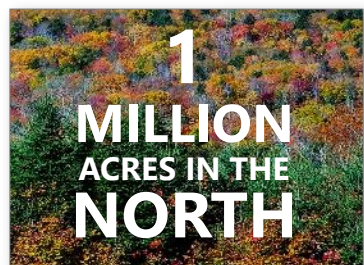
High value Douglas fir

- Premium land west of the Cascade mountains
- Sawlogs are approximately 90% of harvest
- Unique Japan export presence



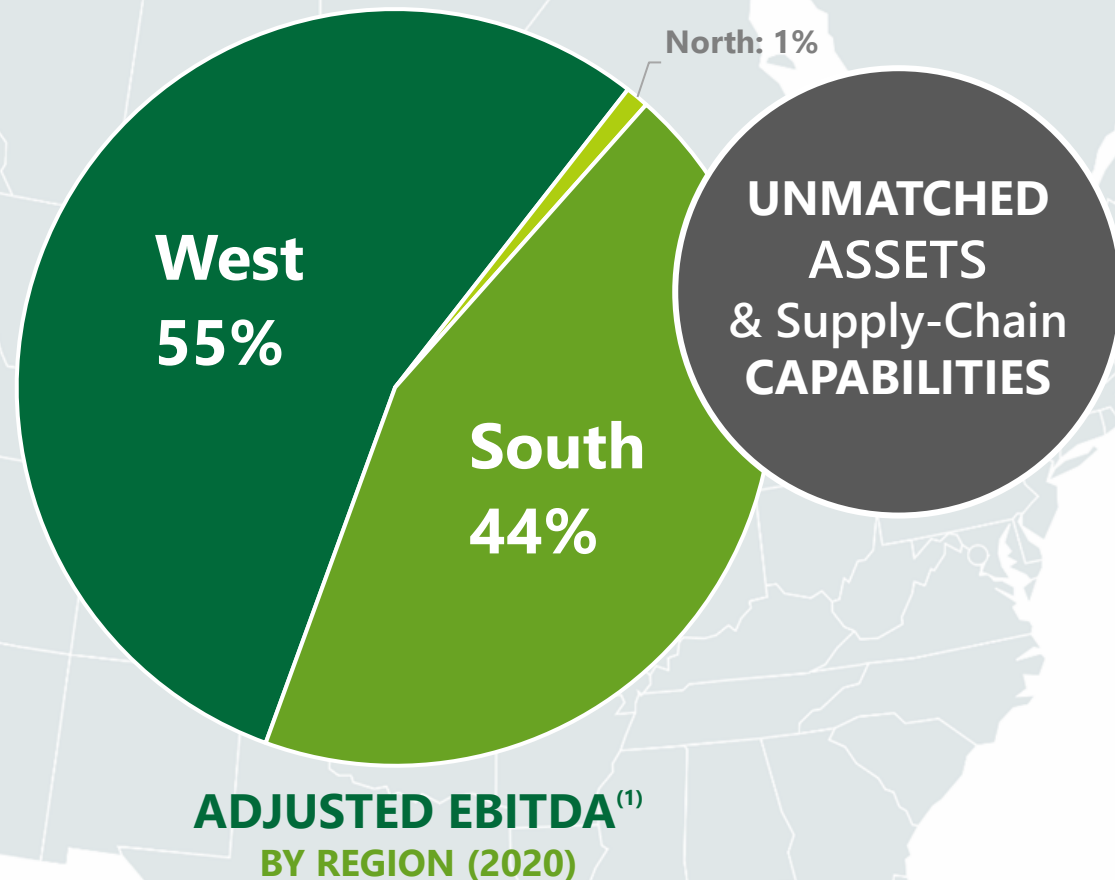
Premium Southern yellow pine

- Superior quality pine plantation
- Balanced mix of grade and fiber logs
- Scale operations in every major region



Diverse hardwoods and softwoods

- Premium hardwood sawlogs
- Maximizing value with over 50 product grades



(1) See appendix for reconciliation to GAAP amounts and definition of Adjusted EBITDA. Other is excluded. Approximate total acres as of December 31, 2020.



TIMBERLANDS CUSTOMERS

Capture Full Value Through a Diverse Customer Mix



TIMBERLANDS REVENUE BY END MARKET (2020)



**THIRD-PARTY
DOMESTIC CUSTOMERS**



**WEYERHAEUSER
MILLS**

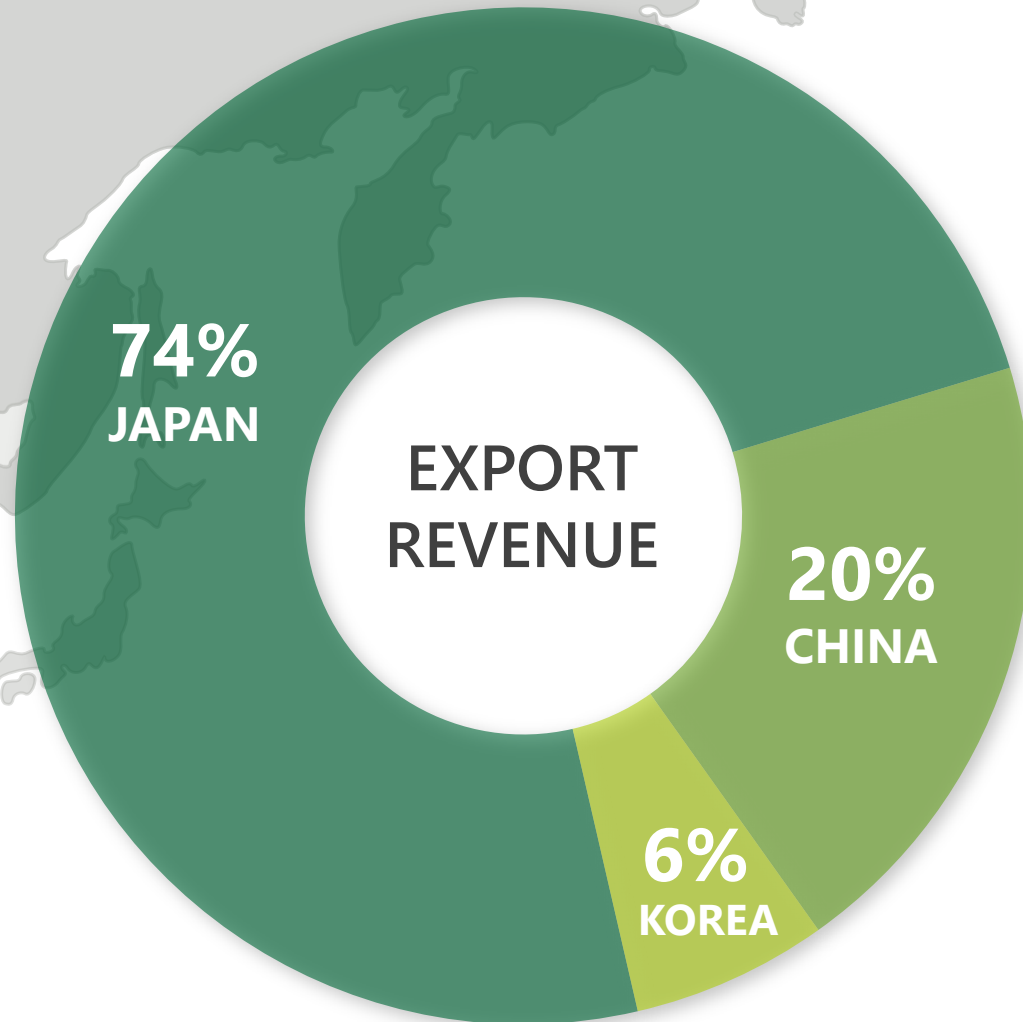


**EXPORT
CUSTOMERS**

We flex supply to meet dynamic customer demands and capture market opportunities

TIMBERLANDS EXPORT MARKETS

Unrivaled Market Position and Supply Chain Expertise



UNIQUE JAPAN BUSINESS

- Multi-decade relationships supplying steady post & beam housing market
- Western timberlands ownership provides premium logs at unrivaled scale
- Largest log export facility in North America creates substantial supply chain advantage and efficiencies

OTHER EXPORT MARKETS

- Direct-to-customer strategy facilitates consistent demand
- Flexibility to quickly respond to shifts in global wood demand
- Future growth opportunities

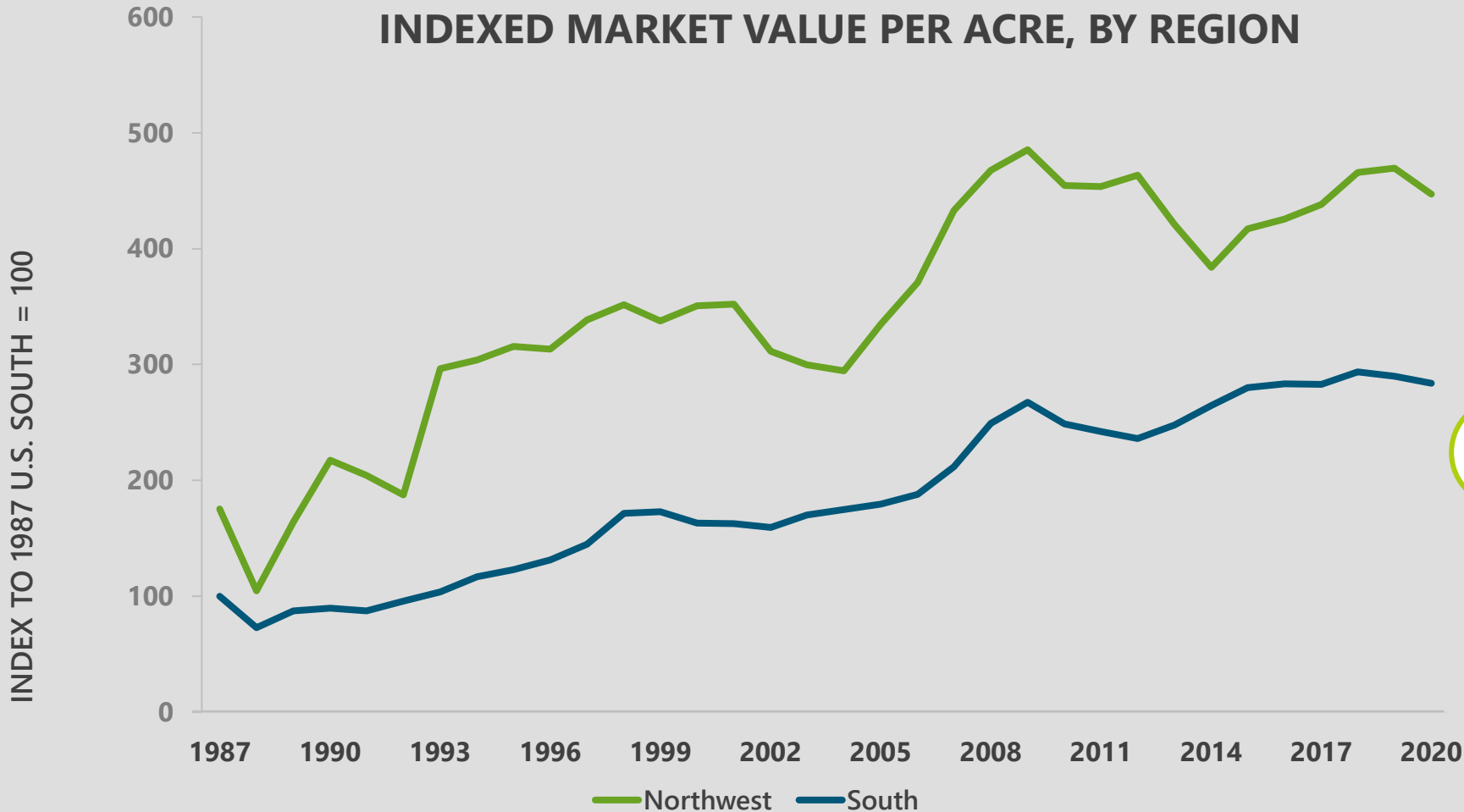


TIMBERLANDS

Enduring Value Across Market Cycles



NCREIF TIMBERLAND INDEX INDEXED MARKET VALUE PER ACRE, BY REGION



✓ **Perpetually Growing Asset**

✓ **Low Correlation With Other Asset Classes**

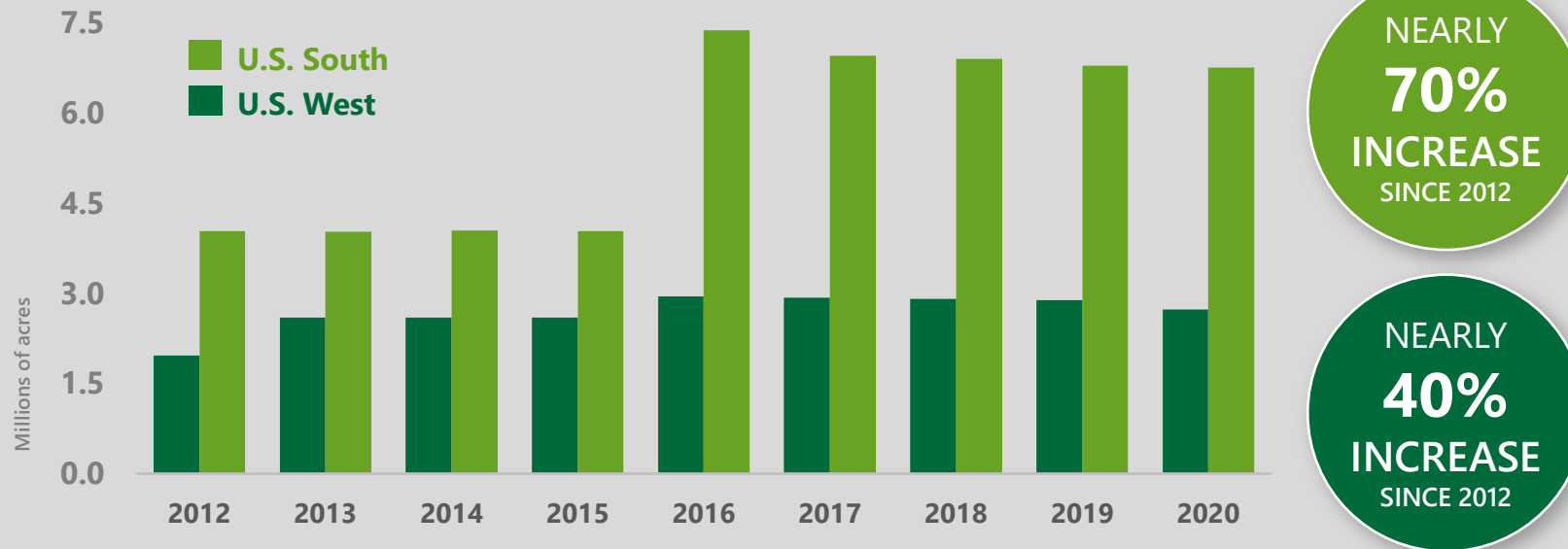
Source: National Council of Real Estate Investment Fiduciaries (NCREIF) Timberland Index. Changes in index composition may affect average market values (e.g. NCREIF Northwest expanded to include Idaho in 2013).

TIMBERLANDS PORTFOLIO MANAGEMENT

Disciplined and Opportunistic



ENHANCING AND OPTIMIZING TIMBERLAND HOLDINGS



- ✓ Continue to strategically optimize and upgrade portfolio
- ✓ Strong deal sourcing, diligence and execution expertise
- ✓ Maximize portfolio value and returns

\$1.6 BILLION OF PROCEEDS⁽¹⁾
FROM STRATEGIC DIVESTITURES SINCE 2017

(1) Divestitures include Montana (2020), Michigan (2019), Uruguay (2017) and Twin Creeks (2017). Twin Creeks proceeds include sale of acres to and redemption of interest in the joint venture.

REAL ESTATE, ENERGY & NATURAL RESOURCES



**MAXIMIZE
THE VALUE OF
EVERY ACRE
WE OWN**

- ✓ Continually evaluate every acre
- ✓ Deliver a significant premium to timber value
- ✓ Capture the full value of surface and subsurface assets
- ✓ Focus on emerging natural climate solutions
- ✓ Generate consistent and reliable cash flow

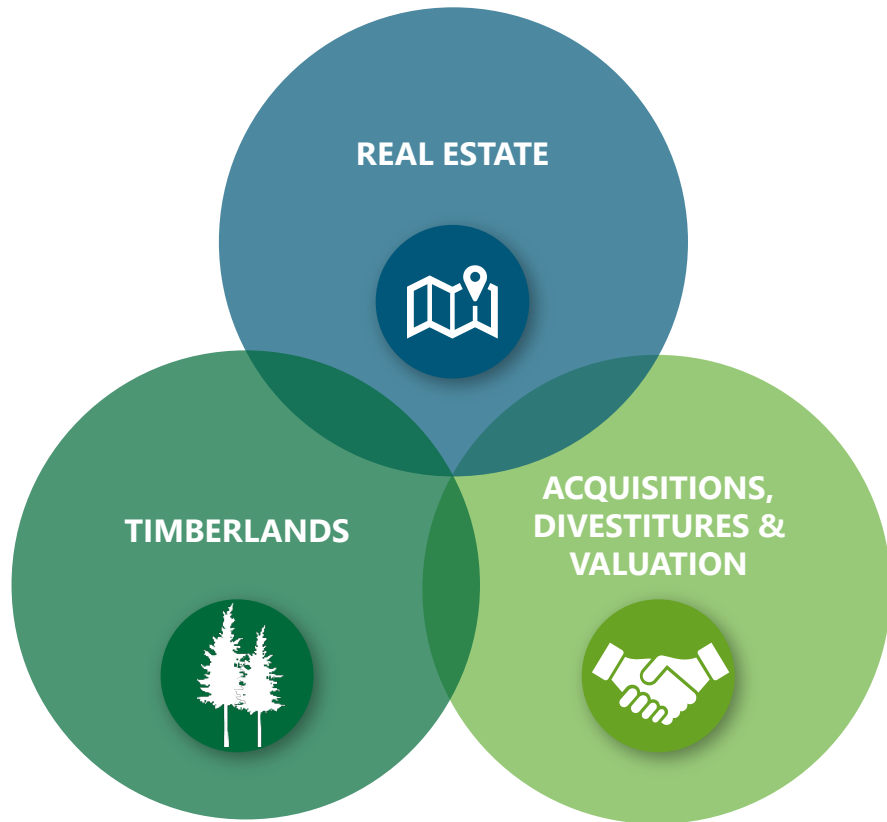


REAL ESTATE

Unlock Higher and Better Use (HBU) Value



Asset Value Optimization (AVO) PROCESS



Nimble Business Model

Low Operating Costs

Minimal Capital Investment

**CONTINUALLY
EVALUATE EVERY ACRE**



1.3 MILLION ACRES
with HBU attributes

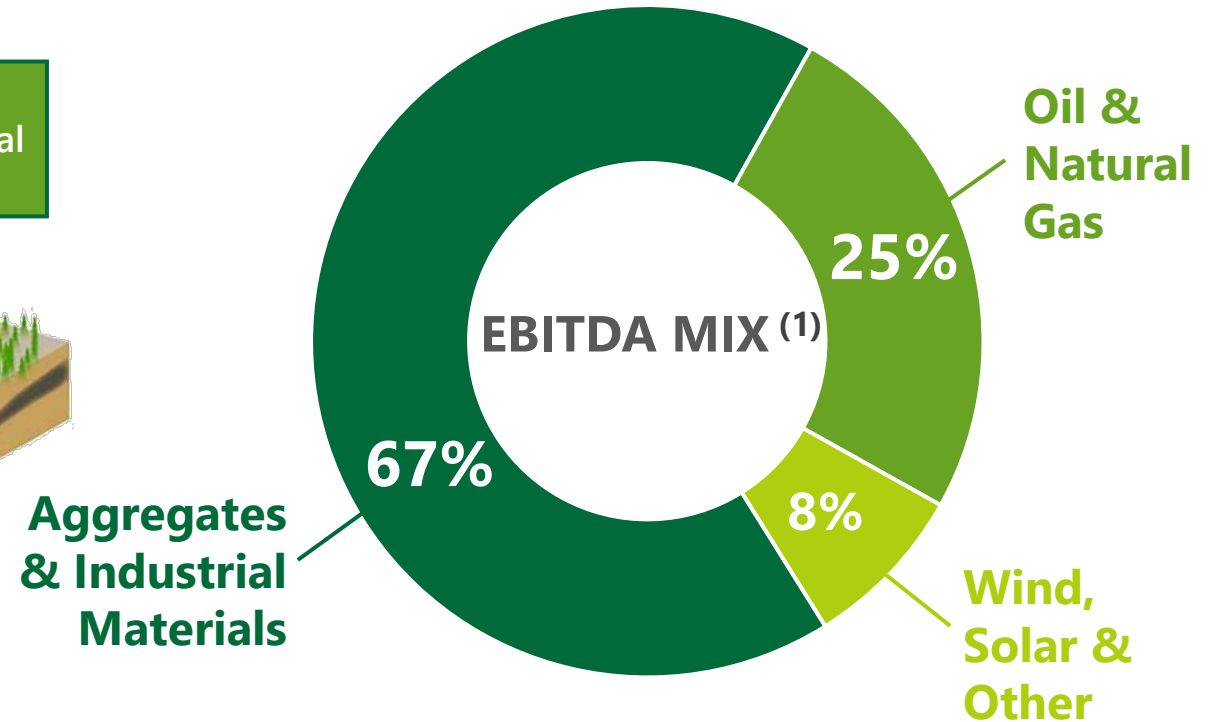
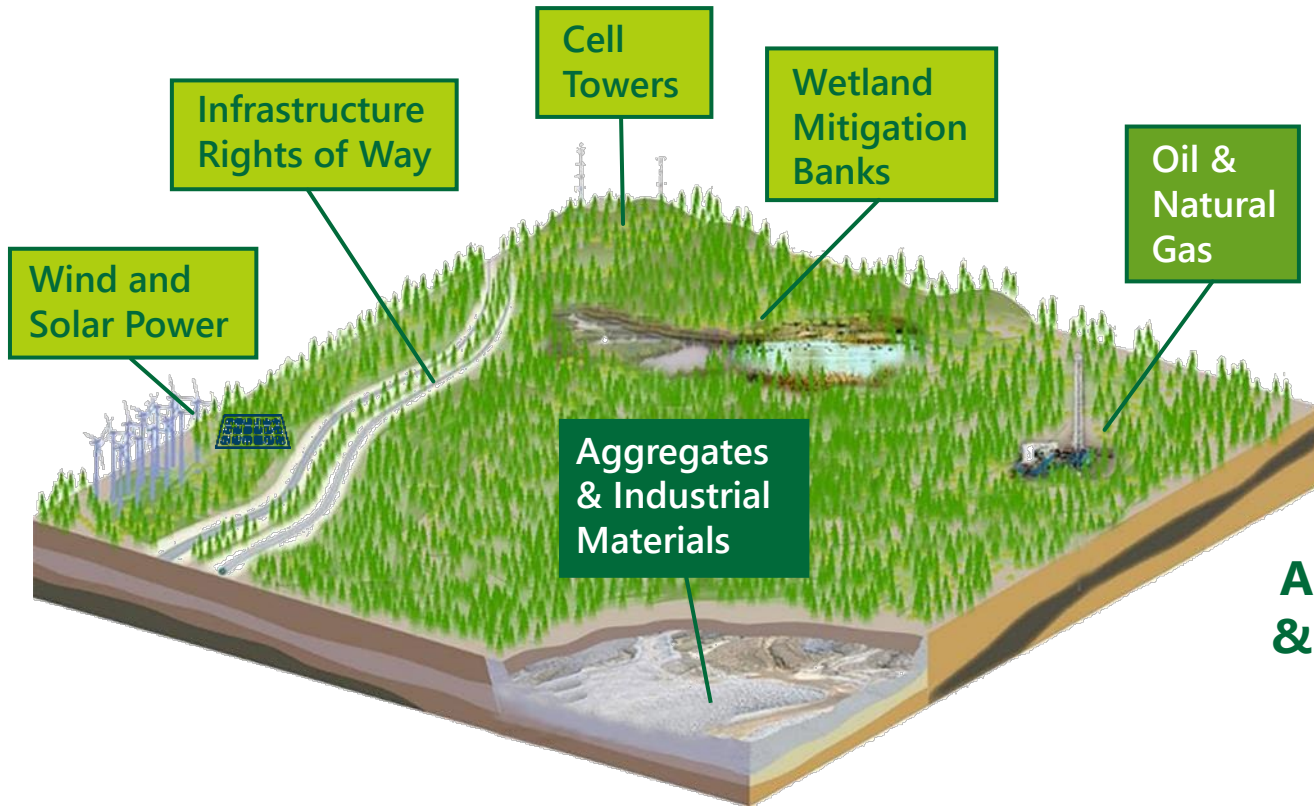
55–80%
Premium to Timber Value
SINCE INCEPTION
consistently exceeding 30% target

≤1%
of timberland acres
SOLD ANNUALLY



ENERGY & NATURAL RESOURCES

Maximize the Value of Surface and Subsurface Rights



EBITDA Generated From Lease and Royalty Payments

(1) See appendix for reconciliation to GAAP amounts. Percentages are approximate based on 2020 full year results.



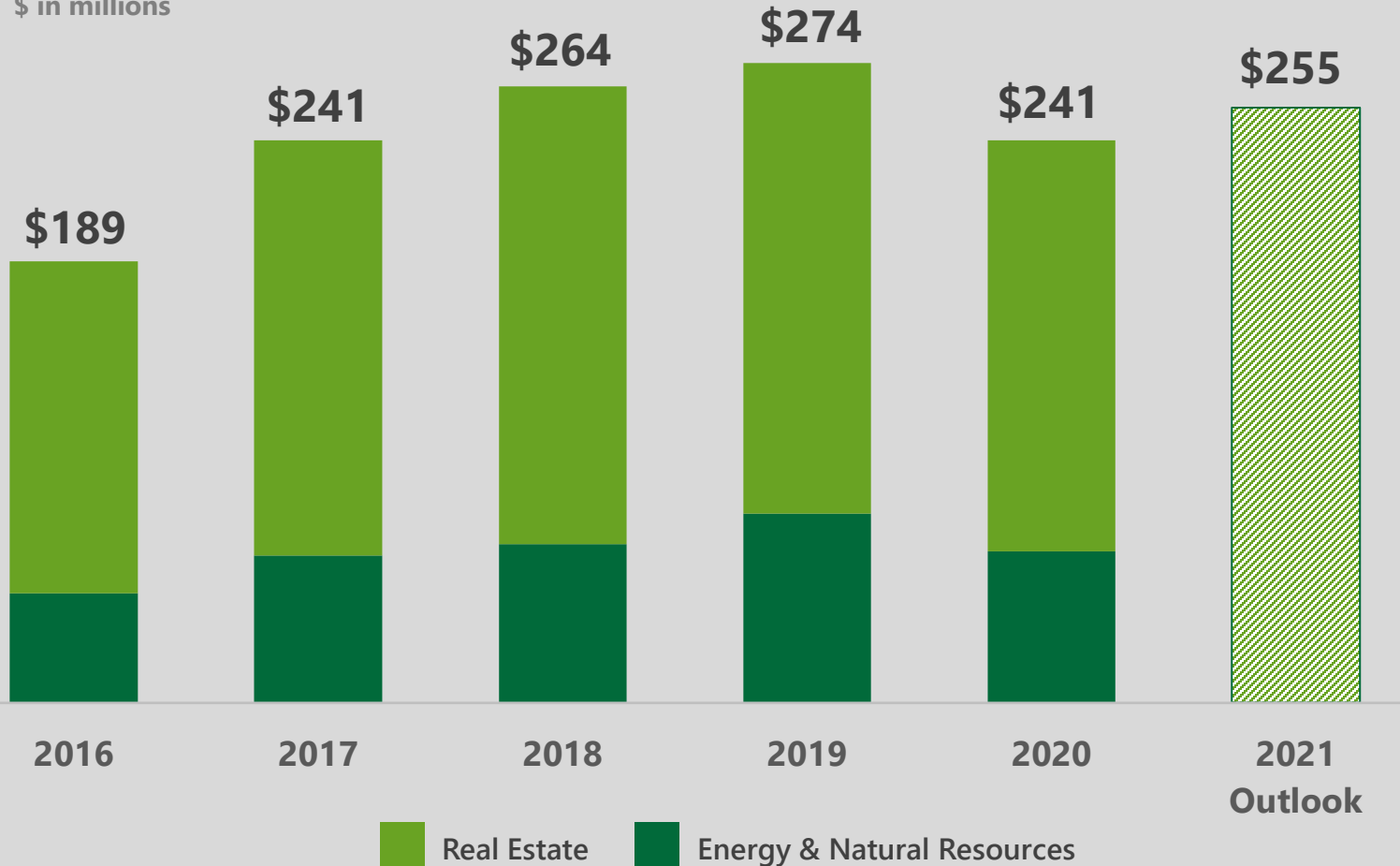
REAL ESTATE, ENERGY & NATURAL RESOURCES

Consistent, Reliable Cash Generation



ADJUSTED EBITDA⁽¹⁾

\$ in millions



- ✓ Shifting societal preferences driving robust demand for rural recreational properties
- ✓ Continued strong demand from recreational and investment buyers

(1) See appendix for reconciliation to GAAP amounts. The quantity of real estate HBU property was reduced by divestitures of the company's Michigan and Montana timberlands in 2019 and 2020, respectively.

WOOD PRODUCTS



**MAXIMIZING
MARGIN
THROUGH THE
BUSINESS
CYCLE**

- ✓ Unmatched scale, brand and reputation
- ✓ Diversified mix of high-quality products
- ✓ Diverse customer mix and demand drivers
- ✓ Relentless focus on industry-leading cost structure
- ✓ Superior returns through the cycle: “Black at the bottom”



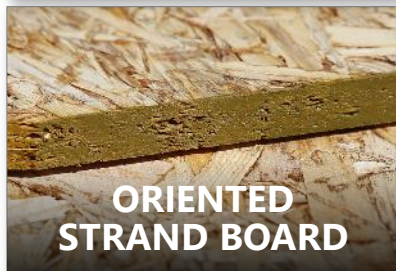
WOOD PRODUCTS PORTFOLIO

Industry-Leading Scale, Diversification and Quality



2nd largest producer in North America

- 19 lumber mills
- 5.2 BBF capacity



4th largest producer in North America

- 6 oriented strand board mills
- 3.1 BSF capacity



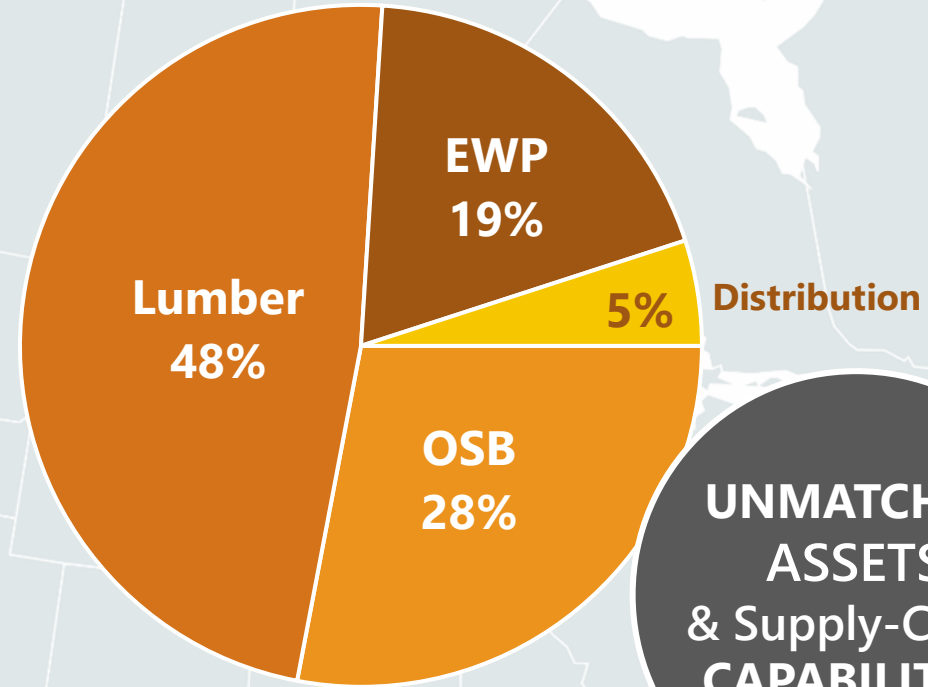
#1 engineered wood capacity in North America

- 6 engineered wood mills (42 MMCF capacity)
- 3 veneer/plywood mills (610 MMSF capacity)
- 1 medium density fiber mill (265 MMSF capacity)



Located in the largest homebuilding markets

- 18 distribution centers



UNMATCHED ASSETS & Supply-Chain CAPABILITIES

ADJUSTED EBITDA⁽¹⁾ BY BUSINESS (2018-2020)

(1) See appendix for reconciliation to GAAP amounts. Other is excluded.

Statistics for full year 2020. Source: Competitor reports, public filings, APA. Production capacity for engineered wood represents total solid section press capacity. Weyerhaeuser engineered solid section facilities also may produce engineered I-joists to meet market demand. In 2020, approximately 25 percent of Weyerhaeuser's total press production was converted into I-joists.



WOOD PRODUCTS

Diverse Demand Drivers and Customer Mix



PERCENT OF SALES BY END MARKET (2020)



**NEW RESIDENTIAL:
SINGLE & MULTI-FAMILY**



**REPAIR & REMODEL:
PROFESSIONAL AND DIY**



**NON-RESIDENTIAL CONSTRUCTION,
INDUSTRIAL AND OTHER USES**

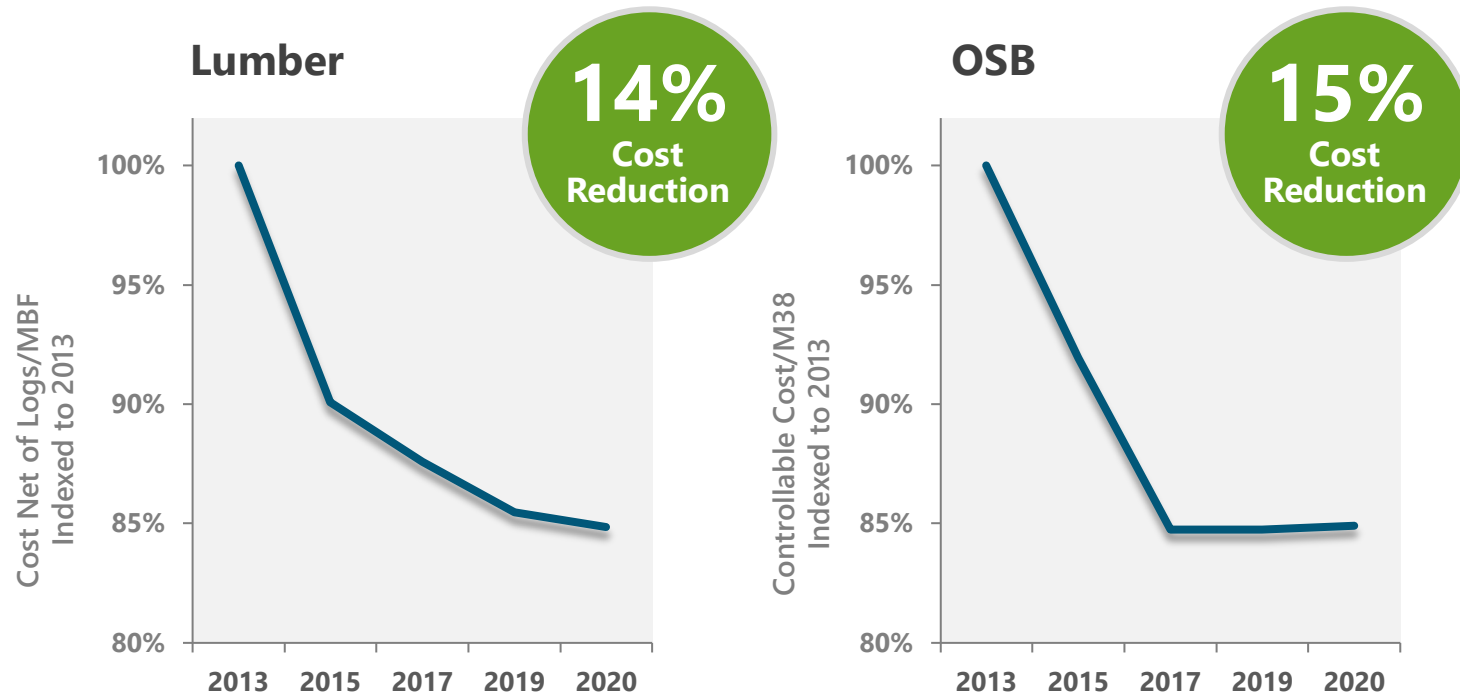
Customers value our quality, scale, reliability and sustainable practices

WOOD PRODUCTS

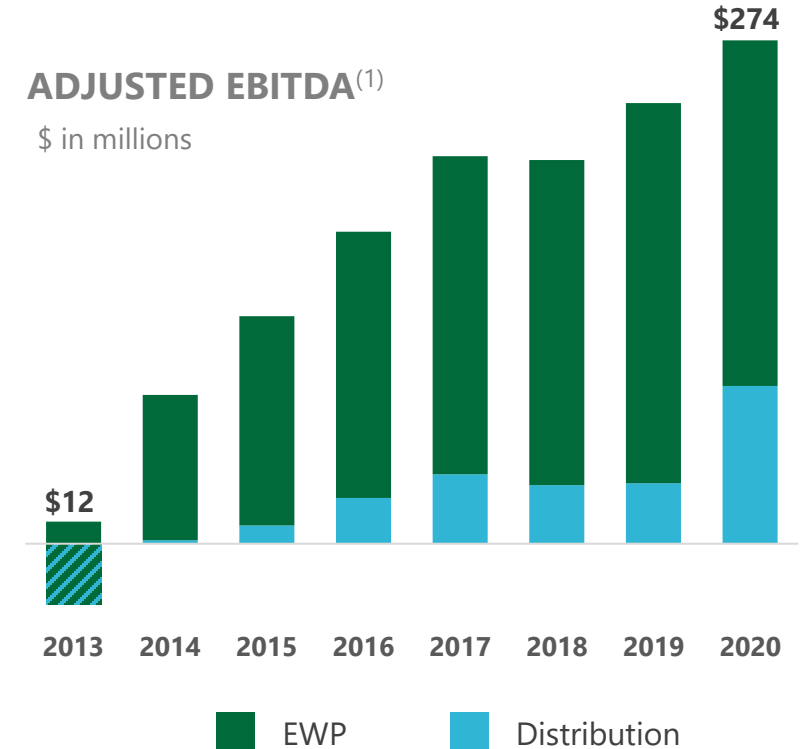
Achieved "Black at the Bottom"



Delivering and Maintaining Record Low Cost Structure



Improved EWP & Distribution EBITDA Through Market Headwinds



Positioned for Superior Performance Through the Cycle

(1) See appendix for reconciliation to GAAP amounts.



INDUSTRY-LEADING PERFORMANCE

Significant, Sustainable Margin Improvement Through the Cycle



OPERATIONAL EXCELLENCE

Delivering Superior Execution and Ongoing Improvement

OUR FOCUS AREAS



MARGIN IMPROVEMENT

FUTURE VALUE

COST AVOIDANCE

EFFICIENCY



OPX
HIGHLIGHTS
BY BUSINESS

TIMBERLANDS

Harvest & Haul • Silviculture •
Marketing • Merchandising



WOOD PRODUCTS

Controllable Cost • Recovery •
Reliability • Product Mix



←
*Cross-
Business
OpX*
→

ACHIEVED
\$750
MILLION
SINCE 2014

TARGET
\$50-75
MILLION
IN 2021

OUR PERFORMANCE VS. PEERS

Western Timberlands
Best EBITDA
per acre

Lumber, OSB and EWP
Highest
Margin

Distribution
Largest Margin
Improvement



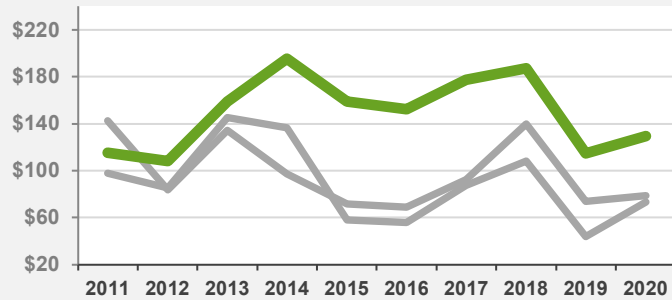
DRIVING SUPERIOR RELATIVE PERFORMANCE

Our OpX Scorecard



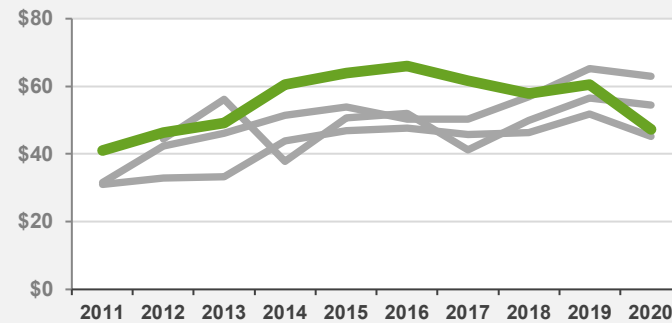
TIMBERLANDS ADJUSTED EBITDA^(1,2) PER ACRE

WEST



Weyerhaeuser Timberlands & ENR vs Peers

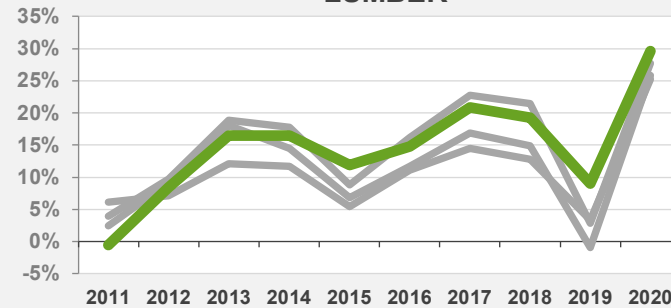
SOUTH



Weyerhaeuser Timberlands & ENR vs Peers

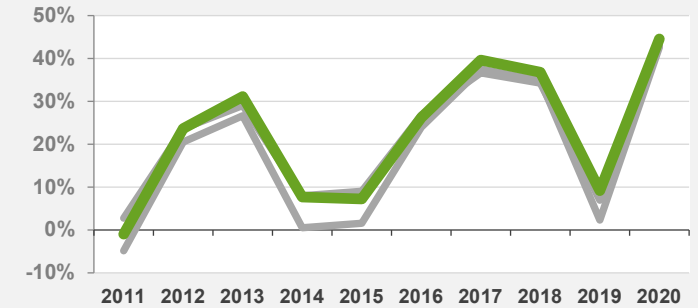
WOOD PRODUCTS ADJUSTED EBITDA MARGIN^(1,3)

LUMBER⁽⁴⁾



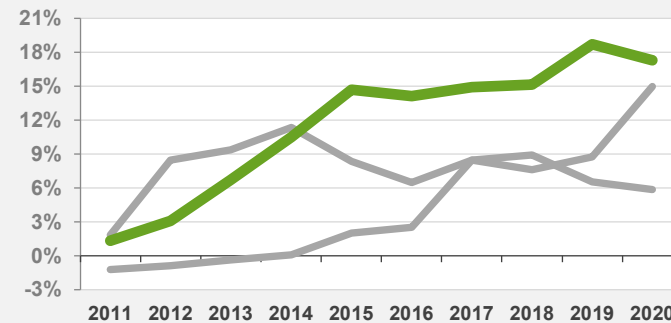
Weyerhaeuser vs Peers

ORIENTED STRAND BOARD



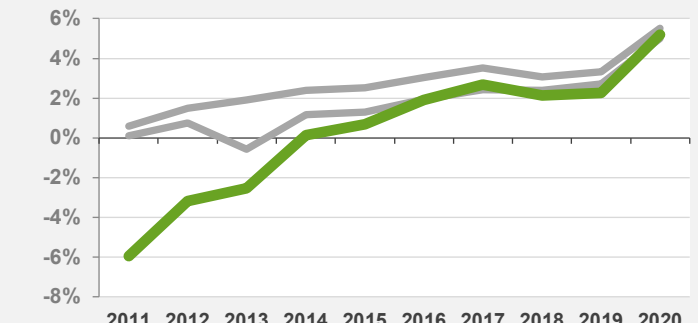
Weyerhaeuser vs Peers

ENGINEERED WOOD PRODUCTS



Weyerhaeuser vs Peers

DISTRIBUTION



Weyerhaeuser vs Peers

Source for competitor data: public SEC filings, National Council of Real Estate Investment Fiduciaries (NCREIF). Results include only North American operations.

(1) See appendix for reconciliation to GAAP amounts.

(2) 2020 EBITDA for Weyerhaeuser Southern Timberlands reflects announced 10 percent reduction in 2020 fee harvest volumes. Timberlands peers include NCREIF, PotlatchDeltic and Rayonier. To improve comparability with peer disclosures, amounts shown for Weyerhaeuser include Timberlands EBITDA and non-timber income currently reported in the company's Energy & Natural Resources business.

(3) Wood Products peers include BlueLinX, Boise Cascade, Canfor, Interfor, Louisiana Pacific, Norbord and West Fraser. Some peer results reflect 2020 Q3 LTM data, as 2020 full-year results are not yet available.

(4) 2017-2020 lumber margins include expenses for softwood lumber countervailing and anti-dumping duties for all companies shown.





DISCIPLINED CAPITAL ALLOCATION

Long-Term Commitment to Balancing Three Key Priorities



DISCIPLINED CAPITAL ALLOCATION

Balanced and Sustainable Philosophy – Three Key Priorities



RETURN CASH
TO SHAREHOLDERS

INVEST IN
OUR BUSINESSES

MAINTAIN AN APPROPRIATE
CAPITAL STRUCTURE

CORE ALLOCATION



Sustainable
Base Dividend



Disciplined Capital
Expenditures



Investment Grade
Credit Rating

OPPORTUNISTIC ALLOCATION



Supplemental Dividend
& Share Repurchase



Value-Enhancing
Growth Opportunities



Liability
Management

\$380 MILLION
of cash returned to shareholders
in 2020

\$280 MILLION
of disciplined capex
in 2020

\$900 MILLION
of gross debt reduction
in 2020



RETURNING CASH TO SHAREHOLDERS

Implemented “Base Plus Variable Supplemental” Dividend Framework



CORE ALLOCATION



Sustainable
Base Dividend

Quarterly cash base dividend of \$0.17 per share

- Sustainable across a full range of market conditions
- Supported by cash flow from Timberlands and Real Estate & ENR
- Positioned to grow over time

OPPORTUNISTIC ALLOCATION



Supplemental Dividend
& Share Repurchase

Flexible tools to achieve total return of 75-80% of annual Adjusted FAD

- Expect primary tool will be variable supplemental cash dividend
- Generally paid annually based on prior year cash flow, expect first payment in first quarter 2022
- May also utilize opportunistic share repurchase

New dividend framework will return significant and appropriate cash through the cycle

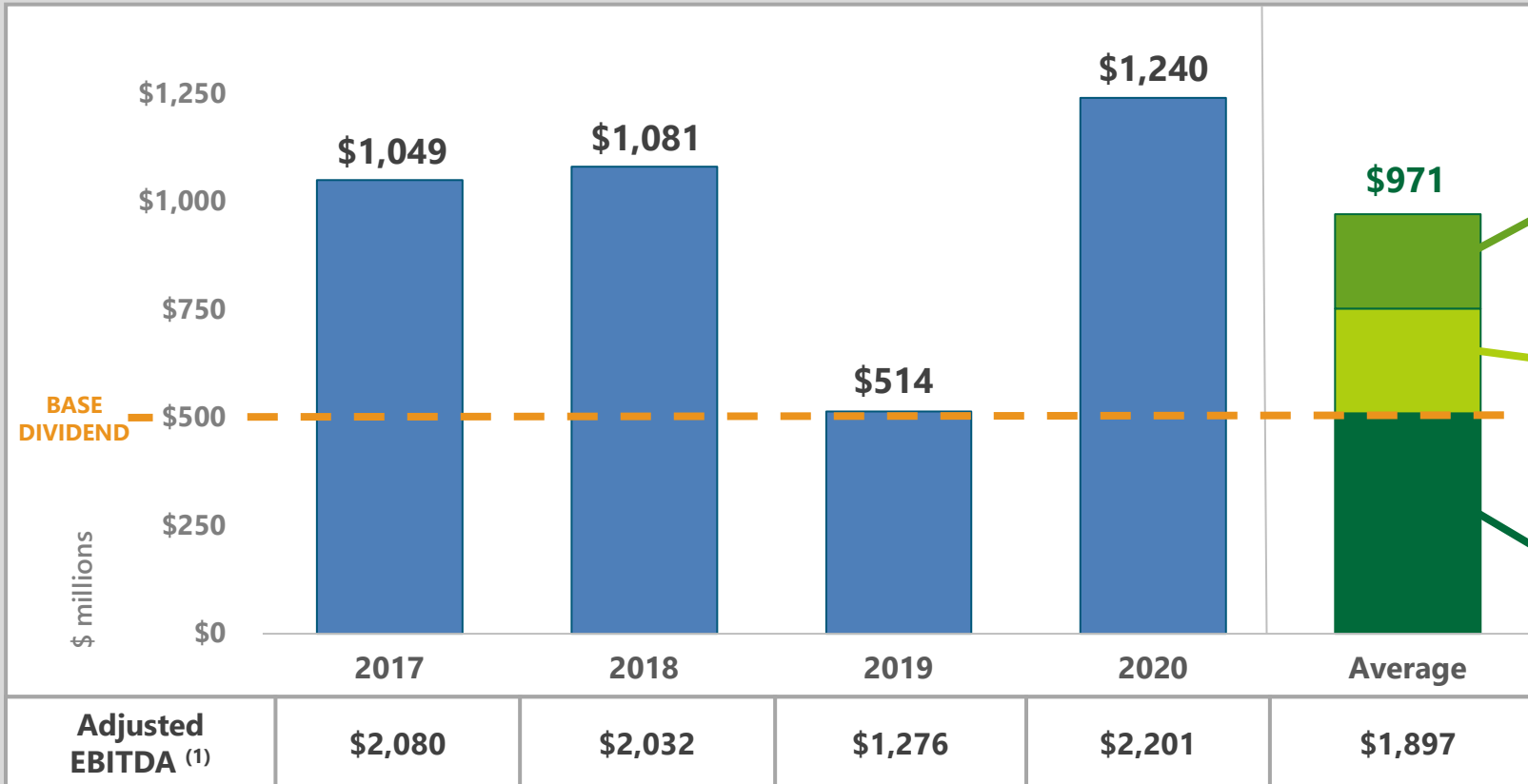


RETURNING CASH TO SHAREHOLDERS

Dividend Framework is Sustainable Over the Business Cycle



ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION ⁽¹⁾



EXCESS CASH above 75-80% of Adjusted FAD available for growth, debt paydown and additional share repurchase



SUPPLEMENTAL DIVIDEND or share repurchase to achieve targeted return of 75-80% of annual Adjusted FAD



SUSTAINABLE BASE DIVIDEND supported by Timberlands and Real Estate & ENR cash flow, even at bottom of the cycle

Our cash flow supports the base dividend, even in adverse markets

(1) See appendix for reconciliation to GAAP amounts and definitions of Adjusted EBITDA and Adjusted FAD.



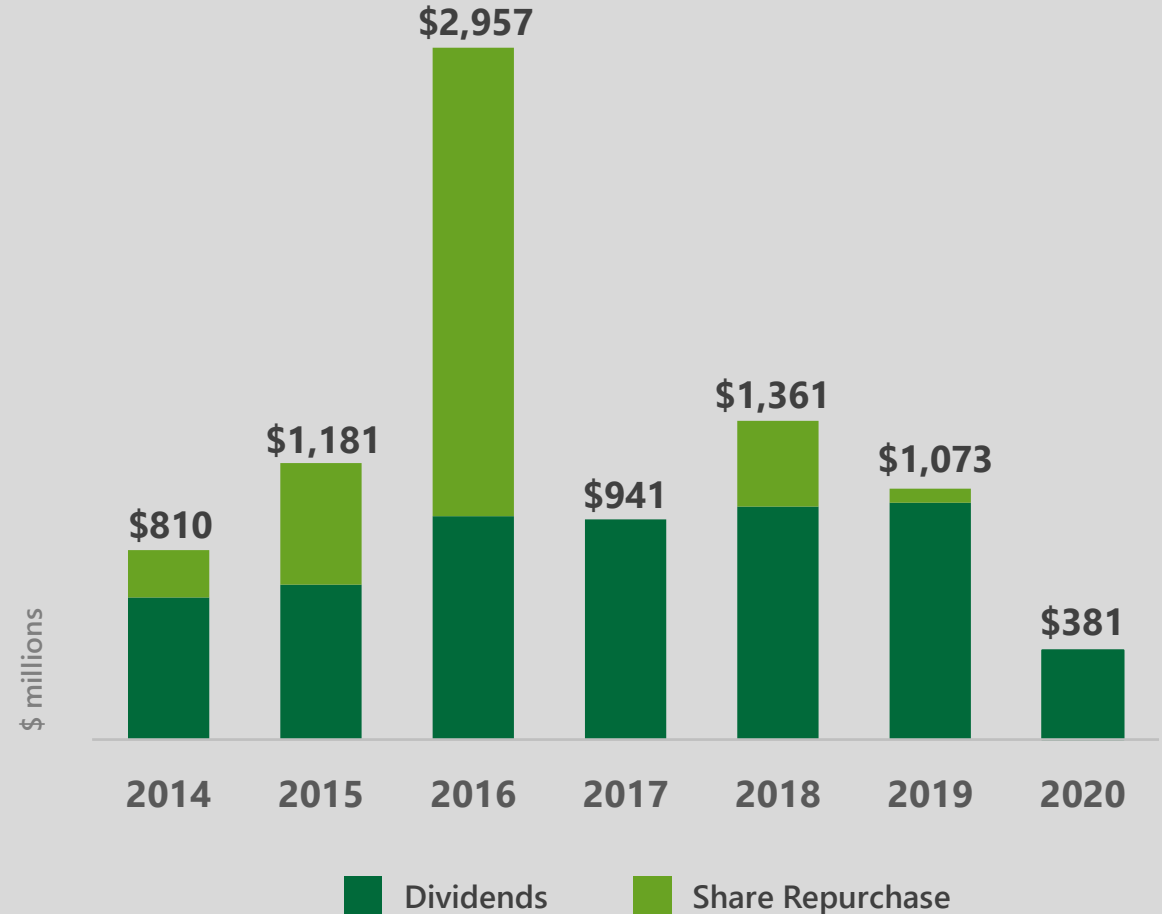
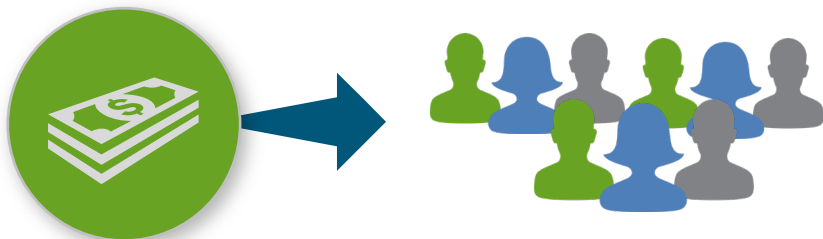
RETURNING CASH TO SHAREHOLDERS

Demonstrated Commitment



**RETURNED
OVER
\$8.5 BILLION
TO SHAREHOLDERS
SINCE 2014**

Through Dividends and
Share Repurchase



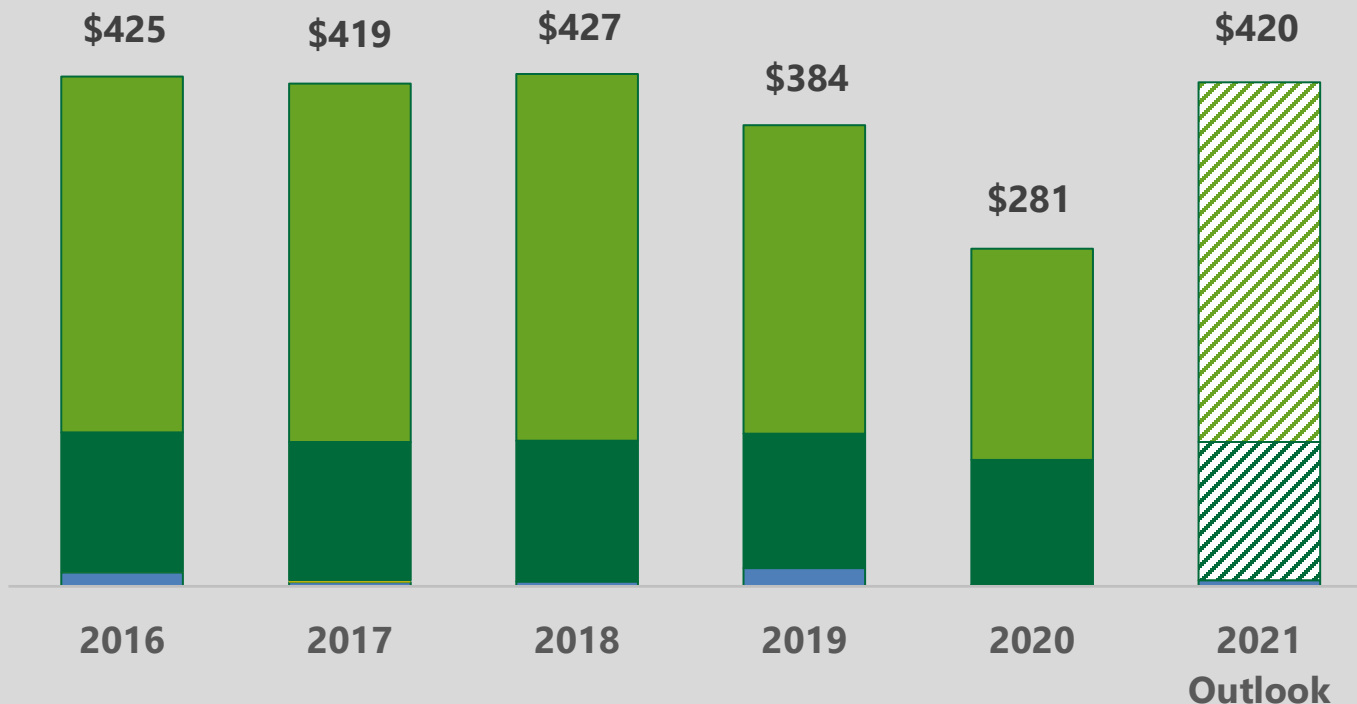
DISCIPLINED INVESTMENTS

Sustain and Enhance Our Operations



CAPITAL EXPENDITURES

\$ in millions



2021 OUTLOOK

- **Wood Products – \$300 million**
 - Maintenance capex
 - Projects to improve costs and reliability

- **Timberlands – \$115 million**
 - Reforestation and silviculture
 - Roads and infrastructure

- **Corporate – \$5 million**
 - IT system upgrades

- **Real Estate & ENR – Very minimal**
 - Primarily entitlement activities

Resuming high return discretionary projects and beginning Holden Sawmill modernization



MAINTAIN AN APPROPRIATE CAPITAL STRUCTURE

Solid Balance Sheet and Financial Flexibility



INVESTMENT GRADE CREDIT PROFILE

Baa2 **Moody's**

BBB **Standard & Poor's**

3.5x **Target**
Net debt/Adjusted EBITDA over the cycle

OPPORTUNISTIC LIABILITY MGMT

Redeemed \$825 million of 2023 notes

Reduced pension obligation by \$765 million

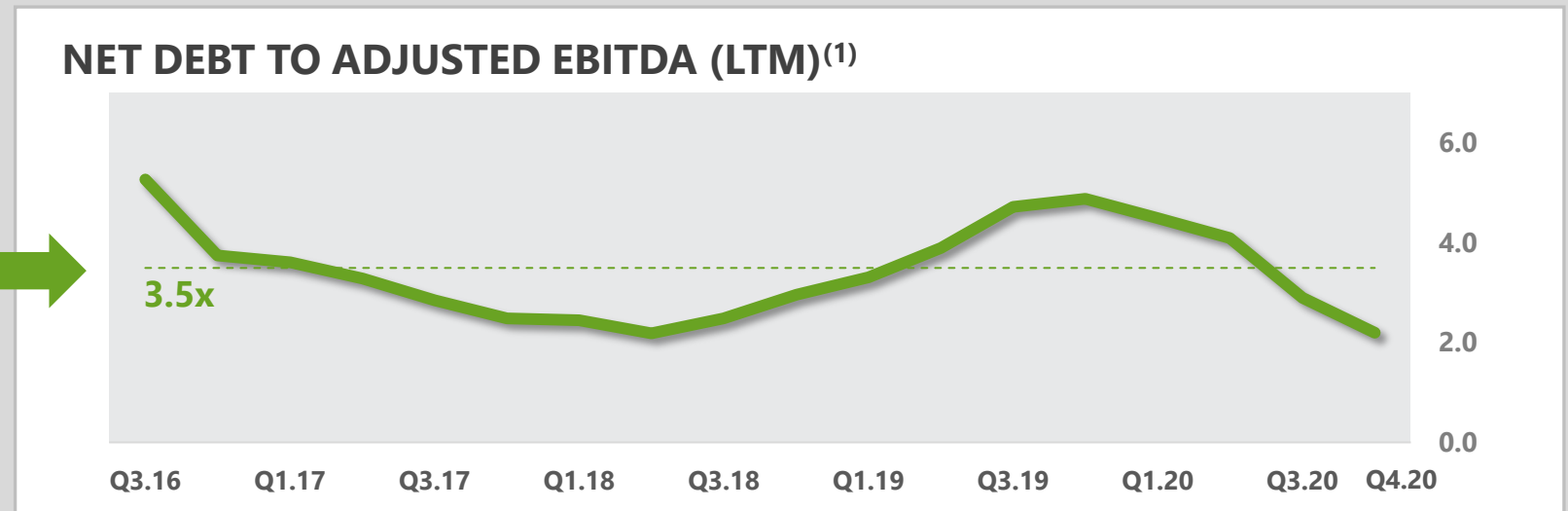
AMPLE LIQUIDITY

\$1.5 billion available revolving line of credit

Cash earmarked to repay \$150 million 2021 maturity

STRONG ASSET COVERAGE

Nearly 85% of business assets are in Timberlands



(1) Last twelve months Adjusted EBITDA for each quarter presented. See appendix for reconciliation to GAAP amounts.



SUPERIOR SHAREHOLDER VALUE

Capitalizing on Strong Portfolio and Operational Performance



FAVORABLE FUNDAMENTALS ACROSS OUR MARKETS

Driven By Continued Demand for U.S. Housing



LUMBER



ORIENTED STRAND BOARD



WESTERN LOGS



SOUTHERN LOGS

- ↑ Increasing demand from residential construction activity
- ↑ Favorable industry operating rates
- ↑ B.C. mill closures reduced industry capacity
- ↑ Pricing in record territory
- ↑ Mass timber and CLT gaining momentum

- ↑ Increasing demand from residential construction activity
- ↑ High industry operating rates
- ↑ Pricing in record territory

- ↑ Rising domestic wood products production
- ↔ WY Oregon fire salvage proceeding well, with little downgrade in log quality and pricing
- ↑ Favorable Japanese demand
- ↑ Improved Chinese log demand, with European and Australian supply challenges

- ↑ Improving sawlog demand
- ↔ Fiber log demand generally stable
- ↔ Log pricing flat, expect sawlog prices will rise slowly over time
- ↑ Emerging log export opportunity



OUR WORKING FORESTS ARE PART OF THE CLIMATE SOLUTION

An Endlessly Renewable Resource that Absorbs and Stores Carbon



**OUR GROWING FORESTS
ABSORB CO₂**
FROM THE ATMOSPHERE

WE PLANT MORE TREES
THAT ABSORB EVEN MORE CO₂
AS THEY GROW

**OUR WOOD PRODUCTS
STORE CARBON**
FOR THE LIFE OF THE PRODUCT

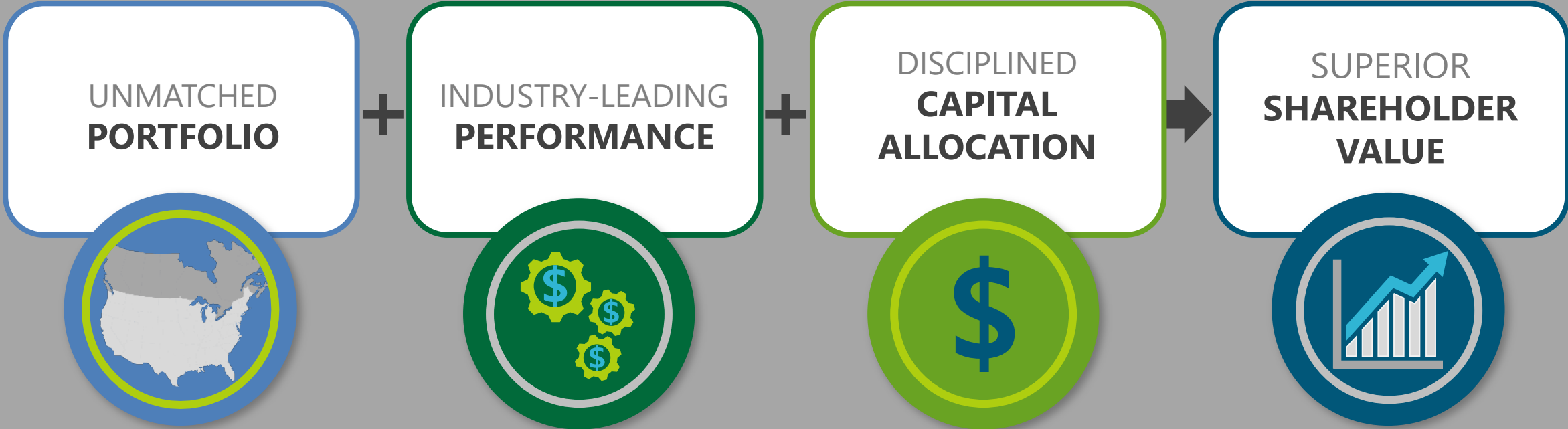


**WOOD IS THE ULTIMATE
Green-Building Material**

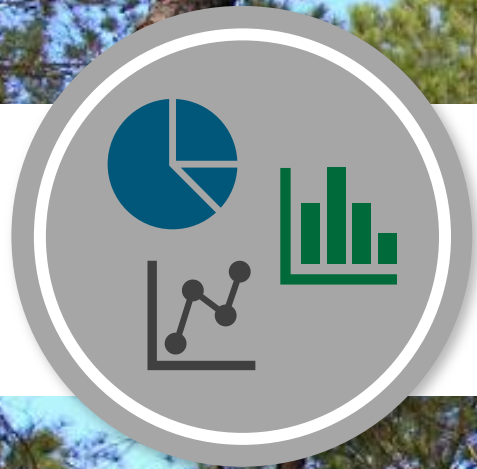
- ✓ Stores carbon
- ✓ Endlessly renewable
- ✓ Lower GHG emissions than concrete & steel



WEYERHAEUSER INVESTMENT THESIS



Strong ESG Foundation | Our Forests and Wood Products are Natural Climate Solutions



APPENDIX

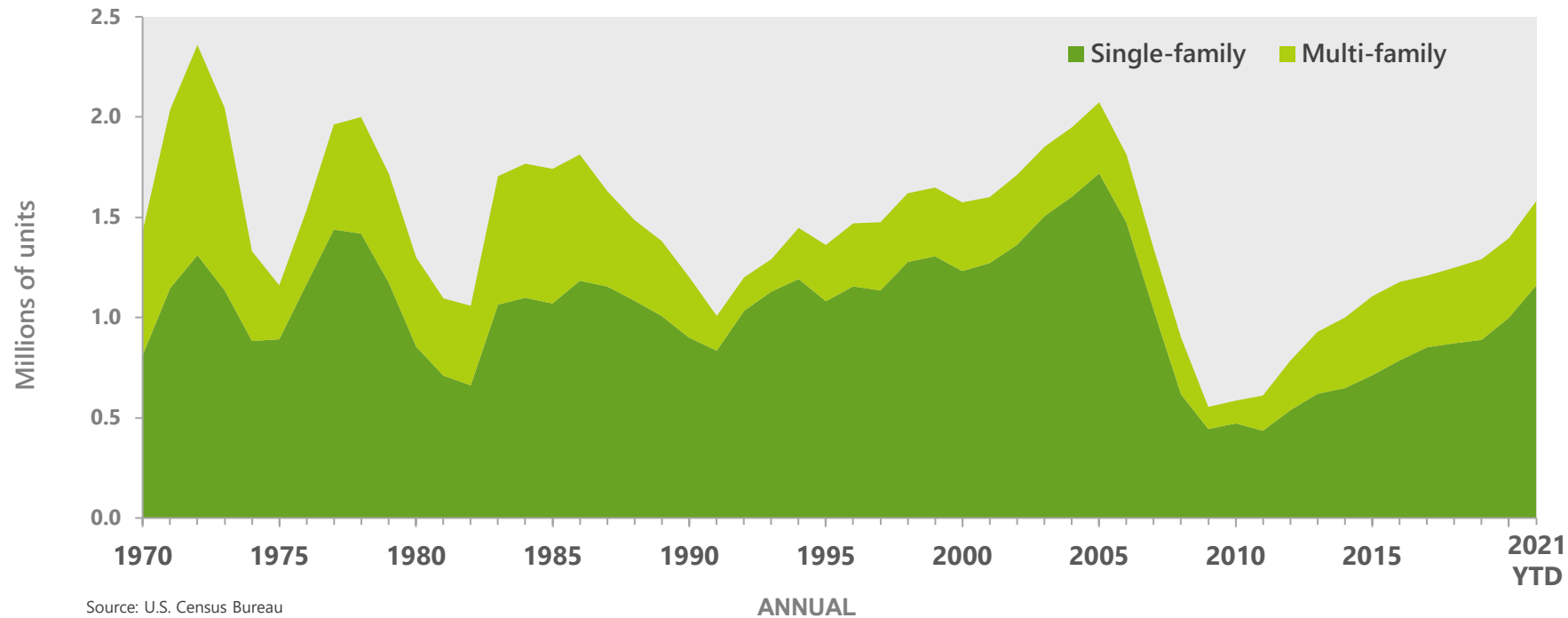
Market Overview and Supplemental Information



EXPECT LONG-TERM GROWTH IN U.S. HOUSING

- Growing preference for larger, single-family homes, supported by ongoing work-from-home flexibility
- Historically low mortgage rates, and record low inventories for existing home sales
- Building material constraints, and labor and lot availability could dampen near-term housing trajectory

U.S. HOUSING STARTS
SEASONALLY ADJUSTED ANNUAL RATE



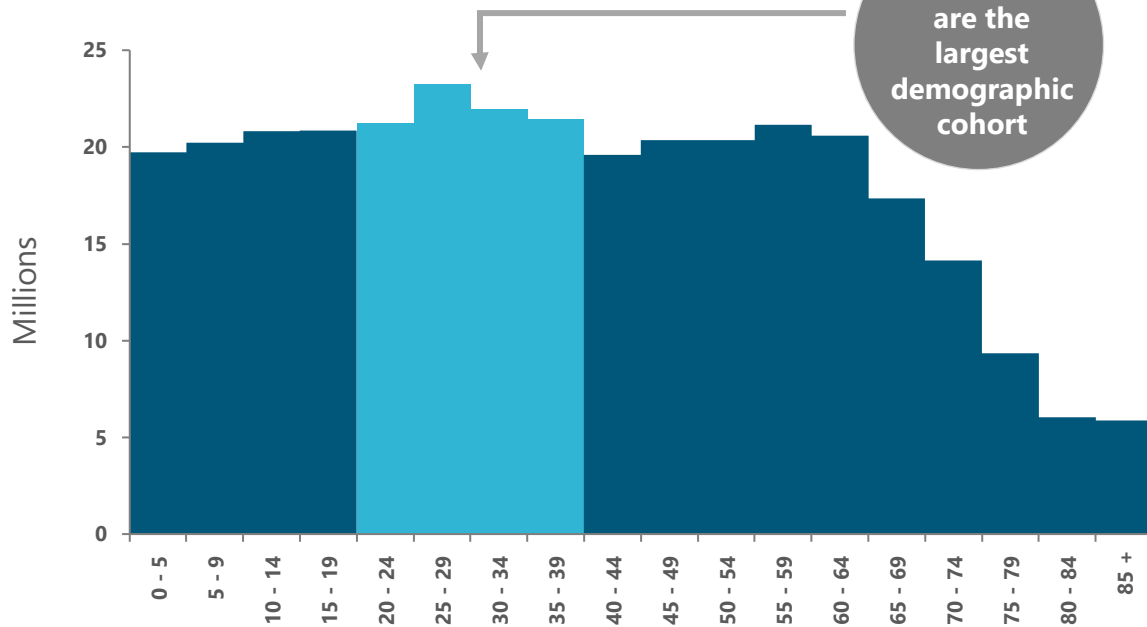
Source: U.S. Census Bureau
YTD as of Jan. 2021

LEVEL OF CONSTRUCTION REMAINS BELOW HOUSING NEED

- Growing housing “deficit” as current pace of building activity is not sufficient to meet demand
- Favorable demographics with millennials entering prime homebuying years

U.S. POPULATION BY AGE

AS OF JULY 1, 2019



Millennials are the largest demographic cohort

Source: U.S Census Bureau

ANNUAL U.S. HOUSING NEED

MILLIONS OF UNITS

DRIVER	BASELINE AVERAGE DEMAND
New Household Formations	1.1
Replace Lost or Obsolete Units	0.3
Second Home Demand	0.1
Natural Vacancy Rate	0.1
ANNUAL NEW UNITS REQUIRED	1.6

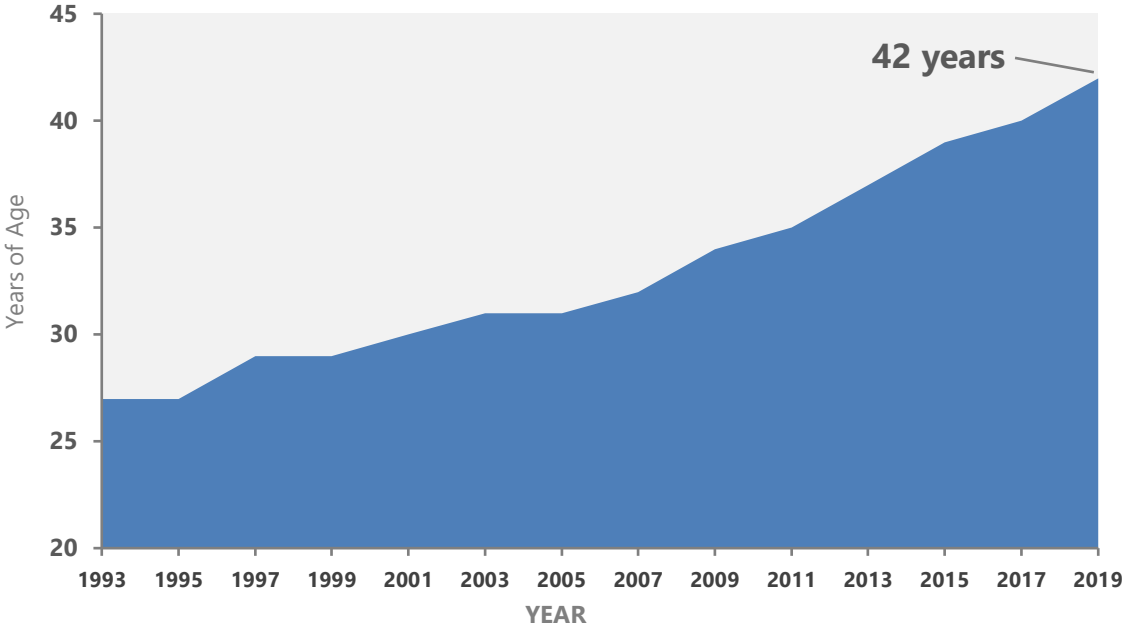
Source: Freddie Mac, 2018

STRONG REPAIR & REMODEL ACTIVITY

- Stay-at-home behavior has driven surge in do-it-yourself and professional home improvement
- Expect continued favorable repair & remodel sales volumes
- Housing stock continues to age, with median age greater than 40 years
- Rising home equity

U.S. HOUSING STOCK

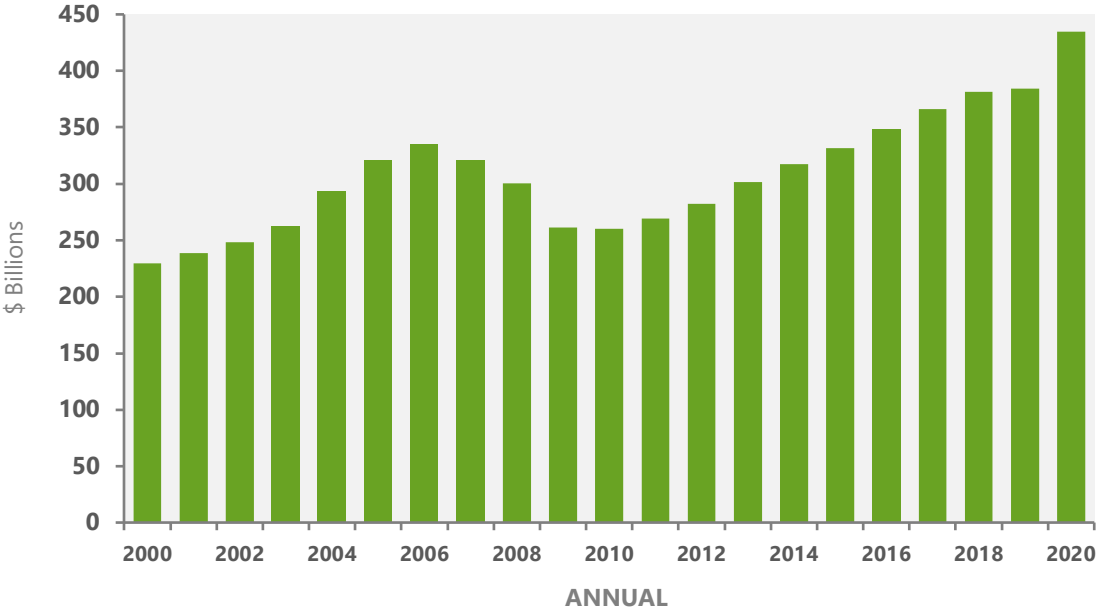
MEDIAN AGE OF OWNER-OCCUPIED HOMES



Source: U.S. Census Bureau 2019 American Housing Survey, FEA

U.S. RETAIL BUILDING MATERIALS SALES

TOTAL SPENDING



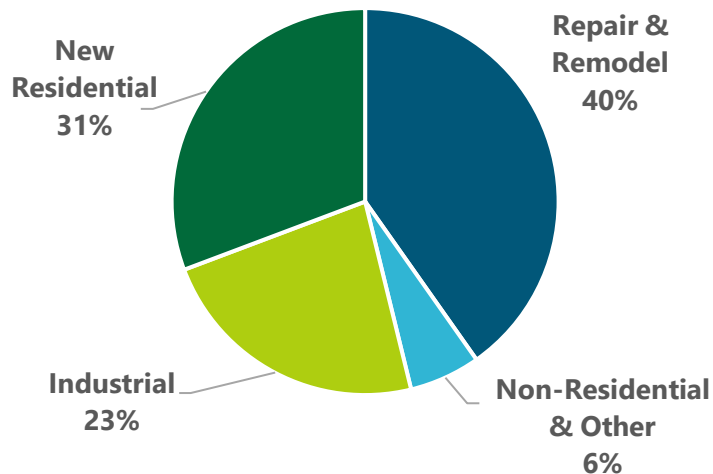
Source: U.S. Census Bureau

LUMBER DEMAND AND FUNDAMENTALS ARE FAVORABLE

- Strong new residential construction activity and solid home improvement demand
- Favorable industry operating rates
- Pricing in record territory
- Rising focus on sustainability may drive higher non-residential usage over time

NORTH AMERICAN LUMBER CONSUMPTION

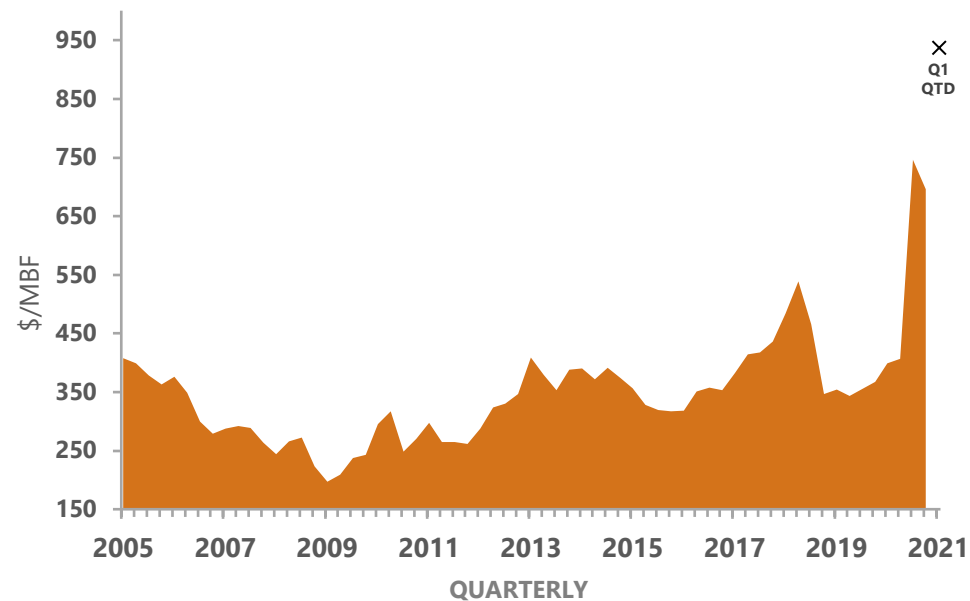
BY END USE, 2020



Source: FEA

LUMBER PRICING

FRAMING LUMBER COMPOSITE



Source: Random Lengths
Q1 QTD as of 2/19/2021

WEYERHAEUSER'S AVERAGE LUMBER SALES REALIZATIONS

Approximate change
AS OF FEBRUARY 19, 2021⁽¹⁾

Q1 QTD vs. Q4 AVERAGE → +\$225/MBF HIGHER

CURRENT vs. Q4 AVERAGE → +\$275/MBF HIGHER



WY's SENSITIVITY
CHANGE IN REALIZATIONS
\$10/MBF
≈ **\$45 million**
EBITDA
ANNUALLY

⁽¹⁾ Changes in average realizations typically lag changes in industry benchmark pricing due to length of order files.



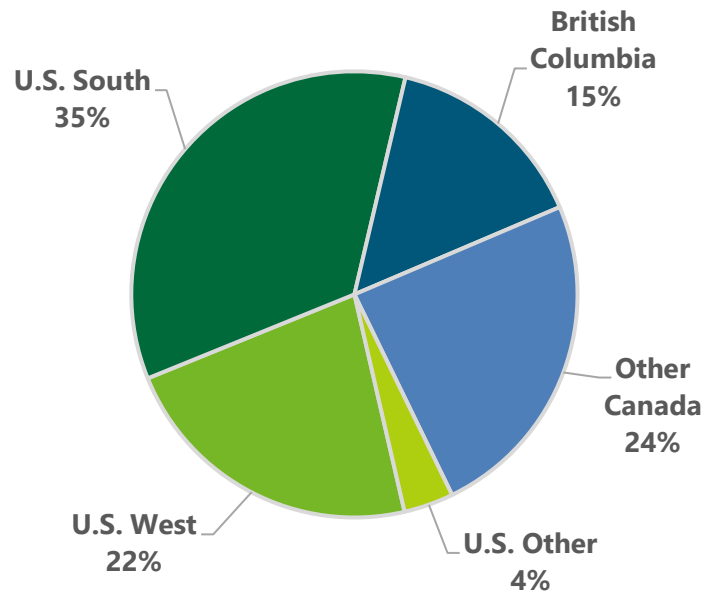
LUMBER

B.C. Mill Closures Have Reduced Industry Capacity

- Log supply declining in British Columbia due to fires, pine beetle and lower allowable cut
- Canadian lumber exports to the U.S. remain subject to duties
- Canadian share of lumber market has decreased
- U.S. Southern lumber production gaining share

NORTH AMERICAN LUMBER PRODUCTION

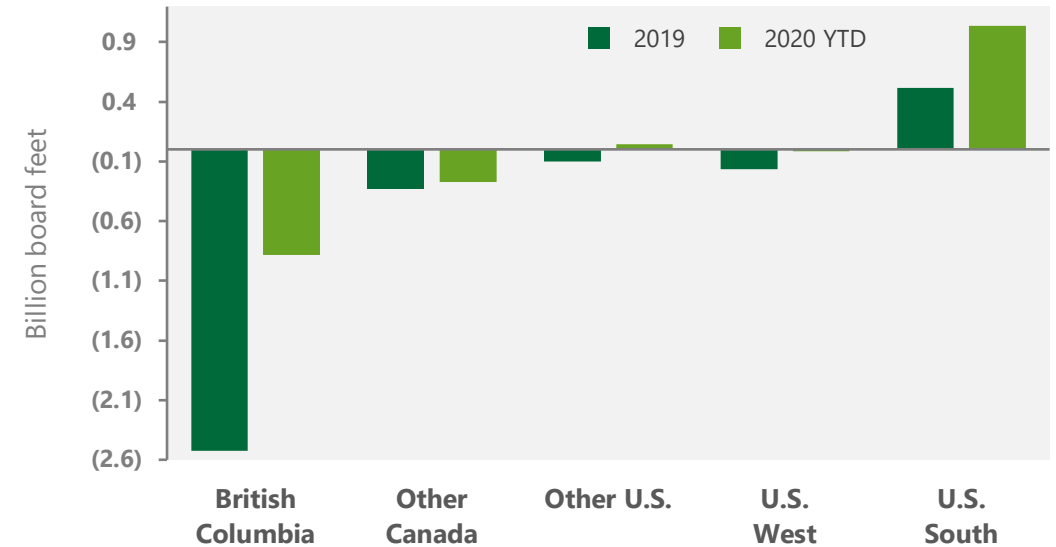
BY REGION, 2020



Source: FEA
Total North American softwood lumber production 58 BBF in 2020

ANNUAL CHANGE IN LUMBER PRODUCTION

BY REGION



Source: WWPA
YTD as of Nov. 2020



OSB MARKET FUNDAMENTALS ARE POSITIVE

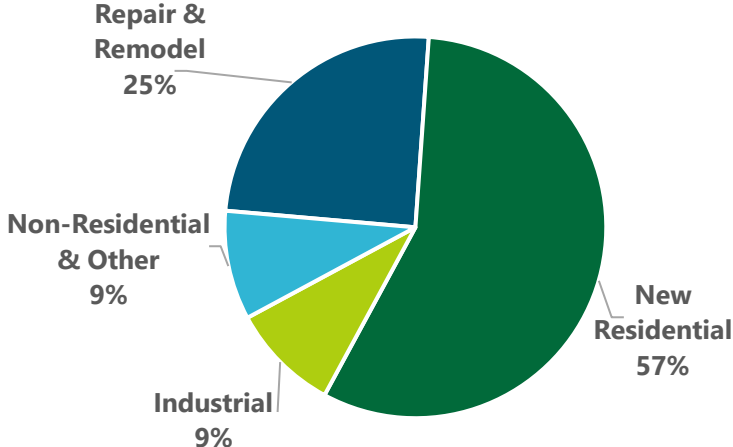
- Strong demand from new residential construction activity
- High industry operating rates
- Pricing in record territory

WEYERHAEUSER'S AVERAGE OSB SALES REALIZATIONS

Approximate change
AS OF FEBRUARY 19, 2021⁽¹⁾

NORTH AMERICAN OSB CONSUMPTION

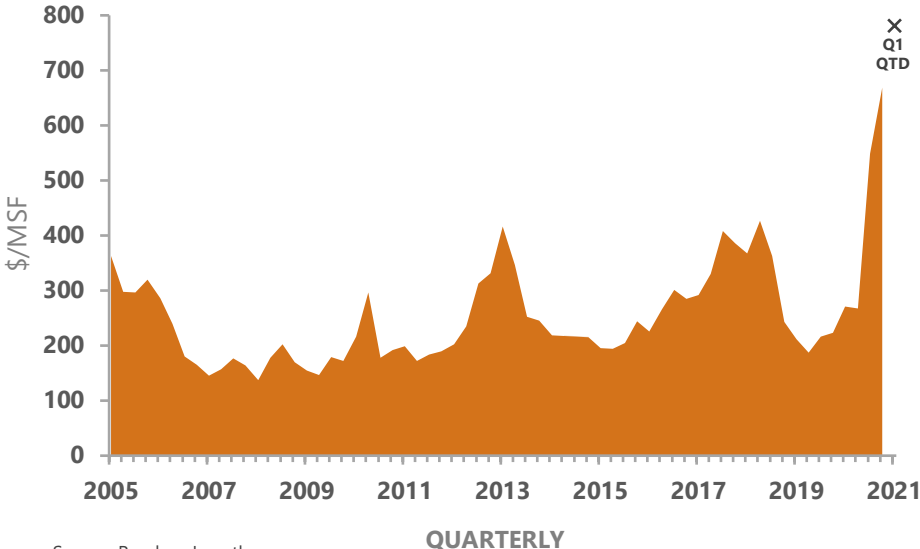
BY END USE, 2020



Source: FEA

ORIENTED STRAND BOARD PRICING

7/16" NORTH CENTRAL



Source: Random Lengths
Q1 QTD as of 2/19/2021

Q1 QTD vs.
Q4 AVERAGE → +\$75/MSF
HIGHER

CURRENT vs.
Q4 AVERAGE → +\$110/MSF
HIGHER

WY'S SENSITIVITY

CHANGE IN REALIZATIONS
\$10/MSF
≈ **\$30 million**
EBITDA
ANNUALLY

(1) WY reports OSB realizations in MSF 3/8". Changes in average realizations typically lag changes in industry benchmark pricing due to length of order files.



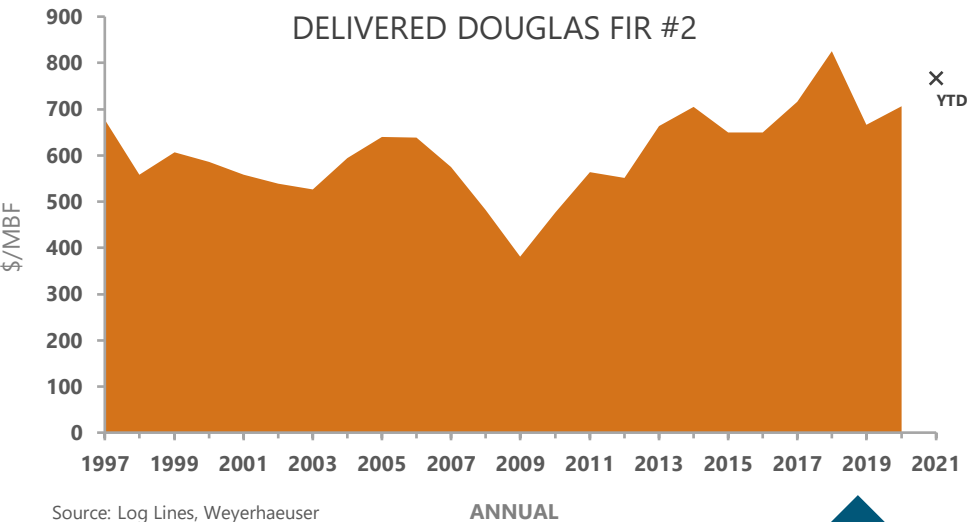
WESTERN LOGS

Favorable Domestic and Export Demand

- Largest driver of demand is growing U.S. housing activity
- Solid Japanese demand for premium logs
- Improved Chinese demand with European and Australian supply challenges
- Able to rapidly flex volume in response to changing markets

WESTERN SAWLOG PRICING

DELIVERED DOUGLAS FIR #2



Source: Log Lines, Weyerhaeuser
YTD as of Jan.

ANNUAL

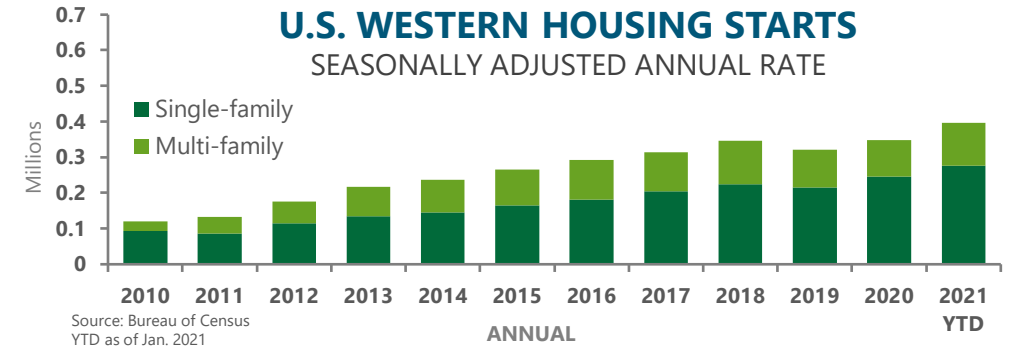
WY's SENSITIVITY
CHANGE IN REALIZATIONS
\$25/MBF
≈ \$30 million
EBITDA
ANNUALLY



WY transacts Western logs primarily in MBF but reports in ton equivalents. A \$5/ton change in WY realizations is approximately \$40 million of annual EBITDA.

U.S. WESTERN HOUSING STARTS

SEASONALLY ADJUSTED ANNUAL RATE



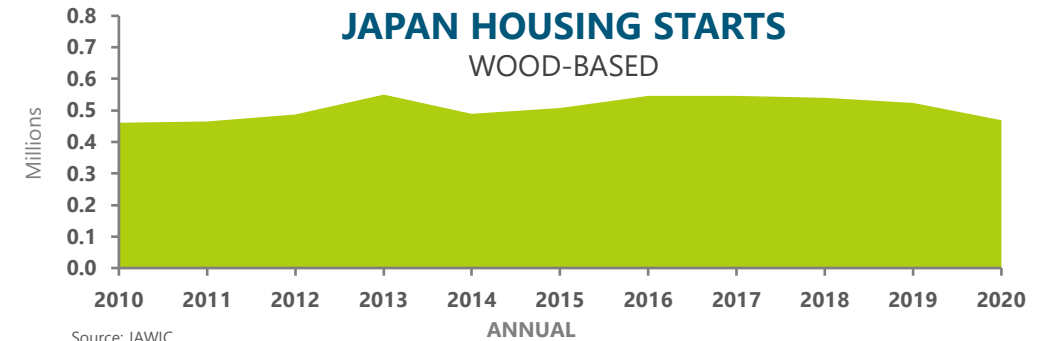
Source: Bureau of Census
YTD as of Jan. 2021

ANNUAL

YTD

JAPAN HOUSING STARTS

WOOD-BASED

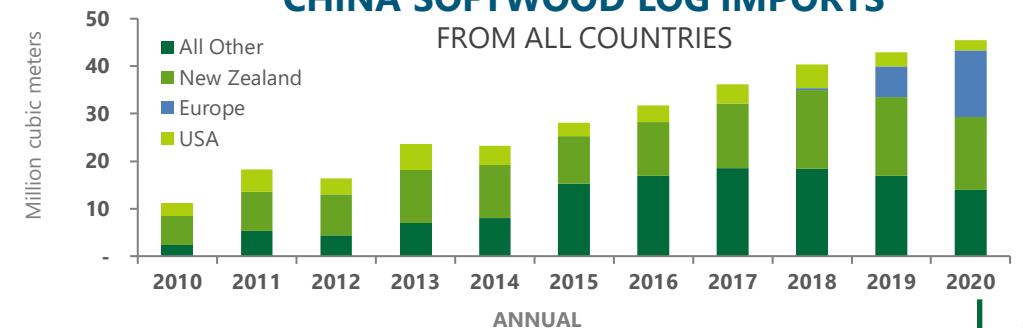


Source: JAWIC

ANNUAL

CHINA SOFTWOOD LOG IMPORTS

FROM ALL COUNTRIES



Source: China Gov't Statistics. Customs Code Numbers: 4403-2000 Logs, coniferous.

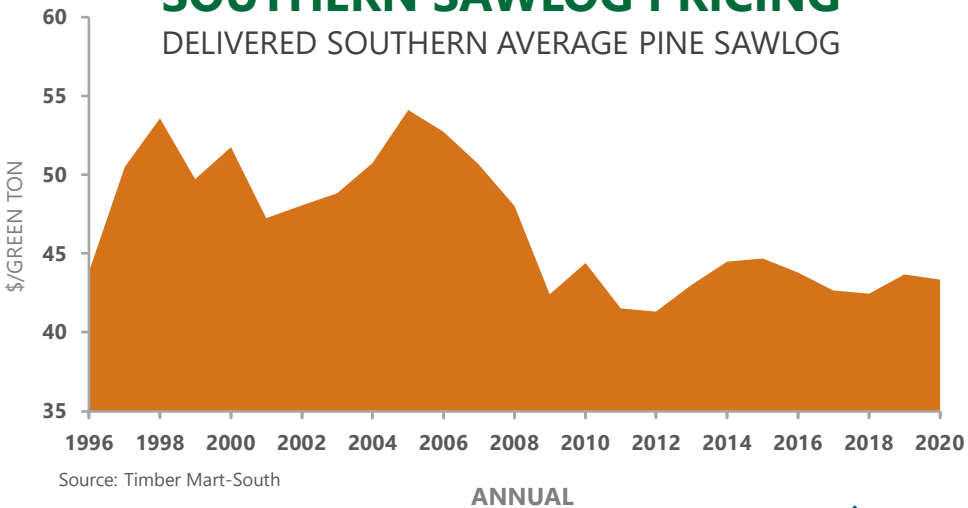
SOUTHERN LOGS

Improving Sawlog Demand Will Drive Long-Term Price Improvement

- Sawlog demand increasing as mill operating rates rise
- WY fiber log demand stable
- WY's timberlands are well positioned to benefit from rising lumber production and capacity across the South
- Additional upside opportunity from Southern log exports

SOUTHERN SAWLOG PRICING

DELIVERED SOUTHERN AVERAGE PINE SAWLOG

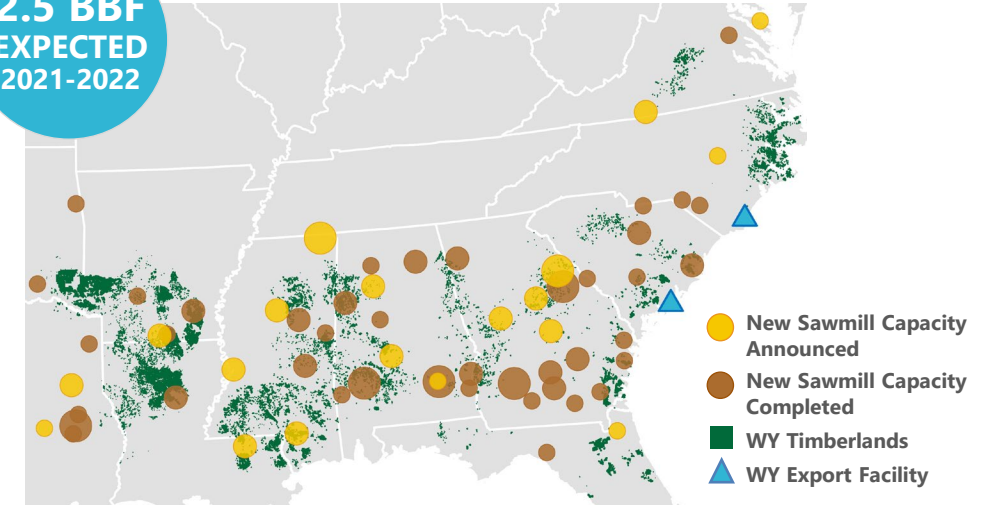


WY's SENSITIVITY
CHANGE IN REALIZATIONS
\$5/ton
≈ \$60 million
EBITDA
ANNUALLY

U.S. SOUTH CAPACITY ADDITIONS

2019-2022

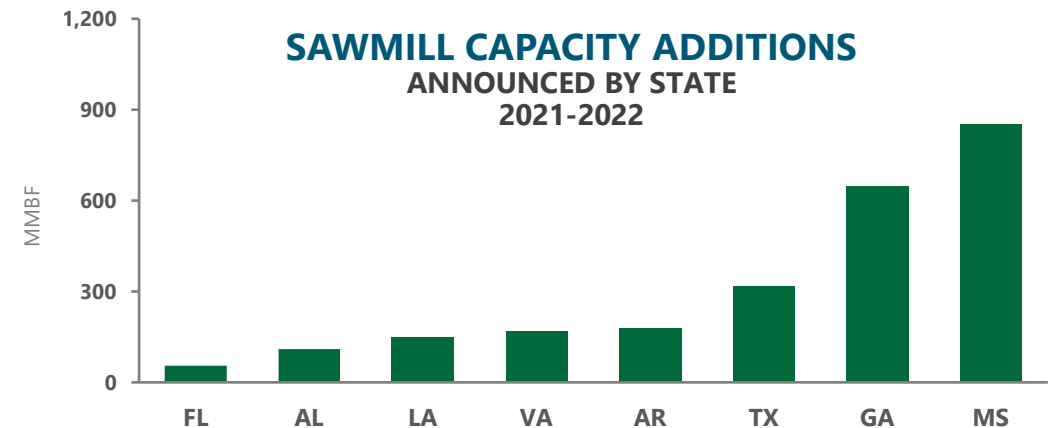
2.5 BBF
EXPECTED
2021-2022



SAWMILL CAPACITY ADDITIONS

ANNOUNCED BY STATE

2021-2022

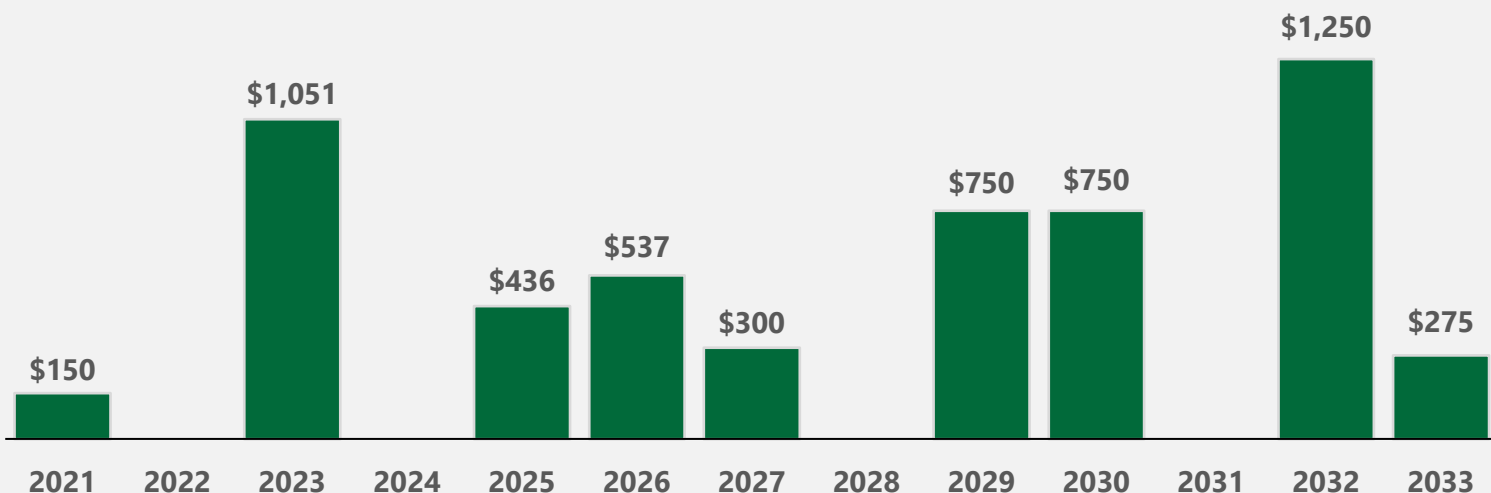


WELL-LADDERED DEBT PROFILE

Minimal Maturities Until 2023

DEBT MATURITY PROFILE⁽¹⁾

\$ in millions



- ✓ **\$5.5 billion of long-term debt currently outstanding**
 - 96% fixed rate
 - Weighted average maturity of 7.5 years
 - Weighted average interest rate of 6%
- ✓ **Redeemed \$825 million of 2023 bonds in 2020 Q3-Q4**
- ✓ **Remaining 2021 bonds to be repaid at maturity**
- ✓ **Revolver used for working capital management as needed**

(1) \$860 million WestRock note maturing 2023 includes extension option. Revolving credit facility was undrawn as of December 31, 2020. This credit facility has a capacity of \$1.5 billion and expires in January 2025.



ENVIRONMENTAL, SOCIAL & GOVERNANCE

External Recognition

LISTINGS ON ESG INDICES

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA



ESG RATINGS AND RANKINGS

3BL MEDIA
named WY one of the
**100 BEST
CORPORATE CITIZENS**



ETHISPHERE
named WY one of the
**WORLD'S MOST
ETHICAL COMPANIES®**



JUST CAPITAL
named WY one of
**AMERICA'S MOST
JUST Companies**



ISS QualityScore
ENVIRONMENTAL
Highest Rating By
INSTITUTIONAL SHAREHOLDER SERVICES



ISS QualityScore
SOCIAL
Highest Rating By
INSTITUTIONAL SHAREHOLDER SERVICES

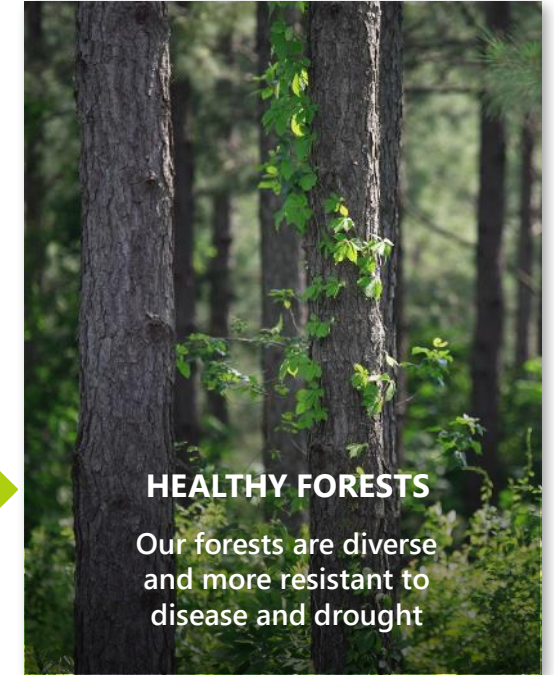
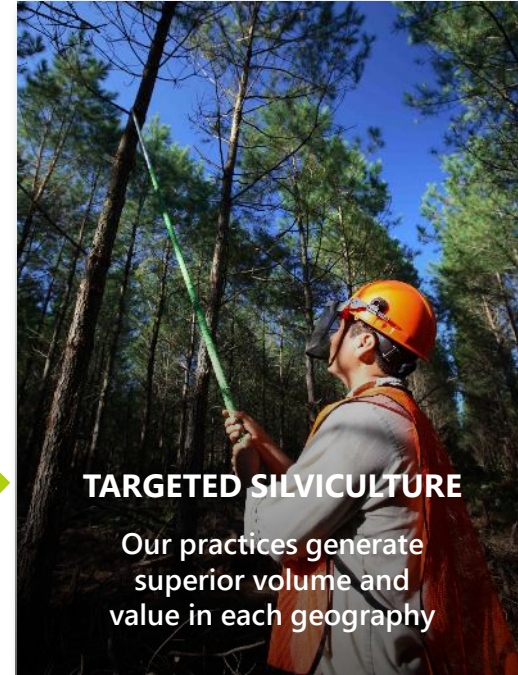
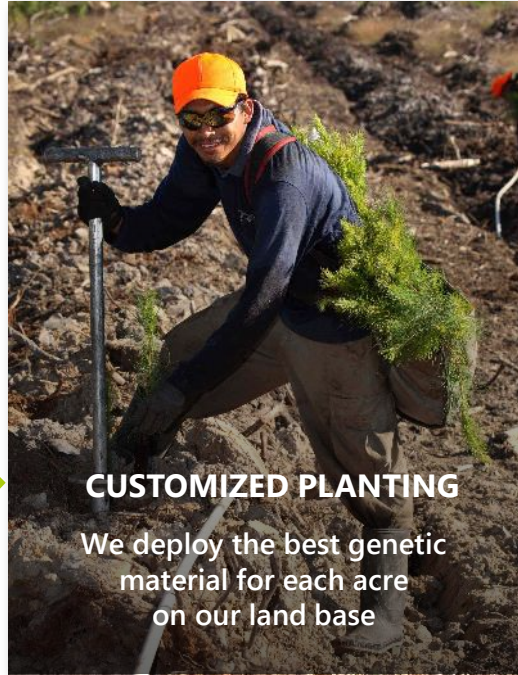
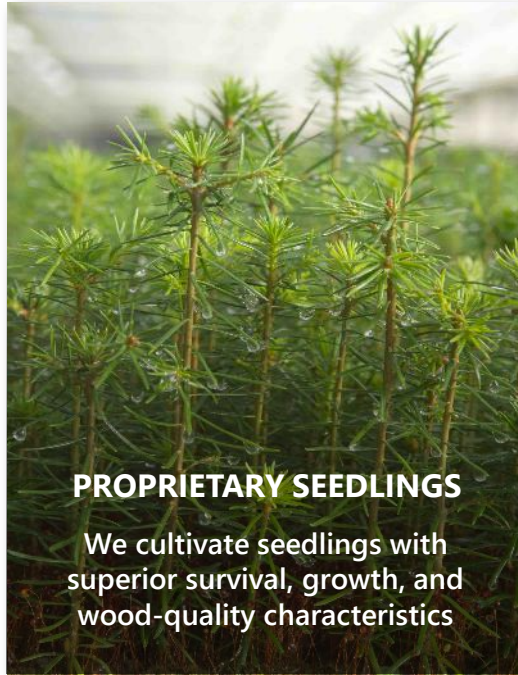


We have a
"WINNING" RATING
from
2020 WOMEN ON BOARDS



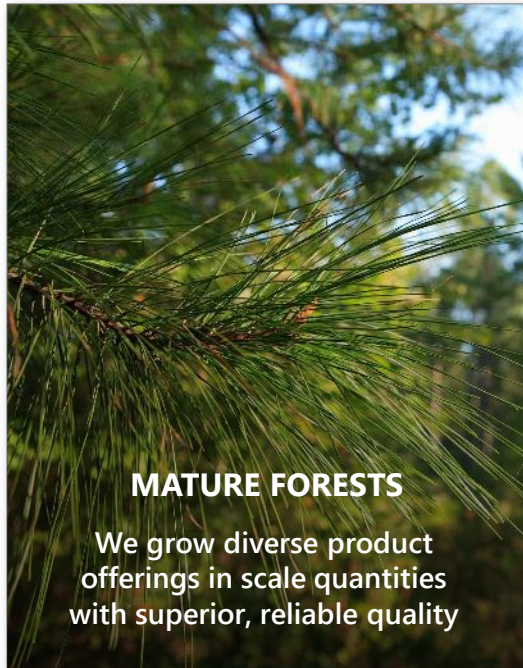
WE ARE TIMBER-GROWING EXPERTS

Deeply Committed to Environmental Stewardship



OUR TIMBER SUPPLY-CHAIN EXPERTISE IS UNRIVALED

We Capture Maximum Value At Each Step



MATURE FORESTS
We grow diverse product offerings in scale quantities with superior, reliable quality



SUSTAINABLE HARVESTING
Our expert harvest planning captures value at the point of financial maturity



DATA-DRIVEN MARKETING
We maximize the value of every log using data-driven optimization



OPTIMIZED TRANSPORTATION
We offer dependable, year-round supply with world-class logistics and efficient harvest & haul

SUPPLY CHAIN EXPERTS

WE HAVE **FLEXIBILITY** TO RESPOND **QUICKLY** TO CHANGING MARKETS

WE OFFER **UNIQUE VALUE**
Diverse Products at Scale
Year-Round Supply
Superior Quality
Reliability

WE HAVE THE **LARGEST LOG EXPORT** FACILITY IN THE U.S.

OUR WOOD PRODUCTS SUPPLY CHAIN IS EFFICIENT

We Drive Out Cost and Maximize Value From Raw Materials to End Use



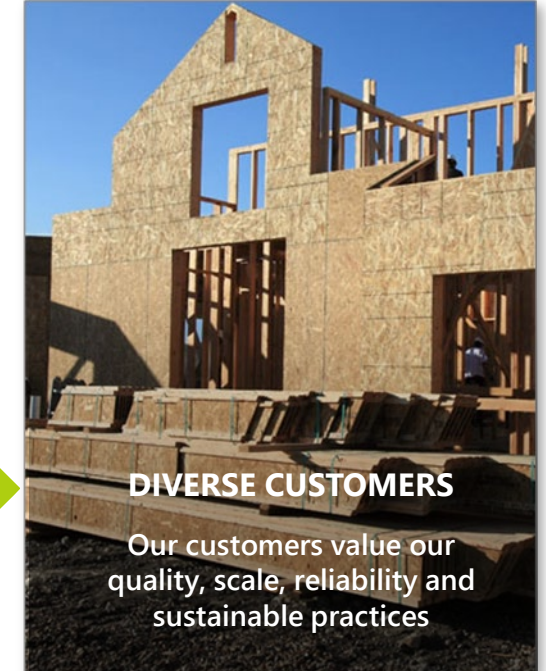
FIBER PROCUREMENT
We source the optimal mix of raw materials internally and externally to maximize margins



LOW-COST MANUFACTURING
Our operational excellence and reliability focus drives top margins for lumber, OSB and EWP



PRODUCT DISTRIBUTION
We maximize value by using the right mix of our own and other distribution channels



DIVERSE CUSTOMERS
Our customers value our quality, scale, reliability and sustainable practices



WE MAXIMIZE THE RESOURCE BY USING
95%
OF EACH LOG
ON AVERAGE

OUR MILLS HAVE IMPROVED
ENERGY EFFICIENCY
16%
IN THE LAST 5 YEARS

OUR PRODUCTS STORE THE EQUIVALENT OF
9 MILLION
METRIC TONS
OF CO₂
EACH YEAR

OUR VISION >

Working together to be the world's premier timber, land, and forest products company



HOW WE WIN

WHAT IT LOOKS LIKE

CORE VALUES

- Safety
- Integrity
- Citizenship
- Sustainability
- Inclusion



RELENTLESS FOCUS

- Develop our people
- Drive operational excellence
- Deliver the most value from every acre
- Optimize capital



KEY BEHAVIORS

- Act with urgency
- Be accountable
- Be courageous
- Keep it simple
- Be innovative



WEYERHAEUSER A TRULY GREAT COMPANY



- Great place to work
- Great customer focus
- Great shareholder value
- Great community support

WHY WE MATTER >

We manage the most sustainable, versatile resource on earth: forests. We're experts at using trees to make products people need, and we do it the right way so our forests will last forever.



ADJUSTED EBITDA RECONCILIATION

Total Company

\$ Millions	2017	2018	2019	2020
Adjusted EBITDA¹	\$2,080	\$2,032	\$1,276	\$2,201
Depletion, depreciation & amortization	(521)	(486)	(510)	(472)
Basis of real estate sold	(81)	(124)	(116)	(141)
Unallocated pension service costs	(4)	—	—	—
Special items included in operating income	(343)	(28)	1	122
Operating Income (GAAP)	\$1,131	\$1,394	\$651	\$1,710
Non-operating pension and other post-employment benefit costs	(62)	(272)	(516)	(290)
Interest income and other	40	60	30	5
Net Contribution to Earnings	\$1,109	\$1,182	\$165	\$1,425
Interest expense, net	(393)	(375)	(378)	(443)
Income taxes	(134)	(59)	137	(185)
Net Earnings (Loss) (GAAP)²	\$582	\$748	\$(76)	\$797

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold, unallocated pension service costs and special items. Adjusted EBITDA excludes results from joint ventures. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.

2. Net earnings for 2017, 2018, 2019 and 2020 include net charges of \$52 million, \$122 million, \$354 million and \$285 million, respectively, of after-tax non-operating special items which are reported in non-operating pension and other post-employment benefit costs, interest income and other, interest expense, net, and income taxes.



NET DEBT TO ADJUSTED EBITDA RECONCILIATION

Total Company

\$ Millions	2016		2017				2018				2019				2020			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net Debt to Adjusted EBITDA (LTM) ^{1,2,3}	5.3	3.7	3.6	3.3	2.9	2.5	2.5	2.2	2.5	3.0	3.3	3.9	4.7	4.9	4.5	4.1	2.9	2.3
Total debt	\$8,310	\$6,610	\$6,606	\$6,604	\$5,995	\$5,992	\$5,928	\$5,924	\$5,921	\$6,344	\$6,401	\$6,293	\$6,590	\$6,377	\$7,426	\$6,299	\$5,974	\$5,475
Less: Cash and cash equivalents	769	676	455	701	497	824	598	901	348	334	259	212	153	139	1,458	643	787	495
Net Debt	\$7,541	\$5,934	\$6,151	\$5,903	\$5,498	\$5,168	\$5,330	\$5,023	\$5,573	\$6,010	\$6,142	\$6,081	\$6,437	\$6,238	\$5,968	\$5,656	\$5,187	\$4,980
Adjusted EBITDA (LTM) ^{1,2,3}	\$1,427	\$1,583	\$1,701	\$1,794	\$1,929	\$2,080	\$2,170	\$2,301	\$2,237	\$2,032	\$1,853	\$1,559	\$1,362	\$1,276	\$1,324	\$1,367	\$1,804	\$2,201
Depletion, depreciation & amortization	(457)	(512)	(541)	(537)	(531)	(521)	(508)	(498)	(488)	(486)	(489)	(494)	(507)	(510)	(510)	(503)	(483)	(472)
Basis of real estate sold	(54)	(109)	(106)	(103)	(108)	(81)	(79)	(91)	(113)	(124)	(160)	(171)	(149)	(116)	(130)	(131)	(147)	(141)
Unallocated pension service costs	(1)	(5)	(5)	(5)	(4)	(4)	(2)	(2)	(1)	—	—	—	—	—	—	—	—	—
Special items in operating income	(129)	(135)	(73)	(264)	(457)	(343)	(339)	(149)	58	(28)	(40)	(20)	33	1	33	41	(92)	122
Operating Income (LTM) (GAAP) ¹	\$786	\$822	\$976	\$885	\$829	\$1,131	\$1,242	\$1,561	\$1,693	\$1,394	\$1,164	\$874	\$739	\$651	\$717	\$774	\$1,082	\$1,710
Equity earnings (loss) from joint ventures	21	22	17	10	2	1	1	1	—	—	—	—	—	—	—	—	—	—
Non-operating pension and other post-employment benefit costs	41	48	12	(6)	(35)	(62)	(64)	(69)	(70)	(272)	(718)	(715)	(713)	(516)	(55)	(55)	(49)	(290)
Interest income and other	43	43	43	42	38	39	42	44	46	60	58	53	46	30	21	17	13	5
Net Contribution to Earnings (LTM) ¹	\$891	\$935	\$1,048	\$931	\$834	\$1,109	\$1,221	\$1,537	\$1,669	\$1,182	\$504	\$212	\$72	\$165	\$683	\$736	\$1,046	\$1,425
Interest expense, net of capitalized interest	(410)	(431)	(435)	(421)	(405)	(393)	(387)	(379)	(374)	(375)	(389)	(388)	(386)	(378)	(356)	(368)	(388)	(443)
Income taxes	(42)	(89)	(102)	(105)	(56)	(134)	(140)	(171)	(183)	(59)	75	177	159	137	36	(61)	(167)	(185)
Net Earnings (Loss) from Continuing Operations (LTM) ¹	\$439	\$415	\$511	\$405	\$373	\$582	\$694	\$987	\$1,112	\$748	\$190	\$1	(\$155)	(\$76)	\$363	\$307	\$491	\$797
Earnings from discontinued operations, net of income taxes	107	612	592	554	489	—	—	—	—	—	—	—	—	—	—	—	—	—
Net Earnings (Loss) (LTM) (GAAP) ¹	\$546	\$1,027	\$1,103	\$959	\$862	\$582	\$694	\$987	\$1,112	\$748	\$190	\$1	(\$155)	(\$76)	\$363	\$307	\$491	\$797
Dividends on preference shares	(33)	(22)	(11)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Net Earnings (Loss) to Common Shareholders (LTM) (GAAP) ¹	\$513	\$1,005	\$1,092	\$959	\$862	\$582	\$694	\$987	\$1,112	\$748	\$190	\$1	(\$155)	(\$76)	\$363	\$307	\$491	\$797

1. LTM = last twelve months.

2. Net debt to Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Net debt to Adjusted EBITDA, as we define it, is long-term debt and borrowings on line of credit, net of cash and cash equivalents divided by the last twelve months of Adjusted EBITDA.

3. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold, unallocated pension service costs and special items. Adjusted EBITDA excludes results from joint ventures. Adjusted EBITDA should not be considered in isolation from and is not intended to represent an alternative to our GAAP results.



ADJUSTED EBITDA RECONCILIATION

Timberlands

\$ Millions	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Western Timberlands and Energy & Natural Resources (ENR)	\$283	\$263	\$380	\$579	\$470	\$449	\$520	\$544	\$332	\$354
Less: EBITDA attributable to Western ENR ¹	4	5	7	8	11	6	12	12	14	14
Western Timberlands	279	258	373	571	459	443	508	532	318	340
Southern Timberlands and ENR	290	339	372	457	472	469	428	398	410	319
Less: EBITDA attributable to Southern ENR ¹	64	41	44	47	42	43	45	47	58	45
Southern Timberlands	226	298	328	410	430	426	383	351	352	274
Northern Timberlands	29	28	32	47	41	26	23	19	15	4
Other Timberlands	(15)	(8)	46	2	7	6	22	—	(5)	(8)
Adjusted EBITDA including Legacy Plum Creek operations^{1,2}	\$519	\$576	\$779	\$1,030	\$937	\$901	\$936	\$902	\$680	\$610
Less: EBITDA attributable to Plum Creek ³	175	203	235	291	260	36	—	—	—	—
Weyerhaeuser Timberlands Adjusted EBITDA¹	\$344	\$373	\$544	\$739	\$678	\$865	\$936	\$902	\$680	\$610
Depletion, Depreciation & Amortization	(138)	(143)	(168)	(207)	(208)	(366)	(356)	(319)	(301)	(257)
Special Items	—	—	—	—	—	—	(48)	—	(32)	102
Operating Income (GAAP)	\$206	\$230	\$376	\$532	\$470	\$499	\$532	\$583	\$347	\$455
Interest Income and Other	4	3	4	—	—	—	—	—	—	—
Loss Attributable to Non-Controlling Interest	—	1	—	—	—	—	—	—	—	—
Net Contribution to Earnings	\$210	\$234	\$380	\$532	\$470	\$499	\$532	\$583	\$347	\$455

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold, unallocated pension service costs and special items. Adjusted EBITDA excludes results from joint ventures. Adjusted EBITDA should not be considered in isolation from and is not intended to represent an alternative to our GAAP results.

2. Results exclude Real Estate, Energy & Natural Resources, which was reported as part of legacy Weyerhaeuser's Timberlands segment. West includes Plum Creek Washington and Oregon operations. South includes Plum Creek Southern Resources. North includes Plum Creek Northern Resources less Washington and Oregon. Results from Longview Timber are included in Other for 2013 and in Western Timberlands for 2014 and forward. Other also includes results from international operations and certain administrative charges.

3. Results represent Plum Creek Timberlands EBITDA from October 1, 2011 through February 18, 2016.



ADJUSTED EBITDA RECONCILIATION

Wood Products

\$ Millions	2011	2012	2013	2014	2015	2016 ¹	2017	2018	2019	2020
Lumber	(\$7)	\$130	\$317	\$319	\$212	\$289	\$459	\$459	\$183	\$799
OSB	(4)	143	247	46	41	183	359	329	59	466
EWP	6	17	45	79	114	145	173	177	207	188
Distribution	(37)	(29)	(33)	2	10	25	38	32	33	86
Other	(1)	(15)	(2)	—	(5)	(1)	(12)	(10)	(6)	(12)
Adjusted EBITDA²	(\$43)	\$246	\$574	\$446	\$372	\$641	\$1,017	\$987	\$476	\$1,527
Depletion, Depreciation & Amortization	(151)	(133)	(123)	(119)	(106)	(129)	(145)	(149)	(191)	(195)
Special Items	(52)	6	(10)	—	(8)	—	(303)	—	68	8
Operating Income (GAAP)	(\$246)	\$119	\$441	\$327	\$258	\$512	\$569	\$838	\$353	\$1,340
Interest Income and Other	3	1	—	—	—	—	—	—	—	—
Net Contribution to Earnings	(\$243)	\$120	\$441	\$327	\$258	\$512	\$569	\$838	\$353	\$1,340

1. Amounts presented reflect the results of operations acquired in our merger with Plum Creek Timber, Inc. beginning on the merger date of February 19, 2016.

2. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold, unallocated pension service costs and special items. Adjusted EBITDA excludes results from joint ventures. Adjusted EBITDA should not be considered in isolation from and is not intended to represent an alternative to our GAAP results.



ADJUSTED EBITDA RECONCILIATION

Real Estate, Energy & Natural Resources

\$ Millions	2016	2017	2018	2019	2020
Real Estate	\$142	\$178	\$196	\$193	\$176
Energy & Natural Resources	47	63	68	81	65
Adjusted EBITDA¹	\$189	\$241	\$264	\$274	\$241
Depletion, Depreciation & Amortization	(13)	(15)	(14)	(14)	(14)
Basis of Real Estate Sold	(109)	(81)	(124)	(116)	(141)
Special Items in Operating Income	(14)	—	—	—	—
Operating Income (GAAP)	\$53	\$145	\$126	\$144	\$86
Interest Income and Other	2	1	1	—	—
Net Contribution to Earnings	\$55	\$146	\$127	\$144	\$86

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold, unallocated pension service costs and special items. Adjusted EBITDA excludes results from joint ventures. Adjusted EBITDA should not be considered in isolation from and is not intended to represent an alternative to our GAAP results.



ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION (FAD) RECONCILIATION

\$ Millions	2017	2018	2019	2020
Net Cash from Operations	\$1,201	\$1,112	\$966	\$1,529
Capital Expenditures (excluding discontinued operations)	(419)	(427)	(384)	(281)
Funds Available for Distribution¹	\$782	\$685	\$582	\$1,248
Cash for product remediation payments (from product remediation insurance recoveries)	192	96	(68)	(8)
Cash tax payments attributable to Cellulose Fibers divestiture	75	—	—	—
Cash contribution to our U.S. qualified pension plan	—	300	—	—
Adjusted Funds Available for Distribution²	\$1,049	\$1,081	\$514	\$1,240

1. Funds available for distribution (FAD) is a non-GAAP measure that management uses to evaluate the company's liquidity. FAD, as we define it, is net cash from operations adjusted for capital expenditures. FAD measures cash generated during the period (net of capital expenditures) that is available for dividends, repurchases of common shares, debt reduction, acquisitions, and other discretionary and nondiscretionary capital allocation activities. FAD should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.
2. Adjusted funds available for distribution (Adjusted FAD) is a non-GAAP measure that management uses to evaluate the company's liquidity. Adjusted FAD, as we define it, is net cash from operations adjusted for capital expenditures and significant non-recurring items. Adjusted FAD measures cash generated during the period (net of capital expenditures and significant non-recurring items) that is available for dividends, repurchases of common shares, debt reduction, acquisitions, and other discretionary and nondiscretionary capital allocation activities. Adjusted FAD should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.

