

Calhoun (Tennessee) Mill



KEY STATISTICS (AS AT DECEMBER 31, 2020)

Workforce

Number of employees	528
Indirect jobs*	1,716

Annual capacity

356,000	metric tons of pulp and paper
66,000	short tons of premium tissue

Economic impact (M US\$)

Payroll and benefits	\$ 68.0
Total cost of wood and recycled fiber	68.8
Amount spent to purchase energy**	26.2
Amount paid in taxes	2.7
All other operating costs	122.9
TOTAL ***	\$ 288.6

* Research by the Economic Policy Institute indicates that for every 100 jobs in the paper industry, 325 additional jobs are supported in supplier industries and in local communities due to the re-spending of wages.

** Does not take into account the power supply from the on-site cogeneration plant.

*** The total includes salaries and benefits, taxes and fees, and other operating expenses, less electricity sale profits.

Resolute Forest Products' Calhoun mill, established in 1954, is one of the largest pulp, paper and tissue manufacturing facilities in North America as a result of continued expansion and investment. The Calhoun mill currently produces market pulp, towel and tissue products as well as specialty papers. Tissue customers include some of the country's largest retailers. Market pulp produced at the mill is used in consumer products such as printing paper and tissue, and paper manufactured at the mill is used to produce paper bags and advertising material.

Recent Capital Investment

Over the past seven years, Resolute has invested nearly \$500 million in the Calhoun mill to improve efficiency, add capacity, and install a new tissue manufacturing and converting operation.

In 2015, the mill added a large continuous pulp digester, growing its market pulp capacity by 100,000 metric tons, significantly lowering the mill's overall costs and improving product quality. That year, the company also announced its entry into the growing tissue market with the construction of a \$300 million state-of-the-art tissue machine and converting operation, manufacturing retail private label bath tissue. And in 2018, the mill completed a new \$20 million distribution center to complete the total integration of the operation.

Expanding in the Tissue Market

Resolute - through the addition of the tissue operation at Calhoun, and in conjunction with additional tissue manufacturing and converting facilities in Florida and Maryland - is building an integrated and competitive tissue business serving the North American market.

Resolute's Tennessee, Maryland and Florida tissue operations benefit from vertical integration. Tissue products are manufactured from virgin pulp or 100% recycled pulp from the company's internal market pulp network. This allows for control of the production process - from material input to final product - ensuring precise control, cost-competitiveness and consistent quality, while offering the flexibility and customization that customers demand.

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Supporting Sustainability

The Calhoun pulp, paper and tissue mill is committed to sustainability and has undertaken multiple initiatives:

- The Calhoun mill sources wood fiber and maintains chain of custody and controlled wood certificates under the Sustainable Forestry Initiative® (SFI®), Programme for the Endorsement of Forest Certification (PEFC) and Forest Stewardship Council® (FSC®) standards. In 2020, the mill's tissue operation integrated the company's multisite chain of custody certification for Resolute's network of tissue mills.
- As part of company-wide success in reducing absolute direct and indirect greenhouse gas (GHG) emissions by 83% over 2000 levels, the Calhoun pulp, paper and tissue mill has achieved a 82% reduction in scope 1 and 2 GHG emissions.
- 67% of the mill's energy consumption comes from renewable sources, including biomass fuel.
- Recognized as 'Most Energy-Aware Mill' by Tissue World in 2018, the mill was honored for its energy reduction efforts as well as overall sustainability initiatives.
- Named the APEX Environment Steward of the Year by McMinn County Economic Development Authority.
- The mill also took top honors at the Tennessee Valley Authority's (TVA) first-ever carbon reduction awards, receiving the Leadership Circle Award, which acknowledges customers with the lowest carbon emission rates during the year.
- The Calhoun operations are certified to the ISO 14001:2015 Environmental Management Standard and ISO 9001 Quality Management Standard.
- The mill sponsors an employee-driven "Goodfellows" program that provides Christmas baskets, coats and toys for needy individuals in the surrounding area.

CONTACT INFORMATION

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ABOUT US

Resolute Forest Products is a global leader in the forest products industry with a diverse range of products, including market pulp, tissue, wood products, newsprint and specialty papers, which are marketed in close to 70 countries. The company owns or operates some 40 facilities, as well as power generation assets, in the United States and Canada. Resolute has third-party certified 100% of its managed woodlands to internationally recognized sustainable forest management standards.

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