



# **Code of Business Conduct of Resolute Forest Products**

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## A. OVERVIEW

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### 1. SCOPE AND PURPOSE OF THIS CODE

At Resolute Forest Products, we value our relationships with our customers, suppliers, fellow employees, the communities in which we do business and our investors. 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. Compliance with the law is a given. Our aspirations are considerably higher. We believe that ethical conduct in business activities, in addition to compliance with law and policy, creates a more positive business environment for those who work for, invest in or do business with us.

This Code of Business Conduct (“Code”) establishes the fundamental ethical values and standards of behavior that we are expected to demonstrate in all our work and business activities. As you would expect, this Code cannot address every possible situation we encounter in our daily activities but it does provide the basic rules and guidelines for ethical conduct and compliance based on our core values.

While this Code sometimes refers to “employees”, it applies to all employees, officers and directors of Resolute Forest Products Inc., its wholly owned subsidiaries and their divisions (collectively, the “Company” or “Resolute”), including anyone who works for the Company, at any level, in any division, whether on a full-time, part-time, contractual, seasonal, temporary or other basis. When we refer to “Resolute’s affiliates”, this means, in addition to our wholly owned subsidiaries, Domtar Corporation (“Domtar”) and its subsidiaries which are part of the larger Paper Excellence Group.

The Company and its affiliates may adopt additional policies and procedures detailing how to implement the basic rules and guidelines contained in this Code. We may change or revise this Code and our policies and procedures at any time. We may also amend or add to this Code to deal with specific requirements or restrictions of local laws applicable in the countries where it conducts business<sup>1</sup>. This Code, however, is not intended to supersede the terms of any applicable collective bargaining agreements.

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<sup>1</sup> Whenever a country amendment is adopted, “Code” refers to this Code as so amended when applied to an employee located in that country.

This Code is available on Resolute's website at the following address: [www.resolutefp.com/About Us/Corporate Governance](http://www.resolutefp.com/About Us/Corporate Governance). Corporate policies and procedures are available on Resolute's corporate and local intranets or shared database or from the local Human Resources department.

## 2. OUR CORE ETHICAL VALUES

This Code and the policies and rules summarized in it reflect the core ethical values we share at Resolute.

**As an employee, officer or director of Resolute, we undertake to:**

- Comply with all applicable law and/or other applicable policies and procedures
- Perform our duties with integrity, honesty and fairness
- Avoid conflicts of interest between work and personal affairs
- Strive to create a safe, secure and healthy workplace
- Foster a work environment based on mutual respect, support for each other, open communication and accountability
- Protect the environment
- Embrace sustainability
- Support a culture in which ethical conduct and compliance are recognized, valued and exemplified.

## 3. OUR RESPONSIBILITIES

Each one of us is accountable for our own behavior and for upholding Resolute's commitment to integrity, ethics and compliance.

**Employees.** Each employee, officer and director must:

- Understand this Code and the other policies and procedures that apply to him/her
- Come forward with questions on ethics and compliance
- Raise and report concerns relating to potential breaches of the law, this Code or other applicable policies and procedures dealing with ethics and compliance
- Be familiar with the reporting options for raising questions and concerns, as described in A.4 below
- Cooperate with the Company on investigations

- Certify, if and when requested by the Company, that he/she has reviewed and follows the Code.

**Supervisors and managers.** Supervisors and managers must also:

- Demonstrate their commitment to this Code and lead by example
- Ensure that all employees under their supervision feel comfortable raising questions and concerns, without fear of reprisals, and that they are informed of the channels for doing so
- Promptly handle any questions and concerns raised directly with them, including those relating to conflicts of interest, business courtesies and gifts<sup>2</sup>
- Exercise due care when delegating discretionary authority that they are allowed to delegate under applicable policies and procedures
- In addition to complying with the requirements of applicable collective bargaining agreements, take into account compliance with this Code, applicable policies and procedures and legal requirements, when making promotion and other employment decisions and reviewing the performance of employees.

#### **4. OUR DUTY TO RAISE CONCERNS**

Resolute expects and encourages each one of us to be an active participant in its ethics and compliance program. To this end, Resolute has adopted the *Ethics Reporting Policy* which provides details on the process for reporting questions, complaints or concerns regarding ethics and compliance and the roles and responsibilities of those who handle them. Its main features are summarized below.

##### **What to Report:**

Each Resolute employee, officer and director has a **duty** to raise and report questions, complaints and concerns relating to the application or potential or suspected breaches of the law, this Code or other applicable policies and procedures dealing with ethics and compliance (each, a “Concern”)<sup>3</sup>. By reporting your Concerns, you not only fulfil your duty but you also contribute to strengthening the ethical culture within Resolute. Remember, the ethical performance of the Company is the sum of the actions taken by each of us.

This means that you are **encouraged and expected** to:

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<sup>2</sup> See Resolute's *Ethics Reporting Policy* (referred to in A.4 below) for more information on how to handle questions and concerns related to ethics and compliance.

<sup>3</sup> The *Ethics Reporting Policy* does not cover complaints, concerns or questions that relate solely to labour relations, grievances or the interpretation or application of collective bargaining agreements.

- Ask the questions you may have on ethics and compliance to help you better understand the Company’s core values and ethical expectations
- Seek guidance proactively before any problem arises
- Promptly report any suspected wrongdoing.

<b><u>Examples of Wrongdoings</u></b>	
<b>The following are examples - but <u>not</u> an exhaustive list - of wrongdoings that, when suspected, should be reported promptly:</b>	
<ul style="list-style-type: none"> <li>➤ Actions that endanger the health and safety of an individual</li> <li>➤ Any criminal offence by an employee, supplier or other individual or entity</li> <li>➤ Violations of competition/antitrust laws</li> <li>➤ Violations of securities laws</li> <li>➤ Bribery</li> <li>➤ Any other failure to comply with applicable laws and regulations</li> <li>➤ Discrimination or harassment</li> <li>➤ Actions that cause or could cause environmental damage</li> </ul>	<ul style="list-style-type: none"> <li>➤ Financial impropriety (ex.: irregularities in financial reporting, accounting, internal accounting controls and auditing)</li> <li>➤ Fraud</li> <li>➤ Actions that are unethical, illegal or otherwise not in line with Company values</li> <li>➤ Any other violation of this Code or other applicable policies or procedures</li> <li>➤ Any action that could result in any of the above if not stopped</li> <li>➤ Deliberate concealment of information concerning any of the above</li> </ul>

**How to Report:**

Resolute strives to create an environment where each employee is comfortable coming forward directly to management on an identified basis to communicate any Concern. Resolute recognizes, however, that in some situations anonymity and confidentiality are essential for an individual to feel safe about reporting a Concern. To this end, it has retained the services of an independent ethics reporting service to offer employees an alternative to raise a Concern in an anonymous and confidential manner.

**Anyone who wants to raise or report a Concern, including to seek guidance on expected behavior, to get help on a potential ethical or compliance question or to report a suspected wrongdoing, can contact any of the following:**

## Reporting Options

1. An immediate **supervisor** or local **Human Resources representative**;
2. Any member of the **Human Resources, Legal or Internal Audit team** or of **senior management**;
3. Any **Compliance Officer** (see Appendix I);
4. The **independent ethics reporting service** by:
  - a. **Calling the hotline/helpline toll-free at 1-877-319-8904** (the hotline/helpline toll-free number is available 24/7 and has no caller-id feature; translators are available for most languages);
  - b. **Making a report at [www.clearviewconnects.com](http://www.clearviewconnects.com)** (available 24/7, web form available in English and French, but answers can be provided in your preferred language and translated by the ethics reporting service); **or**
  - c. **Writing a letter to:**  
**P.O. Box 11017**  
**Toronto, Ontario**  
**Canada M1E 1N0** (the ethics reporting service transcribes handwritten notes and translates as required)
    - **When reporting potential or suspected breaches of the law, this Code or other applicable policies and procedures to the independent ethics reporting service, an employee is not required to leave his/her name.**
5. The **Global Chief Legal Officer of the Paper Excellence Group (the “Global Chief Legal Officer”)** (see Appendix I) for Concerns that are sensitive<sup>4</sup>.

### **What to Expect:**

**No Retaliation.** Anyone who, in good faith, raises a Concern or assists in the resolution of a Concern, whether under this Code, the *Ethics Reporting Policy* or applicable law, will not suffer any adverse action regarding its employee status or position with Resolute (such as dismissal, discharge, victimization, demotion, disciplinary action or discrimination) as a result. This is so even if the alleged facts are not proven to be true following an investigation. **Resolute will strictly enforce this non-retaliation policy**, and violations may result in disciplinary action, up to and including dismissal.

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<sup>4</sup> A Concern is “sensitive” if: (i) it relates to an executive officer or the chief accounting officer of the Company; (ii) it involves a potential or suspected breach of the *Ethics Reporting Policy* by a Compliance Officer (see Appendix I) or by a Case Management Committee member or case manager appointed under the *Ethics Reporting Policy* in the carrying out of their respective duties thereunder; or (iii) a Compliance Officer, Case Management Committee member or case manager decides for any reason that a Concern would be best handled by the Global Chief Legal Officer



**Anonymity and Confidentiality.** Resolute and those handling Concerns on its behalf will take all reasonable measures to preserve the anonymity of an employee who raised a Concern anonymously and to keep confidential the identity of an employee who requested that his/her identity not be disclosed. There are instances, however, where it may become necessary for Resolute to ascertain or reveal your identity or to disclose information relating to a Concern. This may be required by law, to properly handle or resolve a case, to protect Resolute's rights and property, or to report a criminal act. While Resolute takes anonymity and confidentiality very seriously, they can never be guaranteed.

**Fair, Timely and Consistent Handling.** You can expect that each Concern you raise will be handled in a fair, timely and consistent fashion. We are committed to resolving Concerns as promptly as possible.

**5. PENALTIES FOR VIOLATION**

Violations of this Code may result in disciplinary action, up to and including dismissal. In addition, since many of the rules and obligations in this Code are based on legal requirements, a violation may expose you and the Company to possible civil penalties, criminal prosecution, fines and prison terms.

**6. EXCEPTIONS AND WAIVERS**

Any exception or waiver of the provisions of this Code for Company employees (other than directors, executive officers and the chief accounting officer, or persons performing similar functions) may be made only by the Vice President, Legal Affairs. Any exception or waiver for directors, executive officers, the Chief Accounting Officer, or persons performing similar functions, may be made only by the Global Chief Legal Officer in consultation with the Vice President, Legal Affairs.

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**This Code does not create any contractual right to employment or continued employment nor to employee benefits or other terms and conditions of employment.**

## B. OUR ETHICS COMMITMENTS

### 1. COMPLIANCE WITH APPLICABLE LAW

Resolute conducts business around the world. **We must comply with applicable legal requirements wherever we conduct business.** Many of the other ethics, rules and obligations contained in this Code are based on legal requirements. Accordingly, compliance with applicable law is key to protecting the reputation of the Company and its affiliates for integrity and good business ethics.

Legal requirements may be quite different from province to province, state to state and country to country. Each one of us is responsible for using the resources of the Company, as well as outside resources, to **develop a working knowledge of the laws and regulations affecting our work responsibilities.** Employees are expected to review carefully all information relating to their duties that is circulated or posted from time to time. Also be aware that some local laws can prevent Resolute and its affiliates from doing business in certain countries (see B.9 below).

In addition to legal requirements, all Resolute employees must **become familiar with applicable policies and procedures** which are designed to assist with legal compliance. Such policies and procedures are available on Resolute's local intranets or shared database or from the local Human Resources department.

It is also Resolute's policy to **cooperate with all proper government investigations.** Having assured ourselves that a government investigation is legally proper, it is important that we handle the inquiry in a sound and efficient manner. Therefore, it is the responsibility of management at each location, immediately upon notification of an investigation, to contact the Law Department and forward all relevant information and documents. After the Law Department determines the government investigation is proper and provides instructions on the process to be followed, any employee who obstructs or impedes a government investigation will be subject to disciplinary action, up to and including dismissal, and may face criminal penalties.

All employees must work to **create an environment in which compliance with all applicable laws and policies and procedures is expected and encouraged.** There should be no suggestion that violations might benefit an employee's career - the opposite is true.

## 2. PERFORMING OUR DUTIES WITH HONESTY

In addition to conducting our activities within legal bounds, each of us, as an employee, officer or director of Resolute, is **expected to perform our duties with loyalty, integrity and diligence**. Many of the other ethics, rules and obligations contained in this Code provide details on those expectations. In essence, we must:

- Devote work hours paid for by the Company to activities directly related to the business of the Company and its affiliates
- Understand and meet Resolute's expectations regarding attendance, work schedules and productivity and, in particular:
  - attend work on a regular and consistent basis
  - be present at work as scheduled and
  - refrain from being absent without valid reasons
- Contribute our knowledge and expertise towards helping Resolute in meeting its objectives
- Protect Resolute's assets and reputation
- Become familiar with this Code and other applicable policies and procedures affecting our work responsibilities
- Always act in a professional and respectful manner.

## 3. FAIR DEALINGS WITH CUSTOMERS AND SUPPLIERS

We are **committed to treating our customers and suppliers fairly and appropriately**. It is important that we **do not take unfair advantage of anyone** through manipulation, concealment, misrepresentation of material facts or any other unfair dealing practice.

Specifically, we strive to provide every **customer** with:

- Products of consistently high quality and on-time deliveries
- Prompt, accurate and courteous responses to requests and inquiries
- Accurate information regarding the quality and utility of our products.

Our business relationships with **suppliers** are based on:

- A legitimate need by the Company for a product or service
- The quality, value and availability of the product or service
- A business environment free of gifts or favours to individuals as part of the terms of the transaction (see more on business courtesies and gifts in B.6 below).

In addition, we are committed to maintaining the accuracy, security and privacy of the personal information of our customers, suppliers and other business partners that we collect, use and disclose in the course of our business in accordance with applicable legislation and our privacy policies. In addition to legal requirements, all Resolute employees must **become familiar with applicable policies and procedures relating to privacy and security** which are designed to assist with legal compliance. Such policies and procedures are available on Resolute’s corporate and local intranets or shared database or from the local Human Resources department.

#### **4. FAIR COMPETITION**

We believe in free and open competition. We succeed because we deliver first-class and competitive products and services to customers. It is our policy to **observe and comply strictly with both the spirit and the letter of competition laws**, both domestic and foreign.

The basic purpose of competition laws (sometimes called “antitrust laws” in the United States) is to protect and provide an open economic environment for independent businesses to compete in markets free from collusive or exclusionary behavior. When this objective is frustrated by collusion or abuse of market position, competition laws are violated.

**Penalties for violating competition laws are severe for both the liable company and individuals.** Any individual who authorizes or participates in conduct found to violate these laws may be fined a significant amount for each violation, be required to pay damages and have to serve a substantial prison term.

<b><u>12 basic “don’ts”</u></b>
<p><b>It is impossible to list all possible competition law violations. However, there are 12 basic “don’ts” in this area that Resolute expects us to comply with:</b></p> <ul style="list-style-type: none"><li>➤ Don’t discuss or exchange information relating to past, present or future prices, pricing policies or the terms of sale (including discounts, promotions, freight terms or agents’ commissions) with competitors</li><li>➤ Don’t discuss market developments, including market conditions or activities, market prices or trends, with competitors</li><li>➤ Don’t discuss non-public information regarding revenues, costs or profits with competitors</li><li>➤ Don’t discuss planned mill, plant or machine shutdowns, expansions, conversions, downtime or inventory levels with competitors; never agree to restrict or increase levels of output</li><li>➤ Don’t discuss bids with competitors</li><li>➤ Don’t divide customers, markets or territories with competitors</li><li>➤ Don’t require a customer to buy a product only from the Company or its affiliates if the effect could be to deny a substantial portion of the market to competitors, and don’t prevent</li></ul>

a customer from purchasing a product from competitors, without first consulting the Law Department

- Don't condition the sale of one product to a customer upon the customer's purchase of another product that is not desired by the customer, or use one product as leverage to force or induce a customer to purchase another product, without first consulting the Law Department
- Don't agree with competitors or others to boycott or refuse to deal with a customer or supplier
- Don't offer a customer prices or terms more favourable than those offered to competing customers unless justified by cost savings, the need to meet competition or changed market conditions
- Don't prepare documents (including emails) or make presentations without considering the competition implications
- Don't attend meetings with competitors (including trade associations' meetings) unless proper procedures vetted by the Law Department are in place to ensure competition law compliance and don't discuss any prohibited subject at any such meeting; if a prohibited subject comes up, voice your objection, leave the meeting and promptly report the discussion to the Law Department.

The above restrictions apply as forcefully at trade association meetings and labour negotiations as they do during casual conversation and at social gatherings. **All Company personnel should use extreme caution in all contacts with competitors.**

Not all conduct that might give rise to a charge of competition law violation is readily identifiable. Therefore, it is important for all employees to become aware of competition issues and to follow the specific guidelines that we may develop on those issues. The **Law Department should be consulted early in the process** whenever the propriety of an act or practice under competition laws is not clear.

## **5. AVOIDING CONFLICTS OF INTEREST**

It is the responsibility of every employee, officer and director to **act in the best interests of Resolute, advance Resolute's legitimate interests and avoid conflicts of interest.**

### **What is a "conflict of interest":**

A "**conflict of interest**" occurs when your personal interests, outside activities, financial interests or relationships interfere with the best interests of Resolute or its affiliates so your judgment and ability to make decisions with integrity and honesty may be impaired.

A conflict of interest may also arise in a situation that involves not only yourself personally but **also someone with whom you have a close relationship**, including:

- a member of your immediate family (spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law)
- someone (other than an employee) who shares your home
- an entity for which you serve as an officer or a director or in a position of equivalent authority or control.

#### Examples of Prohibited Conflict Situations

**It is impossible to identify all situations that may conflict with your responsibilities to Resolute, but here are examples of activities that are prohibited:**

- Misusing or using for personal gain or purposes your position, property, resources or confidential information of the Company or its affiliates
- Competing against the Company or its affiliates such as by taking an outside job or consulting with a competitor
- Sharing in the proceeds from any business transaction in which the Company or its affiliates is involved
- Accepting a loan or guarantee of a personal obligation offered by a third party as a result of your position with the Company<sup>5</sup>.

#### **What conflict situations must be disclosed:**

Apart from actual conflicts of interest, there are many other situations which could **potentially** develop into conflicts. Also, in this area, **appearances do matter** and the perception of a conflict can have negative effects.

This is why Resolute requires that you **disclose not only actual conflicts but also all potential or apparent conflict situations** – that is, situations where your personal interests, outside activities, financial interests or relationships **could potentially threaten or appear to interfere** with the best interests of Resolute or its affiliates. Disclosure must be done as explained below. Those to whom you disclose a conflict situation will then determine how to resolve it so as to eliminate the conflict or prevent the situation from developing into a conflict.

#### Examples of Conflicts to Be Disclosed

**It is impossible to identify all situations in which an actual, potential or apparent conflict of interest could arise. The following are examples of activities that must be disclosed and should not be pursued without being resolved:**

- Having an outside job that could cause a conflict with your job with the Company or its affiliates
- Working or consulting with a supplier or customer of the Company or its affiliates

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<sup>5</sup> This excludes loans and guarantees by the Company or its affiliates to employees who are relocating at the Company's request.

- Hiring or promoting a near relative, close personal friend or someone else with whom you have a close relationship
- Contracting with a near relative, close personal friend or someone else with whom you have a close relationship, or a business that is owned or managed by him/her
- Contracting with a business that you own, control or manage (directly or indirectly)
- Taking for your own personal benefit any opportunities that are discovered through the use of property or resources of the Company or its affiliates
- Having a significant interest or investment in an organization that does business with or competes against the Company or its affiliates
- Acting as a director, officer or consultant of another business or of a non-profit or charitable organization that has a relationship with the Company or its affiliates or expects support from them, except if you are appointed or serving at the request of the Company or its affiliates.

### How to disclose an actual, potential or apparent conflict:

It is important to remember that, when you are open and honest about the potential for a conflict of interest, it is **often possible to resolve the conflict to the satisfaction of all parties.**

#### Guidelines on Disclosing Conflicts

- All Resolute **employees and officers** must disclose **promptly in writing** all situations that present an actual, potential or apparent conflict of interest
- We invite you to disclose conflicts using the *Conflict Disclosure Form* (see Appendix II)
- If in doubt on whether a particular situation must be disclosed, raise the question with your manager or any of the other Reporting Options (see A.4 above)
- Actual, potential or apparent conflicts must be disclosed by **employees and officers** to the following individuals:
  - if you are a Resolute **employee** (other than as identified below): to your manager and to your local Human Resources manager
  - if you are a **General Manager** or a **local Human Resources manager**: to your manager and to a Human Resources vice president or Human Resources director responsible for your establishment
  - if you are a **Corporate vice president or Corporate director** (other than the chief accounting officer): to your manager and to the Senior Vice President, Human Resources

- if you are an **executive officer**, the **Chief Accounting Officer** of Resolute: to the Global Chief Legal Officer<sup>6</sup>, to the Vice President, Legal Affairs
- Do not undertake or pursue the action which involves the actual, potential or apparent conflict of interest that you have so disclosed until the situation has been resolved and the resolution has been communicated to you by an authorized Resolute representative<sup>7</sup>
- **Directors** must recuse themselves from any decision that involves them and discuss any issues with the Vice President, Legal Affairs as well as the Global Chief Legal Officer.
- As part of the periodic certification on the Code, directors, officers and certain employees may also be asked to certify that they have no real, potential or apparent conflict of interest except as disclosed.

The provisions dealing with conflicts of interest in this *Code of Business Conduct* are in addition to other existing applicable policies and procedures.

## 6. PROPER BUSINESS COURTESIES AND GIFTS

While Resolute recognizes that the proper exchange of business courtesies may further good business relationships, it also believes that **no business courtesy (such as hospitality or entertainment) nor any form of gift should be offered or accepted if it is illegal<sup>8</sup>, is not reasonable in view of the person’s position within Resolute, might obligate or appear to obligate the offeror or recipient, or might create the appearance of an impropriety.**

### How to differentiate between a “business courtesy” and a “gift”:

“**Business courtesies**” consist of hospitality and entertainment that is business-related and aims at furthering the business of Resolute or its affiliates. Other forms of courtesies (such as hospitality and entertainment where the host is not present) are considered “**gifts**”.

### What are the general conditions to be met for all business courtesies and gifts:

Most of Resolute’s guidelines apply to both “business courtesies” and “gifts”.

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<sup>6</sup> Including if the conflict situation that is disclosed involves an accounting or auditing matter.

<sup>7</sup> All conflict of interest situations must be resolved by or in consultation with the Vice President, Legal Affairs except as regards conflicts pertaining to him/her. Documents relating to your disclosure and the resolution of conflicts of interest will be inserted in your employee file. See also note 6 above.

<sup>8</sup> Note, in particular, that gifts or favours to government officials or employees may be viewed as bribes which are illegal and expressly prohibited (see B.7 below).



### **“Do’s” and “Don’ts” Applicable to Both Business Courtesies and Gifts**

- Before receiving or offering a business courtesy or gift from or to a customer, a supplier or anyone else with whom Resolute or its affiliates has or is likely to have business dealings, ensure that it complies with:
  - applicable legal requirements
  - the offeror’s or recipient’s own code of conduct
  - the additional guidelines applicable to business courtesies or gifts, as applicable, contained below and
  - any additional and more stringent applicable local or corporate policies and procedures<sup>9</sup>
- Don’t accept or offer business courtesies or gifts from or to customers, suppliers or anyone else with whom Resolute or its affiliates has or is likely to have business dealings if they could impair - or appear to impair - your judgment to make decisions solely based on our best interests or if you feel that something is expected or owed in return, particularly at times of contract tendering, negotiation or award
- Don’t accept or offer business courtesies or gifts that could embarrass Resolute or its affiliates if they became publicly known (such as sexually explicit gifts or entertainment)
- Don’t accept from or offer to customers, suppliers or anyone else with whom Resolute or its affiliates has or is likely to have business dealings anything that is in cash or cash equivalents, such as discounts, gift certificates, loans, third party shares or other securities, or services
- Don’t offer, promise, pay or authorize anything of value to a government official or employee or to an employee of a customer, a supplier or a business partner to get or keep an improper advantage (see also B.7 below)
- Business courtesies and gifts should always be:
  - unsolicited – in particular, don’t solicit or encourage gifts, hospitality or entertainment for personal use
  - infrequent
  - accepted or offered openly and
  - consistent with customary business practices.

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<sup>9</sup> See, for instance, Resolute’s *Business Travel, Entertainment and Gifts Policy* and its *Donations and Sponsorships Policy*.

## How to determine whether a “business courtesy” is acceptable:

Resolute has adopted additional rules that must be met for business courtesies to be acceptable.

### **Additional Guidelines Applicable to Business Courtesies**

- A business courtesy can be accepted or offered if it is:
  - business related and intended to further good business relations – for example, if tickets to an event are offered to you, you should ensure that the entertainment is to further Resolute’s or its affiliates’ business and the offeror plans on attending the event; otherwise, the courtesy is considered a “gift”
  - consistent with all the above “Do’s” and “Don’ts” applicable to both business courtesies and gifts
  - of reasonable value and appropriate in light of your position (note: Resolute, its affiliates and your specific business unit may adopt guidelines on what is considered acceptable<sup>10</sup>) and
  - justifiable on your expense statement (or, if you are the recipient, would be so were you to offer instead of receive the courtesy) and, as applicable, approved in accordance with applicable policies and procedures<sup>11</sup>
- If in doubt on whether hospitality, entertainment or other business courtesies are acceptable, consult your manager or any of the other Reporting Options (see A.4 above).

## How to determine whether a “gift” is acceptable:

Resolute has adopted additional rules that must be met for gifts to be acceptable.

### **Additional Guidelines Applicable to Gifts**

- You may retain a gift if it is:
  - consistent with all the above “Do’s” and “Don’ts” applicable to both business courtesies and gifts and
  - of nominal value (such as promotional items, inexpensive mementos, small tokens of appreciation at public functions, and customary gifts of chocolate and cookies during the Holiday Season) (note: Resolute, its affiliates and your specific business unit may adopt guidelines on what is considered “nominal value”<sup>12</sup>) or

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<sup>10</sup> See, for instance, Resolute’s *Business Travel, Entertainment and Gifts Policy* which requires approvals before accepting certain business courtesies.

<sup>11</sup> See, for instance, Resolute’s *Business Travel, Entertainment and Gifts Policy* which sets out the standards for acceptable expenses and requires approvals before accepting certain business courtesies.

<sup>12</sup> See, for instance, Resolute’s *Business Travel, Entertainment and Gifts Policy*.

disclosed and approved in accordance with applicable policies and procedures on the subject<sup>13</sup>

- Gifts or contributions by Resolute should also be approved in accordance with applicable policies and procedures<sup>14</sup> and should never be made as a disguise for bribes
- If in doubt on whether a gift is acceptable, consult your manager or any of the other Reporting Options (see A.4 above).

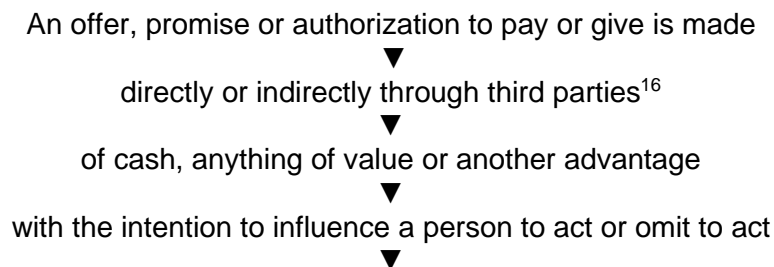
## 7. ANTI-BRIBERY AND ANTI-CORRUPTION

**Resolute explicitly prohibits the making or receiving of bribes in all its business dealings, with both governments and private organizations, around the world.** We will not undertake a transaction that involves the making or receiving of a bribe, and we will exercise reasonable diligence and care to avoid entering into such a transaction.

**Resolute is committed to complying fully with all applicable anti-bribery and anti-corruption laws.** Resolute requires that all of its employees, officers, directors, agents, brokers, consultants and other individuals and firms representing it, as well as its suppliers and business partners, including those located outside of Canada and the United States, comply with all applicable anti-bribery and anti-corruption laws<sup>15</sup>. Taken together, **these laws prohibit both public and commercial bribery**, and violations can lead to severe fines for both the liable company and individual offenders as well as imprisonment for individuals.

### What is a “bribe”:

**Bribery will generally exist where:**



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<sup>13</sup> See, for instance, Resolute's *Business Travel, Entertainment and Gifts Policy* which requires prior disclosure and approval of gifts above “nominal value”.

<sup>14</sup> See, for instance, Resolute's *Donations and Sponsorships Policy*.

<sup>15</sup> See, for instance, the *Corruption of Foreign Public Officials Act (Canada)*, the *Foreign Corrupt Practices Act (United States)* and the *Bribery Act (United Kingdom)*.

<sup>16</sup> Third parties include agents, brokers, consultants and other representatives as well as business partners.

for the purpose of obtaining, retaining or directing business or securing an improper business advantage, or in a way that is illegal or dishonest or constitutes a breach of trust.

**Bribery can take many forms**, including kickbacks, secret commissions, phony “consulting” relationships, political or charitable contributions, or excessive gifts, hospitality or entertainment. Accordingly, it is critical that all Resolute employees, officers, directors and representatives comply with all applicable policies and procedures on travel, entertainment and gifts, on political and charitable contributions and on the proper reporting and accounting of related expenses<sup>17</sup>.

**Resolute also prohibits offering or making small payments (the so-called “facilitation payments”) to a “public official”**, even when they appear to be usual business practice in a particular jurisdiction or essential to get business done, since facilitation payments constitute illegal bribes under many laws<sup>18</sup>.

### **What is a “facilitation payment”:**

A **facilitation payment (sometimes called a “grease payment”) is a payment made to a public official to expedite a routine governmental or administrative action**. Here are a few examples of routine governmental or administrative actions: issuance of permits, licenses or other documents required to do business in a country; processing of visas and work permits; provision of police protection, phone or mail service; supply of power or water.

### **Who is a “public official”:**

**Anti-bribery and anti-corruption laws usually define “public officials” to include:**

- any appointed, elected or honorary official, whether such official represents the legislative, executive or judicial branch of a government
- any employee of a government, of a government owned or controlled enterprise or entity, or of a public international organization (such as the UN and the World Bank)
- any individual acting in an official capacity for such government, enterprise, entity or organization
- any member or representative of a political party or any candidate for political office.

Here are a few **examples** of public officials: government ministers, members of Congress, members of cabinet and their respective staff; employees of government departments and agencies (such as customs, immigration, environment, and natural resources); ambassadors; members of legislative bodies; judges; employees of enterprises owned or controlled by a government; employees of government-owned universities and hospitals; military and police personnel; provincial governors; regional officials; mayors of municipalities; private consultants or individuals “acting in an official capacity” in relation to a particular matter.

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<sup>17</sup> See, for instance, the guidelines in B.6 above and in B.10b) and B.11 below, Resolute’s *Business Travel, Entertainment and Gifts Policy* and its *Donations and Sponsorships Policy*.

<sup>18</sup> See, for instance, the *Corruption of Foreign Public Officials Act (Canada)* and the *Bribery Act (United Kingdom)*.

In addition, payments to **close relatives** of public officials, such as spouses, children or other immediate family members, may be treated as payments to public officials and may constitute bribery.

### **Anti-Bribery & Anti-Corruption Guidelines**

- Don't pay any bribe to, or make any other attempt to improperly influence, an official or employee of any entity or organization, whether governmental or commercial in nature
- Consult the Law Department whenever you are faced with a situation involving a gift, hospitality, entertainment or other business courtesy, or any payment, regardless of its value, to a public official
- Follow Resolute's due diligence procedures when selecting agents, brokers, consultants and other individuals or firms to represent Resolute, as well as suppliers and business partners
- Require all agents, brokers, consultants and other individuals and firms representing Resolute, as well as all its business partners, to comply with Resolute's anti-bribery and anti-corruption policies and procedures and related laws and regulations
- Watch out for "red flags" involving any agent, broker, consultant or other individual or firm representing us, or any supplier or business partner, such as:
  - operations in a country with a high level of corruption
  - allegations of illegal or improper business practices in the marketplace
  - reputation for bribes or corruption
  - requests to make or accept payments in cash
  - payments originating from, or requested to be directed to, a tax haven, a country unrelated to the transaction, multiple accounts, or offshore or shell banks
  - requests to make payments to, or accept payments from, third parties
  - requests to get payments as a condition to winning the sale transaction or in a rush
  - requests for a political contribution to a specific party or candidate, or for a charitable donation to a designated charity or foundation
  - requests for payment for unusual services such as introductions
  - unusually high profit margins
  - disproportionate or unjustified fees, commissions, rebates, discounts or credits
  - business arrangements with no obvious commercial purpose or inconsistent with industry practice
  - requests to deal with a specific person due to a "special relationship" or with no identifiable knowledge or skills other than "special access"
  - refusal to make anti-bribery commitments
  - refusal to identify owners, partners or principals
  - ownership or other economic interest on the part of a public official or one of his/her family member
  - requests that we prepare false invoices or any other false documentation
  - expenses that cannot be explained or that lack supporting documentation

- If in doubt on whether a payment may constitute a bribe or a facilitation payment, or on whether any agent, broker, consultant or any other individual or firm representing us, or any supplier or business partner may be involved in bribery or corruption activities, consult the Law Department
- **Do not proceed with any transaction raising a potential bribery or corruption Concern until the situation has been resolved.**

## 8. MONEY LAUNDERING PREVENTION

Many countries have adopted legislation that make it illegal to accept or process the proceeds of crime. **We are committed to complying fully with all applicable anti-money laundering laws throughout the world.** Because we value our integrity and reputation, we are **also committed to doing business only with business organizations that are involved in legitimate business activities, with funds derived from legitimate sources**, and it takes steps to ensure that it only takes and makes acceptable forms of payment that are not a means to launder money.

### Anti-Money Laundering Guidelines

- Follow Resolute’s due diligence procedures regarding customers, agents, brokers, consultants and other individuals and firms representing Resolute, as well as suppliers and business partners
- Follow Resolute’s cash management policies and procedures, including as to acceptable forms of payment
- Watch out for “red flags” involving any customer, agent, broker, consultant or other individual or firm representing us, or any supplier or business partner, such as:
  - allegations of illegal or improper business practices in the marketplace
  - reluctance to provide complete information, especially as to its identification or as to its owners, partners or principals
  - provision of false, inconsistent or suspicious information
  - requests to make or accept payments in cash
  - payments originating from, or requested to be directed to, a tax haven, a country unrelated to the transaction, multiple accounts, or offshore or shell banks
  - requests to make payments to, or accept payments from, third parties
  - unusual orders, purchases, services or payment terms
  - business arrangements with no obvious commercial purpose or inconsistent with industry practice
  - suggestion to structure a transaction in an unusually complex manner
  - suggestion to avoid record-keeping or reporting obligations
- If in doubt on whether any customer, any agent, broker, consultant or other individual or firm representing us, or any supplier or business partner may be involved in money laundering activities, consult the Law Department

- **Do not proceed with any transaction raising a potential money laundering concern until the situation has been resolved.**

## **9. OBSERVING INTERNATIONAL TRADE CONTROLS**

Many countries have adopted legislation that restricts our ability to do business in certain countries or with certain individuals or firms (such as terrorists) or, conversely, prohibits restrictive trade practices or boycotts imposed by other countries. Those laws apply to the sale of our products, to our purchases and to our treasury activities. They may also cover the exchange of certain types of information (such as technical drawings, emails or web access) across borders. **We are committed to complying fully with all applicable international trade control legislation, including export control laws, anti-terrorist laws and anti-boycott laws, throughout the world.**

### **Guidelines for Observing International Trade Controls**

- Follow Resolute's due diligence procedures regarding customers, agents, brokers, consultants and other individuals and firms representing us, as well as suppliers and business partners
- Do not enter into a transaction, directly or indirectly (such as through an agent, broker, consultant or other representative), in a country, or with a person or entity located in a country, that is indicated on the list of restricted countries maintained by Resolute, without first consulting the Law Department
- Do not enter into a transaction, directly or indirectly (such as through an agent, broker, consultant or other representative), with an individual or entity designated on any "sanctioned party list" or similar "watch list"<sup>19</sup>
- Do not enter into a transaction requiring us to boycott doing business in a country or with a person or entity located in a country, and promptly report any such request to the Law Department
- Watch out for "red flags" involving any customer, agent, broker, consultant or other individual or firm representing us, or any supplier or business partner, such as:
  - allegations of illegal or improper business practices in the marketplace
  - reluctance to provide complete information, especially as to its identification or its owners, partners or principals, or as to the end-use, end-user or delivery location of products or services
  - provision of false, inconsistent or suspicious information

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<sup>19</sup> See, for instance, the Specially Designated Nationals list maintained by the U.S. Office of Foreign Assets Control.

- payments originating from, or requested to be directed to, a tax haven, a country unrelated to the transaction, multiple accounts, or offshore or shell banks
  - requests to make payments to, or accept payments from, third parties
  - invoices on imported goods where the price shown does not reflect the full value, the description of the goods is incomplete or inaccurate, or the country of origin is incorrectly identified
  - use of an import classification that does not seem to describe the imported goods accurately
  - suggestion to structure a transaction in an unusually complex manner
- If in doubt on whether an international trade control is applicable, consult the Law Department
- **Do not proceed with any transaction raising a potential international trade control concern until the situation has been resolved.**

## 10. PROTECTING THE COMPANY'S ASSETS AND IDENTITY

**Each of us is accountable for Resolute's assets and identity and must protect them.** The improper use or the misuse of Resolute's assets or identity could adversely affect Resolute's reputation, integrity, credibility and sustainability, and result in civil and criminal liability.

### a) Proper Use and Safeguarding of Company Assets

Resolute's property, in all its forms, is to be handled responsibly and used for its intended business purpose. Resolute employees, officers and directors are expected to demonstrate **honesty and good judgment** in dealing with all Company assets. Therefore, you must:

- Use Company money, facilities, supplies and equipment only for legitimate Company-related purposes
- Follow policies and procedures applicable to the use of certain assets such as credit cards and office equipment
- Be accountable for Company property placed in your custody and take appropriate measures to protect it against loss, theft, damage, or unauthorized access or use
- Promptly report any loss, theft, damage, or unauthorized access or use of Company property, including fraud, to your manager or any of the other Reporting Options (see A.4 above)
- Follow the *Performing our Duties with Honesty* rules in B.2 above
- Follow our *Avoiding Conflicts of Interest* rules in B.5 above.

### b) Books and Records

**We are committed to maintaining proper books and records and to providing accurate, reliable and timely information in accordance with applicable law.** Therefore, you must:



- Follow Resolute's accounting policies and procedures as well as all generally accepted accounting principles, standards and regulations that are applicable
- Ensure that all transactions are properly approved, and related documents signed, in accordance with applicable approval and signing policies and procedures
- In preparing and maintaining Resolute's books and records, ensure that all funds, assets and transactions are properly recorded, with entries that are complete, accurate, current and made timely in the proper accounts
- Preserve, store and destroy your records and documents in compliance with applicable law and Resolute's document management policies and procedures
- Ensure that Resolute's books and records are reasonably secured against misappropriation.

### **c) Proprietary Information and Other Intellectual Property**

**Intellectual property is a valuable asset that must be protected.** We must also **respect the intellectual property rights of others.** Intellectual property includes patents, trademarks, domain names, copyrights, inventions, trade secrets and other proprietary information.

**Proprietary information** takes many forms. Some examples include: financial data; employee information; customer lists and other customer information; marketing data; supplier lists; process details; equipment specifications; details about negotiated agreements. Generally, it is any information that is directly related to our interests and not intended for the general public. Information developed solely by you, as well as information developed by others, can be considered proprietary information and, therefore, owned by Resolute or its affiliates.

**Information belonging to a third party** may also be considered proprietary. For instance, we may be required to enter into confidentiality agreements as a condition of plant visits or business venture negotiations.

Unauthorized use or disclosure of our intellectual property could destroy its value to us, give unfair advantage to others and, in some instances, be prohibited by the terms of agreements we may have with third parties or by applicable law. In addition, the improper use or disclosure of intellectual property belonging to others may violate license agreements or applicable law and be subject to legal sanctions.

**Intellectual property, including proprietary information, should be handled with as much care as physical assets.** Therefore, subject to applicable law,

- Only use intellectual property you have access to for the legitimate business purposes of the Company (see also B.10d) below)
- Do not disclose to third parties any non-public or proprietary information of the Company or its affiliates unless you are specifically authorized to do so under Resolute's *Policy on Release of Information to the Public* (see also B.10e) below)
- Do not disclose any other intellectual property of the Company or its affiliates to third parties or permit them to use it without first consulting the Law Department

- Do not trade in the securities of any entity about which you have obtained material proprietary or non-public information as a result of your position with us (see also B.12 below)
- Only use the protected intellectual property of third parties (such as patents, trademarks and proprietary information) in accordance with the terms of the applicable agreements or otherwise as approved by the Law Department or, in the case of software, as permitted by the IT Department
- Comply with all license agreements and copyright laws governing written publications, films, software and other materials protected by law
- Do not copy, reproduce, transfer or resell the software or other intellectual property of third parties, nor the related materials created by another person, unless this is expressly authorized in the applicable license agreement
- Comply with Resolute's guidelines on the use of its visual identity, trademarks and trade names
- If you leave our employ, keep confidential all intellectual property you have had access to and return all company documents and records.

If you believe you may have disclosed information or other intellectual property inappropriately, **inform your manager or any of the other Reporting Options (see A.4 above)**. In such a situation, disciplinary action is not automatic. Your voluntary, forthright cooperation is encouraged and will be taken into consideration.

#### **d) Information Technology Tools**

Information technology tools (including computers and computer software, email, data storage, internet access, facsimile machines and telephones (including cellular phones and smart phones)) are provided by Resolute to enhance productivity and should **be used primarily for the business purposes of Resolute and its affiliates, with good judgment and in accordance with applicable policies and procedures**<sup>20</sup>. In addition, you should take appropriate measures to protect all such tools against loss, theft, damage, or unauthorized access or use.

**Personal use of information technology tools must be reasonable and it should not impede or reduce your ability to perform your duties, not diminish effectiveness at work and not be made to engage in illegal or inappropriate activities nor should it negatively impact Resolute or its affiliates in any way.** Abuse of Resolute-provided information technology tools may result in disciplinary action, up to and including dismissal.

With the exception of the content of verbal telephone conversations, **we reserve the right to monitor the use of any information technology tools and all data and information created, accessed, transmitted or stored on those tools. We also reserve the right to monitor and access data with respect to the usage of any information technology tools.**

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<sup>20</sup> See, for instance, Resolute's *Information Technology Security Policy* and its *Mobile Communication Policy*.

**You should have no expectation of privacy with respect to information technology tools provided by Resolute or its affiliates or any data or information created, accessed, transmitted or stored on those tools.**

### **e) Company Communications**

Resolute is committed to ensuring that **all of its communications<sup>21</sup> be fair and accurate and comply fully with applicable law**. There would be serious civil and criminal penalties (both for the Company and individual employees, officers and directors) associated with making false, fraudulent or misleading statements to the government and others with whom we communicate.

In this sensitive area, even an unintentional mistake may jeopardize a relationship with a customer or a government agency, or create suspicion about the integrity of the Company. In order to avoid these issues:

- **If you expect to release information to the public** through any form of communications (such as a speech, article, paper, news release, advertisement or employee communication), seek appropriate authorization first in accordance with Resolute's *Policy on Release of Information to the Public*
- **If you are asked a question by a third party**, including a member of the press, an investor, an attorney or a government official, do not attempt to answer it unless you are certain you are authorized to do so and refer such person to the appropriate Resolute spokesperson or consult your manager or any of the other Reporting Options (see A.4 above).

### **f) Social Media**

Resolute recognizes that communications through social media are increasing and are a legitimate means of self-expression. You should be aware, however, that **we monitor social media and we have adopted a *Policy on the Use of Social Media* governing your participation in social media when referencing any aspect of Resolute's or its affiliates' business, whether as part of your work responsibilities or on a personal basis**. In particular,

- Your use of the social media is subject to applicable law, this Code and other applicable policies and procedures<sup>22</sup>
- We permit the use of social media during work hours for business purposes only
- You are personally responsible for what you publish and share on social media sites and you should use good judgment in doing so

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<sup>21</sup> "Communications" include advertisements and sales promotion materials, business correspondence, speeches, employee publications, external financial statements, government filings and reports, position statements as well as newsletters and news releases.

<sup>22</sup> See, for instance, Resolute's *Information Technology Security Policy* and its *Policy on Release of Information to the Public*.

- You should not publish comments that are detrimental to Resolute and its affiliates, its business, employees, directors, competitors, customers, suppliers and other stakeholders, or that could be considered defamatory, harassing or indecent, except as otherwise provided by applicable law
- You should clearly identify that your opinions are your own and not representative of Resolute or its affiliates unless you are a designated spokesperson for the Company or its affiliates.

## **11. POLITICAL CONTRIBUTIONS, POLITICAL ACTIVITIES AND LOBBYING**

We participate in the political process with financial support to individuals and parties sharing its beliefs relative to important business issues but **only where this is allowed** by the laws and regulations governing political contributions in the various jurisdictions where we conduct business. While the cooperation and support of employees may be sought for various Company initiatives involving local, provincial, state or federal governments, your participation in any such initiative is **strictly voluntary**.

We **prohibit** the making of political contributions in our name where this is disallowed by applicable law; where this is allowed, political contributions can only be made in Resolute's name with the prior approval of the Vice President, Corporate Communications, Sustainability and Government Affairs. You may, however, make political contributions **from your own resources**, in which case you must be prepared to demonstrate that you own the sources of your contribution. **In no case will you be reimbursed by Resolute for political contributions.**

In addition, we are engaged in areas of public policy relevant to our industry and may take position on political issues, work to oppose or support changes to applicable legislation or lobby to further its interests and goals, but it always does so in strict compliance with applicable law. **Employees who communicate with public officials on our behalf** should fully understand the applicable laws and regulations, satisfy all applicable requirements in relation thereto, such as registration as lobbyists and disclosure of required information, and comply with this Code and other applicable policies and procedures. **If in doubt as to what activities constitute "lobbying" or as to what the prescribed requirements are in a specific jurisdiction, consult the Law Department.**

## **12. INSIDER TRADING PROHIBITION**

Even though the shares of Resolute and Domtar do not trade on stock exchanges anymore, part of Domtar's debt is still held and traded by the public. As such, we remain subject to the United States federal and state laws prohibiting the use of "material non-public information" when trading in Domtar securities. Buying or selling securities based on material non-public information we know about because of our job constitutes what is called "insider trading" and is not only unfair, but also illegal. Since we believe everyone should make investment decisions based on the same information, we do not trade on material non-public information or tip off others so that they may

trade. These restrictions also apply to securities of other companies if we learn of material non-public information in the course of performing our duties with Resolute and its affiliates.

What makes someone an “insider”? Any person who is in possession of material non-public information is deemed to be an “insider.” This includes directors, officers, employees (management and non-management), as well as their family members and other persons living in the same household, friends or brokers who may have acquired such information directly or indirectly from an insider (“tip”).

What is “material non-public information”? That is a complex legal question, but it is generally considered to be information not available to the general public, which would be likely to affect a reasonable investor’s decision to purchase or sell Domtar securities. Such information includes, but is not limited to:

- information relating to capital structure;
- major management changes;
- contemplated mergers, acquisitions or divestitures;
- pending regulatory action or significant litigation;
- information concerning earnings or other financial information etc.

Such information continues to be “non-public” information until it is disclosed to the general public.

**Remember, it is far better to err on the side of caution than to risk fines, criminal sanctions and the possible loss of your position.**

### **13. A SAFE, SECURE AND HEALTHY WORKPLACE BASED ON MUTUAL RESPECT**

At Resolute, we are committed to succeeding together. Teamwork starts with a winning attitude and a true desire to support each other. In this regard, we are committed to fostering a safe, secure and healthy workplace based on mutual respect and where we welcome ideas, communicate frequently and share best practices.

#### **a) Health and Safety**

**At Resolute, the health and safety of our employees is our first concern and responsibility.** We are committed to making every reasonable effort to provide employees with a safe and healthy working environment. Using good judgment and common sense and following Company safety policies and procedures prevents accidents.

**All employees are responsible for complying with applicable policies and procedures and legal requirements regarding health and safety.** In addition, **Resolute prohibits all actual or threatened violence in the workplace.** Employees who endanger themselves or others through non-compliance with applicable legal requirements or policies and procedures may, depending on the circumstances, face disciplinary action, up to and including dismissal. They may also be subject to criminal prosecution, civil penalties, fines and prison terms.

If you are aware of any instance in which a Company work area may be unsafe or not in compliance with legal requirements or applicable policies and procedures, contact your manager, the local safety representative, your local Human Resources manager, the Law Department or any of the other Reporting Options (see A.4 above). In addition, anyone who becomes aware of an imminent act of violence, a threat of imminent violence or actual violence should get emergency assistance and, if appropriate, contact law enforcement authorities.

**b) Equal Employment Opportunity**

**At Resolute, we are committed to providing equal employment opportunities to all qualified persons** without regard to race, colour, religion, national origin, disability or handicap, sex, gender identity or expression, pregnancy, sexual orientation, civil status, age, military or veteran status or genetic information or any other basis prohibited by law (see also B.13c) below). It is also the policy of Resolute to take affirmative action in employment as required by applicable law.

All personnel decisions, including recruiting, hiring, compensation, promotion, transfer, dismissal, recall and selection for training are to be made solely on the basis of job-related criteria and, when applicable, in accordance with collective bargaining agreements.

**c) Harassment and Discrimination Prevention**

**Resolute is committed to maintaining a work environment that is free of any form of unlawful discrimination or harassment. We prohibit all types of unlawful discrimination, including harassment**, whether directed at an employee, supervisor, manager, officer, director, customer or supplier, based on race, colour, religion, national origin, disability or handicap, sex, gender identity or expression, pregnancy, sexual orientation, civil status, age, military or veteran status or genetic information or any other basis prohibited by law.

**Unlawful discrimination or harassment of any kind, including sexual harassment, will not be tolerated.** If you are the victim of discrimination or harassment, or if you witness it on the part of another employee, contact your manager, your local Human Resources manager or any of the other Reporting Options (see A.4 above).

<b><u>Examples of Prohibited Discrimination or Harassment</u></b>
<p><b>The following are examples - but <u>not</u> an exhaustive list - of prohibited discrimination or harassment:</b></p> <ul style="list-style-type: none"><li>➤ Making racist or ethnic jokes or jokes on one's sexual orientation, gender expression or disability</li><li>➤ Expressing negative stereotypes about women, men or veterans</li><li>➤ Dismissing an employee rather than another because the first is older</li><li>➤ Refusing a promotion to a woman because she is pregnant</li><li>➤ Touching, blocking, staring at someone or making sexual gestures, propositions, slurs, insults, jokes or other sexual comments to him/her</li><li>➤ Displaying sexual drawings or photographs to someone.</li></ul>

#### **d) Employee Privacy**

Just as employees are expected to respect and protect confidential information, **our employees' rights of privacy are to be respected.** We maintain all documents containing personal information regarding an employee according to applicable laws<sup>23</sup>. These documents and other information concerning the personal affairs of any Resolute employee are considered confidential and they will not be disclosed to anyone without the consent of the employee concerned, except as provided by applicable laws.

Note, however, that employees should have no expectation of privacy with respect to information technology tools provided by Resolute or any data or information created, accessed, transmitted or stored on those tools (see also 10d) above).

#### **e) Drug and Alcohol-Free Environment**

**An environment free of illicit or recreational drugs and of prescription drug or alcohol abuse is a prerequisite to a positive business reputation.** The inappropriate actions of one individual can do irreparable harm to our entire organization. Therefore, as a matter of policy:

- Employees suffering diminished capacity as a result of drug or alcohol use are not allowed to represent Resolute, perform their routine duties or be present on Company sites
- Activities involving drugs or alcohol that are expressly illegal or that violate applicable policies and procedures at any Company location will not be tolerated
- Employees violating laws or applicable policies and procedures concerning drugs and alcohol may, depending on the circumstances, face disciplinary action, up to and including dismissal.

### **14. SUSTAINABILITY AND PROTECTING THE ENVIRONMENT**

For Resolute, **responsible environmental stewardship is both an ethical obligation and a business imperative, integral to our overall commitment to sustainable development.** We recognize that the long-term future of our Company and the communities where we operate depends on the sustainability of the natural resources in our care and the performance of our operations. Our balanced approach to environmental, social and economic sustainability is aligned with the principles of the circular economy. The approach is focused primarily on:

- Managing the resources in our care with the highest respect;
- Positioning Resolute as an attractive employer;
- Engaging and collaborating with our operating communities; and
- Operating assets to the best of our ability and making the most of what we have.

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<sup>23</sup> See for instance Resolute's *Policy on Management of Personal Information for Human Resources Management - Canada*

**Resolute is committed to observing sound environmental management practices, including sustainable forest management and implementing environmental management systems.** Accordingly, it is every employee's responsibility to **make environmental considerations an integral part of his/her daily decisions and actions.** In particular, you must:

- Understand and comply with your job-related obligations under applicable environmental laws and regulations, Resolute's *Environmental Policy* and other applicable policies and procedures regarding the environment
- Report suspected violations of environmental laws and regulations or applicable policies and procedures to Resolute's designated environmental and forest management personnel or to any of the other Reporting Options (see A.4 above)
- Ensure that we maintain open and transparent communications with all stakeholders and take a timely and effective remedial response with regard to every confirmed report of an environmental violation in accordance with the instructions provided by the Law Department or appropriate environmental or forest management personnel.
- Strive to follow best sustainability and environmental practices in your daily work routine, including recycling materials and supplies, reducing waste and the use of single-use products, encouraging innovative reuse of residuals and waste, and reducing your own carbon footprint at work through responsible transportation and consumption.

Employees who fail to take into account risks to the environment through non-compliance with applicable legal requirements or policies and procedures may, depending on the circumstances, face disciplinary action, up to and including dismissal.



## C. COMPLIANCE OVERSIGHT

The **Compliance Officers** (see Appendix I) have overall management responsibility for overseeing compliance with this Code. They are also available to assist you if you wish to raise a Concern, including in seeking advice when you are in doubt about the propriety of some action.

At each Resolute location, the responsible **Human Resources manager and the General Manager (or the Corporate vice president or Corporate director for Corporate employees)** must ensure, with the support of Resolute's Corporate Human Resources Department and Law Department, that:

- All employees under their supervision have access to this Code and all applicable policies and procedures, receive sufficient training to understand and follow this Code and, if requested, complete the periodic certification
- Local procedures are maintained to prevent and detect violations of this Code, applicable policies and procedures and legal requirements, and for overseeing compliance therewith within their establishment or department.

Periodically, the **Internal Audit Department** will review the compliance procedures adopted by each such establishment or department to ensure that such procedures and their application are adequate to prevent or detect wrongdoing.

# APPENDIX I Contact Information

## COMPLIANCE OFFICERS

The Compliance Officers are the Vice President, Legal Affairs, the Senior Vice President, Human Resources, and the Vice President, Internal Audit.

### ***Vice President, Legal Affairs:***

Sandra Gaudreault  
Resolute Forest Products Inc.  
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Montreal, Quebec H3B 2N2 Canada  
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## GLOBAL CHIEF LEGAL OFFICER (AS A REPORTING OPTION UNDER A.4 ABOVE)

Nancy Klembus, Senior Vice President, Interim Global Chief Legal Officer  
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## APPENDIX II Conflict Disclosure Form

Surname:	First name:	Employee ID (if applicable):
Position/Location:	Phone number:	Email address:

Pursuant to the Resolute Forest Products *Code of Business Conduct*, I declare that:

**A. I am (please select the appropriate option):**

- a Resolute **employee** (other than as identified below), and I am transmitting this form to my manager and to my local Human Resources manager.
- a Resolute **General Manager** or **local Human Resources manager**, and I am transmitting this form to my manager and to a Human Resources vice president or Human Resources director responsible for my establishment.
- a Resolute **Corporate vice president** or **Corporate director** (other than the chief accounting officer), and I am transmitting this form to my manager and to the Senior Vice President, Human Resources.
- an **executive officer**, the **chief accounting officer** of Resolute, and I am transmitting this form to the Global Chief Legal Officer, to the President and Chief Executive Officer and to the Vice President, Legal Affairs.

**B. At present, I have an actual, potential or apparent conflict of interest by reason of one or more of the following (please select the appropriate option(s)):**

- I am or may be directly or indirectly involved in other employment with (please specify):
- I have or may have direct or indirect business involvements, affiliations or activities with (please specify):
- I have or may have direct or indirect interests or investments in (please specify):
- Someone with whom I have a close relationship has or may have employment or a business involvement, affiliation, activity or investment with Resolute or its affiliates (please specify):
- Other (please specify):

**C. In accordance with the Resolute Forest Products *Code of Business Conduct*, I will not undertake or pursue the action that involves the actual, potential or apparent conflict disclosed in B above, except as will be communicated to me on page 2 of this form when it is returned to me, countersigned by one of the authorized representatives of Resolute Forest Products mentioned on page 2.**

EMPLOYEE SIGNATURE: \_\_\_\_\_

DATED: \_\_\_\_\_

**RESOLUTE FOREST PRODUCTS**

**Resolution of an Actual, Potential or Apparent Conflict of Interest**

*(to be completed and signed by the authorized Resolute representative)*

**Note:** By signing below, the authorized Resolute representative confirms that he/she has obtained the approval of the Senior Vice President, Corporate Affairs and Chief Legal Officer to the above resolution (or, in the case of a conflict situation disclosed by an executive officer or the chief accounting officer, the approvals required under Resolute’s Code of business conduct.)

**SIGNED BY:** \_\_\_\_\_  
*[name of authorized Resolute representative]*

**DATED:** \_\_\_\_\_

**RETURNED TO EMPLOYEE BY**  
***(please select the appropriate option):***

- Manager
- Local Human Resources Manager
- Human Resources vice-president / director
- Senior Vice President, Human Resources
- Vice President, Legal Affairs
- President and Chief Executive Officer
- Global Chief Legal Officer