

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Resolute Forest Products is a leading producer of a diverse range of wood, pulp, tissue and paper products, which are marketed in 60 countries. The company operates some 40 facilities, as well as power generation assets, in the United States and Canada and has third-party certified 100% of its managed woodlands to internationally recognized sustainable forest management standards. Pursuant to the merger of Resolute with a subsidiary of Domtar Corporation on March 1, 2023, Resolute became a privately owned company that is part of the Paper Excellence Group. For more info: <https://resolutefp.mediaroom.com/2023-03-01-Paper-Excellence-Welcomes-Resolute-Into-Its-Family-of-Companies>

In recognition of its industry-leading sustainability performance, Resolute won 37 regional, North American and international awards and distinctions in 2022. We value this recognition because it provides tangible proof that our vision and values are not merely aspirational words; they are the driving force behind our improved performance and global success. The awards garnered in 2022 point directly to our core values of accountability, caring and trust. Our achievements in sustainable development as well as our business practices reflect the principled leadership of our management team, the support received from company leadership, as well as the hard work and dedication of our employees.

We steward renewable, sustainable, fossil-free resources that play an important role in fighting climate change. Our vision is to operate a model manufacturing company with a climate-adaptable business model, built with the strongest values, the highest respect for sustainability and the calling to serve our people and communities. We are delivering on our strong commitment to climate and green energy by reducing our greenhouse gas (GHG) emissions and optimizing the use of renewable energy. Our sustainability strategy, based on a balanced approach to environmental, social and economic performance, is designed to enhance our competitive position. Supported by public commitments in a number of key performance areas, we strive to:

- manage the resources in our care with the highest respect, differentiating the company as an environmental supplier of choice;
- operate our assets to the best of our ability and make the most of what we have, earning the right to be in business;
- position Resolute as an attractive employer, one where employees learn, grow and succeed; and
- engage and collaborate with our operating communities, contributing to their prosperity.

The overall responsibility for our sustainability performance resides with our president and chief executive officer, and we rely on our sustainability committee to support the delivery of our key commitments and implement related plans. The committee is a cross-functional group of senior managers from Operations, Sales, Human Resources, Procurement, Environment, Finance and Legal, among other departments. It is accountable to the executive team and chaired by the vice president, Corporate Communications, Sustainability and Government Affairs.

Actions to reduce GHG emissions and combat climate change are cornerstones of our sustainability strategy. In 2021, we achieved our goal to reduce the company's absolute scope 1 and 2 GHG emissions by 30% compared to 2015 levels. Our climate change initiatives also include an 87% reduction in scope 1 and 2 emissions at our pulp, paper and tissue mills compared to 2000 levels. Together, our carbon-reduction initiatives over the past two decades have reduced emissions by close to 8 million metric tons of CO2 equivalents per year, comparable to taking two million cars off the road.

The Science Based Targets Initiative (SBTi) validated our new scope 1, 2 and 3 GHG emission reduction goals for 2026 in June 2022: a 41.5% reduction in scope 1 and 2 GHG emissions and a 16.5% reduction in scope 3 GHG emissions from a 2015 base year. The target boundary includes biogenic emissions and removals from bioenergy feedstocks, and the scope 1 and 2 goals are in line with a well-below 2°C trajectory.

As a member of the Forest Products Association of Canada (FPAC), Resolute has also signed on to the "30 by 30" Climate Change Challenge, which commits the Canadian forest products industry to removing 30 megatons of CO2 per year by 2030 – more than 13% of the Canadian government's GHG emission reduction target. In the U.S., as a member of the American Forest and Paper Association (AF&PA), we are working with the association towards its scope 1 and 2 GHG emission intensity reduction of 50% from a 2005 baseline and commitment to establish a goal by 2025 for relevant scope 3 emissions.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

janvier 1 2022

End date

décembre 31 2022

Indicate if you are providing emissions data for past reporting years

No

Select the number of past reporting years you will be providing Scope 1 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for

<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Canada

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Consumption	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Evaluated but judged to be unimportant

Please explain

Most of our woodland operations are outside of our operational control as they are contracted to vendors and are therefore outside the greenhouse gas (GHG) emissions inventory boundaries for our scope 1 and 2 emissions, but they are considered under our scope 3 emissions.

We report GHG emissions for all of our manufacturing operations. In 2021, we took the important step of integrating our wood products facilities into our emissions reporting, which had included our pulp, paper and tissue mills through 2020. The materiality threshold considered in our GHG emissions management plan is 1%, which excludes emissions generated by the woodland camps under our operational control as well as employee offices.

We are closely following the development of WRI/WBCSD's GHG Protocol guidance on land use, land-use change and bioenergy, and we hope to use this as a guideline to account and report on the emissions occurring in our woodlands operations. Resolute is registered for the pilot test phase of this initiative and will be supported by the National Council for Air and Stream Improvement (NCASI) during the process.

For more information on our forestry activities, please consult our CDP Forests questionnaire. Our 2022 report is available here: [https://www.resolutefp.com/uploadedFiles/Sustainability/Forestry_and_Fiber_Sourcing\(1\)/Resolute%20CDP%20Report%202022%20Forests.pdf](https://www.resolutefp.com/uploadedFiles/Sustainability/Forestry_and_Fiber_Sourcing(1)/Resolute%20CDP%20Report%202022%20Forests.pdf)

As a member of the Forest Products Association of Canada (FPAC), Resolute is proud to support the association's forest-focused, science-backed "30 by 30" Climate Change Challenge, which commits the Canadian forest products industry to removing 30 megatons of CO2 per year by 2030 – more than 13% of the Canadian government's total emission-reduction target. This challenge is based on the United Nations International Panel on Climate Change's recommendation that the largest long-term GHG emission mitigation benefit comes from adopting a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual yield of timber, fiber or energy from the forest, not from simply reducing forest harvest volumes. Resolute also supports increasing restoration of unproductive areas and afforestation activities, advancing the use of fast-growing tree species, as well as supporting innovation in ecosystem-based forest management practices.

Resolute encourages policy makers to consider independent studies that recommend replacing dying or low-productivity stands in order to improve a forest's ability to capture and store carbon and contribute to climate change mitigation. Provincial governments have also recognized the great mitigation potential of the forests they are responsible for managing. According to a study recently published in the academic journal, Science, global forest restoration helps capture atmospheric carbon, mitigating climate change: (<https://science.sciencemag.org/content/365/6448/76>).

Active forest management practices can help forests adapt to climate change by promoting more resilient, better adapted species, while practices such as salvage harvesting can jump-start the growth of forests and promote regeneration in areas where post disturbance conditions are not favorable to natural regeneration. Salvage harvesting can also mitigate the damaging climate effects of carbon emitted by decaying trees if they are left to rot following a natural disturbance, which researchers suggest is approximately equal to the carbon emissions associated with an initial fire event. In addition to the mitigation and future sequestration benefits provided by salvage logging following fire and other disturbances, this practice also alleviates harvest pressure on undisturbed ecosystems, reducing overall carbon emissions.

C-AC0.6f/C-FB0.6f/C-PF0.6f

(C-AC0.6f/C-FB0.6f/C-PF0.6f) Why are emissions from distribution activities within your direct operations not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Outside the direct operations of my organization

Please explain

Emissions from distribution activities are considered under the company's scope 3 emissions, as transportation and distribution are contracted out to vendors.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Timber

% of revenue dependent on this agricultural commodity

More than 80%

Produced or sourced

Both

Please explain

As a global industry leader, Resolute manufactures and markets a diverse range of products, including market pulp, tissue, wood products and paper. Resolute is fortunate that our primary input – wood – is a renewable resource, and that our wood products capture carbon over the long term and that our paper products are recyclable.

We strongly believe that trees can be carefully harvested, while maintaining biodiversity and protecting the forest and values important to a range of stakeholders. The regeneration of harvested woodlands is an essential component of sustainable forest management. Resolute relies on various forest management techniques and best practices, including regeneration surveys, site preparation, the planting of seedlings, and aerial and terrestrial seeding – all in combination with natural regeneration. Accordingly, our commitments extend well beyond strict compliance with applicable forestry regulations, which in Quebec and Ontario are already among the most – if not the most – rigorous in the world.

To further improve our environmental performance, the company has implemented sustainable forestry practices and responsible fiber sourcing. We have also made significant investments in improving the environmental performance of our manufacturing processes, including the development of innovative products that maximize our use of fiber.

Resolute maintains certification for 100% of the forests we manage to at least one internationally recognized forest management standard: Sustainable Forestry Initiative® (SFI®) and/or Forest Stewardship Council® (FSC®). We are the largest holder of SFI and FSC forest management certificates globally

We disclose our forestry performance through CDP's Forests program, earning a B management score in 2022, and an A- leadership score in 2021. We also scored a C disclosure rating in the Water Security program, and earned a B management score in 2021.

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a CUSIP number	76117W

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board Chair	<p>Through March 1, 2023, when Resolute became a privately owned company pursuant to the merger of Resolute with a subsidiary of Domtar Corporation: the chair led the board of directors, which together with its environmental, health, safety and sustainability (EHSS) committee and its human resources and compensation/nominating and governance committee, was responsible for overseeing the company's sustainability plans as well as the company's ESG performance. The EHSS committee reported to the board on the company's sustainability performance, more specifically, the identification and management of risks and opportunities relating to environmental, health, safety and overall sustainability matters.</p> <p>The chair of the board had extensive experience in sustainability and forest products, having previously been CEO of another important forest products company. In addition to leading the board of directors in its oversight of the company's ESG plans, strategy and performance in 2022, the chair commissioned the sustainability committee to provide third-party ESG training for all directors, officers and members of the sustainability committee. Trainings were completed in early 2022.</p> <p>Furthermore, the board, led by the board chair, and based on a recommendation from the human resources, compensation/nomination and governance committee, approved Resolute's short-term incentive plan (STIP) and related bonus payouts for all eligible employees, which are calculated using economic key performance indicators, such as income from operations, as well as environmental and social performance. A portion of the STIP is based on our Occupational Safety and Health Administration incident rate, the number of environmental incidents we report relative to our annual targets, and since 2022, the company's greenhouse gas emission reductions relative to our annual targets.</p> <p>The board held 8 regular meetings in addition to special meetings in 2022.</p>
Board-level committee	<p>Through March 1, 2023, when Resolute became a privately owned company pursuant to the merger of Resolute with a subsidiary of Domtar Corporation: the environmental, health, safety and sustainability (EHSS) committee assisted the board of directors in fulfilling its oversight duties with regard to policies, management systems and performance relating to environmental, occupational health, safety, and sustainability matters.</p> <p>The EHSS committee provided overall guidance on our sustainability strategy and results by reviewing established key performance indicators, incidents, audits, liabilities, stakeholder relations, public policy issues and other developments. The committee was instrumental in enhancing board oversight of our sustainability strategy, including our environmental, social and governance performance. The committee reviewed the company's annual and longer-term sustainability targets, including our commitment to establishing goals in line with the Science Based Targets initiative - made in 2021. Quarterly performance was reported to the committee by our vice president, Environment, Energy and Innovation.</p> <p>The EHSS committee met four times in 2022 and was composed of five board members. The president & CEO, executive managers (senior vice presidents of Operations, HR, Legal and Corporate Affairs) and four senior managers (from Environment, Energy and Innovation; Communications, Sustainability and Government Affairs; Human Resources; and Legal Affairs) participated in meetings to support the committee in delivering its mandate, and to report progress on the company's climate targets.</p> <p>As a former executive in the forest products industry, the chair of the EHSS committee had extensive experience in environmental sustainability, including climate initiatives.</p>
Chief Executive Officer (CEO)	<p>Our president & chief executive officer was a member of the board of directors and leads the executive team.</p> <p>Resolute's executive team is responsible for our business and sustainability strategies. The overall responsibility for our performance resides with our president & CEO, with oversight from the board of directors through March 1, 2023. Climate change issues are discussed and reviewed on a regular basis at the corporate level as all capital projects considered by the company require an evaluation of their impact on GHG emissions. A top-down approach is in place for the analysis of risks and opportunities.</p> <p>The company's sustainability committee, which supports the delivery of our key sustainability commitments and the implementation of related plans, including the adoption of greenhouse gas reduction targets, reports to the president & CEO. In 2022, our CEO-approved greenhouse gas emission reduction goals were approved by the Science Based Targets initiative (SBTi), including scope 1, 2 and 3 GHG emission reduction targets.</p> <p>Our vice president, Environment, Energy and Innovation, who has overall responsibility for risks and opportunities at the mill level, reports to the president & CEO, including tracking and reporting climate-related KPIs and targets and providing updates on the work of our carbon committee, which is a risk management mechanism for carbon-related issues.</p> <p>Each quarter, Resolute's disclosure controls and procedures require controllers from operations to gather information on potentially material events and risks. This information is validated with internal experts and considered quarterly by senior management who consider each issue for inclusion in Resolute's financial reporting. Risks identified by management (including the president & CEO and executive team) are also raised.</p>
Board-level committee	<p>Through March 1, 2023, when Resolute became a privately owned company pursuant to the merger of Resolute with a subsidiary of Domtar Corporation: the audit committee assisted the board of directors in fulfilling its oversight responsibilities, including the committee's primary duties and responsibilities of reviewing senior management's plans to manage Resolute's exposure to financial risk, including climate-related risks. The committee discussed and considered the company's policies with respect to general risk assessment and risk management, and reviewed contingent liabilities and risks that may be material to the company as well as major legislative and regulatory developments that could materially impact the company's contingent liabilities.</p> <p>In 2022, as part of the enterprise risk management process presented to the audit committee, the committee reviewed climate-related risks and related mitigation actions, such as the transition and physical risks outlined in section C2.</p> <p>The committee met five times in 2022 and was composed of four board members. Four members of the executive team (president & CEO, CFO, CAO, CLO) and the vice president, Internal Audit, also attended the meetings.</p>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<p>Reviewing and guiding annual budgets</p> <p>Overseeing major capital expenditures</p> <p>Overseeing acquisitions, mergers, and divestitures</p> <p>Reviewing innovation/R&D priorities</p> <p>Overseeing and guiding employee incentives</p> <p>Reviewing and guiding strategy</p> <p>Overseeing and guiding the development of a transition plan</p> <p>Overseeing and guiding scenario analysis</p> <p>Overseeing the setting of corporate targets</p> <p>Monitoring progress towards corporate targets</p> <p>Overseeing and guiding public policy engagement</p> <p>Overseeing value chain engagement</p> <p>Reviewing and guiding the risk management process</p>	<Not Applicable>	<p>Through March 1, 2023, when Resolute became a privately owned company pursuant to the merger of Resolute with a subsidiary of Domtar Corporation: Resolute’s board of directors executed its oversight responsibility for risk assessment and risk management through its committees, including the environmental, health, safety and sustainability committee (EHSS). Risks were considered through risk-based methods and processes integrating concepts of internal control, transparency and strategic planning, which are intended to allow the board to identify and assess environmental, social and governance (ESG) risks, such as regulatory changes, strategic capital investments, consumer preference changes, reputation and weather-related challenges.</p> <p>The board was guided by Resolute’s core values, which help to ensure Resolute’s continued growth and success, while reinforcing our vision to be a model manufacturing company with a climate-adaptable business, built with the strongest values, the highest respect for sustainability and the calling to serve our people and communities. Sustainability drives the organization’s activities, including its approach to health and safety, community relations and environmental impacts. Tone from the top plays a vital role: the president & CEO and executive team actively promote the sustainability strategy, and company policies are signed by the president & CEO (ex. Environmental Policy, Health & Safety Policy, Indigenous Peoples Policy).</p> <p>The EHSS committee assisted the board in fulfilling its oversight duties with regard to the policies, management systems and performance relating to environmental, occupational health, safety and sustainability matters. The committee provided overall guidance on our sustainability strategy and results by reviewing established key performance indicators, incidents, audits, liabilities, stakeholder relations, public policy issues and other developments. The committee reviewed the company’s annual and longer-term sustainability targets, including our GHG emissions reduction goals in line with the Science Based Targets initiative (SBTi). Quarterly performance was reported to the committee by our vice president, Environment, Energy and Innovation, and climate-related initiatives were on the agenda of every meeting.</p> <p>In 2022, the board approved Resolute’s short term incentive plan (STIP) and related bonus payouts for all eligible employees, which are calculated using economic key performance indicators, such as income from operations, as well as environmental and social performance. Upon recommendation from the board’s human resources and compensation/nominating and governance committee, a portion of the STIP was based on the company’s Occupational Safety and Health Administration’s incident rate, our greenhouse gas emission reductions, and the number of environmental incidents we reported relative to our annual targets, all of which are considered high impact issues by our stakeholders.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	<p>Through March 1, 2023, when Resolute became a privately owned company pursuant to the merger of Resolute with a subsidiary of Domtar Corporation: four members of the board had experience with sustainability and ESG issues, including our president & CEO who was a member of Resolute’s sustainability committee prior to becoming the general manager of our Thunder Bay (Ontario) pulp and paper mill where he oversaw the mill’s climate-related initiatives, including a \$20 million investment to increase the facility’s energy efficiency and decrease greenhouse gas emissions.</p> <p>As a former executive in the forest products industry, the chair of the environmental, health, safety and sustainability (EHSS) committee had extensive experience in environmental sustainability, including fiber and water management at pulp, paper and tissue mills. She was instrumental in enhancing board oversight of our sustainability strategy, and our environmental, social and governance (ESG) performance since 2019. Her 30-plus years of experience in the forest products sector – including leadership positions with companies, industry associations and a government committee tasked with establishing 2030 greenhouse gas emission reduction targets – proved beneficial to Resolute as we established and delivered on our sustainability commitments.</p> <p>In addition, the chair of the board had experience in sustainability and forest products, having previously been CEO of another important forest products company, while a fourth director brought general knowledge on sustainability/ESG to the table.</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Providing climate-related employee incentives
Developing a climate transition plan
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Our president & chief executive officer was a member of the board of directors through March 1, 2023 and leads the executive team.

The overall responsibility for our sustainability performance resides with our president & CEO. The company's sustainability committee, which supports the delivery of our key sustainability commitments and the implementation of related plans, including the adoption of greenhouse gas reduction targets, reports to the president & CEO.

In 2021, having surpassed our 2025 greenhouse gas emission reduction target ahead of schedule, we made a CEO-approved commitment to set new reduction goals in line with the Science Based Targets initiative (SBTi), which include scope 1, 2 and 3 GHG emission reduction targets. The targets were approved by SBTi in June 2022.

Our vice president, Environment, Energy and Innovation, who has overall responsibility for risks and opportunities at the mill level, also reports to the president & CEO.

Position or committee

Other, please specify (Vice president, Environment, Energy and Innovation)

Climate-related responsibilities of this position

Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

For Resolute, responsible environmental stewardship is both an ethical obligation and a business imperative.

The vice president, Environment, Energy and Innovation reports directly to our president & CEO and bears overall responsibility for environmental risks and opportunities, including climate-related issues. The vice president is responsible for the development and distribution of a monthly report to the executive team and senior management. This monthly report measures the company's performance against key indicators, including those related to fiber, energy and water consumption. Progress on greenhouse gas emission reduction goals is reported by the vice-president to the president & CEO as part of this governance structure.

The main responsibilities of the vice president, Environment, Energy and Innovation, related to climate change include:

- 1) identifying and reviewing risks and opportunities for the company;
 - 2) chairing the carbon committee and participating in meetings of the sustainability committee and the board of directors' environment, health, safety and sustainability committee;
 - 3) monitoring, evaluating, analyzing and validating climate change impacts as well as KPIs;
 - 4) monitoring key regulations; and
 - 5) managing related commitments.
-

Position or committee

Other, please specify (Carbon committee)

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

Our carbon committee serves as a risk management mechanism for carbon-related issues, while leading and developing our carbon strategy, such as prioritizing compliance mechanisms. All risks and opportunities related to our carbon strategy are reviewed by the committee, which is a cross-functional group of vice presidents and representatives from Operations, Legal, Treasury, Finance, Energy and Procurement that is chaired by the vice president, Environment, Energy and Innovation. The committee reports to the president & CEO, senior managers and executive team, which, through March 1, 2023, reported to our board's environmental, health, safety and sustainability committee. Planned carbon-related projects are followed closely by the committee in order to evaluate the company's market position. The committee also serves as a training and information-sharing mechanism for carbon-related issues.

Position or committee

Sustainability committee

Climate-related responsibilities of this position

Developing a climate transition plan
Integrating climate-related issues into the strategy

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Resolute's sustainability committee supports the delivery of key commitments and implements related plans, including leading the adoption of the company's science-based greenhouse gas reduction targets, mapping out a plan for scenario analysis/climate transition, and ensuring climate-related issues are a cornerstone of the company's overall sustainability strategy. It is accountable to the executive team and chaired by the vice president, Corporate Communications, Sustainability and Government Affairs. The committee's mandate is to recommend strategies, set goals and measure results, oversee reporting and communications, ensure continuous improvement, and assess stakeholder expectations and sustainability trends. The committee is also charged with providing project oversight on the company's key sustainability objectives, and in 2022, adopted a charter for the committee to provide formal guidance on this role. The charter is available here: <https://www.resolutefp.com/uploadedFiles/Sustainability/Sustainability-Committee-Charter.pdf>

Position or committee

Other C-Suite Officer, please specify (Senior vice president, Corporate Affairs, and Chief Legal Officer)

Climate-related responsibilities of this position

Managing public policy engagement that may impact the climate

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The emergence of climate-related regulatory requirements, legislative initiatives related to climate, deforestation and carbon pricing, and external pressure on the forest products industry present Resolute with a number of challenges that our senior vice president, Corporate Affairs, and Chief Legal Officer was instrumental in managing throughout 2022. Among these initiatives, the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) were implemented as part of Resolute's climate reporting. The TCFD framework enhances the company's disclosure of climate-related risks and opportunities, highlighting the governance initiatives and risk management practices Resolute has put in place. Released in early 2023, the TCFD index provides links to information that can be found on the company's website and in other public documents, including Resolute's 2022 CDP climate change disclosure, authorized by this senior vice president. Ensuring the company is well positioned to undertake scenario analysis toward the goal of assessing a long-term strategy on climate will continue to be a driver of the senior vice president, Corporate Affairs, and Chief Legal Officer's role. For more info on TCFD at Resolute: https://www.resolutefp.com/Sustainability/Climate_Change_and_Energy/TCFD/

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	<p>Climate change and energy-related metrics are embedded in the individual targets of select members of our management team and are evaluated during annual performance reviews, which are linked to individuals' performance and compensation. Other environmental factors may include: energy savings that lead to cost and emission reductions as well as lower fiber and water usage by meeting or exceeding established targets to improve overall production efficiency.</p> <p>Resolute's short term incentive plan (STIP) for eligible employees, including management, is calculated using economic key performance indicators, such as income from operations, as well as environmental and social performance metrics. Beginning in 2022, a portion of the STIP is based on achieving greenhouse gas emission reduction targets.</p>

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in absolute emissions

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

As part of Resolute's short term incentive plan (STIP), bonus payouts for management are calculated using economic KPIs, such as income from operations, in addition to environmental and social performance. Upon recommendation from the board's human resources and compensation/ nominating and governance committee, a portion of the STIP is based on the company's Occupational Safety and Health Administration's incident and severity rates, absolute greenhouse gas emissions reduction, and the number of environmental incidents we report relative to our annual targets, all of which are considered high impact issues by our stakeholders. The balance is based on income from operations, division performance measures, corporate SG&A expense, and individual annual objectives.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Rewarding economic performance is key to growing our low-carbon business segments, which in light of market opportunities, present income-generating opportunities for the company. Cost reductions associated with improved energy efficiency - in addition to the recognition and pride that comes with leading climate initiatives - further incentivize employees' behavior. The STIP on GHG emission reductions raises awareness and shows the importance of climate issues to the company at large.

Entitled to incentive

Other, please specify (All salaried employees)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in absolute emissions

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

As part of Resolute's short term incentive plan (STIP), bonus payouts for all eligible employees are calculated using economic KPIs, such as income from operations, in addition to environmental and social performance. Upon recommendation from the board's human resources and compensation/ nominating and governance committee, a portion of the STIP is based on the company's Occupational Safety and Health Administration's incident and severity rates, absolute greenhouse gas emissions reduction, and the number of environmental incidents we report relative to our annual targets, all of which are considered high impact issues by our stakeholders. The balance is based on income from operations, division performance measures, corporate SG&A expense, and individual annual objectives.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Employees at various levels of the company directly benefit from the STIP. Cost reductions associated with improved energy efficiency - in addition to the recognition and pride that comes with leading climate initiatives - further incentivize employees' behavior. The STIP on GHG emission reductions raises awareness and shows the importance of climate issues to the company at large.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	Our short-term horizon in terms of climate-related risks is linked to transitional and physical risks that we could see occurring in the next year or so. Every fall, our Internal Audit team coordinates the annual enterprise risk management (ERM) process by asking senior management to identify the most important risks and related mitigation plans to inform the executive team of the major risks facing the company. Our ERM process is a framework for identifying dangers and potential other hazards that may interfere with our operations and objectives, assessing them in terms of likelihood and magnitude of impact, determining a response strategy, and monitoring progress. Risks identified by management are taken into account in the development of our annual audit plan.
Medium-term	1	5	Resolute's medium-term horizon focuses on the contributions we make to society and our operating communities. Our fundamental goal is to generate value for the company while driving economic activity in a sustainable and responsible way. Our success supports community economic growth and prosperity, social well-being and advancement, as well as shared environmental benefit. Our public targets in order to maintain the continuous improvement of our operations and reduce our carbon footprint are based on a five-year horizon (established in 2021 and set for 2026). This is closely linked to operations' strategic development plans and the implementation of major greenhouse gas emission reduction projects. Our annual enterprise risk management (ERM) exercise also includes mitigation plans that need to be tracked and reviewed on this time horizon.
Long-term	5	30	The long-term horizon is defined by our growth strategy, which is focused on value creation by growing in wood products and pulp, maintaining a disciplined approach to capital allocation and maximizing cash generation from our paper assets, while investing in product innovation. The company is transitioning away from mature product markets, expanding its presence in long-term growth markets, operating a competitive portfolio of manufacturing assets and enhancing financial performance in a sustainable way over the long run. Strategic decisions are influenced by both transitional and physical risks. Our vision is to be a model manufacturing company with a climate-adaptable business, built with the strongest values, the highest respect for sustainability and the calling to serve our people and communities.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Resolute defines substantive financial and strategic impact as factors materially affecting direct operations, leading for instance to an impact on the company's financial condition or financial results, or the inability to operate one of our facilities. Impacts like these may affect our capacity to meet financial obligations and mitigate exposure to broad risks.

Our enterprise risk management (ERM) process is the framework for identifying dangers and potential other hazards that may interfere with our operations and objectives, assessing them in terms of likelihood and magnitude of impact, determining a response strategy, and monitoring progress. A substantive financial or strategic impact on our business is generally defined in our ERM process to include risks and opportunities - including identifying or assessing climate-related risks and opportunities - with a potential financial impact of more than \$50 million and the probability of occurrence above 50%; or a potential financial impact between \$10-50 million and the probability of occurrence above 75%. The magnitude of the impact can be influenced by the proportion of mills affected by the risk, and the dependency of the organization on those mills.

Substantive impacts may also include the inability to operate one of our facilities due to flooding, drought, inability to meet environmental regulations, unacceptable compliance costs, or significant changes to fiber supply. The total metric tons/cubic meters of wood available for harvest and transformation is a metric used to evaluate potential impacts on overall production at many of our facilities. Substantive strategic impacts may also relate to our future business plans and strategies, including the risks associated with the global macro-environment in which we operate, trends in our industry, demand for our products, competitive threats, product innovation, public policy developments, changes to consumption habits, resource allocation, and strategic initiatives, including mergers and acquisitions, dispositions, and restructuring activity.

Related examples include the cash deposits we are required to pay for estimated countervailing duties and anti-dumping duties on the vast majority of U.S. imports of softwood lumber products produced at our Canadian sawmills since April 28, 2017, and June 30, 2017, respectively. In 2022, we made \$147 million in softwood lumber duty deposits for cumulative deposits of \$544 million through the end of 2022. These cash deposit requirements to the U.S. for estimated countervailing and anti-dumping duties are the result of petitions filed by U.S. softwood lumber products producers and forest landowners with the U.S. Department of Commerce and the U.S. International Trade Commission.

Our Internal Audit team coordinates the annual ERM exercise by asking senior management to identify the most important risks and related mitigation plans facing the company. Risks identified by management are taken into account in the development of the annual audit plan.

Through March 1, 2023, the board's audit committee was responsible for overseeing general risk assessment and management, as well as reviewing contingent liabilities and risks that may be material to the company. The committee also considered major legislative and regulatory developments that could materially impact contingent liabilities. The environmental, health, safety and sustainability (EHSS) committee assisted the board in fulfilling its oversight duties with regard to the policies, management systems and performance of Resolute relating to environmental, occupational health, safety, and sustainability matters. It provided overall guidance on our sustainability strategy, reviewing and assessing sustainability-related risks brought to its attention by management, including water-related risks.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

A specific climate-related risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Climate change issues are discussed and reviewed regularly on an annual basis at the corporate level as all capital projects considered by the company require an evaluation of their impact on greenhouse gas (GHG) emissions. Climate change is also carefully considered in the company's governance structures, risk management processes and other initiatives.

A top-down approach is in place for the analysis of risks and opportunities, which relate primarily to strategic, operational, reputational and legal/regulatory risks. Overall responsibility for risks and opportunities at the mill level resides with our vice president, Environment, Energy and Innovation, who reports directly to the president & CEO.

Our enterprise risk management (ERM) process is a framework for identifying dangers and potential other hazards that may interfere with our operations and objectives, assessing them in terms of likelihood and magnitude of impact, determining a response strategy, and monitoring progress. Once a year, our Internal Audit team coordinates the ERM exercise by asking senior management to identify the most important risks and related mitigation plans. Risks identified by management are taken into account in the development of the annual audit plan, and through 2022, disclosed in the company's annual Form 10-K once approved by Resolute's disclosure and audit committees as well as the executive team (Resolute became a privately owned company pursuant to the merger of Resolute with a subsidiary of Domtar Corporation on March 1, 2023).

Our carbon committee serves as a risk management mechanism for carbon-related issues. All risks and opportunities related to our carbon strategy are reviewed by the committee semi-annually. The committee is a cross-functional group of vice presidents and representatives (Operations, Legal, Treasury, Finance, Energy, Procurement), and is chaired by the vice president, Environment, Energy and Innovation. Company results are reported to our senior managers and the executive team which, in turn, reports to our board's EHSS committee. Our vice president, Environment, Energy and Innovation, also reports directly to the committee.

Following the acquisition of three U.S. sawmills fueled by natural gas in 2020, our wood products segment was considered to be an important transitional carbon risk for the company given the facilities' emissions relative to the decreasing emissions at our pulp, paper and tissue mills. Even though we were tracking our wood products facilities' emissions in the past, they were not significant enough compared to our pulp, paper and tissue segments. This has changed as emissions from wood products now represent about 5% of Resolute's scope 1 and 2 emissions. Our 2022 inventory was updated to include emissions from this sector and to better address associated risks and opportunities.

A thorough emissions inventory is essential for identifying opportunities to reduce our carbon footprint. Data collection for each mill is aggregated by Resolute's Environment group and overseen by the vice president, Environment, Energy and Innovation. Our management systems allow operations to track and report data, and verification procedures are in place to ensure that our inventory is accurate. At the operations level, mill managers are responsible for implementing site-specific climate- and energy-related projects. Facilities also have an environment coordinator who ensures full compliance with environmental regulations, such as those related to GHG emissions. The environmental coordinator at the mill level works closely with a corporate environmental director to ensure plans and projects move forward.

Scope 1, 2 and 3 emissions are the focus of our emission-reduction programs. Scope 1 and 2 emissions are tracked and reported on a monthly basis, among other things, to address the important physical risks associated with climate change. Our carbon committee serves as a risk management mechanism by reviewing all risks and opportunities related to our carbon strategy, and by proposing and adopting new measures to reduce our footprint in line with our new science-based target to reduce absolute scope 1 and 2 GHG emissions 41.5% by 2026 from a 2015 base year.

Our science-based targets also include a commitment to reduce absolute scope 3 GHG emissions by 16.5% within the same timeframe. Scope 3 emissions represent a significant portion of our carbon footprint, so we are developing strong relationships and a collaborative approach with key suppliers to further reduce our global carbon footprint. We continue to enhance our scope 3 emissions reporting, and have reported all relevant scope 3 emission categories to CDP since 2013, updating and disclosing annually since 2015.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	Carbon price mechanisms, such as the cap-and-trade system in Quebec, have an impact on the operational costs of covered facilities, as well as the cost of fuel from distributors operating under the programs. Our focus on improving energy efficiency and replacing high-emission fuels like coal and bunker C with less carbon-intensive fuels helps us with this transition, while aligning Resolute with current and future regulation. Considering energy accounts for approximately one quarter of the company's pulp and paper production costs, fuel switching and projects designed to increase our energy efficiency are considered key to managing and mitigating the risks identified in Resolute's climate-related risk assessments. Our operations have been on-site coal-free since 2014. Our commitment to renewable energy is good for the environment and it's good for the bottom line - and helps us ensure compliance with current as well as emerging regulation, which is changing quickly.

	Relevance & inclusion	Please explain
Emerging regulation	Relevant, always included	<p>Implementing climate-change mitigation programs could increase our costs in the short term as a result of potential GHG emissions reporting obligations in the U.S. and more detailed mandatory reporting in both Ontario and Quebec, all of which may require additional resources for monitoring, tracking, calibrating and reporting information, as well as training and verification. The price of carbon in Canada is expected to increase, and a price on carbon could be introduced in the U.S. International reporting protocols could change their standards for reporting GHG emissions, including changing the distinction that is currently made between CO2 emissions from biomass combustion at stationary sources and CO2 generated from fossil fuels. Regulatory bodies could also change their position on the carbon-neutrality of biomass energy, which would significantly alter our carbon footprint. Adopting and incorporating new technologies to help with the transition toward a low-carbon economy are also transitional risks that could represent significant costs to the company or may expose us to unforeseen risks.</p> <p>Staying ahead of climate change regulations is a strategic advantage for Resolute. Although the swift implementation of climate-change mitigation programs may increase our input costs in the short term, our capacity to adapt is expected to strengthen our long-term competitiveness. Other climate-related risks that Resolute considers in light of emerging regulation include: reducing fiber, energy and water consumption; switching to lower-carbon fuels; securing long-term availability of fiber and water; offering "clean" products and introducing new and innovative products with environmental benefits; implementing energy-efficient technologies; and investing in projects that contribute to controlling power costs and reducing greenhouse gas emissions. Our commitment to renewable energy is good for the environment and it's good for the bottom line - and helps us ensure compliance with current as well as emerging regulation, which is changing quickly.</p>
Technology	Relevant, always included	<p>Operating in a highly competitive market, we believe that adopting and incorporating new technologies can help transform the company away from mature product markets and products in structurally declining markets toward a more profitable and sustainable organization that generates value for shareholders over the long term. In 2022, Resolute was recognized for the 11th consecutive year as one of Canada's Top 100 Corporate R&D Spenders. We remain among the top R&D spenders in Canada thanks to our innovative projects and research as well as our contributions to organizations like FPInnovations and NCASI that conduct research and develop tools to accurately measure carbon emissions and to improve our energy efficiency and reduce our collective carbon footprint. In addition to providing funding to these organizations, members of Resolute's management and internal issue experts participate in board meetings, chair committees and play various supportive roles.</p> <p>Nonetheless, we are subject to disruptions impacting the information technology systems used to manage our operations and other business processes, including cybersecurity and privacy incidents that could involve sensitive company, employee, customer, vendor, and shareholder information. We are currently transitioning from certain legacy system applications, and during the transition, such legacy systems may be more vulnerable to attack or failure and implementation of the transition may cause disruptions to our business information systems.</p>
Legal	Relevant, always included	<p>Lawsuits relating to our operations and products may represent climate-related risks and could tarnish our reputation or reduce the value of our brand and market demand for our products. This includes both the actions of activists as well as companies and other organizations making inaccurate and misleading environmental statements.</p> <p>Furthermore, sustainability/ESG reporting frameworks are numerous and evolving rapidly. Sustainability governance, performance and disclosures are reviewed and monitored by customers, stakeholders and ESG scoring service providers using different methodologies, which may impact how creditors and stakeholders perceive, justifiably or not, our company as a debtor, supplier or business partner. In the event we were unable to achieve our stated sustainability targets, goals and commitments, or if our sustainability statements were challenged as erroneous, inaccurate or incomplete, whether justified or not, we could sustain damage to our reputation and expose ourselves to litigation and liability. Evolving standards and regulations related to climate change, sustainability and ESG reporting may also result in additional compliance costs, impose strain on our human capital resources, and expose us to a new type of credit risk.</p>
Market	Relevant, always included	<p>We see certain megatrends around evolving customer preferences toward more renewable alternatives, urbanization and demographic changes that could create new opportunities - or close doors - for our company in value-added engineered wood products to capitalize on the growing importance of wood in multi-family residential and commercial construction, as well as innovative fiber-derived products. In the context of global sustainability, we see an upward trend in the demand for renewable, environmentally-conscious and value-added forest-based products. This presents a tangible opportunity for Resolute, and the risk is in not capitalizing on it while our competitors do.</p> <p>In 2022, we launched a C\$27 million commercial plant to produce cellulose filaments, a new sustainable biomaterial derived from wood fiber that can be integrated into commercial and consumer products for many industries, including transportation, construction and energy, increasing the resistance and durability of those products. The cellulose filaments will be marketed with the help of Performance BioFilaments Inc., a joint venture established in 2014 by Resolute and Mercer International Inc., dedicated to the development of non-traditional applications for cellulose filaments.</p>
Reputation	Relevant, always included	<p>Negative publicity, whether or not justified, relating to our operations and our products could tarnish our reputation or reduce the value of our brand and market demand for our products. This includes both the actions of activists as well companies and other organizations making inaccurate and misleading environmental statements.</p> <p>Furthermore, sustainability/ESG reporting frameworks are numerous and evolving rapidly. Sustainability governance, performance and disclosures are reviewed and monitored by customers, stakeholders and ESG scoring service providers using different methodologies, which may impact how creditors and stakeholders perceive, justifiably or not, our company as an investment, debtor, supplier or business partner. In the event we were unable to achieve our stated sustainability targets, goals and commitments or if our sustainability statements were challenged as erroneous, inaccurate or incomplete, whether justified or not, we could sustain damage to our reputation and expose ourselves to litigation and liability. Evolving standards and regulations related to climate change, sustainability and ESG reporting may also result in additional compliance costs, impose strain on our human capital resources, and expose us to a new type of credit risk.</p>
Acute physical	Relevant, always included	<p>We are subject to acute physical risks associated with global, regional, and local weather conditions, and climate change. Our operations and the operations of our suppliers are subject to climate variations, which impact the productivity of forests, the frequency and severity of wildfires, the availability of water, the distribution and abundance of species, and the spread of disease or insect epidemics, which in turn may adversely or positively affect timber production and availability. Weather in winter is not cold enough to eradicate insects such as the spruce budworm prone to killing large tracts of forest, which may result in higher costs for the transportation of suitable wood to our facilities. The species mix and geographic distribution of Canadian forests will also likely be affected by climate change.</p> <p>These potential impacts are considered and estimated with help from government research (i.e. http://nrt-trn.ca/climate/climate-prosperity/the-economic-impacts-of-climate-change-for-canada/paying-the-price) and factored into the 25-year harvest plans Resolute drafts for the forests we manage directly and indirectly. These 25-year forest management plans include optimal habitat scheduling, which identifies areas where optimal harvesting sequences can be carried out over a span of 100 to 150 years. For example, as the species mix in our harvest areas changes, our mills will have to adjust the manufacturing process to continue producing the same products, or have to explore alternative products made from the new mix of species.</p>
Chronic physical	Relevant, always included	<p>We are subject to chronic physical risks associated with global, regional, and local weather conditions, and climate change. Our operations and the operations of our suppliers are subject to climate variations, which impact the productivity of forests, the frequency and severity of wildfires, the availability of water, the distribution and abundance of species, and the spread of disease or insect epidemics, which in turn may adversely or positively affect timber production and availability. Over the past several years, changing weather patterns and climatic conditions due to natural and man-made causes have added to the unpredictability and frequency of natural disasters such as hurricanes, earthquakes, hailstorms, wildfires, drought, flooding, snow, ice storms, the spread of disease, and insect infestations. Any of these natural disasters or other conditions could also affect woodlands or cause variations in the cost of raw materials, such as virgin fiber. Changes in precipitation could make wildfires more frequent or more severe and could adversely affect timber harvesting or our hydroelectric generation. The effects of global, regional and local weather conditions, and climate change, including the costs of complying with evolving climate change regulations and any related litigation could also adversely impact our results of operations.</p> <p>For example, increased global temperatures will raise surface water temperatures. With the exception of two facilities, our pulp, paper and tissue operations have all been in place for more than 25 years. All of them are strategically located close to plentiful supplies of surface water. Increased water temperatures could result in increased water treatment costs and other capital expenses such as cooling towers and heat exchangers. Our CDP Water Security questionnaire covers these risks extensively.</p>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Carbon pricing mechanisms

Primary potential financial impact

Other, please specify (Increased indirect costs, ie., carbon costs charged to our operations by fuel wholesalers)

Also increased indirect costs, ie., carbon costs charged to our operations by fuel wholesalers.

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Since the Quebec cap-and-trade system came into force in 2013, our operational costs have increased at all our Quebec facilities either through compliance costs for mills that are registered to the system (direct costs), or through carbon costs applied on fossil fuel consumption for facilities below the threshold, and for woodlands operations and transportation, which we consider indirect costs, as the carbon cost is charged to our operations from fuel wholesalers.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

100130000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Since this cap-and-trade system came into force in 2013, our operational costs have increased at all our Quebec facilities either due to compliance costs for mills that are registered to the system, or through a carbon cost applied on fossil fuel consumption for facilities below the threshold, as well as woodlands operations and transportation. Financial implications were estimated to be more than \$7.2 million in 2022, with a projected rising curve over the next few years. The projected price of carbon in this market for the next few years and through 2030 increased significantly over the last year, with the potential financial impact over the next five years now evaluated at \$100 million. This takes into consideration the greenhouse gas emission reduction projects for which implementation has commenced, and otherwise assumes business-as-usual operations in Quebec. As our business model is totally integrated, all fuel costs for harvesting and hauling of raw fiber; forest road construction and maintenance; and transportation of finished goods, have also been considered. As the carbon cost is charged to our operations from fuel wholesalers, this directly affects the price for logs and chips, road construction, and transportation of finished products. Moreover, there are currently no viable fuel alternatives for replacing diesel in the equipment used in northern woodlands operations, which could help reduce those costs. We have tools to estimate these indirect costs and create awareness. Carbon costs related to the fuel used in transportation of finished products and woodland operations account for more than 50% of the total carbon cost in our operations.

Cost of response to risk

24000000

Description of response and explanation of cost calculation

This figure represents the costs incurred for implementing greenhouse gas (GHG) emissions reduction projects in Quebec over the last five years. This same cost is used under Opportunity #2 in section 2.4a, as GHG emissions are not only a risk with the potential to have a substantive financial impact on our business, but also an opportunity to reduce costs - or even generate new revenue (see section 2.4a).

In 2013, the Quebec cap-and-trade system was implemented, leading to increased operational costs at all of our Quebec facilities. Despite the added costs, Resolute supports carbon pricing as a vital tool for facilitating the transition to a low-carbon future.

To respond to the Quebec cap-and-trade system, we implemented GHG emission reduction projects at our Quebec facilities. Our carbon committee's first mandate was to develop a carbon strategy, prioritizing compliance mechanisms. We identified the preferred approach of implementing GHG emission reduction projects at the mill level. Moreover, we compiled a list of potential projects and continuously review it based on the progress made at our mills. Projects from this list are prioritized by the executive team based on different factors, namely return on investment.

To date, we have achieved significant results through our emission reduction projects. At our Clermont mill, we replaced bunker C usage with an electrical boiler (+\$460 K). As part of the \$45 million strategic investment plan at our Saint-Félicien mill, we improved the power boiler while converting it to burn wood shavings in replacement of natural gas (+\$16.2 M). Additionally, we installed a new chain system in the lime kiln to reduce natural gas usage (+\$1.84 M). Furthermore, we invested C\$5.5 million at our Kénogami paper mill to optimize the pulp-refining process and generate energy from recovered steam (+\$4.1 M). Our Alma and Kénogami paper mills further reduced their scope 1 emissions by increasing the use of electrical boilers in replacement of natural gas as a fuel (+\$55 K). Considering additional energy efficiency projects on advance control of steam networks, and optimization of electrical boiler usage at some of our mills (see details under section 4.3b), collectively, these projects cost a total of US\$24 million for an equivalent GHG emission reduction above 60 kt of CO2e.

Comment

In parallel with investment projects, we are emphasizing the importance of equipment reliability in our mills, and our employees are actively working to maintain and improve equipment through our asset performance initiative, "The Resolute Way". Ongoing work on the reliability, control and energy efficiency of our assets also contributes to reducing greenhouse gas emission reductions. Those costs, together with the cost of diagnostic studies and optimization research around energy, are also included in the above.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Carbon pricing mechanisms

Primary potential financial impact

Other, please specify (Also increased indirect costs, ie., carbon costs charged to our operations by fuel wholesalers.)

Also increased indirect costs, ie., carbon costs charged to our operations by fuel wholesalers.

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

A carbon-pricing mechanism applies directly to our Thunder Bay (Ontario) pulp and paper mill, which is covered by the province's carbon-pricing system, and indirectly applies to all other operations using fuel through a regulatory charge on consumption. Initially, a federal carbon pricing program came into effect in Ontario on January 1, 2019, which impacted the operational costs at the mill. Since January 1, 2022, this program was replaced by the Ontario Greenhouse Gas Emissions Performance Standards (EPS) regulation. As for the cost of fuel used by our Ontario sawmills, as well as fuel costs for woodland operations and transportation in Ontario - which we consider indirect costs - they are also covered by the federal fuel charge, which has been the case since April 1, 2019.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

22135000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Our Ontario facilities have to cover compliance costs, and all our Ontario operations, including woodlands operations, have seen fuel distributors pass on increased costs through price increases. The potential financial impact of more than \$22.1 million over five years assumes business-as-usual operations in Ontario under both the Ontario and Canadian systems and does not take into account potential GHG emission reduction projects. As is the case for Quebec operations, the business model of our Ontario operations is totally integrated, and the fuel costs for the following have all been considered: harvesting and hauling of raw fiber; forest road construction and maintenance; and transportation of finished goods. As the carbon cost is charged to our operations from fuel wholesalers, this directly affects the price for logs and chips, road construction, and transportation of finished products. Moreover, there are currently no viable fuel alternatives for replacing diesel in the equipment used in northern woodland operations, which could help reduce those costs. Carbon costs related to the fuel used in transportation of finished products and woodlands operations account for more than 50% of the total carbon cost in our operations.

Cost of response to risk

12900000

Description of response and explanation of cost calculation

This figure represents the costs incurred for implementing greenhouse gas (GHG) emissions reduction projects in Ontario over the last five years. This same cost is used under Opportunity #2 in section 2.4a, as GHG emissions are not only a risk with the potential to have a substantive financial impact on our business, but also an opportunity to reduce costs - or even generate new revenue (see section 2.4a).

A carbon-pricing mechanism applies directly to our Thunder Bay (Ontario) pulp and paper mill, which is covered by the province's carbon-pricing system, and indirectly applies to all other operations using fuel through a regulatory charge on consumption. Initially, a federal carbon pricing program came into effect in Ontario on January 1, 2019, which impacted the operational costs at the mill. Since January 1, 2022, this program was replaced by the Ontario Greenhouse Gas Emissions Performance Standards (EPS) regulation.

Resolute is in favor of carbon pricing, as it is an important tool toward supporting the transition to a low-carbon future. We have been active in government consultations to help with the development of effective, viable carbon-pricing systems and policies - systems that should support trade-exposed industries, ensure carbon-pricing systems are consistent and predictable, and reinvest carbon-price revenues into greenhouse gas (GHG) emission reduction programs. We participate in these consultations in Ontario through our active membership in the Forest Products Association of Canada (FPAC) and the Ontario Forest Industry Association (OFIA), which regularly engage with government officials and policy-makers on climate change regulations and carbon pricing in cooperation with and on behalf of Canadian and Ontario-based forest products companies.

Our response to this risk is also undertaken through GHG emission reduction projects we have planned at our Thunder Bay facility. A previous energy efficiency project at a cost of \$11.6 million resulted in significantly reduced emissions intensity through steam pipelines, while increasing the pulp, paper and electricity production at the mill. Current projects at the facility allow for steam production efficiencies in the power boilers (\$1.3 M). Together, these projects should deliver GHG emission reductions up to 30,000 metric tons of CO2 equivalents per year.

Comment

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Participation in carbon market

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Resolute's commitment to green energy benefits both the environment and our bottom line, considering, for example, that energy accounts for approximately one quarter of the company's pulp and paper production costs. Our focus on improving energy efficiency and replacing high-emission fuels like coal and bunker C with less-carbon-intensive fuels places Resolute ahead of potential regulations and positions the company as a leader in greenhouse gas (GHG) emission reductions.

In Ontario, our thermal energy project at the Thunder Bay pulp and paper mill combines technology, conservation measures and fuel switching to reduce the facility's annual GHG emissions. The C\$29 million investment – including \$14.7 million to cut GHG emissions by over 20% – leveraged green energy using thermal energy technology. Lost heat is recovered and recycled by returning it through the manufacturing process, reducing the use of natural gas. Annual natural gas cost savings amount to over 35%, contributing to an overall reduction of approximately 43,000 mt of CO2 equivalents per year. The project was realized between 2019 and 2022.

Current projects at the mill also allow for steam production efficiencies in the power boilers (\$1.3 M).

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

15000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The reduction of approximately 43,000 mt of CO2 equivalents per year amounts to annual natural gas cost savings of over 35%, or approximately \$3 million annually. We estimate the potential impact over the next five years at over \$15 million, not counting current projects at the mill that allow for steam production efficiencies in the power boilers (\$1.3 M investment).

Cost to realize opportunity

12900000

Strategy to realize opportunity and explanation of cost calculation

Resolute worked in partnership with Thermal Energy International Inc. to launch the project between 2019 and 2022, collaborating on the design, development and implementation of the heat recovery and steam conservation components. The C\$29 million investment – including \$14.7 million to cut GHG emissions, or US\$11.6 million – includes the cost thermal energy technology that recovers and recycles lost heat. Current projects are also underway at the mill to allow for steam production efficiencies in the power boilers at a cost of \$1.3 million.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

The Quebec cap-and-trade system provides an opportunity to enhance our assets by reducing the carbon footprints of our mills, and by extension our costs. Reductions in greenhouse gas (GHG) emissions benefit the company in two ways: reducing operational costs, or if we are in a position of surplus credits, generating revenue by selling credits to other subscribed emitters who are in need of them. As indicated under risk #1 in section 2.3a, the preferred mechanism to ensure Resolute's compliance with Quebec's cap-and-trade system, recommended by Resolute's carbon committee, is to continue reducing GHG emissions through projects implemented at the mill level. Planned projects are followed closely by the committee in order to evaluate the company's market position. The carbon committee's role is to complete these evaluations on a continuous basis, and to recommend further actions. The committee also remains informed of all GHG emission reduction programs that recycle carbon price revenues to position mills to benefit from them, and to create increased incentives for project implementation.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We cannot provide the financial impact estimate of company participation in the cap-and-trade system as Article 52 of the Quebec cap-and-trade regulation clearly states that an emitter covered by the scheme cannot publicly divulge whether or not it will participate in an auction, nor disclose any other confidential information related to its auction participation, such as its strategy, price, targeted number of credits to buy or its credit/debit position.

Cost to realize opportunity

24000000

Strategy to realize opportunity and explanation of cost calculation

Resolute has invested more than \$24 million in energy efficiency and greenhouse gas (GHG) emissions reduction projects in Quebec since 2018. These investments are considered a cost of response to risk (risk 1 under section 2.3a) as well as a cost to realize this opportunity. Projects currently considered will further contribute to our mitigation efforts, including our long-time strategy of taking part in Quebec's cap-and-trade system.

We achieved so far significant results through our emission reduction projects. At our Clermont mill, we replaced bunker C usage with an electrical boiler (+\$460 K). As part of the \$45 million strategic investment plan at our Saint-Félicien mill, we improved the power boiler while converting it to burn wood shavings in replacement of natural gas (+\$16.2 M). Additionally, we installed a new chain system in the lime kiln to reduce natural gas usage (+\$1.84 M). Furthermore, we invested C\$5.5 million at our Kénogami paper mill to optimize the pulp-refining process and generate energy from recovered steam (+\$4.1 M). Our Alma and Kénogami paper mills further reduced their scope 1 emissions by increasing the use of electrical boilers in replacement of natural gas as a fuel (+\$55 K). Considering additional energy efficiency projects on advance control of steam networks, and optimization of electrical boiler usage at some of our mills (see details under section 4.3b), collectively, these projects cost a total of US\$24 million for an equivalent GHG reduction above 60 kt of CO₂e.

In parallel with these investment projects, great importance is placed on equipment reliability in our mills, and our employees work to maintain and improve our operations. The continuous work on reliability, control and energy efficiency of our assets also contributes to the achievement of our GHG emission reductions targets. Those costs, together with diagnostic studies and research regarding energy optimization, are also included in the above.

Comment**Identifier**

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Renewable energy regulations (e.g. Ontario's coal phase out, the "greening" of the U.S. grid, etc.) have further increased demand for biomass pellets and opportunities for the sale of green energy back to the grid, as we have done at our Thunder Bay (Ontario) operations. We have also sold green energy credits and electricity generated from renewable sources back to the grid for several years, and since 2016, produced biomass wood pellets for use in producing electricity in place of coal at the Atikokan generating station in Ontario.

In 2017, we joined forces with FPInnovations to build a bio-refinery plant at our Thunder Bay mill to focus on developing new ways to efficiently produce and commercialize innovative bio-products derived from wood. The C\$23 million initiative (US\$15 million), which has the support of the municipal, Ontario and Canadian governments, was inaugurated in May 2019.

Building on this collaboration with FPInnovations in 2022, we launched a commercial plant specializing in the production of cellulose filaments, a new sustainable biomaterial derived from wood fiber, at our Kénogami paper mill in Quebec, as well as the optimization of the mill, at a total cost of C\$38 million. The investment in cellulose filaments - a total of C\$27 million - represents an opportunity to enter into non-traditional growth markets. The cellulose filament and Kénogami mill optimization projects will create synergies within our network of operations in Saguenay-Lac-Saint-Jean.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

60000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Resolute is investing in research and development projects to develop innovative and value-added products such as biofuels, biochemicals and biomaterials from its renewable wood fibre resources.

Our industrial wood pellet plant converts sawdust, a by-product of our adjacent Thunder Bay (Ontario) sawmill, into wood pellets, a reliable source of renewable energy. Through a ten-year agreement with Ontario Power Generation, we provide 45,000 metric tons of wood pellets each year to the power generating station in Atikokan, which is a one-unit, 207-megawatt station that helps Ontario meet its needs during peak power consumption periods on the Ontario grid. In 2022, this amounted to C\$9 million (US\$7.1) worth of biomass wood pellets sold to the station.

As a ten-year agreement, the financial impact is estimated at more than C\$80, or US\$60 million, not including the impact of the R&D initiatives at Kénogami and the Thunder Bay biorefinery plant.

The initial startup phase of the commercial plant at Kénogami was launched in 2022. In 2023, we are striving to reach target production levels at the plant. The potential financial impact of this project, while not included in the figure above, is significant, as we invest to secure the vitality of our Kénogami facility over the long term.

Cost to realize opportunity

30000000

Strategy to realize opportunity and explanation of cost calculation

The construction of a C\$10 million wood pellet plant was completed in 2014. This new plant converts a currently underutilized residual material into a reliable source of renewable energy. The biomass pellets are used in a third-party Ontario power plant to replace coal, a carbon-intensive fuel. The station is the largest power plant in North America fueled entirely by biomass, and contributes significantly to reducing GHG emissions.

We also continue to seize such sustainable and rewarding opportunities to diversify our product portfolio through the development of biofuels, biochemicals and biomaterials from its renewable wood fibre resources. We invested C\$3.5-million in a strategic research and development project, partnering with FPIInnovations to establish a biorefinery plant at our Thunder Bay (Ontario) pulp and paper mill. The project will focus on developing new ways to efficiently produce and commercialize innovative biochemicals derived from wood. The C\$23-million initiative has the support of the municipal, Ontario and Canadian governments.

In Quebec, we also announced in 2020 the construction of a commercial plant specializing in the production of cellulose filaments, a new sustainable biomaterial derived from wood fiber, at our Kénogami paper mill in Quebec. The C\$27 million investment represents an opportunity to enter into non-traditional growth markets. Offering a wide variety of uses and a number of benefits, the filaments can be integrated into commercial and consumer products from many industries, including transportation, construction and energy, increasing the resistance and durability of those products, in addition to providing a low-carbon alternative to fossil fuel-based products like plastics.

C\$40.5 million is equivalent to approximately US\$30 million.

Comment

C3. Business Strategy**C3.1**

(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

We continue to increase expectations of our own performance, striving to commit to ambitious but realistic greenhouse gas (GHG) emission reduction targets by planning major investment projects, but with existing technologies that have proven their worth. In 2021, we took an important step in this direction by committing to scope 1 and 2 targets in line with a well-below 2°C trajectory, which were validated by SBTi in June 2022. We also committed to reduce absolute scope 1 and 2 GHG emissions 41.5% by 2026 from a 2015 base year, and to reduce absolute scope 3 GHG emissions 16.5% within the same timeframe.

While working intensively on establishing these targets, we laid the foundation on the development of a more ambitious climate transition plan, as actions to reduce GHG emissions and tackle climate change are cornerstones of our sustainability strategy. We set up a strategic working group to continue tackling climate-focused scenario analysis in 2023, we feel we are already positioned favorably in terms of the recommendations of the Task Force on Climate-Related Disclosures (TCFD) thanks to our participation in CDP’s Climate Change questionnaire since 2006. We also published a TCFD index in early 2023 that provides links to publicly available information to meet the recommendations, available here:

https://www.resolutefp.com/Sustainability/Climate_Change_and_Energy/TCFD/

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Other, please specify (We have set up a strategic working group to tackle climate-focused scenario analysis more broadly,)	<p>We set up a strategic working group to tackle climate-focused scenario analysis in 2022. We feel we are positioned favorably in terms of the recommendations of the Task Force on Climate-Related Disclosures (TCFD) thanks to our participation in CDP’s Climate Change questionnaire since 2006, and we published a TCFD index in early 2023 that provides links to publicly available information to meet the recommendations. TCFD provides the tools to companies like ours to ensure a low-carbon transition is embedded in our long-term strategy.</p> <p>Qualitative analysis of climate scenarios, including transitional and physical risks and opportunities, is already used by several of our corporate teams to inform our business and sustainability strategies. The first step of the strategic working group is, therefore, to consolidate this information under a clear structure for the company to subsequently facilitate the gap analysis for a more exhaustive exercise. The group is also working on the search for a consultant who can support us in a quantitative analysis of climate-related physical risks for several of our operations.</p> <p>As part of the current risk analysis structures and procedures, scenario analysis is employed to consider the potential water-related impacts on pulp, paper and tissue mills over the medium- and long-terms through 2040. We undertake qualitative risk assessments to consider water quantity and quality risks in the regions and countries where our products are produced.</p> <p>We also perform scenario analysis through forest management planning. The species mix and geographic distribution of Canadian forests will likely be affected by climate change. These potential impacts are considered and estimated with help from government research and factored into the 25-year harvest plans Resolute drafts for the forests we manage directly and indirectly. These 25-year forest management plans include optimal habitat scheduling, which identifies areas where optimal harvesting sequences can be carried out over a span of 100 to 150 years.</p>

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>We provide indispensable products for basic human necessities like shelter, personal care and education. Our commitment to producing quality products that meet the criteria of today's environmentally conscious stakeholders begins with responsible fiber sourcing. This includes the responsible management of forests entrusted to our care, careful tracking of wood fiber sources, and integrating the risks and opportunities associated with forest products into our business and sustainability strategies. Forests both store and release significant amounts of carbon as part of a natural cycle. Responsible forest management not only reduces a forest's potential as a carbon source, it can also increase the effect of its carbon storage capacity.</p> <p>The process of capturing CO2 from the atmosphere and storing it for a long time is called sequestration. Trees store carbon by converting CO2 into plant material through photosynthesis, which uses the energy from the sun and releases oxygen. When a tree is harvested and milled into lumber, a small amount of that carbon escapes, but most of it remains trapped within the cellular structure of the wood, effectively prolonging the effect of sequestration. 25-year forest management plans include habitat scheduling, which identifies areas where optimal harvesting sequences can be carried out over a span of 100 to 150 years, based on changing weather and climate patterns.</p> <p>Wood products, as well as books, magazines and other durable paper products, store the carbon that began in the forest, and the recycling of paper avoids the methane emissions that occur at landfills. These carbon sinks and avoided emissions can be subtracted from the emissions generated in the life cycle of wood products, an opportunity we seek to leverage.</p>
Supply chain and/or value chain	Yes	<p>Resolute relies on timber, the main raw material used in our manufacturing process. The species mix and geographic distribution of Canadian forests are affected by climate change. These potential impacts are considered and estimated with help from government research (i.e. http://nrt-trn.ca/climate/climate-prosperity/the-economic-impacts-of-climate-change-for-canada/paying-the-price) and factored into 25-year harvest plans Resolute drafts for the forests we manage directly and indirectly. For example, as the species mix in our harvest areas changes, our mills will have to adjust the manufacturing process to continue producing the same products or have to explore alternative products made from the new mix of species.</p> <p>Over the last 25 years, Canada's managed forests have been a net carbon sink, while unmanaged forests have largely been a source of emissions due to natural disturbances like fires, insects and disease.</p> <p>Our sources of wood include purchases from local producers, including sawmills that supply residual wood chips, wood harvested from government-owned land on which we hold timber supply guarantees or harvesting rights, and property we own or lease. In Quebec, under the Sustainable Forest Development Act, volumes are allocated through timber supply guarantees, which are five years in length and renewable, subject to certain conditions. About 25% of the total allowable harvesting rights in Quebec are allocated through an open auction system. As of 2021, we were allocated 4.4 million cubic meters of supply through the timber supply guarantees. In Ontario, we had long-term harvesting rights for 11.5 million acres of government-owned land as of 2021. The harvesting rights licenses in Ontario are 20 years in length and automatically renew every five years, contingent upon our continued compliance with environmental performance and reforestation requirements.</p> <p>Our operations and the operations of our suppliers are subject to climate variations, which impact the productivity of forests, the frequency and severity of wildfires, the availability of water, the distribution and abundance of species, and the spread of disease or insect epidemics, which in turn may adversely or positively affect timber production and availability.</p>
Investment in R&D	Yes	<p>The long-term health of the forest products sector depends, in part, on creating new, sustainable bio-products that create direct and indirect employment opportunities.</p> <p>In 2017, we joined forces with FPInnovations to build a bio-refinery plant at our Thunder Bay (Ontario) pulp and paper mill, focusing on developing new ways to efficiently produce and commercialize innovative bio-products derived from wood. The C\$23 million initiative, which has the support of the municipal, Ontario and Canadian governments, was inaugurated in May 2019.</p> <p>In 2022, we launched a commercial plant specializing in the production of cellulose filaments, a new sustainable biomaterial derived from wood fiber, at our Kénogami paper mill in Quebec, in addition to optimizing the mill, at a total cost of C\$38 million. The investment in cellulose filaments represents an opportunity to enter into non-traditional growth markets. In particular, cellulose filament and Kénogami mill optimization projects create synergies within our network of operations in the Saguenay–Lac-Saint-Jean region of Quebec. Cellulose filaments are derived from wood fiber that is mechanically processed without chemicals or enzymes. They are manufactured entirely from renewable sources, resulting in a low carbon footprint. Offering a wide variety of uses and a number of benefits, the filaments can be integrated into commercial and consumer products from many industries, including transportation, construction and energy, increasing the resistance and durability of those products, in addition to providing a low-carbon alternative to fossil fuel-based products like plastics.</p>
Operations	Yes	<p>The U.N. Intergovernmental Panel on Climate Change recognizes responsible forest management as a method to improve carbon capture. Over the last 25 years, Canada's managed forests have been a net carbon sink, while unmanaged forests have largely been a source of emissions due to natural disturbances like fires, insects and disease. Resolute's commitment to producing quality products that meet the criteria of today's environmentally conscious stakeholders begins with responsible fiber sourcing. This includes the responsible management of forests entrusted to our care as well as careful tracking of wood fiber sources.</p> <p>100% of the woodlands we manage are third-party certified to internationally recognized independent certification standards: Sustainable Forestry Initiative® (SFI®) and/or the Forest Stewardship Council® (FSC®).</p> <p>100% of our manufacturing facilities have a chain of custody tracking system compliant with SFI®, FSC® and the Programme for the Endorsement of Forest Certification (PEFC), all of which require that 100% of the fiber processed meets minimum due diligence requirements related to risks of illegal logging and other important sustainability issues.</p> <p>88% of the wood supply for our sawmills and 56% of virgin wood fiber inputs for our pulp and paper mills are certified to internationally recognized standards.</p> <p>In addition to internal and external audits that are completed annually for our above certification systems, each quarter, Resolute's disclosure controls and procedures require controllers from operations to gather information on potential material events and risks. This information is validated with internal experts and considered quarterly by senior management, who considers each issue for inclusion in Resolute's financial reporting. Strategic climate change issues are discussed and reviewed on a regular basis at the corporate level, as all capital projects considered require an evaluation of climate change impact.</p> <p>In 2022, the board's environment, health, safety and sustainability committee reviewed environmental, health, safety and sustainability policies as well as strategies and objectives, including climate risks and related management initiatives, on a quarterly basis.</p>

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures	<p>We are guided by our values, focusing on caring, accountability and trust. Our vision is to be a model manufacturing company with a climate-adaptable business, built with the strongest values, the highest respect for sustainability and the calling to serve our people and communities. We believe we can be distinguished by the following competitive strengths:</p> <p>Competitive cost structure combined with a diversified and integrated asset base:</p> <ul style="list-style-type: none"> -large-scale and cost-effective operations, including significant internal energy production from cogeneration and hydroelectric facilities, which support our value proposition and climate action initiatives. -control over fiber transformation chain from standing timber to end-product for the majority of our offering, based on the principles of the circular economy; -nearly 100% of our products sourced from high-quality virgin fiber; -harvesting rights for the majority of fiber needs in Canada (five years and more); and -sophisticated logistics capabilities to meet demanding customer expectations. <p>A seasoned management team:</p> <ul style="list-style-type: none"> -deep industry expertise, with influential leaders in forestry, operations, environmental risk management and public policy; -culture of accountability, encouraging transparency and straightforwardness; and -core identity tied to renewable resources we harvest in a truly sustainable manner. <p>Deep-seated commitment to fundamental principles of sustainability:</p> <ul style="list-style-type: none"> -ambitious targets and governance to back them up; -unwavering focus on safety; and -transparent communications. <p>Diversification is an important component of our future, and identifying low-carbon business opportunities is crucial to our success in this regard. In addition to innovative bioproducts introduced at our Canadian mills, such as projects focused on lignin and cellulose, we own a 49% stake in Toundra Greenhouse (Quebec), which produces over 100 million cucumbers a year. The greenhouse reuses waste heat from our Saint-Félicien (Quebec) pulp mill via hot water intake to offset its energy requirements, reducing each of the facilities' carbon footprints. We continue to explore opportunities to incorporate our current assets into industry diversification in the low-carbon economy.</p> <p>Resolute's hydroelectric generation and transmission network, Hydro-Saguenay, helps power our Alma and Kénogami (Quebec) paper mills. In 2022, the seven Hydro-Saguenay dams produced 1,079 GWh of electricity. The company also operates six cogeneration facilities.</p> <p>Considering energy accounts for an important portion of pulp and paper production costs, projects that increase energy efficiency are also of great interest from both an environmental and financial perspective as they reduce costs. We have focused on improving energy efficiency and replacing high-emission fuels, like coal and bunker C, with less carbon-intensive options. We have been on-site coal-free since 2014. In 2022, we sourced more than three-quarters of our total energy (electricity and fuel) needs from renewable sources, including biomass and hydroelectricity. Our network of 13 power generation assets has a total installed capacity of 405 megawatts. Conservation measures and fuel-switching initiatives to replace coal and bunker C used at our operations with less carbon-intensive fuel sources, such as natural gas and biomass, have totalled more than \$80 million over the last 15 years and more than \$30 million since 2018. Recent examples include:</p> <ul style="list-style-type: none"> -\$10 million investment at our Thunder Bay (Ontario) pulp and paper mill, including thermal energy project and efficiency measures; -\$16 million investment to increase operational stability, improve power boiler and implement new chain system in the lime kiln to reduce natural gas usage at our Saint-Félicien (Quebec) pulp mill; and -\$4 million to optimize the pulp-refining process with pressurized refiners and to generate energy from the recovered steam at our Kénogami (Quebec) paper mill.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, and we do not plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

Well-below 2°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2015

Base year Scope 1 emissions covered by target (metric tons CO2e)

1222400

Base year Scope 2 emissions covered by target (metric tons CO2e)

1083302

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

2305702

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:**Purchased goods and services (metric tons CO2e)**

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2026

Targeted reduction from base year (%)

41.5

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

1348835.67

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

915403

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

452026

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1367429

Does this target cover any land-related emissions?

Yes, it covers land-related CO2 emissions/removals associated with bioenergy and non-land related emissions (e.g. non-FLAG SBT with bioenergy)

% of target achieved relative to base year [auto-calculated]

98.056851890692

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

By the end of 2021, we had committed to setting science-based targets, which were sent to the Science Based Targets initiative (SBTi) for validation. We were pleased to receive confirmation from SBTi in June 2022 that our targets covering greenhouse gas (GHG) emissions from company operations (scope 1 and 2) are consistent with reductions required to keep warming to well-below 2°C. Resolute commits to reduce absolute scopes 1 and 2 GHG emissions 41.5% by 2026 from a 2015 base year. This target boundary includes biogenic emissions and removals from bioenergy feedstocks. Our scope 1 emissions come mainly from the pulp, paper and tissue mills combustion in fixed units (boilers), as well as from mobile equipment, the kraft process, cooling device gas losses, and biosolid landfills. In 2021, we took the important step of integrating our wood products facilities into our emissions reporting, and those latter emissions, which come mainly from combustion equipment, are also covered by our science-based target. The electricity consumed from all of the above facilities represents the covered scope 2 emissions. The materiality threshold considered in our GHG emissions management plan is 1%, and thus the SBTi coverage excludes emissions generated by the woodlands camps under our operational control as well as employee offices.

Plan for achieving target, and progress made to the end of the reporting year

In 2022, we achieved 98% of those targeted reductions. For the remaining reductions, Resolute is following the action plan that was defined in 2021 before committing to such ambitious GHG emission reduction targets. In addition to the projects previously announced and underway, we have confirmed energy efficiency initiatives and additional projects to convert to lower carbon fuels that would allow us to achieve our goal. Furthermore, the board, led by the board chair, approved Resolute's short-term incentive plan (STIP), bonus payouts for all eligible employees calculated using economic key performance indicators, such as income from operations, as well as environmental and social performance. Beginning in 2022, a portion of the STIP was based on the company's greenhouse gas emission reductions.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 2

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 2: Capital goods

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 4: Upstream transportation and distribution

Category 5: Waste generated in operations

Category 6: Business travel

Category 7: Employee commuting

Category 9: Downstream transportation and distribution

Category 10: Processing of sold products

Category 12: End-of-life treatment of sold products

Category 15: Investments

Base year

2015

Base year Scope 1 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

494127

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

61677

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

367088

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

281756

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

91503

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

1402

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

13152

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

333487

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

1711673

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

731028

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

378

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

4087270

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

4087270

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

100

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

100

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2026

Targeted reduction from base year (%)

16.5

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

3412870.45

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

446893

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

42158

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

303979

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

200035

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

46330

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

373

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

10774

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

229580

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

1378319

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

489010

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

12950

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

3162400

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

3162400

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

137.139771223157

Target status in reporting year

Achieved

Please explain target coverage and identify any exclusions

Our scope 3 GHG reduction target is in line with a 2 degrees °C pathway. Four scope 3 emission categories are deemed not relevant for our scope 3 emissions, while our main sources of scope 3 emissions (more than 97%) are spread over six different categories. We are targeting reductions in all those relevant categories. The four categories excluded are the following:

- Category 11 - Use of sold products: Not relevant as our products do not generate emissions at the use stage.
- Category 8 - Upstream leased assets: Negligible and evaluated to represent less than 0.01% of scope 3.
- Category 13 - Downstream leased assets: The company does not act as a lessor of assets.
- Category 14 - Franchises: Resolute does not own or operate franchises.

Even though the emissions from Category 2 - Capital goods represent less than 1% of our scope 3 emissions, we've included the figure in our inventory to ensure we appropriately monitor and track this category, should its relative significance increase. This data can be estimated using the average spend-based method and information extracted from our financial databases.

Plan for achieving target, and progress made to the end of the reporting year

<Not Applicable>

List the emissions reduction initiatives which contributed most to achieving this target

Our scope 3 GHG reduction target was met in 2022, surpassing our 2026 target by 37%. Based on the Science-based Target Setting Tool version 1.2.1, reductions achieved in 2022 would be more aligned with a 2026 target consistent with a trajectory well below 2 degrees Celsius.

A significant portion of scope 3 emissions is linked to production and, as a result, was affected by the reduced market pulp and paper annual capacity at our Calhoun mill, as well as the unplanned reduction in production at our Menominee mill during 2022 (refer to C7.9a for further details). Consequently, there is a possibility of observing an increase in scope 3 emissions for the upcoming year, compared to 2022.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2017

Target coverage

Country/area/region

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify (Resolute is a member of the American Forest and Paper Association, which is committed to achieving a scope 1 and 2 GHG emission intensity reduction of 50% from a 2005 baseline)

Target denominator (intensity targets only)

metric ton of product

Base year

2005

Figure or percentage in base year

0.825

Target year

2030

Figure or percentage in target year

0.4125

Figure or percentage in reporting year

0.626

% of target achieved relative to base year [auto-calculated]

48.2424242424242

Target status in reporting year

Underway

Is this target part of an emissions target?

For our facilities located in the United States, we worked with the American Forest and Paper Association (AF&PA) to support its goal of achieving at least a 20% reduction of member GHG emissions intensity from 2005 levels by 2020. Building on the association's success, AF&PA announced new 2030 reduction targets in 2021, including a scope 1 and 2 GHG emission intensity reduction of 50% from a 2005 baseline, as well as a commitment to establish a goal by 2025 for relevant scope 3 emissions.

Is this target part of an overarching initiative?

Other, please specify (See description)

Please explain target coverage and identify any exclusions

Scope 1 and 2 emissions of association members.

Plan for achieving target, and progress made to the end of the reporting year

A Better Practices, Better Planet 2030 goal is to reduce greenhouse gas (GHG) emissions through the scope 1 and 2 emission reduction initiatives of American Forest and Paper Association (AF&PA) members. The goal would double the significant progress AF&PA members have made to date, based on achieving its 2020 goal.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Oth 2

Year target was set

2019

Target coverage

Country/area/region

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify (Metric ton reduction)

Target denominator (intensity targets only)

<Not Applicable>

Base year

2000

Figure or percentage in base year

30000000

Target year

2030

Figure or percentage in target year

0

Figure or percentage in reporting year**% of target achieved relative to base year [auto-calculated]**

<Calculated field>

Target status in reporting year

Underway

Is this target part of an emissions target?

As a member of the Forest Products Association of Canada (FPAC), Resolute signed on to its "30 by 30" Climate Change Challenge, which commits the Canadian forest products industry to removing 30 megatons of CO2 per year by 2030 – more than 13% of the Canadian government's total emission reduction target. This target covers our facilities located in Canada.

Is this target part of an overarching initiative?

Other, please specify (See description)

Please explain target coverage and identify any exclusions

The Canadian federal government is committed to reducing GHG by 30%—the equivalent of 225 megatonnes (MT) of carbon a year by 2030 and the Canadian forest industry pledges to remove 30 MT of CO2 a year by 2030 - more than 13% of the Canadian government's emissions target. For more information about the 30 by 30 challenge:

<https://www.fpac.ca/reports/30-by-30-climate-change-challenge>

Plan for achieving target, and progress made to the end of the reporting year

The Canadian forest products industry is prepared to challenge itself to contribute to the government's goal by maximizing forest carbon sinks, by sequestering carbon in the products we sell, and by reducing GHG emissions from our facilities. We are committed to contributing more than 13% of the government goal.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.3**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

C4.3a**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	14	
To be implemented*	0	0
Implementation commenced*	9	29100
Implemented*	6	105000
Not to be implemented	0	0

C4.3b**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.****Initiative category & Initiative type**

	Solid biofuels
--	----------------

Estimated annual CO2e savings (metric tonnes CO2e)

8500

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

695000

Investment required (unit currency – as specified in C0.4)

16180000

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

In May 2018, Resolute announced a \$45 million strategic investment plan for our Saint-Félicien (Quebec) pulp mill. The primary goal of this substantial investment is to enhance various aspects of the operation, increasing the average daily production capacity by 76 metric tons and reducing GHG emissions from fossil fuel usage by 20%, or approximately 30,000 mt of CO₂e.

Between 2018 and 2022, a portion of these GHG emissions were reduced by enhancing operational stability, replacing the dust collector, and improving the function of the power boiler. The final portion of these reductions, realized between 2022 and 2023, amounted to 8,500 mt of CO₂e and was accomplished by replacing natural gas with biomass fuel in the power boiler.

The investment (\$16.18 M) and annual monetary savings (\$695,000) presented here are the ones specifically associated with phase 3 of the project, including the conversion of the power boiler burners to allow the use of wood shavings as fuels.

Initiative category & Initiative type

Hydropower (capacity unknown)

Estimated annual CO₂e savings (metric tonnes CO₂e)

20828

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1500000

Investment required (unit currency – as specified in C0.4)

55000

Payback period

<1 year

Estimated lifetime of the initiative

1-2 years

Comment

Our Alma and Kénogami (Quebec) paper mills reduced their scope 1 emissions by increasing the use of electrical boilers, using hydroelectricity in replacement of natural gas as a fuel. Those scope 1 reductions count for 17,638 mt of CO₂e at Alma, and 3,426 mt of CO₂e at Kénogami. There was a slight increase in scope 2 emissions at the mills, 236 mt in all. Almost 40% of the economies can be attributed to savings in carbon cost. The strategic initiative will be conducted annually but requires reassessment before each winter, as GHG emission reductions can vary over time.

Initiative category & Initiative type

Machine/equipment replacement

Estimated annual CO₂e savings (metric tonnes CO₂e)

60000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

5825984

Investment required (unit currency – as specified in C0.4)

5192000

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

Our Calhoun (Tennessee) mill stopped producing dried pulp and bleached kraft in January 2022, but continues to produce tissue. In May 2022, a new smaller pack of boilers was installed to replace the existing natural gas boilers that had become too big for the steam requirement. This has reduced the GHG emissions by about 60,000

mt CO2e/year (approximately 35,000 mt of reduction between 2021 and 2022).

Initiative category & Initiative type

Smart control system

Estimated annual CO2e savings (metric tonnes CO2e)

16000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1400000

Investment required (unit currency – as specified in C0.4)

2500000

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

In 2022, three energy efficiency projects were successfully completed, significantly influencing our scope 1 emissions. These projects, which involved advanced control of our steam networks, were implemented in our Alma, Saint-Félicien and Thunder Bay mills. Together, they are expected to yield annual GHG emission reductions of approximately 16,000 mt of CO2e.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	Raising awareness among our employees helps drive the momentum for our sustainability strategy and keeps the company and its employees focused on reducing our environmental footprint. In 2022, we further enhanced employee engagement on climate change and GHG emission reductions through quarterly employee meetings and internal communication tools, such as our ResoluteInfo newsletter and Resolute Blog. These platforms provide regular and quarterly updates to employees on the progress the company is making toward its targets, including major announcements about new capital investment in GHG emission reductions.
Compliance with regulatory requirements/standards	Staying ahead of climate change regulations drives our investments in greenhouse gas emission reductions. Although the swift implementation of climate change mitigation programs could increase our input costs in the short term, our adaptive capacity will ultimately strengthen our long-term competitiveness. This allows Resolute to gain strategic advantages essentially by staying ahead of climate change regulations and potentially benefiting from cap and trade systems through a net-selling position; by reducing fiber, energy and water consumption; by switching to lower-carbon fuels; by securing long-term availability of fiber and water; by offering "clean" products and introducing new and innovative products with environmental benefits; by implementing energy-efficient technologies; and by investing in projects that contribute to controlling power costs and reducing GHG emissions. Combined, these initiatives enhance Resolute's strong reputation among many stakeholders, which positively impacts our market positioning.
Dedicated budget for low-carbon product R&D	Part of our research and development program is devoted to exploring opportunities to manufacture value-added products from renewable biomass. Promising new products include biofuels, biomaterials, biosourced chemicals, etc. In many cases, these products have the potential to gradually replace products made from petroleum-based resources. In the case of biofuels, CO2 emissions can be directly reduced. For example, in 2022, our Thunder Bay (Ontario) biomass pellet plant continued to produce biofuel from waste sawdust, replacing coal at the Atikokan power generating station. We estimate that the conversion of the generating station from coal to carbon neutral biomass pellets resulted in a scope 1 emission reduction amounting to 67,500 metric tons of CO2 equivalents per year.
Other (Partnering with peers in research and development (RD))	<p>Performance BioFilaments Inc. is an R&D joint venture that was launched in 2014. Jointly owned with Mercer International Inc., Performance BioFilaments is working to develop commercial applications for cellulose filaments, a new source of sustainable biomaterial made from wood fiber that can improve the strength and durability of many commercial and consumer products found on the market today.</p> <p>The strength of cellulose filaments can be compared to that of synthetic reinforcement fibers made from non-renewable petroleum inputs. The difference is that cellulose filaments are entirely renewable and have a lower carbon footprint.</p> <p>In 2022, we launched a commercial plant specializing in the production of cellulose filaments at our Kénogami paper mill in Quebec. The C\$27 million investment in cellulose filaments represents an opportunity to enter non-traditional growth markets. Moreover, the cellulose filaments will be marketed with the help of Performance BioFilaments Inc.</p>
Other (Compliance with voluntary commitments)	<p>As a member of the Forest Products Association of Canada (FPAC), we have signed on to its "30 by 30" Climate Change Challenge, which commits the Canadian forest products industry to removing 30 megatons of CO2 per year by 2030 – more than 13% of the Canadian government's total emission reduction target. In the United States, we are working with the American Forest and Paper Association (AF&PA) to support its goal of achieving at least a 50% reduction of member greenhouse gas (GHG) emissions (intensity) from 2005 levels by 2030.</p> <p>As part of our past WWF membership, the company committed to achieving a reduction in absolute scope 1 and 2 GHG emissions of 65% below 2000 levels by 2015 at our pulp, paper and tissue mills. This was an industry-leading GHG reduction target, and equivalent to taking 1.6 million cars off the road. In 2021, we met and exceeded the target two years ahead of schedule. By the end of 2022, our absolute scope 1 and 2 GHG emissions had been reduced by 87% since 2000.</p> <p>In 2013, we successfully achieved our commitment of fully reporting all relevant scope 3 categories to CDP. Part of our scope 3 process is to survey key suppliers to better assess our value chain footprint, engage with key fuel and chemical suppliers, and work with them to reduce our respective global carbon footprint. Resolute has updated and disclosed our scope 3 inventory every year since 2015, and we continue to report our sustainability performance in accordance with the Global Reporting Initiative, the Sustainable Accounting Standards Board Standards for pulp & paper and forestry management, and the United Nations Sustainable Development Goals.</p>
Financial optimization calculations	<p>Resolute's commitment to sustainability is underscored in our vision, corporate values and in the way we do business. Our sustainability commitments include mitigating climate change across our value chain through reduced fiber, energy and water consumption, enhanced operational efficiencies, low-carbon emission initiatives, and eco-friendly products and targeted investments in clean energy processes and products.</p> <p>Climate change issues are discussed and reviewed on a regular basis at the corporate level as all capital projects considered by the company require an evaluation of their impact on GHG emissions. A top-down approach is in place for the analysis of risks and opportunities, which relate primarily to regulatory changes, strategic capital investments, consumer preference changes, reputation and weather-related challenges.</p> <p>Resolute's short term incentive plan (STIP) for eligible employees, including management, is calculated using economic key performance indicators, such as income from operations, as well as environmental and social performance. Beginning in 2022, a portion of the STIP is based on achieving greenhouse gas emission reduction targets.</p>
Internal price on carbon	<p>In July 2016, Resolute became an inaugural Canadian member of the Carbon Pricing Leadership Coalition (CPLC), a voluntary global partnership that brings together leaders to help address climate change by putting a price on carbon. Resolute supports carbon pricing as a market mechanism that drives competitiveness, creates jobs, encourages innovation and delivers meaningful emission reductions. We advocate, however, for an equivalent carbon price across North American jurisdictions to avoid carbon leakage and competitive issues.</p> <p>In 2022, twelve of our facilities were covered by either the Quebec cap-and trade program, or the Canadian Output-Based Pricing System, but all of Resolute's facilities in Canada are impacted by the cost of carbon, including sawmills and woodland operations. A carbon price is included in decision-making at our facilities operating under the cap-and-trade system. For other facilities, the impact of each project on GHG emissions is evaluated, and taken into consideration in the decision-making process.</p> <p>Resolute has achieved an 87% reduction in absolute greenhouse gas emissions at its pulp, paper and tissue mills since 2000. Additional reductions at many of our facilities remain under consideration, including internal greenhouse gas emission reduction projects, potential purchase of allowances and offsets, etc.</p> <p>Further contributions to provincial and federal targets in Canada can be achieved, outside of our facilities covered by the cap-and-trade program, through forest management practices, sequestration in wood products, and development of bioproducts and biofuels.</p> <p>Considering that energy accounts for approximately one quarter of the company's pulp and paper production costs, projects that increase energy efficiency are of great interest from both an environmental and financial perspective. Our focus on improving energy efficiency and replacing high-emission fuels like coal and bunker C with less-carbon-intensive options also places Resolute ahead of potential regulations.</p>

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other, please specify (Wood pellets to replace coal in electricity production)

Description of product(s) or service(s)

Wood pellets help to avoid GHG emissions by replacing fossil fuels with renewable energy. As part of the Ontario government's 2002 commitment to develop a 100% coal-free electrical grid by 2015, Resolute worked with the 200 MW capacity Ontario Power Generation (OPG) station in Atikokan, Ontario, to transition away from coal to carbon neutral biomass pellets manufactured at our Thunder Bay (Ontario) pellet plant. The plant completed its first full year of production in 2015, producing wood pellets made from residual sawdust, a sawmill by-product. Our pellet plant is under a ten-year contract to supply 45,000 metric tons of pellets annually to OPG's Atikokan generating station, which is now the largest capacity 100% biomass-fueled power plant in North America. The generating station's GHG emissions have been reduced through the use of a less carbon-intensive fuel.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Estimating and Reporting the Comparative Emissions Impacts of Products (WRI)

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

We estimate the replacement of coal with 45,000 metric tons of wood pellets to generate 216 GWh results in a scope 1 GHG reduction of 67,500 metric tons of CO2 equivalents.

Reference product/service or baseline scenario used

The baseline scenario involves OPG using coal fuel to generate the same amount of electricity for its customers.

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

67500

Explain your calculation of avoided emissions, including any assumptions

Considering that residual biomass is carbon neutral, avoided emissions were calculated with the following data: 1 metric ton of wood pellets generates 4.8 MWh. Emission factors for coal are 88.34 kg of CO2/GJ, 0.0104 kg of CH4/GJ, and 0.0015 kg of N2O/GJ, while emission factors for wood pellets are 0 kg of CO2/kg, 0,576 kg of CH4/kg, and 0.077 kg of N2O/kg, with a global warming potential for CH4 of 25 and N2O of 298.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0.25

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other, please specify (Cellulose filament)
--

Description of product(s) or service(s)

We launched a commercial cellulose filament plant at our Kénogami (Quebec) paper mill in 2022. Cellulose filaments are a new, sustainable biomaterial made from wood fiber manufactured entirely from renewable sources. Integrating these fibers into commercial and everyday products results in lighter-weight, more fuel-efficient vehicles, more resilient coatings, and higher performance concrete.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Description of product(s) or service(s)

The thermomechanical pulp biorefinery at our Thunder Bay (Ontario) pulp and paper mill focuses on developing new ways to efficiently produce and commercialize innovative bioproducts derived from wood.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

The EU Taxonomy for environmentally sustainable economic activities

Type of product(s) or service(s)

Other, please specify (Lumber and other wood products for the residential construction and home renovation markets, as well as for specialized structural and industrial applications)

Description of product(s) or service(s)

Wood is one of the most versatile and renewable resources. Not only is it the most sustainable building material, it is energy-efficient and cost-effective. From the flooring right up to your rooftop, Resolute's wood products are the natural choice for today's environmentally conscious homeowner. Resolute is a leading producer of lumber and other wood products for the residential construction and home renovation markets, as well as for specialized structural and industrial applications. With an annual production capacity of 2.9 billion board feet, our 14 sawmills in Canada produce construction-grade stud and dimension spruce-pine-fir lumber and are a major source of wood chips for our pulp and paper mills, while our three sawmills in the U.S. produce construction-grade dimension lumber and decking products from locally sourced southern yellow pine. Our sawmills also supply wood residue to our other segments, to be used as fuel to produce electricity and steam based on renewable sources. Located in Quebec, our two remanufactured wood products facilities produce bed frame components, finger joints and furring strips, while our two engineered wood products facilities produce flooring I-joists for the construction industry.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

42

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Yes, a merger

Name of organization(s) acquired, divested from, or merged with

In February 2022, Resolute announced the acquisition of the Boralex power plant in Senneterre, Quebec.

In July 2022, the Paper Excellence Group, through its wholly-owned subsidiary Domtar Corporation, a global diversified manufacturer of pulp and specialty, printing, writing, and packaging papers, and Resolute Forest Products entered into an agreement under which Domtar would acquire all of the outstanding common shares of Resolute stock. The transaction was completed on March 1, 2023.

Details of structural change(s), including completion dates

The greenhouse gas (GHG) emissions of the 34.5-megawatt Boralex power plant were included in Resolute's 2020 and in 2021 GHG inventories in last year's CDP reporting (5,462 t CO₂e in 2020 and 5,756 t CO₂e in 2021).

As for Paper Excellence Group transaction, it was completed on March 1, 2023 and doesn't impact the 2022 GHG inventory of the company.

This information is also included under C7.9a.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 1 Scope 2, location-based Scope 2, market-based	Our greenhouse gas management plan requires the base year to be recalculated for every significant change of more than 1% or any structural change. The emissions from the Senneterre powerplant were included in the base year and previous year inventories. This impacted scope 1 emissions only, as the powerplant consumes its own generated electricity. Note that those changes were already reflected in last year CDP report.	Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO₂e)

1222400

Comment

Resolute reports on emissions classified as scope 1, including direct emissions from on-site fuel combustion (fixed units and mobile equipment), process emissions, landfills and fugitive emissions. Our 2015 GHG inventory covers all facilities, including our wood products segment and Senneterre powerplant.

Scope 2 (location-based)

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

1083302

Comment

Resolute reports on emissions classified as scope 2, representing indirect emissions from purchased electricity and steam. Our 2015 GHG inventory covers all facilities, including our wood products segment and Senneterre powerplant (which scope 2 is null).

Scope 2 (market-based)

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

1083302

Comment

Same as our location-based scope 2 emissions. The emission rates used to define our scope 2 emissions in year 2015 were, to the extent possible, utility-specific or, if this information was not available, based on provincial, state or regional reports.

Scope 3 category 1: Purchased goods and services

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

494127

Comment

No change in this category. We track GHG emissions related to our supply chain (scope 3 emissions), as they represent an important aspect of our carbon inventory. We are committed to scope 3 standard GHG accounting and have regularly enhanced the disclosure of our scope 3 emissions by reporting all relevant scope 3 emission categories to the CDP since 2013.

Scope 3 category 2: Capital goods

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

61677

Comment

No change in this category. This category was previously considered not relevant, but we decided to include the figure in the inventory to ensure we are appropriately monitoring and tracking this category, should its relative significance increase.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

367088

Comment

No change in this category.

Scope 3 category 4: Upstream transportation and distribution

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

281756

Comment

No change in this category.

Scope 3 category 5: Waste generated in operations

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

91503

Comment

No change in this category.

Scope 3 category 6: Business travel

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

1402

Comment

No change in this category.

Scope 3 category 7: Employee commuting

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

13152

Comment

No change in this category.

Scope 3 category 8: Upstream leased assets

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

0

Comment

No change in this category. This category is not relevant for Resolute.

Scope 3 category 9: Downstream transportation and distribution

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

333487

Comment

No change in this category.

Scope 3 category 10: Processing of sold products

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

1711673

Comment

No change in this category.

Scope 3 category 11: Use of sold products

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

0

Comment

No change in this category. This category is not relevant for Resolute as our products do not generate emissions at the use stage.

Scope 3 category 12: End of life treatment of sold products

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

731028

Comment

No change in this category.

Scope 3 category 13: Downstream leased assets

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

0

Comment

No change in this category. This category is not relevant for Resolute.

Scope 3 category 14: Franchises

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

0

Comment

No change in this category. Resolute does not own or operate franchises.

Scope 3 category 15: Investments

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

378

Comment

No change in this category.

Scope 3: Other (upstream)

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

0

Comment

No additional scope 3 in the "other" category.

Scope 3: Other (downstream)

Base year start

janvier 1 2015

Base year end

décembre 31 2015

Base year emissions (metric tons CO2e)

0

Comment

No additional scope 3 in the "other" category.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**Reporting year****Gross global Scope 1 emissions (metric tons CO2e)**

915403

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

This figure includes GHG direct emissions from on-site fuel combustion, process as well as landfill and fugitive emissions. Our GHG accounting is based on the WRI / GHG protocol (www.ghgprotocol.org). As mentioned in their Greenhouse Gas Protocol - Corporate Standard, Scope 1 GHG emission, direct CO2 emissions from combustion of biomass shall not be included in scope 1 but should be reported separately. Therefore, our scope 1 does not include direct CO2 from combustion of the biomass.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**Row 1****Scope 2, location-based**

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

As we have operations where we can access mills' specific greenhouse gas emissions factors directly from the electricity suppliers, or find residual mix emissions factors, we are able to report scope 2 market-based emissions figures, in addition to scope 2-location-based emissions.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

577230

Scope 2, market-based (if applicable)

452026

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Greenhouse gas emissions from the generation of purchased electricity that is consumed by Resolute. Most of our suppliers have significantly increased their GHG emission rates compared to 2021, resulting in increased scope 2 emissions.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

446893

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

75

Please explain

Primary data: volumes come from Resolute's business managements systems and are based on suppliers' and procurement data. Material categories included in the inventory are: wood, recycled paper, chemical products and fillers. These categories cover more than 70% of the direct spending for materials.

Secondary data: upstream cradle-to-gate emission factors used in this category come from the National Council for Air and Stream Improvement (NCASI) Footprint Estimator for Forest Products (FEFPro) version 1.4, Tab "Matl Param" (values are Ecoinvent modified). For fiber, upstream factors also come from FEFPro version 1.4, tab "Fiber Param", except for wood consumption by sawmills that use a factor from the USLCI - NCASI SE US model. The total emissions for products included in this category are calculated based on volumes used in reporting year multiplied by CO2-equivalent factors for each material. The emission factors used do not cover the transportation of these materials from suppliers to Resolute as emissions from transportation are reported in Category 4, upstream transportation and distribution.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

42158

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Newly added category in Resolute's 2021 scope 3 emissions inventory. Even though the emissions represent less than 1% of our scope 3, we've included the figure in our inventory, to ensure we appropriately monitor and track this category, should its relative significance increase.

This data is estimated using the average spend-based method and primary data extracted from our financial databases. The emission factor for fabricated metal products (worst-case scenario factor applied) is used as the secondary data and taken from EPA "Supply Chain Emission Factors for US Industries Commodities" file. Amount invested for the year is multiplied with the CO2-equivalent/USD factor for fabricated metal products.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

305979

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

75

Please explain

Primary data: volumes of fuel and quantities of electricity consumed by our pulp, paper and tissue mills, as well as our wood product facilities, were sourced from Resolute's business management systems as well as from our suppliers.

Secondary data: fuel and electricity upstream emission factors used are from FEFPro version 1.4 calculation tool developed by NCASI. The emissions used cover the extraction, production and transportation of fossil fuels.

Quantities of fuel and electricity purchased are multiplied with respective CO2-equivalent factors.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

200035

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

75

Please explain

Primary data: Shipments of wood, all types of fibre and purchased chemical products are coming from Resolute's Business System as well as from our Suppliers' Survey. GHG emissions coming from fuel transportation are excluded as these emissions are included in Category 3 of our scope 3 emissions.

Scope 3 GHG emissions from transportation were calculated by using the Global Logistics Emissions Council (GLEC) Methodology based on fuel consumption by transportation mode and fuel emission factors. Default GLEC emission and consumption factors were used.

Secondary data: For chemical products, key data coming directly from major suppliers is used. GHG emissions coming from transportation were calculated by multiplying the quantity of the purchased chemical product by the transportation distance and emission factor for the transportation mode. To cover 100% of chemical products, an extrapolation was then performed.

For wood and fibre products, all shipments received to our sawmills and mills were obtained through Resolute Business system. The calculation of related GHG emissions was obtained by multiplying quantity of wood & fibre received by the transportation distance and emission factor for the transportation mode.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

46330

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

75

Please explain

Primary data: volumes of solid waste and waste water generated by the manufacturing operations of all Resolute facilities are collected and monitored through Resolute's business management systems. Our data collection method differentiates between on-site and off-site disposal as well as between different disposal methods (waste incineration, energy recovery, landfill, beneficial use, recycling, as well as waste water treatment).

Secondary data: Proportion of inert material and methane densities come from the NCASI FICAT tool developed for the pulp and paper industry. GHG emissions from one off-site landfill not owned by Resolute are calculated using the NCASI FICAT tool for pulp and paper industry and included in this category. Methane emissions from owned landfill sites are not included in this category, as they are part of our scope 1 GHG emissions.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

373

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

75

Please explain

Primary data: miles and kilometers per means of transportation traveled by Resolute employees in the reporting year were provided by travel agencies and rental car suppliers. Calculations cover emissions from business flights, train trips and use of rental cars. Ferry and use of own cars are excluded due to a lack of data. These reports are based on distance traveled and emission factors by fuel and vehicle type.

Secondary data: emission factors come from WRI/GHG Protocol Tool and EPA. Emission factors used cover the followings: short-haul, medium-haul and long-haul flights, train trips as well as car rental's fuel consumption.

Employee commuting

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

10774

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

75

Please explain

Primary data: the total number of employees in all facilities and offices worldwide is based on data from Resolute's Human Resources department. Two different commuting scenarios were considered:

-one for office employees who have access to a wide variety of commuting modes, although most of the year 2021 involved telecommuting for this group of employees.

-facilities' employees are more limited in their commuting options and still traveled to work in 2021. Secondary data: emission factors are based on World Resources Institute 2012. Compilation of emission factors used in the cross-sector tools.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not applicable, Resolute has no upstream leased assets.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

229580

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

75

Please explain

Primary data from past years: for calculating GHG emissions associated with the transportation of Resolute's sold products, our logistics experts built a tracking system of all our shipments from our operating sites to our customers. This system provides distances, weight and transportation mode used for all shipments.

Secondary data from past year: scope 3 GHG emissions from transportation were calculated using the GLEC Methodology based on fuel consumption by transportation mode and fuel emission factors. Default GLEC emission and consumption factors were used with the exception of vessel factors that were adapted to our shipment reality with GLEC guidance.

Processing of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1378319

Emissions calculation methodology

Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Plant-specific GHG emissions and production data are from our customer surveys. From this data, emissions intensity was calculated for three different types of products sold: market pulp, newsprint and specialty papers. Average emission intensities were then calculated and multiplied by our 2022 production for each type of sold product.

Use of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not relevant as pulp and paper products and lumber products do not generate emissions at the use stage.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

489010

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Primary data: production of sold products is from Resolute's business management systems.

Secondary data: emission factors for different end-of-life options are coming from the 2010 VTT study called "Carbon footprint and environmental impacts of print products from cradle to grave".

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not applicable, Resolute has no downstream leased assets.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Resolute does not own or operate franchises.

Investments

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

12950

Emissions calculation methodology

Investment-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

75

Please explain

One sawmill (Opitciwan) and our greenhouse (Serres Toundra) in Quebec are entered in this category as they are partnerships in which Resolute does not have operational control. The Société en Commandite Scierie Opitciwan, located in Obedjwan, is an equity method investment in which we have a 45% interest. We also have a 49% interest in Serres Toundra Inc., a joint venture that produces vegetables from 19 hectares of greenhouses adjacent to our Saint-Félicien pulp mill. The greenhouses source a portion of their heat from the mill.

Primary Data:

- For Opitciwan, fuel consumption was obtained from the partnership upon request in 2013. Since electricity consumption was unknown, we used average electricity consumption based on our Quebec sawmill data. The data is updated for 2022 proportionally to the mill's production.
- For Serres Toundra, fuel and electricity consumption was obtained by request.

Secondary Data:

- Fuel emissions were calculated based on upstream emission factors from Ecolinvent.

GHG emissions were determined by multiplying fuels and electricity used by respective emission factors and by share of equity percentage.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No other material upstream emissions.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No other material downstream emissions.

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

Yes

C-AC6.8a/C-FB6.8a/C-PF6.8a

(C-AC6.8a/C-FB6.8a/C-PF6.8a) Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.

CO2 emissions from biofuel combustion (processing/manufacturing machinery)

Emissions (metric tons CO2)

4265253

Methodology

Default emissions factors

Please explain

More than 75% of the fuel energy used by Resolute facilities comes from the combustion of bark, biosolid and black liquor in our biomass boilers. Our GHG accounting is based on the WRI/GHG protocol (www.ghgprotocol.org). As mentioned in the Greenhouse Gas Protocol - Corporate Standard, Scope 1 GHG emission, direct CO2 emissions from the combustion of biomass shall not be included in scope 1 but should be reported separately. We are also still waiting for the GHG Protocol's guidance on land use, land-use change and bioenergy to be revised and tested to see how measurement and quantification can be done. We are registered for the pilot test phase of this initiative.

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Timber

Do you collect or calculate GHG emissions for this commodity?

No, not currently but intend to collect or calculate this data within the next two years

Reporting emissions by

<Not Applicable>

Emissions (metric tons CO2e)

<Not Applicable>

Denominator: unit of production

<Not Applicable>

Change from last reporting year

<Not Applicable>

Please explain

<Not Applicable>

Explain why you do not calculate GHG emission for this commodity and your plans to do so in the future

We are still waiting for the GHG Protocol's guidance on land use, land-use change and bioenergy to be finalised to see how measurement and quantification can be done. We were registered for the pilot test phase of this initiative.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.305

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1367429

Metric denominator

metric ton of product

Metric denominator: Unit total

4488436

Scope 2 figure used

Market-based

% change from previous year

10

Direction of change

Decreased

Reason(s) for change

Change in output

Please explain

Resolute's total annual production was reduced by 4% in 2022 compared to 2021 (all products combined). The 13% reduction in GHG emissions means that we were able to achieve reductions not just in absolute but also on an intensity basis. Even though most of the absolute reductions are linked to Calhoun and Menominee situations (as described under C7.9a), these two mills recorded increased emissions intensity in 2022. Nonetheless, our other pulp, paper and tissue mills have achieved reductions in their ratios of GHG emissions/mt of product.

Intensity figure

0.000361

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1367429

Metric denominator

unit total revenue

Metric denominator: Unit total

3793000000

Scope 2 figure used

Market-based

% change from previous year

16

Direction of change

Decreased

Reason(s) for change

Change in revenue

Please explain

Sales were \$129 million higher in 2022 (4%) compared to 2021, increasing to \$3.793 billion. After removing the effects of the indefinite idling of the Calhoun pulp and paper operations during the first quarter of 2022, and the weaker Canadian dollar, pricing had a favorable impact of \$252 million, mainly as a result of an increase in the average transaction price for paper, market pulp, and tissue - up by 24%, 23% and 13% respectively - partly offset by lower prices in the wood products segment due to market conditions - down by 14%.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	770852	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	132286	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	11298	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	966	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Canada	552534
United States of America	362869

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Alma	53456	48.565	-71.6558
Amos	1911	48.5625	-78.1625
Baie-Comeau	3631	49.255	-68.1561
Calhoun	91469	35.297422	-84.752558
Clermont	5364	47.6994	-70.2255
Coosa Pines	179072	33.324343	-86.358521
Dolbeau	15656	48.879367	-72.220469
Gatineau	38677	45.479076	-75.650611
Kenogami	27275	48.4289	-71.2437
Menominee	27312	45.102199	-87.610452
Hialeah	14983	25.857574	-80.260646
Sanford	10569	28.803923	-81.307791
Grenada	24493	33.830426	-89.820957
Saint-Félicien	92159	48.730407	-72.508176
Thunder Bay	204117	48.3486	-89.3067
Landfill sites from closed mills (Canada)	54980	45.5124	-73.55468
Wood product facilities	70278	45.5124	-73.55468

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

No

C-AC7.4c/C-FB7.4c/C-PF7.4c

(C-AC7.4c/C-FB7.4c/C-PF7.4c) Why do you not include greenhouse gas emissions pertaining your business activity(ies) in your direct operations as part of your global gross Scope 1 figure? Describe any plans to do so in the future.

	Primary reason	Please explain
Row 1	We are planning to include in the next two years	<p>We are still waiting for the GHG Protocol's guidance on land use, land-use change and bioenergy to be revised and tested to see how measurement and quantification can be done. We are registered for the pilot test phase of this initiative.</p> <p>We understand the feasibility of this exercise for a company that owns the forest land it harvests and has full responsibility for the logging on that land. This situation, however, is not the reality for the majority of the companies in this sector. Here is the operational structure of Resolute:</p> <p>-We source the majority of the virgin fiber consumed by our operations in Canada from Crown land over which we hold harvesting rights, volume commitments, short-term volume allocations and auction sales. The control we have on these woodlands is limited to the sustainable management of harvesting operations by our subcontractors, and these subcontractors work on trees in areas defined and allocated by the government. We therefore have limited control on the overall forest management strategy, particularly in Quebec, where the government is responsible for forest management planning. Purchases from private forest landowners complement sourcing from public land.</p> <p>-For our U.S. operations, we source much of the fiber externally, through a suppliers' network, from numerous small, non-industrial private forest landowners. We have limited influence and control over the woodlands operations of all these small non-industrial landowners suppliers.</p> <p>Future methodologies on forestry land use could be relevant to us, although we do not know to what extent. We are closely following developments on this topic, as access to fiber is essential for our highly integrated operations. Harvested trees from our woodland operations are processed into lumber, mainly for construction or renovation of houses, which preserves the carbon accumulated in the wood for decades. Our manufacturing facilities and processes optimize fiber use, reducing waste and creating value. Processing a log at a sawmill generates by-products, mainly wood chips, sawdust, shavings and bark. The bark is used to generate energy, while chips and other residues are used mainly to produce pulp and paper. Our wood remanufacturing facilities produce box spring components, finger joints, furring strips and I-joists, further ensuring optimal fiber use.</p>

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	18733	18733
United States of America	485453	433293

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Alma	371	371
Calhoun	48788	32905
Clermont	1016	1016
Coosa Pines	36096	122390
Dolbeau	708	708
Gatineau	784	784
Grenada	302221	199825
Kenogami	8	8
Menominee	52741	48302
Hialeah	11707	5275
Sanford	9006	3446
Saint-Félicien	342	342
Thunder Bay	14090	14090
Wood product facilities	24894	21149

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	22348	Decreased	1.4	<p>Our Alma and Kenogami (Quebec) paper mills reduced their scope 1 emissions by increasing the use of electrical boilers, using hydro-electricity in replacement of natural gas as a fuel. Those scope 1 reductions count for 17,638 mt of CO2e at Alma, and 3,426 mt of CO2e at Kénogami. There was a slight increase in scope 2 emissions at the mills, 236 mt in all.</p> <p>Also, our Gatineau (Quebec) newsprint mill has improved its biomass boiler fuel mix, allowing for more biomass to be used with less tire derived fuel. This translates into an additional scope 1 reduction of 1,339 mt of CO2e. On the other hand, our Clermont (Quebec) mill was not able to use its electrical boiler as much as in the previous year; cold winter days prevented the optimal use of the electrical boiler in 2022, so increased usage of bunker C was required to compensate. This translates into an increase of 988 mt of CO2e.</p> <p>Our two Florida tissue manufacturing facilities reduced their scope 2 emissions starting in July 2021 by participating in the SolarTogether™ program, a community program offered by Florida Power & Lighting (FPL) that helps local homes and businesses access emissions-free energy. FPL operates dozens of solar energy centers across the state, increasing the use of solar power on the energy grid and helping to offset the use of other non-renewable energy resources. Those reductions account for 1,168 mt of CO2e.</p> <p>The total scope 1 and 2 emissions associated with changes in renewable energy consumption is therefore -17,638+236-3,426-1,339+988-1,168 = -22,348 mt of CO2e.</p>
Other emissions reduction activities	35000	Decreased	2.2	<p>Our Calhoun (Tennessee) mill stopped producing dried pulp and bleached kraft in January 2022, but continues to produce tissue. In May 2022, a new smaller pack of boilers was installed to replace the existing natural gas boilers that had become too big for the steam requirement. This has reduced the GHG emissions of about 60,000 mt CO2e/year (about 35,000 mt of reduction between 2021 and 2022).</p>
Divestment	0	No change		
Acquisitions	0	No change		<p>In February 2022, Resolute announced the acquisition of a power plant in Senneterre, Quebec. The 34.5-megawatt powerhouse acquisition does not translate into significant changes in 2022 GHG inventory compared to 2021, as its GHG emissions were included in Resolute's 2020 and 2021 GHG inventories reported to CDP (5,462 mt CO2e in 2020 and 5,756 mt CO2e in 2021).</p>
Mergers	0	No change		<p>On July 6, 2022, the Paper Excellence Group, through its wholly-owned subsidiary Domtar Corporation, a global diversified manufacturer of pulp and specialty, printing, writing, and packaging papers, and Resolute Forest Products entered into an agreement under which Domtar acquired all of the outstanding common shares of Resolute stock. This transaction was completed on March 1, 2023, although it doesn't impact the 2022 GHG inventory of the company.</p>
Change in output	210351	Decreased	13.4	<p>In 2022, Resolute reduced market pulp and paper annual capacity as a result of the indefinite idling of the Calhoun (Tennessee) pulp and paper operations on December 16, 2021, and its subsequent idling in early 2022, reducing capacity by 147,000 metric tons for a total capacity of 1.1 million metric tons, or 7% of total North American capacity, produced at four facilities in North America. We no longer produce southern bleached softwood kraft (SBSK) or southern bleached hardwood kraft (SBHK) pulps as of 2022. Paper capacity was reduced by 149,000 metric tons, for a total capacity of 1.5 million metric tons, produced at seven mills. This accounts for a reduction of 160,868 mt of CO2e in 2022, mainly in scope 1.</p> <p>At our Menominee (Michigan) recycled pulp mill, a fire broke out on the site on October 6, 2022 in a warehouse space we lease from a third party to store recyclable bales of paper. This forced the shutdown of operations and production only resumed at the end of the first quarter of 2023. This resulted in a reduction of 7,107 mt of CO2e in scope 1 and 16,188 mt of CO2e in scope 2.</p> <p>On the wood products side, previously idled sawmills in Ontario and the U.S. reopened in June/July 2021, increasing emissions in 2022. Also, investments occurred in Quebec wood product facilities in 2021, resulting in the additional usage of natural gas boilers. The increased emissions associated with lumber production in 2022 by the equivalent of 7,196 mt of CO2e in scope 1 and 1,615 mt of CO2e in scope 2.</p> <p>The total of those scope 1 and 2 emissions gives a variation of -160,868-7,107-16,188+7,196+1,615=175,351 mt of CO2e.</p>
Change in methodology	0	No change		n/a
Change in boundary	0	No change		No change in boundary compared to 2021 (wood product facilities were included already last year).
Change in physical operating conditions	0	No change		Winter 2022 was a cold winter in Quebec and thus restrictions on electricity usage limited the use of electrical boilers at certain times: this was covered under row 2 of this table.
Unidentified	1577	Increased	0.1	There is no specific explanation for this increase of 1,577 mt of CO2e. This would be the sum of all other plus and minus variations occurring in the scope 1 and scope 2 emissions of all our mills during the year.
Other	27567	Increased	1.8	<p>Scope 2 increase: Scope 2 GHG emissions increased considerably in 2022 compared to 2021, due mainly to increased electricity suppliers' rates in the U.S., Ontario and Quebec. The average increase in the U.S. GHG/GWh rate was 6%. This resulted in increased scope 2 emissions of 18,265 mt in USA, 2,880 mt in Ontario and 1,697 mt of CO2e in Quebec.</p> <p>Scope 1 increase: For two pulp and paper mills in 2022, scope 1 emissions increased due to additional natural gas usage. The additional 6,136 mt of CO2e translates in an overall increase of $(6,136/1,570,984) \times 100 = 0.4\%$</p> <p>Our Grenada (Mississippi) mill increased its use of natural gas while reducing its use of electricity. As this mill uses electricity produced with higher carbon-intensive fuels, this resulted in an increase of 7,463 t in scope 1, but a reduction of 7,199 mt in scope 2, for a combined increase of 264 mt of CO2e.</p> <p>Closed mills landfills emissions are decreasing over time since residues are no longer disposed in these landfills. This translated to a 1,674 mt reduction in 2022.</p> <p>The total of these scope 1 and 2 emissions gives an increase of 27,567 or 1.8%. The calculation is as follows: $((22,842+6,136+264-1,674)/1,570,984) \times 100 = 1.8\%$</p>

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?
Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 15% but less than or equal to 20%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	12760277	3961569	16721846
Consumption of purchased or acquired electricity	<Not Applicable>	3960546	793490	4754036
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	1103314	<Not Applicable>	1103314
Total energy consumption	<Not Applicable>	17824138	4755059	22579196

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass**Heating value**

HHV

Total fuel MWh consumed by the organization

12760277

MWh fuel consumed for self-generation of electricity

719515

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

11022056

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

1018706

Comment

Sustainable biomass includes black sludge, bark, and black liquor solids. Black liquor is burned to generate steam, and part of the generated steam is used to generate electricity in some of our mills via cogeneration. We also utilize alternative sustainable biomass such as railroad ties and construction and demolition residues to reduce fossil fuel consumption. At Resolute, 76% of fuel energy usage is derived from sustainable biomass. Optimizing the use of renewable energy sources such as hydroelectricity and carbon-neutral biomass, while reducing consumption of fossil fuels, is a key element of our strategy to improve our carbon footprint.

In 2022, we sold 131,673 renewable energy certificates (RECs) associated with the production of electricity by cogeneration using black liquor fuel at our Coosa Pines (Alabama) pulp mill. The MWh associated with those RECs are accounted for in the "MWh fuel consumed for self- cogeneration or self-trigeneration " number. To "compensate" for this sale of certificates and in order not to double count this renewable content, we have added the equivalent quantity of electricity purchased on the grid, which impacts the quantity of electricity purchased in table C8.2a and reduces our global renewable content.

Other biomass**Heating value**

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment**Other renewable fuels (e.g. renewable hydrogen)****Heating value**

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Coal**Heating value**

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Resolute no longer uses coal as a fuel source. This change was made in 2014.

Oil**Heating value**

HHV

Total fuel MWh consumed by the organization

280535

MWh fuel consumed for self-generation of electricity

4077

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

268173

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

8286

Comment

Oil fuels include bunker C oil, light fuel oil, diesel, and motor gasoline.

Gas**Heating value**

HHV

Total fuel MWh consumed by the organization

3631909

MWh fuel consumed for self-generation of electricity

232

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

3528094

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

103582

Comment

Gas based fuels include natural gas, propane for fixed units, and propane for mobile equipment.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

49125

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

41987

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

7138

Comment

Resolute's other non-renewable fuels includes tire-derived fuel.

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

16721846

MWh fuel consumed for self-generation of electricity

723824

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

14860310

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

1137712

Comment

Total fuels include natural gas, bunker C oil, light fuel oil, propane, tire-derived fuel, diesel and motor gasoline, together with sustainable biomass such as black sludge, bark, black liquor solids, railroad ties and construction and demolition residues. At Resolute, 76% of fuel energy usage is derived from sustainable biomass. Optimizing the use of renewable energy sources such as hydroelectricity and carbon-neutral biomass, while reducing consumption of fossil fuels, is a key element of our strategy to improve our carbon footprint.

In 2022, we sold 131,673 renewable energy certificates (RECs) associated with the production of electricity by cogeneration using black liquor fuel at our Coosa Pines mill. The MWh associated with those RECs are accounted for in the "MWh fuel consumed for self- cogeneration or self-trigeneration " number. To "compensate" for this sale of certificates and in order not to double count this renewable content, we have added the equivalent quantity of electricity purchased on the grid, which impacts the quantity of electricity purchased in table C8.2a and reduces our global renewable content.

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	2553388	1492019	2356128	1301385
Heat	180218	180218	0	0
Steam	16541628	16541628	12760277	12760277
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

United States of America

Sourcing method

Physical power purchase agreement (physical PPA) with a grid-connected generator

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

25787

Tracking instrument used

US-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

Comment

Both our Hialeah and Sanford mills in Florida began participating in the SolarTogether™ program in July 2021. This community program offered by Florida Power & Lighting (FPL) helps local homes and businesses access emissions-free energy. FPL operates dozens of solar energy centers across the state, increasing the use of solar power on the energy grid and helping to offset the use of other non-renewable energy resources. On February 21, 2023, Florida Power & Light Company (ST) retired the 25,787 renewable energy certificates (RECs) on behalf of Resolute. The issuance and ownership of these RECs has been tracked in the North American Renewables Registry™ (NAR) using unique serial numbers to prevent double counting or double selling. Now that these RECs have been retired from the registry permanently, no one else can hold or retire the RECs.

Country/area of low-carbon energy consumption

Canada

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier) from a grid that is 95% or more low-carbon and where there is no mechanism for specifically allocating low-carbon electricity

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify (Hydro-Quebec energy mix in 2022 was 95.42% hydropower, 3.18% wind, 0.95% biomass and biogas, and 0.25% nuclear, for a total in renewable sources of 99.55% in 2022.)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2677997

Tracking instrument used

No instrument used

Country/area of origin (generation) of the low-carbon energy or energy attribute

Canada

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1944

Comment

All of our Quebec mills are supplied with electricity by Hydro-Quebec, a provincial government corporation providing its customers with electricity that is over 99% clean and renewable, mainly from hydroelectric generating stations. Hydro-Québec's generating fleet comprises 61 hydroelectric generating stations and 24 thermal plants with a total installed capacity of 37.2 GW. Its hydropower facilities also include 28 large reservoirs with a combined storage capacity of over 176 TWh, as well as 681 dams and 91 control structures.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

United States of America

Consumption of purchased electricity (MWh)

1121941

Consumption of self-generated electricity (MWh)

174101

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

5119586

Total non-fuel energy consumption (MWh) [Auto-calculated]

6415628

Country/area

Canada

Consumption of purchased electricity (MWh)

3500422

Consumption of self-generated electricity (MWh)

1317918

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

11602260

Total non-fuel energy consumption (MWh) [Auto-calculated]

16420600

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

85832

Metric numerator

Metric tons of fiber losses

Metric denominator (intensity metric only)

Our metric is not intensity based.

% change from previous year

18.9

Direction of change

Decreased

Please explain

The above figures pertain to fiber losses specifically, as disclosed on our corporate website. Resolute is focused on reducing the residues and waste generated by our operations. Our approach to residue and waste management includes identifying beneficial-use alternatives, such as land spreading, to reduce the amount of waste sent to landfills, which generate emissions, and to optimize the use of our residues in line with the principles of the circular economy. We also pursue process efficiencies, such as optimizing fiber use, to minimize the cost of effluent treatment. In 2022, we remained committed to establishing annual fiber loss targets for each of our pulp, paper and tissue mills, and set a target to record fiber losses of no more than 39 kg per metric ton of production at our pulp, paper and tissue mills, toward reducing our absolute fiber losses and cutting waste-to-landfill by 15% over 2018 levels by 2026.

Description

Waste

Metric value

34.65

Metric numerator

Kilograms of fiber loss

Metric denominator (intensity metric only)

Production in metric tons

% change from previous year

12.1

Direction of change

Decreased

Please explain

We pursue process efficiencies, such as optimizing fiber use, to minimize waste sent to landfill, optimize residues as beneficial use alternatives and decrease the cost of effluent treatment. We measure our performance on fiber loss intensity by dividing it by our annual production in metric tons, as disclosed on our corporate website. In 2022, we remained committed to establishing annual fiber loss targets for each of our pulp, paper and tissue mills, and set a target to record fiber losses of no more than 39 kg per metric ton of production. We recorded a rate of 34.65 kg/mt, surpassing that objective. In 2023, we are striving for 42 kg/mt, as it will not include our Thunder Bay (Ontario) pulp and paper mill, which is held separate until its sale to a third party as required by the Consent Agreement between Domtar Corporation and the Canadian Commissioner of Competition registered with the Competition Tribunal of Canada on December 28, 2022. This mill contributed significantly to the company's reductions.

Description

Waste

Metric value

84673

Metric numerator

Metric tons of waste sent to landfill

Metric denominator (intensity metric only)

Our metric is not intensity based.

% change from previous year

28

Direction of change

Decreased

Please explain

Proactive residue management and waste disposal programs implemented at our operations have more than doubled the residues and waste that Resolute recycles or repurposes through beneficial uses like agricultural land spreading for farmland fertilization. In 2022, we redirected 34% of pulp, paper and tissue mill residues and waste toward such beneficial uses, bringing the portion of our total waste diverted from landfill to 87% and surpassing our 2026 goal to reduce waste-to-landfill by 15% over 2018 levels.

Description

Energy usage

Metric value

85.8

Metric numerator

Renewable fuel as a % of total fuel use.

Metric denominator (intensity metric only)

Total fuel usage in 2022 was 14,667,127 MWh.

% change from previous year

1.9

Direction of change

Increased

Please explain

By utilizing bark, wood residues and biosolids for energy instead of sending these residues to landfills, Resolute can reduce consumption of non-renewable energy by replacing fossil fuels with sustainable, carbon-neutral biomass, reducing greenhouse gas emissions. In 2022, 76% of our fuel usage was derived from biomass, slightly higher than 2021. The portion of renewable energy consumed (including purchased electricity) was 79%.

We track and report on the percentage of fuel we consume from renewable resources, as disclosed on our corporate website at https://www.resolutefp.com/Sustainability/Climate_Change_and_Energy/Green_Energy/.

Description

Other, please specify (Roundwood consumption at wood products facilities)

Metric value

0.09

Metric numerator

Roundwood (timber)

Metric denominator (intensity metric only)

Thousand board feet of wood products

% change from previous year

360

Direction of change

Decreased

Please explain

In May 2022, Resolute announced a series of value-generating, longer-term environmental, social and governance (ESG) targets for 2026 to complement our long-standing practice of establishing annual targets and other ongoing public commitments. We are striving to optimize the long-term carbon capture of wood products by improving roundwood consumption at our wood products facilities by 0.125 m3/mfbm in 2026 compared to 2021. In parallel, we set an initial target for 2022 to achieve 0.025 m3/mfbm, recording a reduction of 0.090 m3/mfbm at our wood products facilities compared to 2021. More than three times our annual target, the progress positions the company to achieve its longer-term 2026 goal, although reductions will be comparatively more difficult to attain as we approach the target.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

11208029-RPT-35-42-Rapport de vérification PF Résolu Alma 2022.pdf

Page/ section reference

The verification report for one of our Quebec paper mills is attached: 11208029-RPT-35-42-Rapport de verification PF Résolu Alma 2022.pdf

The statement is under section 9.2 of the report (PDF p. 23).

Similar verification reports were conducted for all eleven (11) facilities covered by Quebec's cap and trade system in 2022, as well as our Thunder Bay (Ontario) pulp and paper mill.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

45

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C1. Governance	Other, please specify (Alignment with internationally recognized sustainability standards)	Global Reporting Initiative (GRI) Standards	<p>The GRI standards are some of the world's most broadly accepted guidelines for comprehensive sustainability reporting, providing a robust framework to support clear reporting processes, linking the indicators we measure to shared priority issues identified by stakeholders, and targeting our outputs to address the concerns and interests of all interested parties, as well as our strategic partners. The compliance of our 2021-2022 sustainability reporting is in the process of being verified by the Center for Sustainability and Excellence (CSE). Resolute retained CSE to provide verification of the application of the GRI Standards to its sustainability reporting and to verify that the disclosures meet the minimum requirements of the Standards. The scope of work involved a review of Resolute's sustainability reporting activities, including:</p> <ul style="list-style-type: none"> -Statements, information and performance data; and -Data and information as per the requirements of the GRI Standards Sustainability Reporting Guidelines, as indicated in the GRI content index. <p>Our sustainability reporting also follows the Sustainability Accounting Standards Board (SASB) Standards for forestry management and pulp & paper products.</p> <p>In 2022, we also aligned our climate-related disclosures to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).</p> <p>Further information on can be found on our corporate website at: https://www.resolutefp.com/Sustainability/Climate_Change_and_Energy/TCFD/</p>
C4. Targets and performance	Other, please specify (Alignment with internationally recognized sustainability standards)	Global Reporting Initiative (GRI) Standards	<p>The GRI standards are some of the world's most broadly accepted guidelines for comprehensive sustainability reporting, providing a robust framework to support clear reporting processes, linking the indicators we measure to shared priority issues identified by stakeholders, and targeting our outputs to address the concerns and interests of all interested parties, as well as our strategic partners. The compliance of our 2021-2022 sustainability reporting is in the process of being verified by the Center for Sustainability and Excellence (CSE). Resolute retained CSE to provide verification of the application of the GRI Standards to its sustainability reporting and to verify that the disclosures meet the minimum requirements of the Standards. The scope of work involved a review of Resolute's sustainability reporting activities, including:</p> <ul style="list-style-type: none"> -Statements, information and performance data; and -Data and information as per the requirements of the GRI Standards Sustainability Reporting Guidelines, as indicated in the GRI content index. <p>Our sustainability reporting also follows the Sustainability Accounting Standards Board (SASB) Standards for forestry management and pulp & paper products.</p> <p>In 2022, we also aligned our climate-related disclosures to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).</p> <p>Further info can be found on our corporate website at: https://www.resolutefp.com/Sustainability/Our_Approach_to_Sustainability/Public_Commitments/</p>

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

- Canada federal fuel charge
- Ontario EPS - ETS
- Québec CaT - ETS
- Other carbon tax, please specify (Quebec fuel charge)

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

Ontario EPS - ETS

% of Scope 1 emissions covered by the ETS

22

% of Scope 2 emissions covered by the ETS

0

Period start date

janvier 1 2022

Period end date

décembre 31 2022

Allowances allocated

Allowances purchased

Verified Scope 1 emissions in metric tons CO₂e

203966

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

Resolute Thunder Bay (Ontario) pulp and paper mill was covered by Canada's federal Output-Based Pricing System (OBPS) up to December 31, 2021, and started being covered by Ontario EPS system as of January 1, 2022. The verified scope 1 is slightly different than the one reported under section C7.3b, as different methodologies are used for corporate and regulatory purpose.

As Resolute has entered into an asset purchase agreement to sell this mill to an affiliate of Atlas Holdings, information on the allowances allocated or purchased will not be publicised under CDP. The transaction is expected to close in the second half of 2023, subject to the satisfaction or waiver of closing conditions, including obtaining certain regulatory approvals.

Québec CaT - ETS

% of Scope 1 emissions covered by the ETS

23

% of Scope 2 emissions covered by the ETS

0

Period start date

janvier 1 2022

Period end date

décembre 31 2022

Allowances allocated

Allowances purchased

Verified Scope 1 emissions in metric tons CO₂e

212266

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

Eleven (11) Resolute facilities were covered by Quebec's cap-and-trade (CaT) program in 2022, but all of Resolute's operations in this jurisdiction were impacted by the cost of carbon, including sawmills and woodland operations. Voluntary opting-in was allowed as of January 1, 2019, for facilities that emit more than 10,000 metric tons of greenhouse gas (GHG) emissions per year. All eight pulp and paper mills in Quebec are registered to the CaT system, alongside three sawmills. The verified scope 1 is slightly different than the sum of the scope 1 reported under section C7.3b for 2022, as different methodologies are used for corporate and regulatory purposes.

Information pertaining to allowances must remain confidential as required by law. Starting in January 2013, our operations in Quebec that emit more than 25,000 metric tons of GHG per year receive a certain number of free allowances from the Quebec CaT scheme calculated based on baseline emissions. This is also now the case for voluntary opt-in mills as of January 2019. The number of free allowances is reduced annually to achieve the Quebec government's GHG reduction target. Depending on the level of our emissions, we may have to either carry out emissions reduction projects and/or purchase rights - although we may end up in a position to sell rights.

A carbon price is included in decision-making at our facilities operating in cap-and-trade jurisdictions. For other facilities, the impact of each project on GHG emissions is evaluated and taken into consideration in the decision-making process.

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Canada federal fuel charge

Period start date

janvier 1 2022

Period end date

décembre 31 2022

% of total Scope 1 emissions covered by tax

1

Total cost of tax paid

731000

Comment

Starting April 1, 2019, the federal fuel charge applied to all Resolute sawmills, woodlands operations and transportation in Ontario. Emissions from Resolute sawmills are reported as part of our scope 1 emissions disclosure, whereas woodlands operations and transportation fall under the scope 3 category. Based on the fuel consumption of our Ontario sawmills and using an estimation of the fuel used by woodlands operators and transportation-related costs, the overall fuel charge in 2022 was estimated to be around C\$2.6 million, including C\$731,000 under scope 1.

Other carbon tax, please specify

Period start date

janvier 1 2022

Period end date

décembre 31 2022

% of total Scope 1 emissions covered by tax

1

Total cost of tax paid

626000

Comment

Under Quebec jurisdiction, other carbon taxes apply when fuel suppliers transfer their cap-and-trade costs to their customers. Therefore, Quebec fuel charges apply to all Resolute operations not directly targeted by the cap-and-trade system, including wood product facilities, woodlands operations and transportation in Quebec. Emissions from Resolute wood product facilities are reported as part of the company's scope 1 emissions, whereas woodlands operations and transportation fall under the scope 3 category. Based on the fuel consumption of our Quebec wood product facilities and using an estimation of the fuel used by woodlands operators and transportation-related costs, the overall fuel charge in 2022 was estimated to be around C\$8.5 million, including C\$626,000 under scope 1.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

As of January 2013, any of our operations in Quebec emitting more than 25,000 metric tons (mt) of greenhouse gas (GHG) emissions per year received a certain number of free allowances from the Quebec cap-and-trade system, which are calculated based on baseline emissions. As of January 1, 2019, mills emitting more than 10,000 mt of GHG emissions per year were able to opt-in to the cap-and-trade system. The number of free allowances is reduced annually to achieve the Quebec government's GHG reduction target. Depending on the level of our emissions, we must either carry out emissions reduction projects and/or purchase rights, or even be able to sell. One of the first mandates of Resolute's carbon committee was to develop a carbon strategy by prioritizing these compliance mechanisms. The prioritized mechanism we identified was to ensure subsequent GHG emission reductions were spearheaded and implemented at the mill level. A list of potential projects was consolidated and is revised on a continuous basis based on the progress mills are making. Projects from this list are prioritized by the executive team based on different factors, namely return on investment. An internal carbon price is included in each project evaluation to help in this decision-making.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Alignment with the price of allowances under an Emissions Trading Scheme

Alignment with the price of a carbon tax

Objective(s) for implementing this internal carbon price

Change internal behavior

Drive energy efficiency

Drive low-carbon investment

Identify and seize low-carbon opportunities

Navigate GHG regulations

Stakeholder expectations

Scope(s) covered

Scope 1

Scope 3 (upstream)

Pricing approach used – spatial variance

Differentiated

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

Our internal price for Ontario operations is updated based on the current and future projected rates of the government's carbon tax. The prices are disclosed and increase on April 1st of each year from C\$65 per metric ton of CO₂e in 2023 to C\$170 per metric ton by 2030. In 2022, prices were up C\$40 by March 31st, and increased to C\$50 (maximum of \$36.78 USD indicated below).

For our Quebec operations, we use the most up-to-date price following each cap-and-trade auction. 2022 prices ranged from C\$34.74 to C\$39.59 per metric ton of CO₂e (minimum of \$27 USD indicated below). The annual projected prices up to 2030 are based on recognized third-party forecasts and are updated as required.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO₂e)

27

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO₂e)

36.78

Business decision-making processes this internal carbon price is applied to

Capital expenditure

Operations

Opportunity management

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for some decision-making processes, please specify (A carbon price is included in decision-making of our Canadian operations, as they are impacted by carbon costs.

For the US facilities, the impact of a project on GHG emissions is evaluated and taken into consideration in the decision-making process.)

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

On a monthly basis, costs associated with carbon pricing (not including the free allowances we receive from the government) are updated and shared with the president & CEO and executive team, senior management, controllers, and mill managers to create awareness and facilitate an internal change in behavior. In doing so, the goal is also to promote projects with low carbon opportunities to reduce costs over the longer term.

Capital expenditure projects for every Canadian mill include a process for assessing the impact on greenhouse gas emissions and associated carbon costs over time (the evaluation can be completed up to 2030). This can contribute to a project's return on investment. For example, the first evaluation of the use of electric boilers at our Alma and Kénoigami (Quebec) paper mills in 2018, which was designed to optimize the use of hydroelectricity over natural gas, included a carbon cost calculation, in addition to assessing the price of the two energies. This provided the business case for this optimization practice, and the approach has been repeated each year before winter to ensure viability. It also positioned the mills to achieve a reduction of 20,800 metric tons of CO₂e in 2022.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify (Conducted a supply chain survey with our largest suppliers to enhance our scope 3 reporting.)

% of suppliers by number

1

% total procurement spend (direct and indirect)

20

% of supplier-related Scope 3 emissions as reported in C6.5

79

Rationale for the coverage of your engagement

We selected our largest suppliers due to their potential for substantial impact on our operations and revenue. In this survey, we collected transportation data – such as distance travelled, freight weight and transportation mode – between our largest suppliers' operations and our own operations. We also requested scope 1 and 2 emissions factors per dry metric ton of product sold to our operations for specific years. The objective of gathering this information was to increase the robustness of our scope 3 emissions reporting, particularly for the calculations in category 4 (upstream transportation and distribution).

The percentage of supplier-related scope 3 emissions is a rough estimate considering we surveyed at least 90% of our energy and electricity producers, and all of our largest chemical suppliers.

Impact of engagement, including measures of success

We surpassed participation rates on our 2023 supplier survey, compared to our last supplier survey, which was conducted in 2014 with a focus on transportation factors. Consequently, we enhanced the robustness of our scope 3 emissions reporting through the collection of suppliers' emission data, particularly for the calculations in category 4 (upstream transportation and distribution).

Comment

This type of supplier engagement strategy enables a more comprehensive assessment of our carbon footprint. Moreover, it contributes to achieving our Science Based Target initiative reduction of 16.5% in absolute scope 3 emissions by 2026 from 2015 levels.

Type of engagement

Other, please specify (Conducted a supply chain survey with suppliers to identify opportunities for collaboration on climate-related or carbon-reduction initiatives.)

Details of engagement

Other, please specify (Conducted a supply chain survey with suppliers to identify opportunities for collaboration on climate-related or carbon-reduction initiatives.)

% of suppliers by number

1

% total procurement spend (direct and indirect)

20

% of supplier-related Scope 3 emissions as reported in C6.5

79

Rationale for the coverage of your engagement

We selected our largest suppliers due to their potential for substantial impact on our operations and revenue. Engaging with our largest suppliers improves traceability and transparency within our supply chain. The latter is essential for identifying potential environmental risks and opportunities and implementing targeted carbon-reduction measures or climate-related initiatives. Moreover, identifying opportunities for collaboration with our major suppliers helps mitigate potential climate-related risks over the short- and long-term in our upstream operations.

The percentage of supplier-related Scope 3 emissions is a rough estimate considering we surveyed at least 90% of our energy and electricity producers, and all of our largest chemical suppliers.

Impact of engagement, including measures of success

We identified a number of suppliers who currently have in place their own carbon-reduction initiatives and/or GHG reduction targets. The next steps involve reaching out to these suppliers to further discuss potential collaborations on climate-related or carbon-reduction initiatives within the supply chain.

Comment

Although this type of supplier engagement strategy is still under development, we are simultaneously achieving our Science Based Target initiative reduction of 16.5% in absolute scope 3 emissions by 2026 from 2015 levels.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify (Shared priority assessment of 10 stakeholder groups, including key suppliers)

% of suppliers by number

1

% total procurement spend (direct and indirect)

9

% of supplier-related Scope 3 emissions as reported in C6.5

40

Rationale for the coverage of your engagement

Shared priorities are topics that reflect the company's significant environmental, social and economic impacts, and that substantively influence the assessments and decisions of our stakeholders. Resolute applies the Global Reporting Initiative's (GRI) definition and determination methodology for defining its shared priorities (ie. "material issues"). We monitor our shared priorities on a continuous basis through regular interaction with stakeholders and periodic analysis, including stakeholder questionnaires we undertake every two to three years. Our most recent comprehensive assessment was completed in 2022. We administered a questionnaire to 10 stakeholder groups, including our key suppliers. Our largest and most strategic suppliers were selected for the supplier group, due to their potential for substantial impact on our operations and revenue. Identifying the needs and priorities of our suppliers and other key stakeholders is intended to improve the understanding of their objectives, expectations and concerns.

The percentage of supplier-related scope 3 emissions is a rough estimate considering we surveyed at least our largest energy and electricity supplier, as well as our largest chemical suppliers and transportation provider.

Impact of engagement, including measures of success

All topics assessed by our stakeholders are presented in our Shared Priorities Matrix, which illustrates our stakeholders' concerns relative to potential impacts on the company. Our Shared Priorities Matrix can be accessed here: https://www.resolutefp.com/Sustainability/Our_Approach_to_Sustainability/Shared_Priorities/

The shared priority issues identified through this process form the basis of the information Resolute reports publicly, giving stakeholders access to data on what matters to them most. Through our most recent shared priorities assessment, we identified eight high priority material topics, and among them was climate change.

Our last shared priorities assessments have consistently identified climate change as a high priority material topic by our stakeholders. Paired with our vision to be a model manufacturing company with a climate-adaptable business, our sustainability reporting focuses heavily on climate change and our performance on greenhouse gas emission reduction goals.

In 2022, we created a new scope 3 webpage that highlights the details of our supply chain emissions. We also published a new webpage focused on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) in early 2023. These disclosures provide insight into our climate-related risks and opportunities, and present an overview on our governance and risk management practices.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Other, please specify (Conducted a company value chain survey for customers to enhance reporting on scope 3 emissions.)

% of customers by number

15

% of customer - related Scope 3 emissions as reported in C6.5

59

Please explain the rationale for selecting this group of customers and scope of engagement

We distributed this survey to our largest customers due to their potential for substantial impact on our operations and revenue. We asked customers who process our pulp and paper into their products to provide us with scope 1 and 2 emission factors in kilograms of CO2 equivalent per dry metric ton of processed products. We also requested this information for specific years. By collecting this data, our primary aim is to improve the robustness of our scope 3 emissions reporting, with a specific focus on enhancing the accuracy of calculations in category 10 (processing of our sold products).

Impact of engagement, including measures of success

We received a low response rate for the customer portion of this survey. However, this is the first survey of this kind that we have distributed to our customers. We will require a re-evaluation on our methodology for collecting scope 1 and 2 emission factors used by our customers to calculate the emissions produced when they process our purchased pulp and paper products. Further improvements on our methodology will help adjust our strategy.

Type of engagement & Details of engagement

Other, please specify (Conducted a value chain survey for customers to identify opportunities for collaboration on climate-related or carbon-reduction initiatives.)

% of customers by number

15

% of customer - related Scope 3 emissions as reported in C6.5

59

Please explain the rationale for selecting this group of customers and scope of engagement

We selected our largest pulp and paper customers due to their potential for substantial impact on our operations and revenue. Identifying opportunities for collaboration with our major customers helps mitigate potential climate-related risks over the short- and long-term in our downstream operations. Moreover, engaging with our customers allows us to gain better insights into our value chain and identify areas where sustainability improvements can be made collectively.

Impact of engagement, including measures of success

We identified a number of customers who currently have in place their own carbon-reduction initiatives and/or GHG reduction targets. The next steps involve reaching out to these customers in order to further discuss potential collaborations on climate-related or carbon-reduction initiatives within the value chain. Although this type of supplier engagement strategy is still in development, we are simultaneously achieving our Science Based Target reduction of 16.5% in absolute scope 3 emissions by 2026 from 2015 levels.

Type of engagement & Details of engagement

Other, please specify (Shared priority assessment of 10 stakeholder groups, including key customers)

% of customers by number

2

% of customer - related Scope 3 emissions as reported in C6.5

8

Please explain the rationale for selecting this group of customers and scope of engagement

Shared priorities are topics that reflect the company's significant environmental, social and economic impacts, and that substantively influence the assessments and decisions of our stakeholders. Resolute applies the Global Reporting Initiative's (GRI) definition and determination methodology for defining its shared priorities. We monitor our shared priorities on a continuous basis through regular interaction with stakeholders and periodic analysis, including stakeholder questionnaires we undertake every two to three years. Our most recent comprehensive assessment was completed in 2022. We administered a questionnaire to 10 stakeholder groups, including our key customers. Our largest customers were selected for the customer group, due to their potential for substantial impact on our operations and revenue. Identifying the needs and priorities of our suppliers and other key stakeholders is intended to improve the understanding of their objectives, expectations and concerns.

Impact of engagement, including measures of success

All topics assessed by our stakeholders are presented in our Shared Priorities Matrix, which illustrates our stakeholders' concerns relative to potential impacts on the company. Our Shared Priorities Matrix can be accessed here: https://www.resolutefp.com/Sustainability/Our_Approach_to_Sustainability/Shared_Priorities/

The shared priority issues identified through this process form the basis of the information Resolute reports publicly, giving stakeholders access to data on what matters to them most. Through our most recent shared priorities assessment, we identified eight high priority material topics, and among them was climate change, which was also identified as an important topic in our customer group.

Our last shared priorities assessments have consistently identified climate change as a high priority material topic by our stakeholders. Paired with our vision to be a model manufacturing company with a climate-adaptable business, our sustainability reporting focuses heavily on climate change and our performance on GHG reduction goals.

With climate change being an important priority at Resolute, we created a new scope 3 webpage in 2022 that highlights the details of our supply chain emissions. We also introduced a new Task Force on Climate-Related Financial Disclosures (TCFD) webpage, wherein we transparently report disclosures according to the recommendations of TCFD's framework. These disclosures provide insight into our climate-related risks and opportunities, and present an overview on our governance and risk management practices.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

In 2022, we launched a commercial plant specializing in the production of cellulose filaments, a new sustainable biomaterial derived from wood fiber, at our Kénogami paper mill in Quebec. The C\$27 million investment represents an opportunity to enter into non-traditional growth markets. Cellulose filaments are a new sustainable biomaterial made from wood fiber and manufactured entirely from renewable sources and will be marketed with the help of Performance BioFilaments Inc. The strength of cellulose filaments can be compared to that of synthetic reinforcement fibers made from non-renewable petroleum inputs. Integrating these fibers into commercial and everyday products results in lighter-weight, more fuel-efficient vehicles, more resilient coatings and higher performance concrete. The difference is that cellulose filaments are entirely renewable and have a lower carbon footprint. Integrating cellulose filaments into our supply chain is a strategy that will expand our clientele base, reduce our downstream greenhouse gas (GHG) emissions and decrease our customers' upstream GHG emissions.

We are also involved in Canada's Clean 50 initiative, through which several members of our team have been recognized for their leadership on climate change as well as the National Council for Air and Stream Improvement, Inc. (NCASI), a scientific association organized to serve the forest products industry as a center of excellence providing unbiased, scientific research and technical information necessary to achieve the industry's environmental and sustainability goals. NCASI's Climate Change Research Program strives to address many of the issues related to forests and climate change, and most of NCASI's reports and work products in the climate change area are available to the public.

Along with NCASI and some 40 Canadian partners, Resolute began making an annual C\$7,000 contribution in 2022 to a five-year, C\$6 million research initiative that combines the expertise of university researchers with the experience of companies, provinces, Indigenous communities and non-government organizations. The team from the University of Quebec in Outaouais, led by Dr. Christian Messier, is field-testing a new approach to forest management that leverages the natural strengths of forest ecosystems to positively shift the public's perception of forestry while improving the resilience and adaptability of our forests. The project is focused on leveraging tree species diversity to improve long-term forest resilience, maximize recovery rates from environmental stressors such as climate change, and optimize the adaptability of forests without affecting harvesting levels. The initiative also aims to foster the social acceptability of this new approach to forest management.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, and we do not plan to introduce climate-related requirements within the next two years

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Enhanced forest regeneration practices

Description of management practice

The regeneration of harvested woodlands is an essential component of sustainable forest management. Resolute relies on various forest management techniques and best practices, including regeneration surveys, site preparation, the planting of seedlings, and aerial and terrestrial seeding – all in combination with natural regeneration. Accordingly, our commitments extend well beyond strict compliance with applicable forestry regulations, which in Quebec and Ontario are already among the most – if not the most – rigorous in the world. Resolute maintains certification for 100% of the forests we manage to at least one of two internationally recognized forest management standards: Sustainable Forestry Initiative® (SFI®) and Forest Stewardship Council® (FSC®). We continue to be one of the largest holders of SFI and FSC forest management certificates in North America. As a certified company, Resolute must take appropriate steps to ensure that it, and the suppliers and woodlot owners it sources from, all abide by several of state, provincial and federal regulations, as well as voluntary best management practices that protect important ecosystem elements, including water quality, habitat for endangered species, and the suitability for recreation.

Your role in the implementation

Financial
Knowledge sharing
Operational

Explanation of how you encourage implementation

Most of the virgin fiber consumed by our operations in Canada is sourced from the forests Resolute manages directly and indirectly on Crown land. For our United States operations, fiber is mostly sourced externally, from numerous small non-industrial private forest landowners. Our own third-party certifications require us to work only with suppliers who are trained in the use of best management practices for timber harvesting and who commit to being accountable for implementing these practices. We work closely with our external suppliers to reaffirm their own commitment toward certification, spending time in person with some of them to better assess their forest management practices and the feasibility of implementing certification. We are continually working with them and industry trade associations to encourage small landowners to certify their properties to forest management standards for small landowners, such as the American Tree Farm System® (ATFS) and the FSC Family Forests Program. We are positioning ourselves to maintain and reinforce our position as a worldwide distributor of wood-based products from sustainable sources.

As part of its certifications, Resolute must take appropriate steps to ensure that it, and the suppliers and woodlot owners it sources from, all abide by a number of state, provincial and federal regulations, as well as voluntary best management practices that protect important ecosystem elements, including water quality, habitat for endangered species, and the suitability for recreation.

Finally, Resolute is donating C\$1 million over five years toward the creation of a prestigious industrial research Chair sponsored by the Natural Sciences and Engineering Research Council of Canada at the University of Quebec in Chicoutimi, focusing on the spruce budworm.

Climate change related benefit

Emissions reductions (mitigation)
Increasing resilience to climate change (adaptation)
Increase carbon sink (mitigation)

Comment

Resolute also discloses to CDP's Forests program – earning a B management score in 2022, and an A- leadership score in 2021. More details on forest management practices are available in that report, available at the following link:
[https://www.resolutefp.com/uploadedFiles/Sustainability/Forestry_and_Fiber_Sourcing\(1\)/Resolute%20CDP%20Report%202022%20Forests.pdf](https://www.resolutefp.com/uploadedFiles/Sustainability/Forestry_and_Fiber_Sourcing(1)/Resolute%20CDP%20Report%202022%20Forests.pdf)

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Yes

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Our sustainability strategy, based on a balanced approach to environmental, social and economic performance, is designed to enhance our competitive position, ensure the responsible management of resources in our care, and generate positive socio-economic impacts. Aligned with the principles of the circular economy, the strategy is supported by public commitments.

As part of our public commitments, we strive to ensure we have a Resolute voice in public policy discussions that impact operations, employees, communities and partners. Our vice president, Corporate Communications, Government Affairs and Sustainability, leads our public affairs program, in addition to chairing our sustainability committee, toward the goal of ensuring our outreach activities are undertaken consistently, transparently and in line with our corporate values.

Our Code of Business Conduct establishes the fundamental ethical values and standards of behavior that we are expected to demonstrate in all our work and business activities. For more information:

https://www.resolutefp.com/uploadedFiles/About_Us/Corporate_Governance/Code_of_Business_Conduct.pdf?v=1

In 2022, the Science Based Targets initiative (SBTi) validated our new greenhouse gas emission reduction goals, which include a 41.5% reduction in absolute scope 1 and 2 emissions by 2026 from a 2015 base year, and a 16.5% reduction in scope 3 emissions within the same timeframe.

As a member of the Forest Products Association of Canada (FPAC), Resolute has also signed on to the "30 by 30" Climate Change Challenge, which commits the Canadian forest products industry to removing 30 megatons of CO2 per year by 2030 – more than 13% of the Canadian government's GHG emission reduction target. In the U.S., as a member of the American Forest and Paper Association (AF&PA), we are working with the association towards its scope 1 and 2 GHG emission intensity reduction of 50% from a 2005 baseline and commitment to establish a goal by 2025 for relevant scope 3 emissions.

We are engaged in the development of Working Forests Initiative, a partnership supported by U.S. companies and trade associations that seeks to promote broad range of benefits generated by working forests, as well as Forestry for the Future, an initiative led by FPAC that highlights how Canadian forestry supports a more sustainable future.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Quebec's cap-and-trade system: SPEDE

Category of policy, law, or regulation that may impact the climate

Carbon pricing, taxes, and subsidies

Focus area of policy, law, or regulation that may impact the climate

Emissions trading schemes

Policy, law, or regulation geographic coverage

Sub-national

Country/area/region the policy, law, or regulation applies to

Other, please specify (Quebec)

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Quebec's cap-and-trade system, also known as Quebec's carbon market or SPEDE, is an innovative economic tool that contributes to reducing greenhouse gas (GHG) emissions by imposing an overall annual cap on GHG emissions on all emitters covered. Using market forces to promote the least expensive way of reducing GHG emissions, the cap-and-trade system provides emitters with flexibility in choosing how they can meet their compliance obligations, which lowers overall mitigation costs.

Resolute's active participation in the development of the system allowed us to influence the mechanisms for credit allowances, and to raise awareness on the importance of recognizing actions taken prior to implementation of the system. We also strongly support that proceeds from carbon pricing be used to promote GHG reduction projects - ie. that revenue generated from the system be reinvested in carbon-cutting initiatives - as is the case in Quebec's carbon market.

Resolute supports the implementation of cap-and-trade systems, that like SPEDE, recognize participants' proactive actions, as well as biomass carbon neutrality. We believe that cap-and-trade systems generate GHG emission reductions by allowing participants to benefit from implementation of cost-effective projects that provide financial impact. Recognizing actions that were taken prior to system implementation is critical to rewarding proactive players for their early efforts. The carbon neutrality of biomass sourced from sustainably managed forests is another critical issue for which Resolute strongly advocates.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

<Not Applicable>

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

<Not Applicable>

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Carbon Pricing and Canada's Federal Clean Fuel Standard

Category of policy, law, or regulation that may impact the climate

Carbon pricing, taxes, and subsidies

Focus area of policy, law, or regulation that may impact the climate

Carbon taxes

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

Canada

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

Resolute supports carbon-pricing policies as a market mechanism that drives competitiveness, creates jobs, encourages innovation and delivers meaningful emission reductions. A market price for carbon is currently included in decision-making at many of our facilities. While we do favor the implementation of cap-and-trade systems over the use of carbon taxes, as cap-and-trade provides greenhouse gas (GHG) emission reductions at the lowest cost while allowing participants to benefit from cost-effective solutions, we recognize carbon pricing's ability to reduce emissions and accelerate innovation. We also strongly support that proceeds from carbon pricing be used to promote GHG emission reduction projects - ie. that revenue generated from the system be reinvested in carbon-cutting initiatives - as is the case in Quebec's carbon market.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

The Clean Fuel Standard (CFS) is a regulation planned under the Environmental Protection Act that requires a reduction of carbon content in domestically used liquid fuels, such as gasoline and diesel, on average, by 12 to 14% between 2022 and 2030. We engage with governments in Canada to bring to light that 78% of our carbon costs are associated with provincial or federal fuel levies. Carbon costs incurred are primarily for heavy machinery in our woodland operations and for transportation of fiber from the forest to our sawmills, and from sawmills to paper & paper mills. The CFS represents an additional financial burden when there are few or no viable solutions to reduce GHG emissions in either of these cases for the time being.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (Forest Products Association of Canada)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

As the Forest Products Association of Canada (FPAC) puts it: Canada's forest products industry punches above its weight when it comes to mitigating climate change. Our forests play a critical role in the global carbon cycle — absorbing tremendous amounts of carbon dioxide (CO2) from the atmosphere and storing it in trees and soil.

Canada's forests represent 347 million hectares of forest land or 9% of the world's forests. These vast expanses are not just globally important ecosystems - they are also an economic driver that helps support many remote and Indigenous communities, while acting as one of the largest sources of employment in the country. The entire world is grappling with the urgent need to address climate change and cut carbon emissions. This will require fresh ideas, bold changes, and extraordinary will.

Through FPAC, Resolute has also signed on to the "30 by 30" Climate Change Challenge, which commits the Canadian forest products industry to removing 30 megatons of CO2 per year by 2030 – more than 13% of the Canadian government's GHG emission reduction target. FPAC also leads Forestry for the Future, an initiative that highlights how Canadian forestry supports a more sustainable future.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

905500

Describe the aim of your organization's funding

At Resolute, our vision is to operate a model manufacturing company with a climate-adaptable business model, built with the strongest values, the highest respect for sustainability and the calling to serve our people and communities. We are delivering on our strong commitment to climate and green energy by reducing greenhouse gas (GHG) emissions and optimizing the use of renewable energy.

As custodians of 9% of the world's forests, Canada's forest sector is serious about its responsibility to maintain this critical global ecosystem. Our stewardship focus works to mitigate climate change, because keeping forests healthy means more greenhouse gases are stored in trees and soils - not the atmosphere.

The Canadian forest products industry has the determination and drive to do its part in achieving the ambitious "30 by 30" Climate Change Challenge. As the voice of that opportunity, FPAC is pledging to remove 30 megatonnes of CO2 a year by 2030 – more than 13% of the Canadian government's emissions reduction target.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (American Forest & Paper Association)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

In the United States, we work with the American Forest and Paper Association (AF&PA). Regional and state government policies are being considered or implemented across the U.S. to reduce greenhouse gas (GHG) emissions. These policies must balance environmental, social and economic concerns to ensure that the U.S. economy and paper and wood products industry remain globally competitive. They should also recognize the industry's unique role and early actions to reduce GHG emissions, including the efficient production and use of large quantities of carbon-neutral biomass energy, sustainable forest management and procurement practices, carbon sequestration, electricity generation and paper recycling.

Between 2005 and 2014, AF&PA members reduced their GHG emissions intensity by 16%, surpassing their Better Practices, Better Planet 2020 goal of a 15% reduction. In 2017, wanting to further improve their performance, members launched a new goal to achieve a 20% reduction of GHG emissions intensity by 2020 from the 2005 baseline. AF&PA members achieved a 23.2% reduction of absolute GHG emissions in 2019 compared to 2005.

Building on this success, AF&PA announced new 2030 reduction targets in 2021, including a scope 1 and 2 GHG emission intensity reduction of 50% from a 2005 baseline and a commitment to establish a goal by 2025 for relevant scope 3 emissions.

AF&PA submitted comments to the SEC on the proposed rule changes for climate reporting, highlighting the following points, among others:

- The SEC should be mindful of the carbon benefits of the U.S. forest-based circular bioeconomy;
- Given the extensive carbon benefits of the bioenergy generated at pulp and paper mills, public companies should be allowed to report biogenic CO2 emissions separately using existing programs;
- Estimating scope 3 emissions is a highly complex and evolving endeavor.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

284977

Describe the aim of your organization's funding

In the U.S., as a member of the American Forest and Paper Association (AF&PA), we are working with the association towards its scope 1 and 2 GHG emission intensity reduction of 50% from a 2005 baseline and commitment to establish a goal by 2025 for relevant scope 3 emissions. Since the election of President Biden, we have seen a shift in federal policymaking from legislative activity to regulating, and there could be multiple major regulations and policies issued in the near future, including carbon pricing. A US\$40/mt carbon price in the U.S. would mean \$40 million in additional costs per year based on our 2022 emissions, not including reporting obligations and changes to positions on the carbon-neutrality of biomass energy, two issues on which the association is highly focused.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

RFP_ESG23 At Resolute_EN_FINAL.pdf
TCFD report.pdf

Page/Section reference

See p. 1-4

Content elements

Governance
Strategy
Emissions figures
Emission targets

Comment

ESG at Resolute is a thorough, high-level synopsis of the company’s sustainability strategy and ESG performance in 2022, including climate-related information.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Page/Section reference

p. 1

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

The disclosures published on Resolute’s website and the associated content index have been prepared in accordance with the GRI Standards sustainability reporting procedures defined by the Global Reporting Initiative (GRI). The index, which is updated every two years, shows where information can be found on this website and in other public documents, including climate-related information.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Other, please specify (Carbon Pricing Leadership Coalition)	In July 2016, Resolute became an inaugural Canadian member of the Carbon Pricing Leadership Coalition (CPLC), a voluntary global partnership that brings together leaders to help address climate change by putting a price on carbon. Resolute supports carbon pricing policies as a market mechanism that drives competitiveness, creates jobs, encourages innovation and delivers meaningful emission reductions. A market price for carbon is currently included in decision-making at our facilities.

C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.2a/C-FB13.2a/C-PF13.2a

(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Management practice reference number

MP1

Overall effect

Positive

Which of the following has been impacted?

Biodiversity

Soil

Water

Yield

Description of impacts

For both our internal and external wood and fiber, 100% is sourced in accordance with Sustainable Forestry Initiative® (SFI®) fiber sourcing requirements, Programme for the Endorsement of Forest Certification (PEFC) chain of custody (CoC) due diligence requirements or the Forest Stewardship Council® (FSC®) Controlled Wood standard, and in some cases a combination of these standards. All of these require 100% of the fiber processed meet minimum due diligence requirements related to risks of illegal logging and other important sustainability issues, including fiber from our suppliers. This enables us to confirm to manufacturers and traders that they have avoided timber and timber products from unacceptable sources, including forests converted to non-forest uses. Depending on the tracking system, additional requirements may apply that relate to high conservation values, conversion of forests to non-forest uses, propagation or use of genetically modified trees, corruption, Indigenous rights and/or workers' rights, and issues related to biodiversity.

As part of its certifications, Resolute must take appropriate steps to ensure that it, and the suppliers and woodlot owners we source from, all abide by a number of state, provincial and federal regulations, as well as voluntary best management practices that protect important ecosystem elements, including water quality, habitat for endangered species, and the suitability for recreation.

For Resolute, responsible environmental stewardship is an ethical obligation and a business imperative, and integral to our overall commitment to sustainability. We recognize that the long-term future of our company and the communities in which we operate depends on responsible management of the natural resources in our care and the performance of our operations. That is why we are deeply committed to managing the forest responsibly for future generations. We recognize and value wood as a renewable, high-quality, reliable and environmentally friendly raw material for our paper, pulp and wood products.

Have any response to these impacts been implemented?

Yes

Description of the response(s)

100% of the lands we own or manage are third-party certified to at least one internationally recognized forest management standard. Protection of biodiversity is an important aspect of these standards and a key component of the 25-year forest management plans that forestry companies must develop in association with government and the public. These plans ensure that specific objectives and monitoring processes are prepared and are in place for all woodlands operations. Annual surveillance audit reports for each of our woodlands operations are available on the certification standards' websites. The audit reports contain detailed information on the biodiversity value of each area and our forest management practices.

In addition to these forest management plans, Resolute has adopted strategies to safeguard biodiversity. They include identification of protected areas, implementation of selected management practices (such as partial or progressive cuts, retention of trees for nesting, buffering around eagle nests and leaving riparian green belts), and natural and planted forest regeneration. We use cutting-edge technologies to plan and conduct forest management activities, including 3D digital imagery and Global Positioning System (GPS) mapping technology, along with sophisticated geographic information system (GIS) applications. These and other tools help us better identify and address environmental and social factors (such as cultural landmarks) in our management plans, accurately lay out boundaries, and sustainably manage the resources in our care.

At our operations in the U.S. and Canada, deliveries of recovered fiber, roundwood and chips are tracked at the operational, regional and corporate levels with sophisticated software systems that convert on-site readings from truck weighing scales into accounts payable information, reports and other internal data uses. These systems are necessary to keep track of the approximately 700 external suppliers and more than \$500 million in annual payments.

In coordination with the provincial governments, Indigenous partners and suppliers, Resolute also seeks to identify critical habitat areas for species of interest, such as the woodland caribou. Our goal is to ensure that our forest management plans protect such areas and minimize disturbance to the populations in question.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	<p>Through March 1, 2023, when Resolute became a privately owned company pursuant to the merger of Resolute with a subsidiary of Domtar Corporation: the chair led the board of directors, which together with its environmental, health, safety and sustainability (EHSS) committee and its human resources and compensation/nominating and governance committee, were responsible for overseeing the company's sustainability plans and strategies as well as the company's ESG performance. The board's audit committee assisted the board of directors in fulfilling its oversight responsibilities, including the committee's primary duties and responsibilities of reviewing senior management's plans to manage Resolute's exposure to risk, including forests-related risks, such as biodiversity. The chair of the board had extensive experience in sustainability and forest products, having previously been CEO of another important forest products company.</p> <p>Our vice president, Forestry and Woodland Operations, assesses and manages forest-related risks and opportunities, which are reported to the president, Wood Products, who reports directly to the president & CEO of the company. The position is also responsible for our Wood and Fiber Sourcing Policy, which applied in conjunction with our 100% chain-of-custody-certified tracking systems, helps manufacturers and traders avoid timber and timber products from unacceptable sources, including forests converted to non-forest uses. The senior director, Forestry, who also reports to the president, Wood Products, monitors our third-party certification systems, including chain of custody (CoC) and forest management certifications. In addition, he reports quarterly to the sustainability committee with respect to the company's forests-related targets.</p> <p>We remain committed to maintaining internationally recognized forest management and CoC certifications at 100% of our woodlands and facilities, such as Sustainable Forestry Initiative® (SFI®), Programme for the Endorsement of Forest Certification (PEFC) and Forest Stewardship Council® (FSC®). In addition, all of our wood and fiber is sourced in accordance with SFI fiber sourcing, PEFC CoC due diligence or the FSC Controlled Wood requirements - and in some cases a combination of these standards.</p>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	<p>Commitment to respect legally designated protected areas</p> <p>Commitment to avoidance of negative impacts on threatened and protected species</p> <p>Commitment to no conversion of High Conservation Value areas</p> <p>Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples</p> <p>Commitment to no trade of CITES listed species</p>	Other, please specify (Sustainable Forestry Initiative (SFI) and Forest Stewardship Council (FSC) forest management and chain of custody certifications)

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

Other, please specify (Sustainable Forest Management planning and legislative requirements and ISO14001, Sustainable Forestry Initiative and Forest Stewardship Council certifications)

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

The vast majority of the forests we manage are in Canada, where principles of sustainable forest management are used to balance environmental, social and economic objectives. Canadian forest products companies operate in a highly regulated environment with active enforcement by federal, provincial and local government partners. In fact, the Canadian boreal forest is one of the world's most highly regulated forests. Furthermore, Canadian forest products companies and consumers benefit from numerous conservation activities such as sound protected-area development and collaborative forest management strategies.

In Canada, as required by provincial laws and regulations, 20- or 25-year forest management plans are updated every five years in collaboration with government and other stakeholders. Public consultation is part of the planning process and critical for the development of collaborative forest management strategies, which ensure that social needs are satisfied and values are protected.

Promoting and protecting forest biodiversity is an important aspect of all internationally recognized forest management certification standards and a key component of the 25-year forest management plans that forestry companies must develop in association with governments and the public. These plans ensure that specific objectives and monitoring processes are in place for all woodlands operations. Foresters use a variety of monitoring methods, including on-the-ground and aerial surveillance — the latter from aircraft with high-precision digital imagery, drones and satellite-based laser technologies.

External forest management audits for the Sustainable Forestry Initiative® (SFI®) and the Forest Stewardship Council® (FSC®) are conducted at each of our woodlands operations on an annual basis. The reports, which are available on the certification standards' websites, contain detailed information on the biodiversity value of the areas we manage, the robustness of our forest practices and corrective action requests.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

Other, please specify (Sustainable Forest Management planning and legislative requirements and ISO14001, Sustainable Forestry Initiative and Forest Stewardship Council certifications)

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

Resolute Forest Products' commitment to producing quality products that meet the criteria of today's environmentally conscious stakeholders begins with responsible fiber sourcing. This includes the sustainable management of forests entrusted to our care, careful tracking of wood fiber sources, and the use of recycled fiber. Forest certification and fiber tracking help to ensure the sustainability of our fiber supply and other forest values, including biodiversity conservation and ecosystem services.

Less than half of one percent of Canada's boreal forest is harvested each year – far less than what is disturbed annually by natural causes such as forest fires, insects and disease, and 100% of the woodlands we harvest are regenerated through natural and tree planting. The regeneration of harvested woodlands is an essential component of responsible and sustainable forest management. We rely on various forest management techniques and best practices, including regeneration surveys, site preparation, planting of seedlings and seeding – all in combination with natural regeneration.

For Resolute, wood is the core supply to manufacture its products. We work on a continual basis internally and with governmental organizations responsible of setting laws and regulation to ensure that Annual Allowable Cuts calculation are done in a sustainable way. This mean not only ensuring that volumes of wood can be maintained indefinitely but also that biodiversity and social components are part of the input variables in the calculation.

The 2022 State of Canada's Forests Report explains that just 0.2% of Canada's forest is harvested each year – almost 33 times less than what is disturbed annually by natural causes such as forest fires, insects and disease. Canada's annual deforestation rate, the permanent removal of forest cover from an area, is a mere 0.01%, resulting from industrial activities other than forestry (such as hydroelectricity), urban development and agriculture, which remains the largest contributor to deforestation in Canada.

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization’s activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify (Protected areas in the boreal forest of the Canadian provinces of Ontario and Quebec)

Country/area

Canada

Name of the biodiversity-sensitive area

Protected areas in the boreal forest of the Canadian provinces of Ontario and Quebec

Proximity

Adjacent

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

All of the woodlands owned or managed by Resolute are located within or near areas that play a role in maintaining and enhancing biodiversity, including areas adjacent to protected areas and areas with significant biodiversity value. These lands are located primarily in Canada and are 98% publicly owned. Canadian forest products companies operate in a highly regulated environment with active enforcement by federal, provincial and local government partners. With the support of the provinces, the Canadian government is committed to conserve 25% of the country’s lands and oceans by 2025, and 30% of each by 2030. Resolute collaborates with the provincial governments in Ontario and Quebec toward achieving these goals.

While the process of completing the protected area network is ongoing, as of 2021, Quebec had permanently protected 17% of the province’s total area (67 million acres or 27.1 million hectares). Nearly 42% of the continuous boreal forest is off-limits to harvest, as it is beyond the northern limit for forestry allocations. Where forestry activities are permitted, an additional 38% of the forest area covered by forest management units (30.4 million acres or 12.3 million hectares) has been excluded for environmental purposes or due to conditions that limit harvest activities. That leaves about 36% of the total continuous boreal forest available for forest management planning (48.9 million acres or 19.8 million hectares). In other words, a total of 64% of Quebec’s continuous boreal forest is inaccessible to the forest products industry.

Ontario has permanently protected over 11% of its total area with 717 parks, conservation areas, reserves and other effective area-based conservation measures (OECM) (28.4 million acres or 11.5 million hectares). Another 12% is set aside within the managed forest. In addition to these protected areas, nearly 40% of the boreal forest is located north of the province’s Area of the Undertaking, which is off-limits to commercial forestry activities. When the provincial government approves timber harvesting operations, it bases its decisions on comprehensive forest management plans that factor in public input, scientific research and economic development.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Scheduling
Physical controls
Operational controls
Restoration

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Operating in the natural resources sector, Resolute has an impact on the natural landscape through its harvesting, site preparation and tree planting operations. We recognize that it is possible to harvest trees carefully while upholding the forest values we all respect, including conservation and biodiversity. Our employees and contractors adhere to the principles of sustainable forest management, which promotes and protects the conservation of forest plants and animals.

In our operating regions in Canada, where 98% is owned publicly, biodiversity is typically monitored by provincial government agencies. Canadian forest products companies operate in one of the most stringent regulatory environments in the world, with active enforcement by the federal, provincial and local authorities.

Resolute has adopted regionally-based strategies to collaborate on the provinces’ respective approaches to sustaining biodiversity, including:

- actively protecting biodiversity and species at risk by identifying and maintaining a proportion of over-mature stands in the forests we manage;
 - participating in research and recovery plans, and fostering forest health, including regeneration after harvest
 - protecting watersheds, water resources, and the fish and wildlife that depend on them;
- and
- partnering in government and private sector research to improve forest management.

Promoting and protecting forest biodiversity is an important aspect of all internationally recognized forest management certification standards and a key component of the 25-year forest management plans that forestry companies must develop in association with governments and the public. These plans ensure that specific objectives and monitoring processes are in place for all woodlands operations. Foresters use a variety of monitoring methods, including on-the-ground and aerial surveillance — the latter from aircraft with high-precision digital imagery, drones and satellite-based laser technologies.

External forest management audits for the Sustainable Forestry Initiative® (SFI®) and the Forest Stewardship Council® (FSC®) are conducted at each of our woodlands operations on an annual basis. The reports, which are available on the certification standards’ websites, contain detailed information on the biodiversity value of the areas we manage, the robustness of our forest practices and corrective action requests.

In addition to forest management plans and audits, Resolute safeguards biodiversity through its collaborations with multiple stakeholders, including identification of protected areas, implementation of selected management practices (such as partial or progressive cuts, retention of trees for nesting, buffering around eagle nests and leaving riparian green belts), and natural and planted forest regeneration. Regeneration after harvesting is a key element of sustainable forest management, and in Canada, 100% of all harvested areas must be regenerated.

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management Education & awareness Law & policy

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	State and benefit indicators Response indicators

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In other regulatory filings	Other, please specify (Sustainable Forestry Initiative 2022 audit report)	The attached Sustainable Forestry Initiative (SFI) audit report presents Resolute's evidence of conformity to SFI's 2022 standard on biodiversity in fiber sourcing on pgs.14 and 15. The report is publicly available at https://www.sfidatabase.org/SPAS-014077-A-00467379-URT-SFI_-_Summary_Audit_Report-ENG_rev1.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

For more information on Resolute's sustainability and performance, please visit www.resolutefp.com/sustainability.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior Vice President, Corporate Affairs and Chief Legal Officer	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Measuring and analyzing our carbon footprint is an essential step toward reducing the environmental impact of Resolute’s operations. We have tracked and reported our carbon footprint since 2006, beginning with scope 1 and 2 greenhouse gas (GHG) emissions, and adding public disclosure of our scope 3 (supply chain) emissions in 2013, which we have updated annually since 2016. Our reporting commitments include disclosing our annual environmental performance to CDP, a globally-recognized, non-profit framework that has long championed environmental disclosure as standard business practice. For detailed information on all three scopes, please consult our CDP Climate Change disclosure.

In 2021, we took two important steps toward further integrating sustainability practices in our supply chain: committing to work with our suppliers and related stakeholders to develop scope 3 GHG emission reduction commitments; and signing on to the Science Based Targets initiative (SBTi). Our science-based target – in addition to encompassing goals for reducing scope 1, 2 and 3 emissions – will apply to all of our operations, as we delivered on our 2021 commitment to integrating our wood products facilities into our emissions reporting.

SBTi validated the targets in June 2022: a commitment to reduce scope 1 and 2 greenhouse gas (GHG) emissions by 41.5% and scope 3 emissions by 16.5% by 2026 from a 2015 base year. We are taking important steps toward further integrating sustainability practices in our supply chain by committing to work with our suppliers and related stakeholders to develop scope 3 GHG emission reduction commitments.

Wood products, as well as books, magazines and other durable pulp and paper products, store the carbon that began in the forest, and the recycling of paper avoids the methane emissions that occur at the landfill. These carbon sinks and avoided emissions can be subtracted from the emissions generated in the life cycle of wood products.

Indeed, wood is one of the most versatile and renewable resources. Not only is it the most sustainable building material, it is energy-efficient and cost-effective. From the flooring right up to your rooftop, Resolute’s wood products are the natural choice for today’s environmentally conscious homeowner.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

	Annual Revenue
Row 1	3793000000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
Lowe’s Companies, Inc.

Scope of emissions
Scope 1

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
<Not Applicable>

Allocation level
Business unit (subsidiary company)

Allocation level detail
Based on scope 1 greenhouse gas emissions intensity at our Canadian wood products facilities.

Emissions in metric tonnes of CO2e
1824

Uncertainty (±%)
25

Major sources of emissions
Biomass (Canada) and natural gas (U.S.)

Verified
No

Allocation method
Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member
77509

Unit for market value or quantity of goods/services supplied
Other, please specify (thousand board feet (MBF))

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Emissions are based on primary data at our Canadian wood products facilities. Emissions are impacted by seasonal variability. There is typically an increase of intensity for the sources of energy we utilize during the winter season, and the intensity decreases in the summer season.

Requesting member

Lowe's Companies, Inc.

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Business unit (subsidiary company)

Allocation level detail

Based on scope 2 greenhouse gas emissions intensity at our Canadian wood products facilities.

Emissions in metric tonnes of CO₂e

58

Uncertainty (±%)

25

Major sources of emissions

Hydroelectricity.

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

77509

Unit for market value or quantity of goods/services supplied

Other, please specify (thousand board feet (MBF))

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Emissions are based on primary data at our wood products facilities. Emissions are impacted by seasonal variability. There is typically an increase of intensity for the sources of energy we utilize during the winter season, and the intensity decreases in the summer season.

Requesting member

News Corp

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Facility

Allocation level detail

Based on scope 1 greenhouse gas emissions intensity at our Clermont (Quebec) newsprint mill.

Emissions in metric tonnes of CO₂e

786

Uncertainty (±%)

15

Major sources of emissions

Bunker C oil. In 2021, our Clermont mill started operating an electrical boiler to replace bunker C usage.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

31773

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Emissions are based on primary data at from our Clermont (Quebec) newsprint mill. Emissions are impacted by seasonal variability. There is typically an increase of intensity for the sources of energy we utilize during the winter season, and the intensity decreases in the summer season.

Requesting member

News Corp

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Facility

Allocation level detail

Based on scope 2 greenhouse gas emissions intensity at our Clermont (Quebec) newsprint mill.

Emissions in metric tonnes of CO₂e

149

Uncertainty (±%)

15

Major sources of emissions

Hydro electricity

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

31733

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Emissions are based on primary data at from our Clermont (Quebec) newsprint mill. Emissions are impacted by seasonal variability. There is typically an increase of intensity for the sources of energy we utilize during the winter season, and the intensity decreases in the summer season.

Requesting member

WestRock Company

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Facility

Allocation level detail

Based on scope 1 greenhouse gas emissions intensity at our Menominee (Michigan) recycled pulp mill

Emissions in metric tonnes of CO₂e

184

Uncertainty (±%)

15

Major sources of emissions

Natural gas

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

737

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Emissions are based on primary data at from our Menominee (Michigan) recycled pulp mill. Emissions are impacted by seasonal variability. There is typically an increase of intensity for the sources of energy we utilize during the winter season, and the intensity decreases in the summer season.

Requesting member

WestRock Company

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Facility

Allocation level detail

Based on scope 2 greenhouse gas emissions intensity at our Menominee (Michigan) recycled pulp mill

Emissions in metric tonnes of CO2e

326

Uncertainty (±%)

15

Major sources of emissions

Natural gas

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

737

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Emissions are based on primary data at from our Menominee (Michigan) recycled pulp mill. Emissions are impacted by seasonal variability. There is typically an increase of intensity for the sources of energy we utilize during the winter season, and the intensity decreases in the summer season.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Our greenhouse gas emissions are published on our corporate website at www.resolute.com/sustainability/Climate_Change_and_Energy/Carbon_Footprint/

A breakdown of our facilities' scope 1 and 2 emissions is published annually in CDP's Climate Change questionnaire, section C7.

Our scope 3 emissions are broken down by mill according to their annual production in metric tons. For more information on our scope 3 footprint, see our section C6 of the questionnaire. Scope 3 emissions are also available on our scope 3 webpage:

https://www.resolute.com/Sustainability/Climate_Change_and_Energy/Scope_3_Emissions/

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Resources specialized in downstream emissions of pulp and paper products: we need a better understanding of the differences between our pulp and paper segments' downstream emissions specifically, beginning with further analysis of our downstream transportation networks, as well as an assessment of customers - and their customers - processing and handling of manufactured goods. In addition to the collaboration of our customers, we require the expertise and support of third parties, such as specialists in these fields.
Customer base is too large and diverse to accurately track emissions to the customer level	Considering the hundreds of customers we have, production at each mill that continuously adapts to the demand, additional resources, programs and monitoring could be required in order to surpass this challenge.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

In 2022, our scope 1, 2 and 3 greenhouse gas (GHG) emission reduction goals for 2026 were validated by the Science Based Targets Initiative (SBTi): a 41.5% reduction in scope 1 and 2 GHG emissions and a 16.5% reduction in scope 3 GHG emissions from a 2015 base year. We are taking important steps toward further integrating sustainability practices in our supply chain by committing to work with our suppliers and related stakeholders to develop scope 3 GHG emission reduction commitments. As part of this initiative, we will need a better understanding of the differences between our pulp and paper segments' downstream emissions, beginning with further analysis of our downstream transportation networks, as well as an assessment of customers - and their customers - processing and handling of manufactured goods. In addition to the collaboration of our customers, we will require the expertise and support of third parties, such as specialists in these fields.

In addition, we set up a strategic working group to tackle climate-focused scenario analysis more broadly. We feel we are positioned favorably in terms of the recommendations of the Task Force on Climate-Related Disclosures (TCFD) thanks to our participation in CDP's Climate Change questionnaire since 2006. TCFD provides the tools to companies like ours to ensure a low-carbon transition is embedded in our long-term strategy, and we plan on leveraging this building block to further develop our capabilities in terms of our customers and our respective carbon footprints.

Different departments within the company are already using qualitative analysis of climate scenarios to inform corporate strategy on transitional and physical risks and opportunities. The first step of the strategic working group is, therefore, to consolidate this information under a clear structure for the company to subsequently facilitate the gap analysis for a more exhaustive exercise. The group is also working on the search for a consultant who can support us in a quantitative analysis of climate-related physical risks for several of our operations, who are firmly committed to ensuring customer satisfaction.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

WestRock Company

Group type of project

New product or service

Type of project

New product or service that reduces customers operational emissions

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

Estimated payback

3-5 years

Details of proposal

In 2022, we launched a commercial plant to produce cellulose filaments, a new sustainable biomaterial derived from wood fiber that can be integrated into commercial and consumer products for many industries, including transportation, construction and energy, increasing the resistance and durability of those products. The strength of cellulose filaments can be compared to that of synthetic reinforcement fibers made from non-renewable petroleum inputs. The difference is that cellulose filaments are entirely renewable, with a lower carbon footprint.

The cellulose filaments will be marketed with the help of Performance BioFilaments Inc., a joint venture established in 2014 by Resolute and Mercer International Inc., dedicated to the development of non-traditional applications for cellulose filaments. The investment in cellulose filaments - a total of C\$27 million - represents an opportunity to enter into non-traditional growth markets. The cellulose filament and Kénogami mill optimization projects will create synergies within our network of operations in Saguenay–Lac-Saint-Jean.

There are opportunities to collaborate with WestRock on identifying specific uses and opportunities for the products we have put to market.

Requesting member

Lowe's Companies, Inc.

Group type of project

Reduce Logistics Emissions

Type of project

Other, please specify (Implementation of a hybrid component in planetary trucks (Electro truck) as well as hybrid multifunctional harvesters)

Emissions targeted

Actions that would reduce our own supply chain emissions (our own scope 3)

Estimated timeframe for carbon reductions to be realized

1-3 years

Estimated lifetime CO2e savings

12500

Estimated payback

3-5 years

Details of proposal

In order to reduce emissions associated with logging and forest transportation, Resolute is currently evaluating the potential use of hybrid planetary trucks (electro trucks) and hybrid multifunctional harvesters for our Quebec woodlands operations. After the evaluation of these possible projects in Quebec, we are planning to conduct the same evaluation for our Ontario woodlands operations.

The potential use of hybrid planetary trucks is in its second phase of evaluation (tests are still planned for 2023). With 55 trucks currently in service for Resolute's woodlands operations in Quebec, electro trucks could result in fuel savings of close to 1.2 million liters of diesel; about 3,500 mt of CO2 equivalents per year.

Another promising project is the potential use of hybrid multifunctional harvesters. We are scheduled to test this type of equipment during the winter of 2024 in our Quebec woodlands operations, in collaboration with the federal government and the Council of the Quebec Forest Industry (CIFQ). We estimate that the use of this equipment in our Quebec woodlands operations could result in fuel savings of close to 3 million liters of diesel each year; about 9,000 mt of CO2 equivalents.

Moreover, Resolute is providing funding to FPInnovations' multi-year project aimed at accelerating the adoption of off-road automated-vehicle (AV) technology. The project, known as truck platooning, uses a convoy of electronically linked trucks, led by an experienced driver with the following truck(s) responding autonomously. This sustainable technology not only addresses the labor shortage in the forest products industry but also promotes GHG emission reductions. FPInnovations recently completed the baseline phase of the truck platooning tests, with further test phases continuing through 2024.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms