



resolute
Forest Products



**BUILDING
THE RESOLUTE
OF THE FUTURE**

2015 Annual Report





BUILDING THE RESOLUTE OF THE FUTURE

Resolute Forest Products is a global leader in the forest products industry with a diverse range of products, including market pulp, wood products, tissue, newsprint and specialty papers. The company owns or operates over 40 pulp, paper, wood products and tissue facilities in the United States, Canada and South Korea, as well as power generation assets in Canada. Marketing our products in close to 80 countries, we have third-party certified 100% of our managed woodlands to internationally recognized sustainable forest management standards.

We are following through on our strategy of building the Resolute of the future – one that is both profitable and sustainable. We continue to apply our principles of operational excellence to our synergistic and diversified asset base. Our business strategy also involves a gradual retreat from certain paper grades toward more sustainable long-term businesses.

A commitment to sustainability is at the heart of our company culture. It guides our approach to the way we do business every day. We take enormous pride in the support we have received from community and First Nations leaders, customers, union representatives, government officials, past and current employees, and a range of other stakeholders and partners. We have also received multiple North American and international awards for our leadership in corporate social responsibility and sustainable development, as well as for our business practices.

Resolute continues to be a company that takes charge of its future and walks the talk. We clearly articulate our plans, measure results against our goals and lay the foundation for shared prosperity.



“At Resolute, we take very seriously our responsibility to sustainably manage the natural resources in our care. Canada’s boreal forest is a great natural and renewable resource, and our business depends on its careful stewardship.”

Richard Garneau
President and Chief Executive Officer

3	2015 Key Numbers
4	2015 Highlights
7	Letter from the Chairman and the President and Chief Executive Officer
10	What Defines Us
12	Consolidated Results
14	Our Operations
15	BUSINESS SEGMENTS
16	Market Pulp
18	Wood Products
20	Tissue
22	Newsprint
24	Specialty Papers
27	SUSTAINABILITY
28	Sustainability Performance
32	Fiber and Forestry
35	Strong Collaboration with First Nations
38	Energy and Climate Change
40	Mill Environmental Performance
42	Human Resources
44	Health and Safety
46	Community Involvement
48	Board of Directors and Corporate Officers
49	Shareholder Information



The inside pages of this report are printed on **ResoluteMax 84 Gloss** 60 lb (89 g/m²) paper, part of Resolute's Align™ portfolio of environmentally conscious papers. This paper was manufactured at our Catawba (South Carolina) mill. With its smaller environmental footprint, ResoluteMax 84 Gloss is the perfect alternative to more costly coated freesheet paper.

ResoluteMax 84 Gloss is available with SFI® and/or PEFC chain of custody certifications.



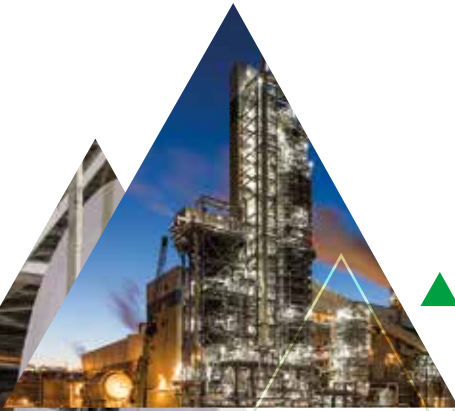
Cover (from top right, clockwise): Alan Mynatt, Manufacturing Services Manager, Calhoun; Chief Wilfred King, Kiashke Zaaging Anishinaabek First Nation, Gull Bay; David Côté, Superintendent, Abitibi-LP Engineered Wood, Saint-Prime; Caroline Fradet, Tundra Greenhouses, Saint-Félicien; Omar Martinez, Bravo Lead Operator, Converting, Sanford; Jessica Dubois-Martel, Quality Optimization Supervisor, Saint-Félicien; Jean-Marie (Jack) Picard, Special Advisor, Negotiations and Natural Resources, Conseil des Innus de Pessamit, Côte-Nord

2015 Key Numbers



1. EBITDA and adjusted EBITDA, non-GAAP financial measures, are defined and reconciled on page 12.
Note: All amounts in this report are in U.S. dollars, unless otherwise indicated.

2015 Highlights



Ramped up production at new

Atikokan sawmill



Completed Calhoun continuous digester project,

growing market pulp capacity by 100,000 metric tons



Inaugurated

Ignace sawmill



Investing **\$270 million** in a new state-of-the-art tissue facility at Calhoun mill

Acquired Atlas Paper Holdings, a leading U.S. tissue products manufacturer, for

\$156 million




Liquidity of **\$502 million**



C\$100 million

in economic opportunities for First Nations partners in Ontario





Reduced
mill environmental
incidents by
55%
over 2014



Received
**18 awards
and
distinctions**
in recognition of Resolute's
achievements in business, safety
and sustainability



Reached or surpassed
**1 million hours
without
a recordable
injury**

at four facilities:
Baie-Comeau, Catawba,
Maniwaki and Thorold



Transitioned sustainability
performance reporting
to corporate website
in accordance with GRI's

**new G4
standard -
among first
in forest
products
sector
globally**



SENIOR MANAGEMENT

From left to right:

Richard Tremblay
Senior Vice President
Pulp and Paper Group

Jacques P. Vachon
Senior Vice President
Corporate Affairs
and Chief Legal Officer

Jo-Ann Longworth
Senior Vice President
and Chief Financial Officer

Pierre Laberge
Senior Vice President
Human Resources

Bradley P. Martin
Chairman

Richard Garneau
President and
Chief Executive Officer

Yves Laflamme
Senior Vice President
Wood Products, Procurement
and Information Technology

André Piché
Senior Vice President
Tissue Group, and Calhoun,
Catawba and Mokpo Operations



Letter from the Chairman and the President and Chief Executive Officer

As we focus on building the Resolute of the future, we are well aware that our actions today are the key to ensuring a sustainable and profitable organization for the long term.

With a network of over 40 pulp, paper, tissue and wood products facilities in the United States, Canada and South Korea, we have an operating platform that has the scale, financial strength and cost advantage to withstand market challenges. We are relying on our financial strength to seize opportunities to diversify, innovate and grow. In 2015, we made an important strategic entrance into the tissue market and invested in our growth markets, namely pulp and lumber.

A solid financial foundation

Even as we continue to control costs, the price deterioration we experienced in 2015 demonstrates that the forest products industry has not been spared from the cyclical downturn in global commodities.

We generated adjusted EBITDA of \$276 million in 2015, compared to \$356 million in 2014. Excluding non-operating pension expenses, we benefited from a \$148 million reduction in manufacturing costs and \$171 million from the weaker Canadian dollar, but these items were insufficient to overcome the effect of lower pricing, which negatively affected earnings by \$348 million.

The negative impact of pricing by business segment for the year was: \$16 million in specialty papers; \$79 million in market pulp; \$110 million in wood products; and \$143 million in newsprint. For the year, adjusted EBITDA was \$13 million higher in market pulp and \$37 million higher in specialty papers, but \$63 million lower in wood products and \$48 million lower in newsprint.

Capital expenditures in 2015 were \$185 million, including \$45 million and \$43 million, respectively, for the continuous pulp digester project and the tissue project at our Calhoun (Tennessee) mill, and \$21 million for the construction and the start-up of the Atikokan and Ignace (Ontario) sawmills. For 2016, we expect to spend about \$250 million in capital expenditures, including up to \$165 million on the tissue project.

The net pension and other postretirement benefit (OPEB) liability on our balance sheet fell by \$438 million at year-end and now sits under \$1.2 billion. The liability decrease in 2015 was largely the result of the favorable currency impact, an increase in the applicable discount rate and regular contributions.

We took advantage of our strong financial position and attractive market conditions to refinance our asset-based-lending (ABL) credit facility with one that gives us more flexible terms and conditions, improves pricing, extends maturity, and immediately lowers our cost of capital to better support the execution of our growth and diversification initiatives. With liquidity of \$502 million at year-end, we remain in a strong position to support our ongoing transformation and diversification strategy.

Significant pressure on pricing

As with many other global commodities, market prices and margins associated with forest products were under significant pressure in 2015. In the case of newsprint, our view is that this momentum – amplified as it was by the effect of currencies – has pushed transaction prices down to levels that exaggerate actual market conditions. We, therefore, are implementing – for the first time in nearly six years – two incremental newsprint price increases in North America in the first months of 2016.

More broadly speaking, we are confident that we have the asset base, the service model, the financial strength and the strategic mindset to compete in this challenging business environment. This applies also to our specialty papers, where market conditions show additional signs of near-term headwinds as a result of currency-driven imports, grade interchangeability and the effect of seasonality. Additionally, the United States Department of Commerce announced that it would require cash deposits on estimated and projected countervailing duties against Resolute in connection with the investigation of supercalendered (SC) paper imports from Canada. Resolute has consistently held that our production of SC papers in Canada has received negligible, if any, direct or indirect subsidies, and that we should not be subject to these duties. We remain confident that the facts support our case and that the legal process will treat the matter fairly.

Our view on market pulp is unchanged: We believe in the underlying fundamentals and growth prospects longer term, but our near-term pricing expectations remain cautious.

With regards to lumber, North American markets continue to be under pressure because of lower North American lumber exports to Asia in 2015. For the year, the average selling price was \$65 per thousand board feet lower than in 2014. We remain optimistic longer term with the progressive recovery of U.S. housing starts. With respect to the expiration of the 2006 Softwood Lumber Agreement in October 2015, Resolute supports free trade, including open and unencumbered access to the U.S. markets for all our products.

Entering the tissue market

Resolute announced in June 2015 its entry into the steadily growing tissue market with the construction of a \$270 million state-of-the-art facility in Calhoun to manufacture retail, premium private-label tissue products. The facility will be operational in the first quarter of 2017.

In November, we invested \$156 million in the acquisition of Atlas Paper Holdings, Inc., which manufactures a range of tissue products for the away-from-home and private-label at-home markets, including recycled and virgin paper products, covering premium, value and economy grades. With this transaction, we gain an immediate position in the North American consumer tissue market of nearly 10 million short tons. We are also adding proven tissue industry experience to our team. We are uniquely positioned to generate synergies and capitalize on related benefits, mostly by optimizing Atlas Paper's pulp supply with our own strong U.S. market pulp network, and pressing ahead with opportunities to maximize Atlas Paper's converting capacity. In fact, we are already well advanced in the integration process, having run a number of successful trials using Resolute kraft and recycled bleached kraft pulp.

Remaining a lower cost industry producer

We made targeted strategic investments in our operations in 2015, while continuing with our gradual retreat from certain paper grades toward more sustainable long-term businesses. We increased the capacity of our wood products and market pulp businesses with the start-up of a pellet plant in Thunder Bay and sawmills in Atikokan and Ignace in Northern Ontario, and the completion of a \$100 million

project to build a continuous pulp digester in Calhoun. The latter is expected to reach normal operating efficiency early in 2016 and will provide 100,000 metric tons of additional annual market pulp capacity, better operating efficiencies, lower mill-wide costs, and improved overall product quality.

We continued to maintain our focus on reducing costs, including \$37 million related to asset optimization initiatives and \$25 million from lower costs associated with maintenance and higher productivity compared to 2014. We also benefited from about \$24 million in lower natural gas, chemical and other commodity-related costs.

World-class safety performance

At Resolute, safety is a core value that is linked to every part of our business. This has created company-wide accountability that is shared by every one of our employees. While 2014 had been the best safety year in the company's history, we surpassed it in 2015, recording a world-class Occupational Safety and Health Administration (OSHA) incident rate of 0.66 (20% drop over 2014). Our company-wide severity rate for 2015, which measures the actual impact from injuries on the health of our employees, was 23, a 29% decrease compared to 2014. Our success reflects our employees' focus on our ultimate objective of creating an injury-free workplace.

Balancing environmental, social and economic priorities

Resolute's business and sustainability strategies are interdependent, and we have been combining our financial and sustainability results in our annual report for the past four years. In 2015, we enhanced reporting on sustainability performance by adopting the Global Reporting Initiative's new G4 reporting framework. We are among the first in our industry globally to report under this gold standard, reinforcing our position as a sustainability leader.

We are committed to reducing our carbon footprint and take pride in our results to date. We have surpassed our greenhouse gas (GHG) reduction target of 65%, reducing absolute emissions by 70% over our year 2000 baseline. Our success stems from focusing on improving energy efficiency and replacing high-emission fuels like coal with less carbon-intensive fuels, which benefits both the environment and our bottom line.

We recorded 24 environmental incidents in 2015, a reduction of 55% compared to the 2014 baseline. Our goal remains zero incidents.

With regards to fiber and forestry, 100% of the woodlands Resolute manages are independently certified to internationally recognized forest management standards. In addition, we have fiber-tracking systems in place at all of our North American manufacturing facilities, all of which are third-party certified to internationally recognized chain of custody (CoC) standards, with the exception of our new Atikokan sawmill, which is expected to be third-party certified in 2016.

We are committed to maintaining meaningful collaboration with First Nations to identify business opportunities and ways of increasing Aboriginal employment. In addition to other existing partnerships, the company has signed memorandums of agreement with several First Nations in Ontario and Quebec. Over the course of the year, we partnered with First Nations communities and Cambrian College in Sudbury (Ontario) to launch a pilot program encouraging First Nations students to pursue trade careers, and participated in the creation of a Leadership Chair in Aboriginal Education in Forestry at Quebec's Laval University. We also joined the Canadian Council for Aboriginal Business, with a goal of expanding our consultative and commercial partnerships, and continued to engage with First Nations and other groups on sustainable forest management in the boreal forest.

We launched the "Share Your Voice" initiative to counter misinformation campaigns orchestrated by environmental activist groups that misrepresent our forest management practices and ignore the fact that Ontario's and Quebec's forestry regulations and laws are among the most stringent in the world. We sponsored advertisements in major newspapers, and our local, provincial and national partners were outspoken in their defense of Resolute and Quebec's and Ontario's world-leading forestry practices. Leaders of First Nations and unions published letters of support, and active and retired employees were central to an online campaign during which tens of thousands of emails and postcards were sent to activist groups. Over 30 mayors and other government officials from northern communities hosted a press conference in Ottawa, Canada's capital, and more than 500 municipalities in Ontario and Quebec have expressed strong concern about activist campaigns.

Resolute's long-term competitiveness is strongly linked to attracting, developing and retaining top talent. In 2015, we hired 1,250 employees and are on target to hire over 2,000 new employees by 2018. All employees were trained on the requirements of our Code of Business Conduct and Ethics Reporting Policy, and we continued with the implementation of our new integrated leadership system. This initiative is clarifying roles and accountabilities, improving organizational structure, enhancing processes for compensation and succession-planning, and refining leadership practices. Furthermore, in 2015, we continued the rollout of a project to streamline our business systems – including the integration of our human resources, payroll and maintenance systems.

Our commitment to sustainability is a hallmark of our company culture. In our view, sustainability rests on three pillars: environmental, social and economic. We are very pleased that in 2015 our sustainability leadership and our accomplishments received regional, North American and global recognition.

Looking ahead

Although we would have preferred a stronger finish to 2015, we are proud of our hard-won achievements over the past 12 months and are convinced we have the financial strength, competitive position and focus on operational excellence to weather challenging business conditions, as well as to sustain our growth initiatives in tissue, market pulp and wood products. As we move forward, our focus will continue to be on profitability and sustainability. Our success in meeting these objectives is inextricably linked to the engagement of our 8,000 employees, and we thank them for their hard work and commitment to building the Resolute of the future.



Bradley P. Martin
Chairman



Richard Garneau
President and Chief Executive Officer

What Defines Us

OUR VISION

AT RESOLUTE FOREST PRODUCTS, WE ARE ONE TEAM WITH ONE VISION

WHERE PROFITABILITY AND SUSTAINABILITY DRIVE OUR FUTURE.

BUSINESS AND SUSTAINABILITY STRATEGY

At Resolute, we report our business and sustainability results together. Our sustainability strategy has been purposely developed to align our efforts in environmental stewardship and social responsibility with our business strategy and objectives. This approach underpins our vision that profitability and sustainability drive our future.

Our business strategy includes a gradual retreat from certain paper grades and the use of our strong financial position to diversify and grow. This strategy focuses on three core themes:

1

We strive for operational excellence to improve our performance and our margins.

2

We make capital management a priority, concentrated on our most successful facilities.

3

We take an opportunistic approach to strategic initiatives, pursuing only those that reduce our cost position, improve our product diversification, provide synergies or allow us to expand into future growth markets.

Our sustainability strategy is based on a balanced approach to environmental, social and economic performance designed to enhance our competitive position. And like our business strategy, it has three primary areas of focus:

4

We reinforce our environmental credentials by taking appropriate steps to manage our environmental footprint.

5

We strive to attract and retain the best employees by creating the right work environment in order to position Resolute as a competitive employer.

6

We work and live in dozens of communities that depend on the forest for their economic and social viability. For Resolute, building solid community relations is essential to our long-term success, and to the regional prosperity of these communities.

OUR VALUES



WORK SAFELY

We always put the safety of our people first. Creating an injury-free workplace is everyone's business. We maintain world-class standards and continuously measure and improve our safety efforts and results.



ENSURE SUSTAINABILITY

We make decisions with tomorrow in mind. We know that our long-term profitability depends on preserving the natural resources in our care and being a responsible partner in the communities where we live and work.



BE ACCOUNTABLE

We are accountable for our performance. The future of our company is in our hands. By empowering people, acting with integrity, setting goals and measuring progress, we deliver first-class products and services to customers and create value for shareholders.



SUCCEED TOGETHER

We win together. Teamwork starts with a winning attitude and a true desire to support each other. We welcome ideas, communicate frequently and share best practices.

RESOLUTE'S 2016 BUSINESS PRIORITIES

Committed to increasing earnings power and creating value for shareholders in the long term

1

Increase efficiencies, set manufacturing cost targets and benchmark performance at all operations

2

Manage production and inventory levels, taking into account market conditions

3

Pursue sales strategy to produce only what customers order

4

Identify and support disciplined capital investments at most competitive facilities

5

Pursue opportunistic growth to complement product mix or improve competitiveness of existing assets

6

Identify opportunities to develop and market value-added products

7

Take advantage of Atlas Paper acquisition to accelerate sale and distribution of Calhoun tissue production

SELECTED ANNUAL FINANCIAL INFORMATION
CONSOLIDATED RESULTS

Years ended December 31, (in millions, except per share amounts and percentages)	2015	2014	2013
Sales	\$ 3,645	\$ 4,258	\$ 4,461
Operating income (loss) per segment			
Market pulp	76	63	43
Wood products	2	69	41
Tissue	(1)	—	—
Newsprint	(23)	20	39
Specialty papers	29	(19)	39
Segment total	83	133	162
Corporate and other	(302)	(307)	(164)
Operating loss	(219)	(174)	(2)
Net loss	(257)	(277)	(639)
Net loss per common share			
Basic	\$ (2.78)	\$ (2.93)	\$ (6.75)
Diluted	(2.78)	(2.93)	(6.75)
Adjusted EBITDA ²	\$ 276	\$ 356	\$ 382
Adjusted EBITDA margin ²	7.6 %	8.4%	8.6%
Adjusted ROE ³	(0.7)%	1.2%	3.0%
Net loss including noncontrolling interests	\$ (255)	\$ (274)	\$ (639)
Interest expense	41	47	51
Income tax (benefit) provision	(1)	(30)	524
Depreciation and amortization	237	243	243
EBITDA	\$ 22	\$ (14)	\$ 179
Foreign exchange translation loss	4	32	24
Closure costs, impairment and other related charges	181	278	89
Inventory write-downs related to closures	2	17	11
Start-up costs	5	4	32
Net gain on disposition of assets	—	(2)	(2)
Non-operating pension and OPEB costs (credits)	66	(10)	5
Write-down of equity method investment	—	61	—
Net loss on extinguishment of debt	—	—	59
Acquisition-related costs	4	—	6
Other income, net	(8)	(10)	(21)
Adjusted EBITDA ²	\$ 276	\$ 356	\$ 382
As of December 31, (in millions)	2015	2014	
Cash and cash equivalents	\$ 58	\$ 337	
Total assets	4,220	4,914	

2. Earnings before interest expense, income taxes, and depreciation and amortization, or "EBITDA," adjusted EBITDA and adjusted EBITDA margin are not financial measures recognized under GAAP. EBITDA is calculated as net income (loss) including noncontrolling interests from the Consolidated Statements of Operations, adjusted for interest expense, income taxes, and depreciation and amortization. Adjusted EBITDA means EBITDA, excluding special items, such as foreign exchange translation gains and losses, closure costs, impairment and other related charges, inventory write-downs related to closures, start-up costs, gains and losses on disposition of assets, non-operating pension and OPEB costs and credits, write-down of equity method investment, net loss on extinguishment of debt, acquisition-related costs and other charges or credits. Adjusted EBITDA margin is adjusted EBITDA expressed as a percentage of sales. We believe that using non-GAAP measures such as EBITDA, adjusted EBITDA and adjusted EBITDA margin is useful because they are consistent with the indicators management uses internally to measure the company's performance, and it allows the reader to more easily compare our operations and financial performance from period to period. EBITDA, adjusted EBITDA and adjusted EBITDA margin are internal measures and, therefore, may not be comparable to those of other companies. These non-GAAP measures should not be viewed as substitutes to financial measures determined under GAAP.
3. Adjusted return on equity, or "Adjusted ROE," is a non-GAAP financial measure, calculated by dividing net income (loss), excluding the special items identified on page 13, by shareholders' equity, excluding the same special items. Adjusted ROE is a measure of profitability that shows how much profit the company generated as a percentage of shareholder money invested.

SELECTED ANNUAL FINANCIAL INFORMATION
CONSOLIDATED RESULTS

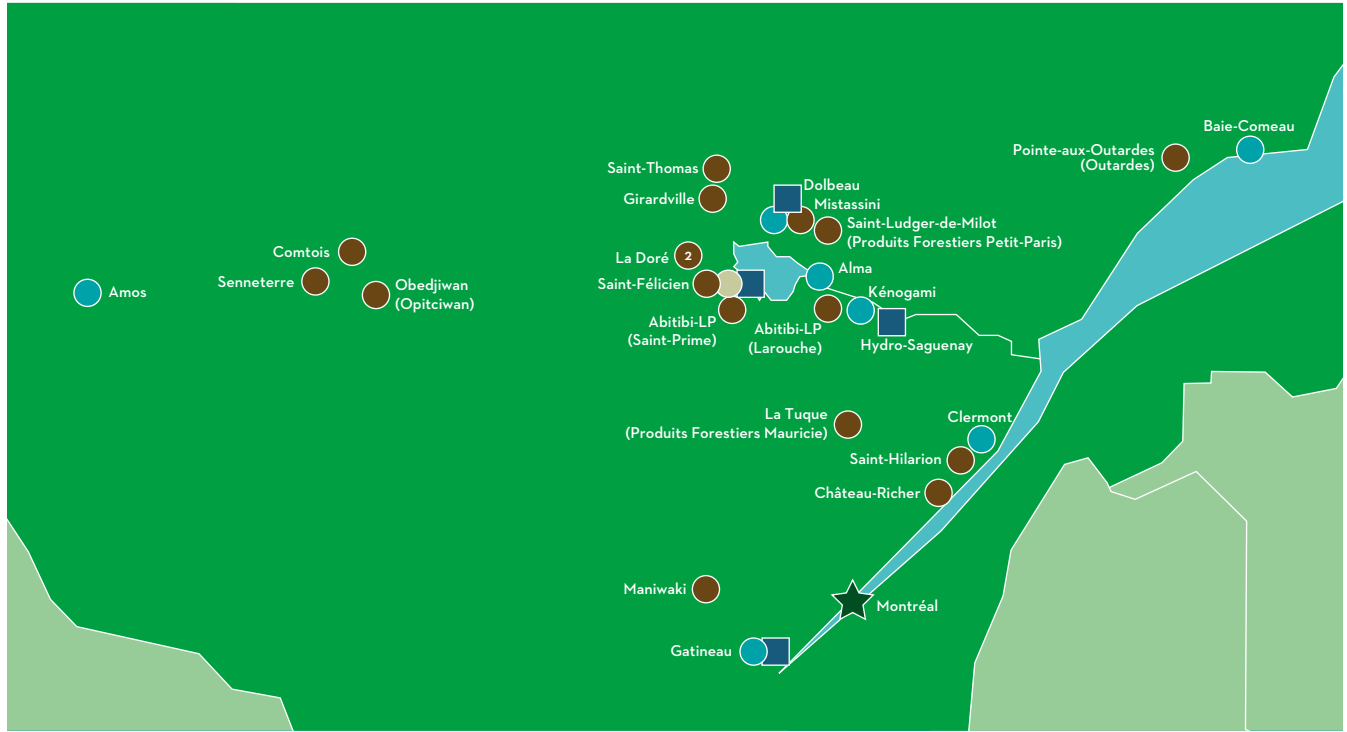
	December 31, 2015		
(in millions, except ROE)	Net loss	Shareholders' equity	ROE (%) ⁴
GAAP, as reported	\$ (257)	\$ 1,932	(13.3)%
Adjustments for special items:			
Foreign exchange translation loss	\$ 4	\$ 4	
Closure costs, impairment and other related charges	181	181	
Inventory write-downs related to closures	2	2	
Start-up costs	5	5	
Non-operating pension and OPEB costs	66	66	
Acquisition-related costs	4	4	
Other income, net	(8)	(8)	
Income tax effect of special items	(21)	(21)	
Cumulative past-year adjustments for special items	—	1,279	
GAAP, as adjusted for special items	\$ (24)	\$ 3,444	(0.7)%
			December 31, 2014
GAAP, as reported	\$ (277)	\$ 2,106	(13.2)%
Adjustments for special items:			
Foreign exchange translation loss	\$ 32	\$ 32	
Closure costs, impairment and other related charges	278	278	
Inventory write-downs related to closures	17	17	
Start-up costs	4	4	
Net gain on disposition of assets	(2)	(2)	
Non-operating pension and OPEB credits	(10)	(10)	
Write-down of equity method investment	61	61	
Other income, net	(10)	(10)	
Income tax effect of special items	(54)	(54)	
Cumulative past-year adjustments for special items	—	963	
GAAP, as adjusted for special items	\$ 39	\$ 3,385	1.2%
			December 31, 2013
GAAP, as reported	\$ (639)	\$ 2,827	(22.6)%
Adjustments for special items:			
Foreign exchange translation loss	\$ 24	\$ 24	
Closure costs, impairment and other related charges	89	89	
Inventory write-downs related to closures	11	11	
Start-up costs	32	32	
Net gain on disposition of assets	(2)	(2)	
Non-operating pension and OPEB costs	5	5	
Net loss on extinguishment of debt	59	59	
Acquisition-related costs	6	6	
Other income, net	(21)	(21)	
U.S. deferred income tax asset valuation allowance	604	604	
Income tax effect of special items	(54)	(54)	
Cumulative past-year adjustments for special items	—	210	
GAAP, as adjusted for special items	\$ 114	\$ 3,790	3.0%

4. Return on equity, or "ROE," is a non-GAAP financial measure, calculated by dividing net income (loss) by shareholders' equity. ROE is a measure of profitability that shows how much profit the company generated as a percentage of shareholder money invested.

OUR OPERATIONS

- ★ Corporate office
- Paper
- Wood products
- Energy
- ▲ Customer service
- Pulp
- Tissue
- Recycling

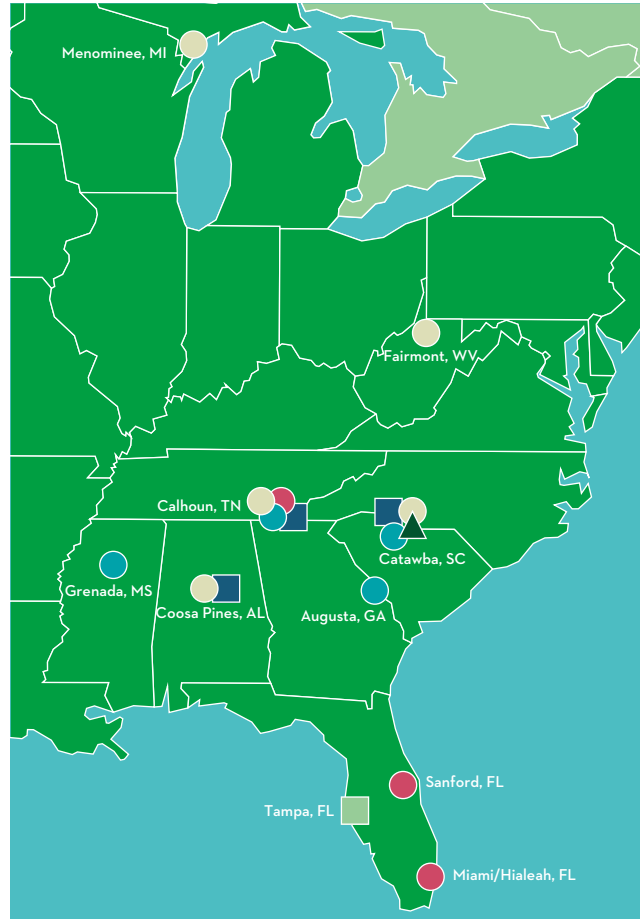
QUEBEC, CANADA



ONTARIO, CANADA



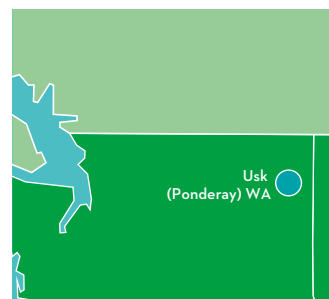
EASTERN UNITED STATES



SOUTH KOREA



WESTERN UNITED STATES



Together

we operate

5

business
segments



Market Pulp
Wood Products
Tissue
Newsprint
Specialty Papers

Market Pulp

Our pulp, a renewable and biodegradable material, is a key ingredient in making products we use every day. You'll find it in everything from facial tissue and paper towels to coffee filters, disposable diapers and other absorbent products, as well as in printing and writing papers.

7
facilities



1.8
million
metric tons of capacity



3rd
largest pulp producer
in North America



#1
producer of RBK pulp
in the world



Pulp for a variety of needs

Resolute Forest Products is one of the few producers capable of supplying a wide variety of grades of market pulp.

Our seven North American facilities have a total capacity of 1.8 million metric tons – or approximately 10% of total North American capacity – making us the third largest pulp producer in North America. Approximately 70% of our virgin pulp capacity is softwood-based.

Resolute is also the world's largest producer of recycled bleached kraft (RBK) pulp and a competitive producer of northern bleached hardwood kraft (NBHK) pulp and southern bleached hardwood kraft (SBHK) pulp. Pulp not converted into paper is sold as market pulp, which is used to make a range of consumer products, including tissue, packaging, specialty papers, diapers and other absorbent products.

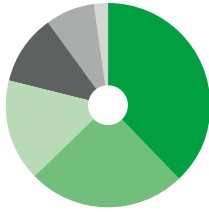
Building pulp capacity

In 2015, we completed the \$100 million continuous pulp digester project at our Calhoun (Tennessee) pulp and paper mill. Ramp-up began in early 2016, and once fully operational, the digester will grow our annual market pulp capacity by 100,000 metric tons. This world-class equipment will also significantly lower the mill's overall costs and improve the quality of our pulp and paper products.

COMMITTED
TO BUILDING
THE RESOLUTE
OF THE FUTURE

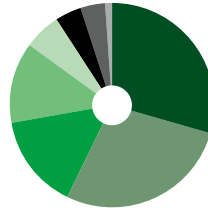
In May 2015, Resolute's RBK pulp mill in Menominee (Michigan) was recognized for its support of recycling with a "Closing the Loop" award at the state's first Governor's Recycling Summit. The Summit and new award were created to support efforts to double the state's recycling rate – from 15% to 30% – over the next few years.

2015 WORLD CHEMICAL PULP DEMAND DISTRIBUTION, BY GRADE
(millions of metric tons)



● Eucalyptus	21.4	38%
● NBSK	14.4	25%
● Other	9.0	16%
● SBSK	6.6	11%
● NBHK	4.5	8%
● SBHK	1.1	2%
Total world demand	57.0	100%

2015 WORLD CHEMICAL PULP DEMAND DISTRIBUTION, BY REGION
(millions of metric tons)



● China	17.0	30%
● Western Europe	15.8	28%
● Other Asia / Africa	8.3	15%
● North America	7.7	13%
● Latin America	3.5	6%
● Eastern Europe	2.3	4%
● Japan	2.1	4%
● Oceania	0.3	<1%
Total world demand	57.0	100%

MARKET PULP PORTFOLIO

Northern bleached softwood kraft
Northern bleached hardwood kraft
Southern bleached softwood kraft
Southern bleached hardwood kraft
Recycled bleached kraft
Fluff pulp

MARKET PULP OPERATIONS

Calhoun (Tennessee)
Catawba (South Carolina)
Coosa Pines (Alabama)
Fairmont (West Virginia)
Menominee (Michigan)
Saint-Félicien (Quebec)
Thunder Bay (Ontario)

Source: Pulp and Paper Products Council



What they said

“The new continuous digester will make a good mill even better by increasing capacity, offering the flexibility to fulfill supply demand from our own pulp network and providing stability for current and future Resolute employees.”

Alan Mynatt
Manager, Manufacturing Services
Calhoun Pulp and Paper Mill
Calhoun, TN



Wood Products

Wherever houses are being renovated or new neighborhoods are taking shape, wood is a logical choice for today's environmentally conscious homeowner. From framing lumber to flooring and roofing components, Resolute's wood products are always on the job.

21
facilities⁵



2.4
billion
board feet of construction-
grade lumber capacity⁶



#1
Canadian producer of wood
products east of the Rockies



A durable and renewable choice

Resolute Forest Products is a major producer of lumber and other wood products for the residential construction and home renovation markets, as well as for specialized structural and industrial applications.

We operate 16 sawmills⁵ in Canada that produce construction-grade lumber sold in North America, as well as two remanufactured wood products facilities, two joint-venture engineered wood products facilities and a wood pellet plant.

Our sawmills produce stud and dimension spruce-pine-fir (SPF) lumber and are a major source of wood chips for our pulp and paper mills. They also generate wood waste, which we use to fuel our power cogeneration assets and other operations, as well as to produce wood pellets. In 2015, we shipped 1.6 billion board feet of construction-grade lumber within North America.

Investing in the future

In 2015, we continued to build on the successful integration of our Atikokan, Ignace and Thunder Bay network of sawmills in Northwestern Ontario.

The new Atikokan sawmill ramped up during the year and will reach full production capacity in 2016.

The refurbished Ignace facility was officially inaugurated in February 2015. And the new wood pellet plant at our Thunder Bay sawmill site completed its first full year of production and is now running at its full capacity of 45,000 metric tons annually.

In October, Resolute received the Northern Ontario Business "Judges' Choice" Award for its Thunder Bay wood pellet plant in recognition of the innovative work in lowering greenhouse gas (GHG) emissions by turning waste sawdust into biomass fuel.

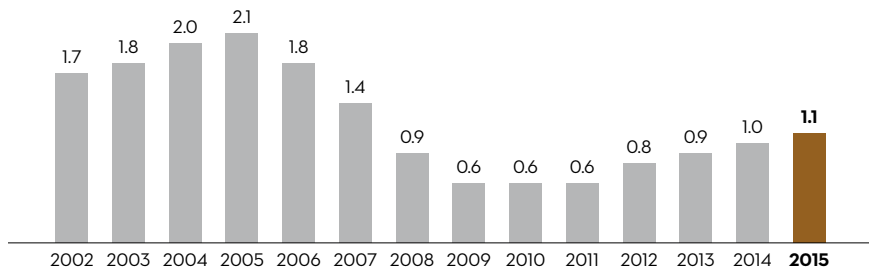
COMMITTED
TO BUILDING
THE RESOLUTE
OF THE FUTURE

Resolute is investing over C\$16 million in several Quebec-based sawmills – Girardville, La Doré, Mistassini and Saint-Félicien – to improve productivity and increase production capacity in order to ensure our competitive position.

5. As at December 31, 2015, Resolute's 50% interest in Produits Forestiers Petit-Paris Inc., an unconsolidated entity, was sold on February 1, 2016.

6. Our current fiber supply limits our operating capacity to about 2.0 billion board feet per year.

NEW PRIVATELY OWNED HOUSING UNITS STARTED
(millions of units)



Source: U.S. Census Bureau

SAWMILLS

- Atikokan (Ontario)
- Comtois (Quebec)
- Girardville (Quebec)
- Ignace (Ontario)
- La Doré (Quebec)
- Maniwaki (Quebec)
- Mistassini (Quebec)
- Opitciwan, Obedjiwan (Quebec)⁷
- Outardes, Pointe-aux-Outardes (Quebec)
- Produits Forestiers Mauricie, La Tuque (Quebec)
- Produits Forestiers Petit-Paris, Saint-Ludger-de-Milot (Quebec)⁸
- Saint-Félicien (Quebec)
- Saint-Hilarion (Quebec)
- Saint-Thomas (Quebec)
- Senneterre (Quebec)
- Thunder Bay (Ontario)

REMANUFACTURED WOOD PRODUCTS FACILITIES

- Château-Richer (Quebec)
- La Doré (Quebec)

ENGINEERED WOOD PRODUCTS FACILITIES

- Abitibi-LP Engineered Wood, Larouche (Quebec)⁹
- Abitibi-LP Engineered Wood II, Saint-Prime (Quebec)⁹

WOOD PELLET PLANT

- Thunder Bay (Ontario)



What they said

“Most of my family works in the forest products industry – in tree planting and reforestation as well as in tree nurseries and wood processing. I spend my weekends in the forest with my kids, and we can see that the forest is well-managed, properly harvested and truly respected.”

David Côté

Superintendent, Abitibi-LP Engineered Wood II
Saint-Prime, QC



- 7. Société en Commandite Scierie Opitciwan is an unconsolidated entity in which we have a 45% interest.
- 8. As at December 31, 2015, Resolute’s 50% interest in Produits Forestiers Petit-Paris Inc., an unconsolidated entity, was sold on February 1, 2016.
- 9. Abitibi-LP Engineered Wood Inc. and Abitibi-LP Engineered Wood II Inc. are unconsolidated entities in which we have a 50% interest in each entity.

Tissue

Whether mopping up spills in the kitchen, brushing away picnic crumbs or tending to personal hygiene, consumers can rely on Resolute's tissue products. As one of the few integrated tissue manufacturers in North America, we are committed to exceeding our customers' expectations for service and the quality promise of their store brands.

Expanding our presence in the tissue market

Resolute Forest Products' strategy to diversify into the tissue business relies on two powerful drivers.

We are building a \$270 million state-of-the-art facility in Calhoun (Tennessee) to manufacture premium private-label tissue, including bath and towel, aimed at the growing retail market. Once fully operational, in 2017, this will be one of the most competitive and efficient tissue operations in North America, positioning Resolute as a key player in the market.

In November 2015, we acquired Florida-based Atlas Paper Holdings, Inc., a manufacturer of tissue products for the away-from-home and private-label at-home markets. Atlas Paper offers both virgin and recycled products in a wide range of grades: economy, value and premium. Its branded products are marketed under the Windsor Place®, Green Heritage®, Bunny Soft® and Harmony® brands.



What they said

"Becoming part of a larger, diversified company provides exciting opportunities for all of us. Our team at Atlas has the market knowledge and depth of experience to support Resolute's long-term growth and profitability in the tissue business."

Donald Scuvotti

Vice President, Sales and Marketing, Atlas Paper
Miami, FL

COMMITTED
TO BUILDING
THE RESOLUTE
OF THE FUTURE

All of our Atlas Paper tissue products are made from 100% recycled wastepaper or virgin fiber. The recycled tissue products are:

- 100% elemental chlorine-free
- Qualified for LEED® certification points, representing exceptional customer value when compared to other certifiably green tissue-based products

As well, the Green Heritage brand commercial tissue products carry the Green Seal™ certification mark of environmental responsibility to assure customers they are choosing truly "green" products that are better for their health and the environment.



ATLAS PAPER, FLORIDA: HIALEAH (MIAMI), SANFORD (ORLANDO), TAMPA

3
tissue machines



1
recycling center



14
converting lines



63,000
short tons of capacity
(57,000 metric tons)



- Tissue products for the away-from-home and private-label at-home markets
- Range of grades: economy, value and premium
- Product offering includes 100% recycled Green Seal™-certified and FSC®-certified virgin paper grades
- 360 employees

CALHOUN, TENNESSEE (UNDER CONSTRUCTION)

1
tissue machine



3
converting lines



66,000
short tons of future capacity
(60,000 metric tons)



- State-of-the-art tissue facility under construction
- Ramp-up scheduled for Q1-2017
- Product offering to include premium tissue
- 100+ employees (excluding pulp and paper employees)

Newsprint

Every day our newsprint routinely makes the front pages of some of the world's top newspapers. But there's more to the story. Advertising brochures, circulars, inserts and directories: We provide companies and consumers with a way to connect.

Customers in some
80
countries



11
facilities



2.4
million
metric tons of capacity



#1
producer of newsprint
in the world and
in North America



Helping to deliver the news

Resolute Forest Products is the largest global producer of top-quality newsprint, including grades manufactured with up to 100% recycled fiber. With mills strategically located to serve major markets throughout North America and abroad, we supply customers in some 80 countries.

We produce newsprint at 10 facilities in North America and one facility in South Korea. Our total capacity is approximately 2.4 million metric tons, or 9% of worldwide capacity. We are also the largest North American producer of newsprint, with a capacity of 2.2 million metric tons, or approximately 41% of total North American capacity.

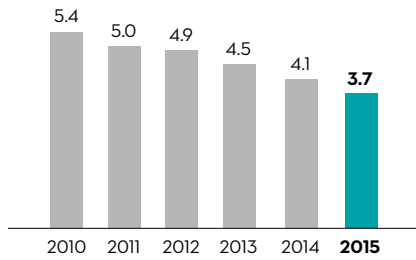
Achieving milestone safety records

In 2015, several newsprint operations achieved new safety records. During the year, our Baie-Comeau (Quebec) and Thorold (Ontario) mills logged an impressive 1.5 million and 1.0 million hours, respectively, without a recordable injury. These milestone performances highlight our commitment to establishing a "total safety organization." They also underscore our belief that implementing high safety standards leads to operational excellence.

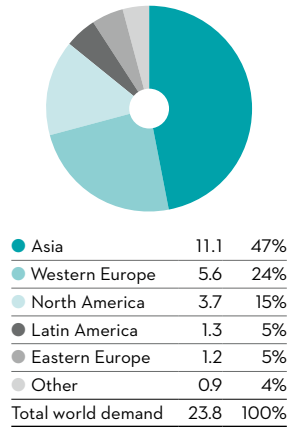
**COMMITTED
TO BUILDING
THE RESOLUTE
OF THE FUTURE**

The Amos (Quebec) paper mill received a "Certification-Ethno" award from the Mosaïque interculturelle régionale for its efforts in attracting a diverse workforce and integrating immigrant employees. This certification recognizes companies that recruit immigrant workers in the Abitibi-Témiscamingue region. Our team at Amos welcomed five new immigrants during the year, all managers and professionals from Cambodia, Cameroon, Senegal and Thailand.

N.A. NEWSPRINT DEMAND
(millions of metric tons)



2015 NEWSPRINT DEMAND DISTRIBUTION
(millions of metric tons)



NEWSPRINT OPERATIONS

- Amos (Quebec)
- Augusta (Georgia)
- Baie-Comeau (Quebec)
- Calhoun (Tennessee)
- Clermont (Quebec)
- Gatineau (Quebec)
- Grenada (Mississippi)
- Mokpo (South Korea)
- Ponderay, Usk (Washington)¹⁰
- Thorold (Ontario)
- Thunder Bay (Ontario)

Source: Pulp and Paper Products Council



What they said

“The claims made by some radical environmental groups are not based in reality, and we need to be heard. The Boreal Forest Alliance, along with hundreds of municipalities in Quebec and Ontario, is actively expressing opposition to activist misinformation campaigns and promoting the responsible practices of the forest products industry.”

Jean-Pierre Boivin

Founding Member and President, Boreal Forest Alliance
 Prefect, Maria-Chapdelaine Regional County Municipality
 Lac-Saint-Jean, QC



10. Ponderay Newsprint Company is an unconsolidated partnership in which we have a 40% interest.

Specialty Papers

From the bestseller you just can't put down to the magazines on your coffee table and the flyers in your mailbox, our specialty papers deliver.

5
facilities



1.7
million
short tons of capacity
(1.6 million metric tons)



#1
producer of uncoated
mechanical papers in
North America



Exceptional printability

Resolute Forest Products sells coated and uncoated mechanical papers to major commercial printers, direct mailers, publishers, catalogers and retailers, mostly in North America. Many top retailers rely on Resolute's products to help ensure their flyers, inserts and catalogs make a great impression.

We produce specialty papers at five facilities in North America. With total capacity of approximately 1.2 million short tons (1.1 million metric tons), or approximately 30% of total North American capacity, we are the largest producer of uncoated mechanical papers in North America, and the third largest in the world. We are also North America's third largest producer of coated mechanical papers, with 541,000 short tons (491,000 metric tons) of capacity, or approximately 19% of total North American capacity.

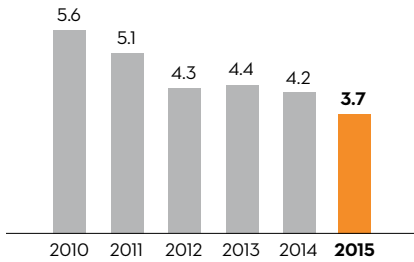
Meeting the evolving needs of our customers

We focus on meeting the evolving needs and expectations of our customers. In 2015, we continued to expand Resolute Connect™ – our commodity offset grade – into more segments, including envelope and high-speed inkjet. This has allowed us to move up the value chain and generate more attractive margins for our specialty papers business. To learn more, visit resolutefp.com/connect.

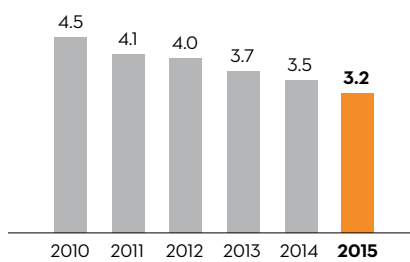
COMMITTED
TO BUILDING
THE RESOLUTE
OF THE FUTURE

Customers have responded well to our growing Align™ brand of papers. Developed to provide today's marketplace with a more cost-effective, environmentally friendly alternative to traditional offset, all the papers in the Align family are derived from a renewable resource and produced in a safe, sustainable and environmentally responsible manner. To learn more about Align, visit alignpaper.com.

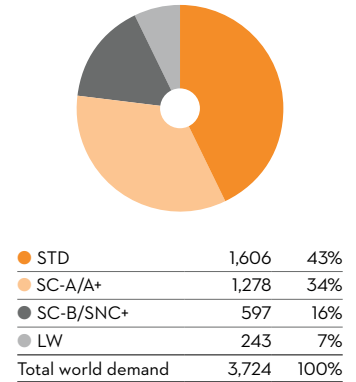
N.A. UNCOATED MECHANICAL PAPER DEMAND
(millions of short tons)



N.A. COATED MECHANICAL PAPER DEMAND
(millions of short tons)



2015 N.A. UNCOATED MECHANICAL PAPER DEMAND DISTRIBUTION, BY GRADE
(thousands of short tons)



Source: Pulp and Paper Products Council

SPECIALTY PAPER OPERATIONS

Alma (Quebec), Calhoun (Tennessee), Catawba (South Carolina), Dolbeau (Quebec), Kénogami (Quebec)



What they said

“Our tree farm is a fourth-generation family business. Our long-standing partnership with the Calhoun mill has supported our sustainable forestry practices, ensuring we’ll have fiber for generations to come.”

Tim Howard
Independent Tree Farmer
Calhoun, TN





“I have been involved in forest regeneration for most of my life. It has certainly come a long way. Forest management was lacking in some areas in the past, but I think harvesting and reforestation today is well done. We are now going back and harvesting what was planted in the 1930s and 1940s, and the cycle will continue for future generations.”

Pierre Pelletier
Northern Superior Regional Grand Chief
Anishinabek First Nation, Nipigon, ON



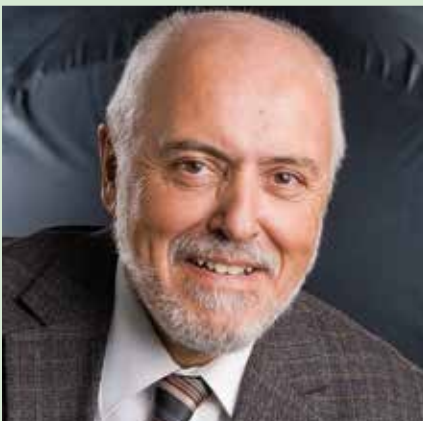
“We are pleased to be part of such an innovative project with Resolute and other local investors. Neighboring Resolute’s Saint-Félicien pulp mill, the greenhouse complex will be the largest in Quebec, using unique, world-class technology. We’re working hard to get the operation up and running by early fall, and our products to consumers before the end of 2016.”

Caroline Fradet (shown)
Vice President
Éric Dubé, President
Tundra Greenhouses, Saint-Félicien, QC



“Although the forest renewal process takes many years, regeneration itself begins in the first few years following harvest. We have about 250 employees at our operation, many in their twenties who are often our children and grandchildren. I believe that today’s responsible forestry practices will provide tomorrow’s jobs.”

Ghislain Laprise
Unifor Union President, La Doré Sawmill
La Doré, QC



“Resolute’s involvement in the community is remarkable. I can personally attest to the company’s sensitivity regarding the many challenges facing Northern communities. Resolute is extremely important to the future of Saint-Félicien and of the entire Lac-Saint-Jean region.”

Gilles Potvin
Mayor, Saint-Félicien, QC



“If you don’t live in a community in the Canadian boreal, it can be hard to understand the deep connection that exists in the forest. For us, the forest is a family affair.”

Marianne St-Gelais
Speed Skating Olympian and
Current World Champion
Lac-Saint-Jean, QC



“Sustainability is a question of balance, like the concept of the perpetual relationship of water, land and fire with Man. The boreal forest is where our community lives, and it embodies the very identity of the Innu. We are able to speak for ourselves. And when we sign agreements with forestry companies, we know what we’re doing.”

Jean-Marie (Jack) Picard
Special Advisor, Negotiations and
Natural Resources, Conseil des Innus
de Pessamit, Côte-Nord, QC

Committed to Building the Resolute of the Future

28	Sustainability Performance
32	Fiber and Forestry
35	Strong Collaboration with First Nations
38	Energy and Climate Change
40	Mill Environmental Performance
42	Human Resources
44	Health and Safety
46	Community Involvement

Sustainability Performance

Building a sustainable future

At Resolute Forest Products, we understand that sustainability and profitability drive our future. We balance the three pillars of sustainability – environmental, social and economic – to become not only a more efficient and competitive company, but a better employer, a stronger partner for our customers, and a deeply engaged presence in the communities where we live and work.

Stakeholder engagement and materiality

We are committed to building solid relationships with a broad range of community and business partners through ongoing dialogue and outreach. We value input from our customers and other interested parties, including employees and retirees, governments, First Nations and local communities, environmental and other non-governmental organizations, business partners, investors, and members of the general public.

The issues highlighted in the following pages have been identified by our stakeholders as material – that is, of high concern to both internal and external stakeholders, and with the potential to impact our business performance. In addition to driving the objectives of our sustainability strategy and our public commitments, these issues play an important role in determining the focus of our public sustainability reporting through the Global Reporting Initiative (GRI) framework, which requires specific disclosures based on material issues identified by stakeholders. Through regular stakeholder interaction, we continuously monitor, analyze and update concerns that qualify as material issues for our company.

Sustainability commitments and performance

In 2011, we established a set of ambitious commitments reflecting our approach to balancing the company's sustainability priorities. Since then, we have been tracking and reporting our progress annually and updating our targets, as necessary, in order to promote continuous improvement.



What they said

“Sustainability, for me, involves balancing the three pillars: environmental, social and economic. It has to be viable and profitable. And it has to create jobs as well as contribute to the development of communities.”

Jessica Dubois-Martel
Supervisor, Quality Optimization
Saint-Félicien Sawmill
Saint-Félicien, QC

By steadily improving our year-over-year performance, we are pleased to report that we have substantially achieved or surpassed our stated goals and targets for 2015.

This has positioned Resolute as:

- an environmental supplier of choice, with a reduced carbon footprint and improved resource management;
- a socially conscious company, focused on developing collaborative business relationships and grassroots support through our active involvement in local organizations and community projects; and
- a competitive employer, with a world-class safety record, an engaged workforce and a strong corporate culture.

The sustainability section of this report, including the following tables, summarizes Resolute's sustainability performance for all the operations the company owned or operated as at December 31, 2015, with the exception of recently acquired Atlas Paper facilities located in Florida. This performance data should be considered preliminary and is subject to change. For the most current information, including other sustainability performance indicators and disclosures prepared in accordance with GRI's new G4 standard, visit resoluteftp.com.

CARBON/ENVIRONMENTAL FOOTPRINT AND RESOURCE MANAGEMENT

STRATEGIC AREA OF PRIMARY SUSTAINABILITY FOCUS	COMMITMENTS	PERFORMANCE IN 2015 AND A LOOK AHEAD	2015 RATING	
<p>Reinforce our environmental credentials, taking appropriate steps to responsibly manage our environmental footprint</p> <p>MOST MATERIAL ISSUES AFFECTING BUSINESS</p> <ul style="list-style-type: none"> Sustainable forest management (to third-party certification standards) Fiber supply access Biodiversity Conservation and protected areas GHG emissions Energy consumption Water consumption and protection of water resources Environmental regulatory compliance Environmental incidents 	<p>Maintain 100% certification of Resolute-managed woodlands to internationally recognized forest management standards</p>	<ul style="list-style-type: none"> Maintained 100% certification of managed forests to at least one of two internationally recognized forest management standards: Sustainable Forestry Initiative® (SFI®) and Forest Stewardship Council® (FSC®) 	=	
	<p>Maintain chain of custody (CoC) certification to SFI, Programme for the Endorsement of Forest Certification (PEFC) and/or FSC at all North American pulp and paper mills and wood products facilities under company management</p>	<ul style="list-style-type: none"> Instituted fiber-tracking systems at all North American facilities, all of which are third-party certified to one or more of three internationally recognized CoC standards: SFI, PEFC and FSC 	=	
	<p>Achieve a 65% reduction of scope 1 and 2¹¹ absolute greenhouse gas (GHG) emissions by 2015 over the 2000 base year</p>	<ul style="list-style-type: none"> Reduced total GHG emissions by 70% since 2000, surpassing original 65% reduction target In 2016, will set new GHG reduction target using accepted best practices 	++	
	<p>Implement standard scope 3 GHG accounting and begin full scope 3¹² reporting by 2015</p>	<ul style="list-style-type: none"> Reported scope 3 emissions for all relevant categories to the Carbon Disclosure Project's (CDP) Carbon Disclosure program 	+	
	<p>Provide disclosure on regulatory infractions in woodlands operations and set a maximum of 3 or fewer regulatory infractions¹³ in each province, with a long-term goal of zero incidents</p>	<ul style="list-style-type: none"> Disclosed regulatory infractions in annual and sustainability reporting Reported one regulatory infraction for Ontario – a C\$1,000 fine for a 2013 incident at now-closed Iroquois Falls operation No regulatory infractions reported for Quebec 	=	
	<p>Continue to improve understanding of company's water footprint; continue to voluntarily report to the CDP Water Disclosure program</p>	<ul style="list-style-type: none"> Voluntarily reported to the CDP Water Disclosure program 	=	
	<p>Reduce environmental incidents by 8% in 2015 compared to the 2014 baseline, with a long-term goal of zero incidents</p>	<ul style="list-style-type: none"> Recorded 24 environmental incidents in 2015, a reduction of 55% compared to the 2014 baseline Established target of 41 or fewer incidents in 2016, a reduction from our 2015 target of 48 or fewer incidents 	++	
	<p>LEGEND</p> <ul style="list-style-type: none"> ++ Surpassed commitment + Achieved key commitment = Maintained achievement ➤ Ongoing progress X Commitment unattained 	<p>Implement ISO 14001-certified environmental management system (EMS) at all our pulp and paper, sawmill and Canadian woodlands operations</p>	<ul style="list-style-type: none"> Maintained ISO 14001 EMS certification at already-certified pulp and paper mills, sawmills and Canadian woodlands Obtained ISO 14001 certification at Fairmont (West Virginia) pulp mill In 2016, will seek certification for Atikokan and Ignace (Ontario) sawmills and Menominee (Michigan) pulp mill Will conduct gap analysis in 2016 for eventual ISO 14001 EMS certification of three U.S.-based chip mills 	➤

11. Scope 1 GHG emissions are greenhouse gas emissions that come from sources owned or controlled by the company, such as the combustion of fuel at facilities to generate heat to dry paper or generate electricity. Scope 2 GHG emissions are greenhouse gas emissions resulting from company activities occurring at sources owned or controlled by third parties, associated with the production of purchased electricity or steam. Scope 2 emissions physically occur at the facility where electricity or steam is generated.

12. Scope 3 GHG emissions are all indirect emissions (not included in scope 2) that occur in our supply chain, including both upstream and downstream emissions, or transportation activities not controlled by the company.

13. Disclosed regulatory infractions only include woodlands operations directly managed by Resolute.

PUBLIC ENVIRONMENTAL AND SOCIAL CONSCIOUSNESS

STRATEGIC AREA OF PRIMARY SUSTAINABILITY FOCUS	COMMITMENTS	PERFORMANCE IN 2015 AND A LOOK AHEAD	2015 RATING
<p>Build solid community relations, recognizing that economically viable and civically involved companies support long-term regional prosperity</p> <p>Reinforce our environmental credentials, taking appropriate steps to responsibly manage our environmental footprint</p> <p>MOST MATERIAL ISSUES AFFECTING BUSINESS</p> <ul style="list-style-type: none"> • Community and stakeholder engagement • First Nations and economic partnerships • Transparency and communications <p>LEGEND</p> <ul style="list-style-type: none"> ++ Surpassed commitment + Achieved key commitment = Maintained achievement > Ongoing progress X Commitment unattained 	<p>By end of 2015, enhance information-sharing community groups at all company operations; embed community stakeholder outreach efforts across organization, sharing best practices and monitoring activities</p>	<ul style="list-style-type: none"> • Established information-sharing community groups and other outreach programs at company sites • In 2016, will further integrate community engagement programs to reinforce collaboration with a range of business and community partners 	+
	<p>Identify business opportunities with First Nations and identify means to increase Aboriginal employment</p>	<ul style="list-style-type: none"> • In addition to other existing partnerships, signed memorandums of agreement with the Kiashke Zaaging Anishinaabek (Gull Bay) First Nation (Ontario), the Conseil des Innus de Pessamit First Nation (Quebec), and the Lac des Mille Lacs First Nation (Ontario); also put in place agreement with the Pekuakamiulnuatsh Takuhikan (Mashteuiatsh) First Nation (Quebec) • Provided assistance and contributed financially toward the creation of a Leadership Chair in Aboriginal Education in Forestry at Quebec's Laval University • Joined the Canadian Council for Aboriginal Business in ongoing efforts to expand consultative and commercial partnerships • Partnered with First Nations communities and Cambrian College (Ontario) to launch pilot program encouraging First Nations students to pursue trade careers as industrial millwrights 	=
	<p>Make yearly charitable contributions with emphasis on environmental stewardship, and health and education programs</p>	<ul style="list-style-type: none"> • Made charitable contributions and sponsorships of approximately C\$1 million 	=
	<p>Ensure and sustain ongoing outreach with stakeholders and develop key strategic partnerships</p>	<ul style="list-style-type: none"> • Maintained regular engagement with First Nations and key stakeholders such as employees/unions, retirees, investors, governments, (E)NGOs, local communities, suppliers/partners and customers • Continued engagement on online platforms designed to facilitate constructive conversation on sustainable forest management in the boreal forest (Forum boréal in Quebec and Boreal Forum in Ontario) • Launched "Share Your Voice" initiative to support open discussions with people who live and work in the boreal forest about the impact of forestry on their communities 	=
	<p>Develop innovative products that help Resolute customers reduce their environmental footprint</p>	<ul style="list-style-type: none"> • Continued to promote the Align™ brand of eco-friendly papers, which accounted for 21% of Resolute's specialty paper sales in 2015 	=
	<p>Maintain effective sustainability oversight and management practices</p>	<ul style="list-style-type: none"> • Continued to monitor sustainability performance and recommend areas for improvement through the sustainability committee • Completed internal data assessment to support reliable sustainability performance reporting and continuous improvement of internal processes 	=
	<p>Maintain annual sustainability reporting and transparency</p>	<ul style="list-style-type: none"> • Issued fourth combined annual report with substantial sustainability content • Launched GRI-compliant reporting online in accordance with new GRI G4 framework 	+
	<p>Roll out communications on Supplier Guidelines and measure dissemination</p>	<ul style="list-style-type: none"> • Developed and re-communicated Supplier Guidelines to a total of 2,000 suppliers, including – for the first time, in 2015 – smaller, but still significant suppliers; this is a substantial increase from 2014 communication to 150 major suppliers and represents in total over 35% of annual procurement-relevant purchasing volume 	>
	<p>In 2016, launch a quality culture and customer satisfaction initiative in an effort to share best practices and continue to maintain a high level of satisfaction with company products and services</p>	<ul style="list-style-type: none"> • New commitment for 2016 	>

SUSTAINABILITY PERFORMANCE
DEMOGRAPHIC CHANGES AND LABOR RELATIONS

STRATEGIC AREA OF PRIMARY SUSTAINABILITY FOCUS	COMMITMENTS	PERFORMANCE IN 2015 AND A LOOK AHEAD	2015 RATING
<p>Position Resolute as a competitive employer, attracting and retaining employees based on opportunities to quickly learn and grow within a dynamic organization</p> <p>MOST MATERIAL ISSUES AFFECTING BUSINESS</p> <ul style="list-style-type: none"> • Workforce turnover and recruitment needs • Labor relations • Pension obligations • Code of conduct and business ethics • Impact of entering and exiting operating communities • Employee health and safety <p>LEGEND</p> <ul style="list-style-type: none"> ++ Surpassed commitment + Achieved key commitment = Maintained achievement > Ongoing progress X Commitment unattained 	<p>Implement new human resource practices to support workforce renewal and retention, and engage employees in company's sustainability-focused vision and values</p>	<ul style="list-style-type: none"> • Hired over 1,250 new employees¹⁴ and raised company profile as a competitive employer through new recruitment practices • In 2016, will continue to support internship and co-op programs, as well as implementation of a strategic organization initiative, an integrated leadership system 	>
	<p>Renew expired or expiring collective agreements at pulp, paper and wood products operations, ensuring competitiveness as an employer while supporting long-term viability</p>	<ul style="list-style-type: none"> • Successfully negotiated one master agreement covering six woodlands operations in Quebec, two sawmills in Quebec and one sawmill in Ontario • Worked with unionized employees and union leaders toward a mutually beneficial renewal of several U.S. and Canadian collective agreements 	>
	<p>Train 100% of employees on company's new Code of Business Conduct; provide additional training on anti-bribery, corruption and whistleblower programs</p>	<ul style="list-style-type: none"> • Trained 100% of employees¹⁵ on new Code of Business Conduct, incorporating a whistleblower program (employees are required to re-sign the Code on an annual basis) • Provided additional training on anti-bribery and corruption to employees working in specific functions 	=
	<p>Roll out communications on new diversity, equal employment, anti-discrimination and harassment policies</p>	<ul style="list-style-type: none"> • Continued to effectively communicate diversity, equal employment, anti-discrimination and harassment policies to all employees 	=
	<p>Achieve an Occupational Safety and Health Administration (OSHA) incident rate of 0.95 or less for 2015, with a long-term goal of zero injuries; achieve a severity rate¹⁶ of 27 or less in 2015; increase disclosure around near-miss reporting¹⁷</p>	<ul style="list-style-type: none"> • Achieved an OSHA incident rate of 0.66 and a severity rate of 23 • Set 2016 targets to achieve an OSHA incident rate of 0.92 or less and a severity rate less than or equal to 25, a reduction from our 2015 targets of 0.95 and 27, respectively • Continued to disclose near-miss ratios, and management and reporting systems in annual report 	++
	<p>Ensure employees submit 2 to 3 near-miss reports annually</p>	<ul style="list-style-type: none"> • Attained an average near-miss ratio of 4.7 per employee 	++

14. Includes employees hired at recently acquired Atlas Paper Holdings, Inc. facilities in Florida.

15. Excludes employees of Atlas Paper Holdings, Inc.

16. The severity rate is calculated by adding the number of workdays lost to the number of restricted workdays due to injury, multiplied by 200,000 hours worked, divided by total number of hours worked.

17. Health and safety statistics are calculated for all employees, with the exception of near-miss reporting, which only applies to employees at operating sites.

Fiber and Forestry

Resolute Forest Products is committed to producing quality products that meet the criteria of today's environmentally conscious stakeholders.

Our fiber supply comes from responsibly managed forests, carefully tracked sources and recycled material.

100%
of forests
third-party certified



42%
of total fiber inputs sourced
from wood chips



12%
of total fiber inputs sourced
from recovered paper



Highlights of the company's 2015 performance in the areas of responsible forest management and wood fiber sourcing include:

- 100% of the woodlands we manage are third-party certified to at least one of two internationally recognized standards: Sustainable Forestry Initiative® (SFI®) and Forest Stewardship Council® (FSC®).
- 89% of the wood supply for our sawmills and 51% of virgin wood fiber inputs for our pulp and paper mills are certified to internationally recognized standards.
- 42% of total fiber inputs for our pulp and paper mills are sourced from sawmill by-products (wood chips).

- 12% of total fiber inputs for our pulp and paper mills are sourced from recovered paper.¹⁸ In 2015, we used 923,389 metric tons of recovered paper in our production processes, and the recycled fiber content in the newsprint we produced averaged 19%.
- 100% of Resolute's North American manufacturing facilities have a chain of custody (CoC) tracking system that meets one or more of the following standards: SFI, Programme for the Endorsement of Forest Certification (PEFC) and FSC.

For 2016, we remain committed to maintaining 100% certification of the woodlands we manage or on which we hold significant harvest rights, and 100% CoC certification at all of our North American pulp and paper mills and wood products facilities.



What they said

"Our sustainable forest management plans are grounded in the best available science, reviewed by the public and vetted by experts. As a forester, my actions are continually monitored by independent third parties. What's more, I know I am accountable to my neighbors, friends and family who share my passion for keeping the boreal forest healthy."

John Lawson

Forester, Ontario Woodlands Operations
Thunder Bay, ON

18. Includes recycled bleached kraft (RBK) pulp.

Ensuring the sustainability of our fiber supply

All of the forest lands we manage are in Canada, a highly regulated environment where responsible and sustainable forest management principles balance environmental, social and economic objectives.¹⁹ Canada's robust laws and regulations governing forest management are actively enforced by the federal and provincial governments. Our strict adherence to these laws, as well as to internationally recognized forest management and CoC standards, assures our customers that our products come from responsible sources.

In addition to the stringent regulations to which we adhere, Resolute is committed to maintaining 100% forest management certification for our owned and managed woodlands to internationally recognized standards.

Forest certification issues in Canada are constantly evolving. The most up-to-date information about these issues is maintained on our website at resolutefp.com/sustainability.

As we expand our business presence in the United States, we continue to support private woodlots, which provide extensive recreational,

economic and environmental benefits. They are important as wildlife habitat, reservoirs of biodiversity and carbon sinks, and represent an important source of family income. We primarily purchase wood from more than 600 U.S. wood producers and woodlot owners, which provides income that encourages the sustainable management of this valuable resource.



Howard Family
Independent tree farmers, Calhoun, Tennessee

2015 CONSUMPTION AND SOURCING OF VIRGIN WOOD FIBER – PULP AND PAPER MILLS

	Total fiber (virgin and recycled) consumed (odmt)	Proportion of virgin fiber consumed with forest management certification (%)	Proportion of total virgin fiber supply sourced through SFI sourcing requirements, PEFC due diligence or FSC controlled wood (%)
Canadian pulp and paper mills	3,152,355	78.4	100
U.S. pulp and paper mills	3,229,617	20.8	100
Total	6,381,972	50.6	100

2015 CONSUMPTION AND SOURCING OF WOOD – SAWMILLS

	Total wood consumed (m ³)	Proportion of wood consumed with forest management certification (%)	Proportion of total wood supply sourced through SFI sourcing requirements, PEFC due diligence or FSC controlled wood (%)
Canadian sawmills	7,814,132 ²⁰	89.3	100

19. 2016. Natural Resources Canada. *Sustainable Forest Management in Canada*. www.nrcan.gc.ca/forests/canada/sustainable-forest-management/13183

20. Does not include the following Quebec facilities: Opitciwan joint-venture sawmill, Produits Forestiers Petit-Paris joint-venture sawmill (sold February 1, 2016), Château-Richer and La Doré remanufactured wood products facilities, and Abitibi-LP Engineered Wood Inc. (Larouche) and Abitibi-LP Engineered Wood II Inc. (Saint-Prime) engineered wood products facilities.

Maintaining biodiversity

As a responsible forest manager, Resolute recognizes that it is possible to carefully harvest trees while maintaining biodiversity and upholding the forest values we all respect. In Resolute's Ontario and Quebec operating regions, biodiversity monitoring is carried out by the provincial agencies responsible for wildlife policies and wildlife management.

Even in high conservation value forests, harvesting is permitted as long as strategies are in place to protect any identified high-value attributes. These strategies may include defining protected or conservation areas, deferring forest management activities on selected tracts, developing road management plans, and regenerating harvested areas. The independent certification standards (SFI and FSC) – to at least one of which our forests are certified – require consideration of the latest scientific evidence on species conservation and management.

Key facts about Canada's boreal forest

Canada's official rate of deforestation – mainly related to urban development, transportation, recreation and hydroelectricity – is very low, affecting less than 0.02% of the country's forests each year, and it continues to decline.²¹

Provincial laws require that all harvested areas be promptly and successfully regenerated.²² For example, in the boreal forest, approximately 75% of harvested areas grow back naturally. The other 25% is promptly reforested via seeding or planting.²³

Under half of one percent of the boreal forest is harvested each year in Canada. In comparison, more than five times that area is disturbed annually by natural causes such as forest fires, insects and disease.²⁴

In the boreal forest in Ontario and Quebec, each provincial government has set a northern limit above which harvesting is not permitted.²⁵ In Quebec and Ontario, 42%²⁶ and 40%,²⁷ respectively, of the continuous boreal forest is located north of this limit and is, therefore, inaccessible to the forest products industry. This includes almost 75% of the caribou range and about 85% of "intact forest landscapes."²⁸ In the area that is accessible to the industry, a further 38% in Quebec and 34% in Ontario has been set aside for conservation or other purposes and is not managed for forestry.^{29, 30}

Ensuring regulatory compliance

Resolute foresters work closely with the governments of Ontario and Quebec to ensure compliance with each province's extensive forestry laws and regulations.

Although our annual non-compliance rates regularly are below the industry average, Resolute closely monitors all incidents and any associated fines. For 2015, we had set a maximum of three or fewer regulatory infractions in each province, with a long-term goal of zero incidents. We received a fine of C\$1,000 for a 2013 infraction at our now-closed Iroquois Falls operation, for a total of one incident reported in Ontario in 2015. No incidents were reported in Quebec in 2015. For 2016, the target remains the same: three or fewer infractions in each province where we operate.

In 2015, we confirmed our compliance with the European Union Timber Regulation (EUTR) as well as the U.S. Lacey Act, both of which prevent illegally sourced wood and wood products from entering the markets in those jurisdictions.

21. 2016. Natural Resources Canada. *The State of Canada's Forests: Annual Report 2015*. <http://cfs.nrcan.gc.ca/pubwarehouse/pdfs/36553.pdf>

22. 2016. Natural Resources Canada. *Key Facts About Canada's Forests*. www.nrcan.gc.ca/forests/measuring-reporting/key-forest-facts/17643

23. 2005. *Criteria and Indicators of Sustainable Forest Management in Canada. Indicator 2.5 – Proportion of Timber Harvest Area Successfully Regenerated*. www.ccfm.org/ci/rprt2005/English/pg59-71_2-5.htm

24. 2014. Natural Resources Canada. *The State of Canada's Forests: Annual Report 2014*. <https://cfs.nrcan.gc.ca/publications?id=35713>

25. In Quebec, this limit is known as the northern limit of allocation, while in Ontario, the area south of the limit is called the Area of the Undertaking.

26. Factsheet, Bureau du forestier en chef du Québec.

27. 2015. Government of Ontario. *Forestry Facts*. www.ontario.ca/page/forestry-facts

28. Calculated internally using publicly available Geographic Information Systems (GIS) data.

29. Factsheet, Bureau du forestier en chef du Québec.

30. 2015. Government of Ontario. *Forestry Facts*. www.ontario.ca/page/forestry-facts

Strong Collaboration with First Nations

Resolute Forest Products respects the importance of Canada's land, water and forests to its Aboriginal peoples, and we understand how integral these natural resources are to the prosperity of Aboriginal communities. We are committed to nurturing constructive relationships, and respecting treaties, traditions and rights.

C\$100 million
in economic opportunities
for First Nations partners



Councillor Sue Boshey, Nigigoonsiminikaaning First Nation; Chief Judy White Cloud, Lac des Mille Lacs First Nation; Chief Norman Jordan, Lac La Croix First Nation; Isadore Day, Ontario Regional Chief; Richard Garneau, President and Chief Executive Officer, Resolute; Chief Wilfred King, Kiashe Zaaging Anishinaabek (Gull Bay) First Nation; Chief Sara Mainville, Couchiching First Nation; and Chief Janice Henderson, Mitaanjigamiing First Nation; not present: Chief Earl Klyne, Seine River First Nation

As outlined in our Aboriginal Peoples Policy, we pursue mutually beneficial commercial relationships, consult on decisions that impact Aboriginal communities, and support meaningful employment and economic sustainability.

During the year, Resolute became a member of the Canadian Council for Aboriginal Business (CCAB) in order to expand our consultative and commercial partnerships. CCAB fosters sustainable business relations and opportunities between First Nations, Inuit and Métis peoples, and the Canadian business sector.

Collaboration on forest management planning

Public consultation is an essential step in the sustainable forest management planning process. In Canada, the legal responsibility to consult with First Nations and harmonize forest management practices with their traditional land uses lies with government. Within this framework, Resolute actively engages First Nations in the review of our harvesting plans to ensure they take into account local cultural, environmental, social and economic considerations. We maintain close ties with nearly 40 First Nations communities across the areas where we operate, collaborating on the development of mutually acceptable management plans.

Strong partnerships

Resolute collaborates with First Nations and governments to promote constructive discussions that we hope will lead to long-term partnerships of mutual benefit. We also work closely with First Nations across Ontario and Quebec to: identify employment and contracting opportunities; provide support for educational programs and cultural landmark mapping; and collaborate on agreements, planning, road construction and forest regeneration.

In Ontario, Resolute has built strong relationships with 27 First Nations communities, and in Quebec, Resolute regularly engages with 12 First Nations communities.

On February 10, 2015, Resolute signed a Memorandum of Agreement that has resulted in C\$100 million in economic opportunities for six First Nations in Ontario: Nigigoonsiminikaaning, Lac des Mille Lacs, Seine River, Couchiching, Mitaanjigamiing and Lac La Croix. This groundbreaking agreement includes significant contracts for construction and transportation.



What they said

“First Nations have been involved in forest-related activities for a long time. We are part of the economic engine of the North. It’s refreshing to see that Resolute is engaging First Nations communities as part of the solution. I think it’s really important for industry, First Nations and government to work together so that everyone benefits from the resource.”

Wilfred N. King
Chief, Kiashke Zaaging
Anishinaabek First Nation
Gull Bay, ON

Other agreements reached in 2015 include:

- An extension of our relationship with the Gull Bay (Kiashke Zaaging Anishinaabek, or KZA) First Nation to identify and pursue new economic opportunities in the Lake Nipigon (Ontario) area. The KZA First Nation harvests wood from the Black Spruce sustainable forest license area and delivers roundwood, wood chips and biomass fuel to our Thunder Bay operations.
- A new partnership agreement with the Lac des Mille Lacs First Nation to identify and pursue new economic opportunities related to the harvesting and management of the Black Spruce and Dog River-Matawin forests for our facilities in Northwestern Ontario.
- A collaboration agreement with the Conseil des Innus de Pessamit, providing mainly for the recruitment, training and hiring of Innu labor in Quebec’s Côte-Nord region. The agreement also provides for investment in Innu businesses in the forest, biofuel and wildlife industries.

In a spirit of partnership, in 2015, Resolute raised significant funds for organizations in the Innu community of Pekuakamiulnuatsh Takuhikan (Mashteuiatsh) in the region of Saguenay-Lac-Saint-Jean (Quebec). Resolute’s President and Chief Executive Officer, Richard Garneau, again served as honorary chairman of the Mashteuiatsh summer festival, an event that preserves and promotes the community’s rich history.

Mutually beneficial business ventures

- Our Thunder Bay (Ontario) sawmill, located on Fort William First Nation (FWFN) land and leased to Resolute on a long-term basis, employs some 200 workers, many from this First Nation community.

- We remain a joint-venture partner in the Opedjiwan sawmill located in Obedjiwan (Quebec), in operation since 1999. The Atikamekw Council of Obedjiwan has a 55% interest in the joint venture, while Resolute owns 45%.
- We carry out forest management and harvesting activities and pay a stumpage fee in exchange for volumes allocated to the Kitigan Zibi Anishinabeg First Nation (Quebec) by the provincial government.
- Resolute purchases more than 1.5 million seedlings annually from a tree nursery established by the Wabigoon Lake Ojibway Nation in Ontario, with Resolute’s support, in the late 1990s.

Creating opportunities for First Nations youth

Resolute recognizes the importance of fostering long-term prosperity for First Nations through the creation of opportunities for young people in the communities where we operate.

- In 2015, we helped set up and contributed financially toward the creation of a Leadership Chair in Aboriginal Education in Forestry, a new program aimed at strengthening employment opportunities in Aboriginal communities in Quebec.
- The Canadian Chamber of Commerce named Resolute and Roger Barber, our General Manager – Ontario Woodlands, to its list of Canada’s Resource Champions for 2015. This nomination acknowledges Mr. Barber’s long-time commitment to nurturing constructive partnerships with First Nations, and highlights his role in launching a local First Nations youth training program.
- We also launched an education program in Ontario focused on developing future employees from First Nations communities.



Energy and Climate Change

Resolute Forest Products operates in an energy-intensive industry, and we recognize the importance of reducing our carbon footprint and transparently reporting on our greenhouse gas emissions. We strive to continuously improve the energy efficiency of our operations and to increase our use of lower carbon fuels, and we seek out opportunities to invest in clean energy projects that will ultimately reduce our emissions and benefit our bottom line.

100%
coal-free operations
(scope 1)



70%
reduction in GHG emissions
(scope 1 and 2) since 2000



When Resolute became a member of the elite World Wildlife Fund® Climate Savers program in 2011, we committed to reduce scope 1 and 2 greenhouse gas (GHG) emissions by 65% over our year 2000 baseline by 2015. This target was among the most ambitious in our industry. Having fulfilled the commitment two years ahead of schedule in 2013, we have now attained a 70% reduction in GHG emissions over our baseline.

This achievement was recognized by the International Business Awards, which honored Pascale Lagacé, Resolute's Vice President of Environment and Climate Change, with a silver Stevie® award for Women in Business in the female executive of the year – business products (more than 2,500 employees) category.

Canada's prestigious Clean50 award recognizes sustainability leadership across 16 different business categories. In the 2016 competition, a team of four Resolute employees (Pascale Lagacé, Jim Balik, Alice Minville and Mylène Labrie) were recognized for their roles in reducing the company's environmental incidents and GHGs, as well as completing environmental due diligence training, reporting on scope 3 emissions, and achieving maximum achievable control technology (MACT) boiler compliance.

Other key highlights of our 2015 performance include:

- Sourcing 72% of our total energy (electricity and fuel) needs from renewable sources;³¹
- Deriving 78% of our fuel energy usage from biomass;³²
- Completing our first full year of 100% scope 1 coal-free operation, by replacing high-emission fuels like coal with less carbon-intensive fuels; and
- Enhancing the disclosure of scope 3 emissions by reporting all relevant scope 3 emission categories to the Carbon Disclosure Project (CDP).

31. Does not include wood products. Renewable sources include hydroelectricity (owned and purchased) and biomass used to produce steam and cogeneration electricity.

32. Does not include wood products. Biomass includes bark and biosolids from our water treatment plants, black liquor and landfill gas.

Managing our carbon footprint

We undertook several climate- and energy-related projects in 2015, which further reduced our carbon footprint, while also improving our cost structure and long-term competitive position. Highlights included:

- In collaboration with Natural Resources Canada and FPInnovations, we completed a project to identify significant energy-saving opportunities at our Calhoun (Tennessee) pulp and paper mill and Saint-Félicien (Quebec) pulp mill.
- We launched a study at our Alma (Quebec) paper mill that aims to reduce steam usage and subsequently lower the operation's scope 1 emissions.
- At our Catawba (South Carolina) pulp and paper mill, we identified ways to optimize heat and water processes.

In 2015, we implemented standard accounting and reporting of scope 3 GHG emissions. Scope 3 emissions are an important aspect of our carbon inventory, and we are working with key suppliers to further reduce our global carbon footprint.

Energy sources

The energy used in pulp and paper production comes primarily from steam and electrical power. Resolute generates power from our seven hydroelectric and seven cogeneration facilities. We also purchase electricity and fuel from external suppliers. Wherever possible, the company uses alternative energy sources such as methane from landfills, used oils, tire-derived fuel and waste plastics, recovering their energy value to reduce the consumption of fossil fuels.

Together, four of our seven operations with cogeneration assets, from which we sell electricity externally, reduced our costs by approximately \$43.5 million.³³



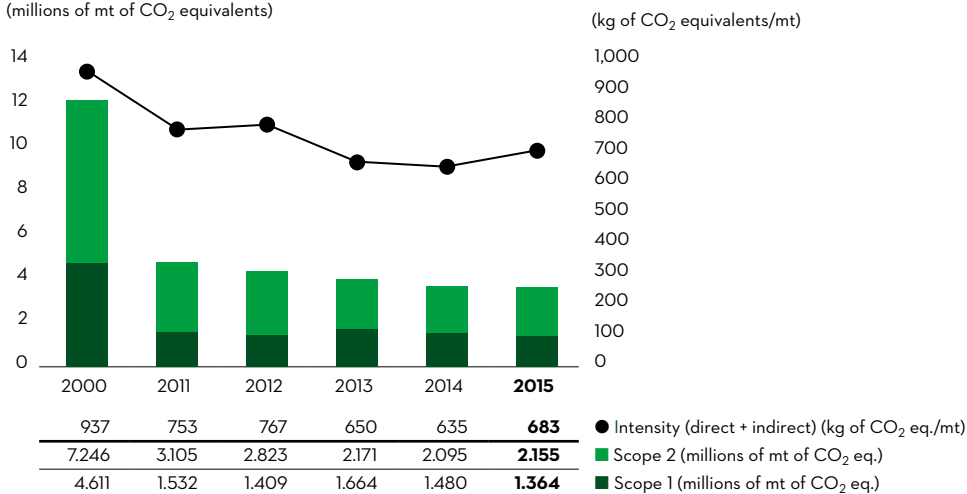
What they said

“Within a framework of sustainable forest management, the use of wood is a way to sequester carbon over the long term, which is important in addressing climate change. The Intergovernmental Panel on Climate Change clearly considers wood an essential component of reducing carbon emissions.”

Jean-François Boucher
Professor, University of Quebec (UQAC)
Chicoutimi, QC

GREENHOUSE GAS EMISSIONS OVER 2000 LEVELS PULP AND PAPER MILLS, 2000-2015

(millions of mt of CO₂ equivalents)




33. From the four cogeneration assets from which we sell electricity externally, not including other operational efficiencies realized with the operation of the cogeneration facilities.

Mill Environmental Performance

We know that our manufacturing processes have direct and indirect impacts on the environment. Resolute Forest Products minimizes these impacts by continuously improving environmental performance and by establishing robust environmental management systems at all operating facilities.

55%
reduction in
environmental incidents



resolutefp.com/sustainability

GRI
G4-compliant

Environmental performance is managed at the local level, with each facility working closely with the corporate environment team to identify and manage the issues most relevant to its operation, develop key performance indicators (KPIs) and set annual reduction targets. KPIs are monitored at both the mill and corporate levels. This approach respects the different geographic and technological factors impacting each operation.

Environmental management systems

Our pulp and paper mills, sawmills and woodlands operations are covered by environmental management systems (EMS) – the majority certified to stringent ISO 14001 standards.³⁴ In 2015, we obtained ISO 14001 certification at our Fairmont (West Virginia) pulp mill, and we will be seeking certification for our Menominee (Michigan) pulp mill and our recently opened Atikokan and Ignace (Ontario) sawmills in 2016. We will also conduct a gap analysis for eventual ISO 14001 EMS certification of our three U.S.-based chip mills.



What they said

“Working at a pulp and paper mill is a great way to get hands-on experience. It’s an evolving and dynamic environment. It’s important to me that we’re responsible stewards of the environment, and I wouldn’t be part of an industry that wasn’t.”

James Rule

Engineering Intern, Coosa Pines Pulp Mill
Coosa Pines, AL

34. Does not include the following unconsolidated Quebec entities: Produits Forestiers Petit-Paris sawmill, sold February 1, 2016, and Opitciwan sawmill.

Our 2015 performance

Resolute's annual reporting of sustainability performance is prepared in accordance with Global Reporting Initiative (GRI) G4 guidelines. To learn how we are managing air emissions, water discharge, waste generation and environmental incidents, visit the sustainability section of our website at resolutefp.com. Detailed information on the scope of our reporting and data measurement techniques is also provided.

The company's world-class sustainability performance was acknowledged in 2015 with multiple regional, North American and global awards, including the Best in Biz Awards, where Resolute was named a silver winner for being North America's most socially or environmentally responsible company of the year. We also garnered a bronze award in the international division of the same competition. These two awards recognize the company's: work to minimize resource consumption; efforts to reduce generation of waste, air emissions and water discharge; proactive approach to reducing environmental incidents; commitment to 100% woodlands certification; transparent sustainability reporting; and innovative partnerships with First Nations.

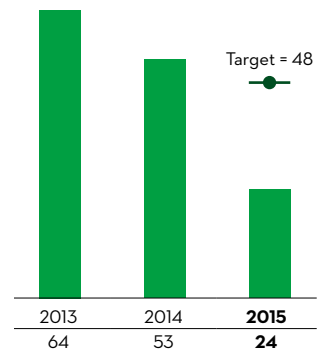
Environmental incidents

In 2015, we reduced mill environmental incidents by 55%, significantly surpassing our 8% year-over-year reduction target. We recorded a total of 24 environmental incidents, compared to 53 in 2014. For 2016, we have established a target of 41 or fewer incidents, and we continue to work toward our long-term goal of zero incidents.

We take a proactive and preventative approach to incident management with a comprehensive tracking, investigation, implementation and reporting cycle to prevent recurrence. We highly value incident reporting, as it helps identify gaps in our practices and reduces the potential for more serious incidents. In reviewing all incidents – not only those we are legally required to report – we ensure continuous improvement.

Resolute's environmental compliance and risk audits support our incident management system. In 2015, we completed the first full three-year cycle of environmental risk audits at all of our pulp and paper mills, with the exception of Ponderay, located in Usk (Washington).

ENVIRONMENTAL INCIDENTS 2013-2015



Human Resources

Resolute Forest Products' long-term competitiveness is tied to our ability to recruit, develop and retain top-quality employees with the right skills. We believe our employees are instrumental to our success and that our organization is bettered through investing in the recruitment of new talent and developing our personnel at the professional and leadership levels.

Certification-Ethno

designation for integrating immigrant employees

1,250
new hires



CAMBRIAN
COLLEGE

Industrial millwright
pilot program

We are building a strong company culture that attracts results-driven and action-oriented talent, strengthens employee accountability and engagement, and allows natural leaders to grow.

We made significant progress toward these goals in 2015.

- We hired 1,250 new employees, bringing our total workforce by year-end to 8,000, with about 5,300 represented by different unions.
- We hired 18 engineers through our Engineering Graduate Program.
- The company's voluntary turnover rate decreased to 9.9%, half as a result of retirements.
- We reached a five-year agreement with United Steelworkers International covering approximately 60 unionized workers at our sawmill in Atikokan (Ontario).

- We announced a four-year agreement with Unifor covering approximately 130 unionized employees at our Outardes sawmill in Baie-Comeau (Quebec).
- In February 2016, we entered into a four-year agreement with the Confederation of National Trade Unions covering approximately 120 employees at our Clermont (Quebec) paper mill.
- Early in 2016, we successfully negotiated a master agreement with Unifor covering approximately 400 employees at six woodlands operations in Quebec.
- All employees were trained on the requirements of Resolute's Code of Business Conduct and Ethics Reporting Policy, and certain employees received additional training on our anti-bribery and corruption programs.³⁵



What they said

"Over the past 35 years, we have signed many partnership agreements with local businesses, including Resolute, as part of our forest management and other technical programs. Companies provide nearly 80% of the hands-on training activities, including internships. This is a win-win-win for our students, the business community and the school."

Gilles Lapointe

General Director, Cégep de Saint-Félicien
Saint-Félicien, QC

35. Excluding Atlas Paper Holdings, Inc., acquired in November 2015.

Renewal and retention strategy

We are committed to building a workplace where our employees can learn, grow and contribute by implementing new human resource practices to ensure employee retention and workforce renewal.

In 2015, Resolute partnered with First Nations communities and Cambrian College in Ontario to launch a pilot program encouraging First Nations students to pursue trade careers as industrial millwrights. In January 2016, six students entered the program and are expected to graduate in the fall of 2017.

Resolute partnered with Cégep de Saint-Félicien (Quebec) to offer five C\$1,000 bursaries each year, along with one paid internship valued at C\$8,000, geared toward students pursuing degrees in science, engineering or the applied sciences. In total, we have committed approximately C\$65,000 to the school over five years.

We also continued to offer a professional development program to help engineering graduates begin careers in our operations. This program provides graduates with opportunities to accelerate their development toward leadership roles.

Leadership, wellness and business systems

We continued to introduce a strategic initiative to increase our organizational capabilities in 2015. Our new integrated leadership system is designed to provide the right tools for individual success by clarifying roles and accountabilities, improving organizational structure, enhancing processes for compensation and succession planning, and refining leadership practices. By providing tools for individual success, we are providing our employees with the means to reach their full potential.

In 2015, we continued the rollout of a project to streamline our business systems. The project team developed more than 100 training courses and job aids, and conducted over 4,900 hours of training. A system to incorporate tissue production will be developed in 2016.

Our U.S. wellness pilot program was also launched in 2015, offering biometric screening, financial counseling and wellness challenges at each U.S. facility. The goal is to encourage employees to proactively manage their health and reduce risks that may adversely impact their health and well-being. Program advantages include reduced costs related to workers' compensation and disability, increased employee productivity, better quality of life for employees, reduced absenteeism and lower healthcare costs.



Health and Safety

Ensuring our employees' safety is a core company value. We are committed to fostering a "total safety organization," with a long-term goal of zero incidents and zero injuries across our operations. Implementing exceptional health and safety standards is inextricably linked to operational excellence in all aspects of our business.



World-class
OSHA incident rate of
0.66,
a 20% improvement
over 2014



1.5 million
injury-free hours
at Baie-Comeau
and Maniwaki



2015 safety performance

In 2015, Resolute Forest Products achieved the best safety performance in the company's history. Our Occupational Safety and Health Administration (OSHA) incident rate was 0.66, below our target of 0.95 and representing a 20% reduction in total recordable injuries compared to 2014. According to the American Forest & Paper Association (AF&PA), Resolute's performance ranks among the very best of almost 30 North American forest products companies.

Resolute's OSHA incident rate has dropped from 1.51 in 2010 to 0.66 in 2015 – a reduction of more than 56%. We also achieved a 15% decrease in lost-time incidents,³⁶ going from 27 in 2014 to 23 in 2015.

Our company-wide severity rate for 2015, which measures the actual impact from injuries on the health of our employees, was 23 – a 29% decrease compared to 2014. We will continue to focus on reducing injury severity in 2016.

We require our employees to identify and report potential hazards in order to prevent incidents. In 2015, the company achieved an overall near-miss ratio of 4.7 per employee (33,481 near misses reported), reflecting an increase in employee awareness and reporting of potential hazards or injuries.

Our 2016 target is to achieve an OSHA incident rate of 0.92 or below, and a severity rate of 25 or below.

Safety management system

We take a proactive approach to risk control by combining safety leadership with individual accountability, supported by a stringent safety management system (SMS) that includes employee training and awareness, audits and monitoring, as well as employee participation through each operation's joint health and safety committee.

Our SMS is built on three key proactive pillars that help drive our world-class safety performance:

- One-on-one safety commitment discussions
- Hazard recognition
- Near-miss reporting

Every three years, we conduct audits of each Resolute operation to ensure compliance with our SMS.

36. Lost time incidents are incidents that result in lost workdays.



What they said

“Our 2015 OSHA incident rate of 0.66 is world-class and a direct result of everyone’s commitment to workplace safety through proactive actions. I am also pleased with the 29% reduction in the company-wide severity rate, which measures the impact from injuries on the health of our employees. We are certainly on the right track to achieve our ultimate goal of zero injuries.”

Dominic Leroux
 Director, Health and Safety
 Montréal, QC

Safety innovations and awards

Our proactive leadership and commitment to safety has garnered extensive external recognition.

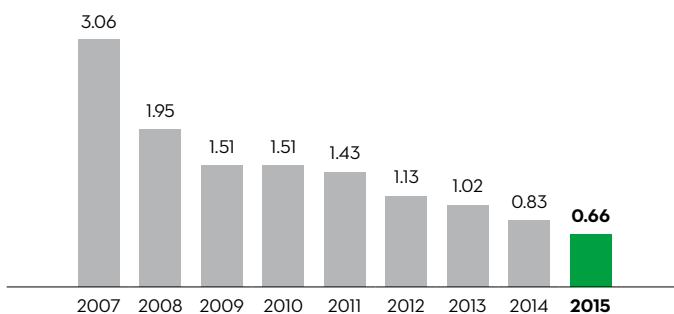
The International Business Awards (IBAs) honored us with a 2015 gold Stevie® award in the health, safety and environment program of the year category for both Canada and the United States. The Pulp and Paper International (PPI) Awards also recognized Resolute for our commitment to safety and for our innovative approach to loss prevention, safety and effective risk management.

In 2015, we accepted the AF&PA Leadership in Sustainability Award for Safety for “working toward zero incidents” and for developing better-performing and more efficient safety gear. The award recognized a multi-site task force, led by employees at our Kénogami (Quebec) paper mill, who designed a safer, watertight, breathable, more comfortable and more durable chemical protective suit that is now being adopted by others in the industry.

At Resolute, safety and community relations go hand-in-hand. Through our Board of Directors Safety Award program, Resolute operations can earn \$5,000 to add to their annual community donations for every 250,000 hours worked without a recordable injury. In 2015, we distributed \$253,770 in donations to charities chosen by our employees, who contributed to the company’s outstanding safety performance during the year:

- Our Baie-Comeau (Quebec) paper mill and Maniwaki (Quebec) sawmill achieved 1.5 million consecutive operating hours without a single recordable injury – the first Resolute operations to reach this milestone.
- Our Thorold (Ontario) and Catawba (South Carolina) operations celebrated 1 million incident-free hours in 2015.
- Over 25 of our other operations also reached important milestones of 250,000, 500,000 or 750,000 hours without a recordable injury.

OSHA INCIDENT RATE PER 100 EMPLOYEES, 2007-2015



Community Involvement

Resolute Forest Products strives to have a positive and meaningful impact on the communities in which it operates, targeting philanthropic contributions to two key pillars of sustainable development: social (community health and education) and environmental (community projects and education). Our contributions can take many forms, including financial and material support, as well as countless volunteer hours by our employees.

C\$1 million

in donations and sponsorships



Close to
10,000

fans on



500+

municipalities express concern about activist campaigns



Supporting our communities

In 2015, our donations and sponsorships, at both the local and corporate levels, totaled C\$1 million. The following examples provide a snapshot of the range of organizations we supported across our operating communities:

- Employees at our corporate office raised over \$20,000 for the Montreal Children's Hospital Foundation, joining the Foundation's Pedal for Kids event in support of important medical research and patient care.
- The annual Resolute Golf Tournament raised C\$110,000 for equipment purchases for hospitals in Dolbeau-Mistassini and Roberval (Quebec).
- The company also donated C\$10,000 to the Centre de la Petite Enfance de Mashteuiatsh, a First Nations child care center in Mashteuiatsh (Quebec), to support infrastructure upgrades that will benefit over 100 children.

- For over 21 years, employees at our Augusta (Georgia) newsprint mill have contributed to the Children's Hospital of Georgia. Through payroll deductions, fundraisers and Board of Directors Safety Award program contributions, Resolute and its employees together have donated close to \$28,000 to the hospital each year.

We are inspired by our employees who volunteer in their communities, participating in countless events and initiatives in support of many important civic causes, such as:

- Calhoun (Tennessee): The pulp and paper mill supports 100 Black Men of America, an organization dedicated to enhancing educational and economic opportunities for African-Americans.
- Catawba (South Carolina): Each year, the pulp and paper mill hosts the Resolute Reindeer Run, which benefits the Lancaster County Habitat for Humanity organization.
- Alma (Quebec): Paper mill employees collect money annually for the Guignolée, a local Christmas food drive for underprivileged families.

Resolute also supports educational initiatives that provide local scholarships, work experience and exchanges, as well as promote environmental awareness:

- Fairmont (West Virginia): In 2015, the pulp mill expanded its paper recycling program to 11 schools and 15 businesses. In addition to reducing the mill's costs, the program provides funding to participating schools for every ton collected. Over 1,500 tons of paper were collected in 2015, with revenues going to schools and local charities.
- Thunder Bay (Ontario): During the summer of 2015, the pulp and paper mill hired seven students as part of the Students Without Borders program, which encourages students to gain work experience in Canada as part of their post-secondary education.



What they said

“This mentoring and scholarship organization has long been supported by Resolute’s Calhoun mill management and employees. They are dedicated to helping improve the quality of life in our community and enhancing the educational and economic opportunities for all African-Americans, with special emphasis on young African-American men.”

Jonathan Porter
 President, 100 Black Men of America
 (Bradley County)
 Calhoun, TN

Engaging in dialogue

Open, honest conversations about environmental, social and economic issues facing the forest products industry are vital to our future.

It is essential that individual and community voices are heard, particularly on the socio-economic importance of forestry to northern communities. We continue to support candid, fact-based discussion about sustainable forestry practices through local community engagement and on our social media platforms: Boreal Forum (Ontario) and Forum boréal (Quebec).

Unfortunately, throughout the year, inaccurate and misleading activist market campaigns continued. In response, Resolute’s numerous business and community partners and a range of stakeholders publicly challenged misinformation spread by Greenpeace, ForestEthics and other like-minded activists:

- First Nations and unions published letters and expressions of support.
- A large contingency of mayors and officials from northern Ontario- and Quebec-based communities held a press conference in Ottawa, Canada’s capital, expressing outrage at the continued misrepresentation of the facts by Greenpeace and others.

- The recently formed Alliance forêt boréale called on the Government of Quebec to form a working group and produce a study to better understand all aspects of Forest Stewardship Council® (FSC®) certification, as well as to address ongoing misinformation spread by certain activist groups.

The study³⁷ shows that increasing the protected areas while maintaining FSC certification in Saguenay–Lac-Saint-Jean forests would contribute to reducing the allowable cut by 2 million m³, which would lead to a loss of 3,186 jobs in the region.

- More than 500 municipalities in Quebec and Ontario have expressed strong concern about activist campaigns.
- As part of Resolute’s successful “Share Your Voice” campaign, full-page advertisements in major Canadian newspapers mobilized stakeholders to send emails to Greenpeace and ForestEthics. Additionally, tens of thousands of direct mail postcards were distributed to employees, retirees, First Nations and communities to, in turn, send to activist groups.



37. 2015. Bergeron, Gilles and Gélinas, Nancy. *Évaluation de l’impact social et économique de la mise en œuvre des exigences du Forest Stewardship Council sur le territoire de la région Saguenay–Lac-Saint-Jean.* <http://mffp.gouv.qc.ca/publications/forets/evaluation-FSC-Saguenay-Lac-St-Jean.pdf>

BOARD OF DIRECTORS

Bradley P. Martin^{2,3}

Chairman of the Board;
Vice President for Strategic Investments
Fairfax Financial Holdings Limited

Richard Garneau

President and Chief Executive Officer

Michel P. Desbiens^{2,3}

Corporate Director

Jennifer C. Dolan^{1,4}

Corporate Director

Richard D. Falconer^{1,2,3}

Corporate Director;
Senior Partner
Verus Partners & Co. Inc.

Jeffrey A. Hearn^{2,4}

Corporate Director

Alain Rhéaume^{1,3}

Lead Director;
Managing Partner, Trio Capital Inc.

Michael S. Rousseau^{1,4}

Executive Vice President and
Chief Financial Officer, Air Canada

Ambassador David H. Wilkins^{2,4}

Partner, Nelson Mullins
Riley & Scarborough LLP;
Former U.S. Ambassador to Canada

CORPORATE OFFICERS

Richard Garneau

President and Chief Executive Officer

Pierre Laberge

Senior Vice President
Human Resources

Yves Laflamme

Senior Vice President
Wood Products, Procurement and
Information Technology

Jo-Ann Longworth

Senior Vice President and
Chief Financial Officer

André Piché

Senior Vice President
Tissue Group, and
Calhoun, Catawba
and Mokpo Operations

Richard Tremblay

Senior Vice President
Pulp and Paper Group

Jacques P. Yachon

Senior Vice President
Corporate Affairs and
Chief Legal Officer

Board Committees

- 1 Audit Committee
- 2 Environmental, Health and Safety Committee
- 3 Finance Committee
- 4 Human Resources, Compensation and Nominating and Governance Committee

Note: As at December 31, 2015.

SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING

Our annual meeting of stockholders will be held on Wednesday, June 1, 2016, at 9:00 a.m. (Eastern) at Centre des arts de Baie-Comeau, 1660 de Bretagne, Baie-Comeau, Quebec, G5C 3S3, Canada.

TRANSFER AGENT FOR COMMON STOCK

Computershare Trust Company, N.A.
P.O. Box 30170, College Station,
Texas, 77842-3170, United States
866 820-6919 (toll-free within
the United States and Canada)
781 575-3100
computershare.com/investor

CO-TRANSFER AGENT – CANADA

Computershare Investor Services Inc.
100 University Avenue, 9th Floor,
Toronto, Ontario, M5J 2Y1, Canada
800 564-6253 (toll-free within
the United States and Canada)
computershare.com/investor

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

PricewaterhouseCoopers LLP
1250 René-Lévesque Boulevard West,
Suite 2800, Montréal, Quebec,
H3B 2G4, Canada

INVESTOR RELATIONS

Alain Bourdages
Vice President
514 394-2233
ir@resolutefp.com

MEDIA

Seth Kursman
Vice President
Corporate Communications,
Sustainability and Government Affairs
514 394-2398
seth.kursman@resolutefp.com

INVESTOR INFORMATION AND FINANCIAL REPORTING

Investor inquiries should be directed to Resolute's Investor Relations department at ir@resolutefp.com.

Vous trouverez la version française de ce rapport à pfresolu.com.

All figures reported in the document are stated in U.S. dollars unless otherwise indicated.

FORM 10-K

Resolute Forest Products Inc. files its annual report on Form 10-K with the U.S. Securities and Exchange Commission, a copy of which is included with this annual report to stockholders. Free copies (without exhibits) are available upon request to Resolute's Investor Relations department. The company's SEC filings, annual reports to stockholders, news releases and other investor information can be accessed at resolutefp.com/investors.

STOCK LISTINGS

The shares of common stock of Resolute Forest Products Inc. trade under the stock symbol RFP on both the New York Stock Exchange and the Toronto Stock Exchange.

Resolute Forest Products
111 Duke Street, Suite 5000
Montréal, Quebec, H3C 2M1, Canada
514 875-2160 or 1 800 361-2888

For a full list of contacts, visit resolutefp.com/contact.



resolute
Forest Products

