

W0. Introduction

W0.1

(W0.1) Give a general description of 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>

At Resolute, our business and sustainability strategies have been expressly developed to align our efforts in environmental stewardship and social responsibility with our business objectives. This approach reinforces 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.

We provide indispensable products for basic human necessities like shelter, personal care and education, and we contribute to the health and welfare of our society. Leveraging modern practices, we steward renewable, sustainable, fossil-free resources; seek resource maximization and waste minimization through integration and innovation; and play an important role in fighting climate change. Our purpose is to generate long-term value for the company while driving sustainable economic activity in the communities where we operate. Our success supports community economic growth and prosperity, social well-being and advancement, as well as shared environmental benefit.

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.

Resolute's 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.

We strive to go beyond legal and regulatory compliance to mitigate our environmental and social impacts by minimizing our consumption of resources and our generation of waste, air emissions, and water effluent. We support ongoing research on the impact of our business activities on the environment and are continuously seeking methods to improve our performance. Conducting environmental reviews prior to the implementation of new projects along with constant performance monitoring also demonstrates our commitment to responsibly managing the natural resources in our care.

Resolute is committed to managing water efficiently by establishing annual water reduction targets for each of our pulp, paper and tissue mills. As pulp and papermaking is a water-intensive process, we reuse water as much as possible, returning 94% of it to the environment. The remaining 6% is captured in the end product or evaporated during the manufacturing process. All the water we use passes through primary and secondary effluent treatment prior to being returned to the environment, with the exception of cooling water that is entirely contained in piping and returned to the waterway. Data on water discharges is aggregated, analyzed and reported to reputable organizations.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	janvier 1 2022	décembre 31 2022

W0.3

(W0.3) Select the countries/areas in which you operate.

Canada
United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which financial control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Water use in our manufacturing process is tracked, analyzed and disclosed as part of this disclosure for the company's pulp, paper and tissue operations, as well as our hydroelectric dams that power two of our mills (these facilities do not consume water - they use water to produce energy and generate electricity). Excluded are sawmills, wood products facilities, head office, sales offices and woodland operations, as well as human water consumption.	Human water consumption is excluded from our corporate indicator count due to the small proportion of total water use it represents, ie., less than 0.1%. While our wood products facilities, including sawmills, measure, control and work to improve their water management, their water use is insignificant when compared to our pulp, paper and tissue mills (approximately 370,000 cubic meters for all 22 wood products operations; less than 0.3% of our total water withdrawals) and are excluded from this disclosure. Water consumption at head and sales offices - primarily human water consumption - represents a minute fraction of the company's total consumption.

W0.7

(W0.7) 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

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	<p>Direct use: even though water is not a critical ingredient in our final products, it is essential in the manufacturing process of pulp, paper and tissue. Sufficient amounts of good quality freshwater available for use at our mills are critical.</p> <p>Indirect use: the availability of our key materials (wood and chemicals) is not significantly affected by quantity or quality of water; we do not rely on irrigated forests or plantations for our fiber needs. Quantity of water can, in theory, affect the availability of hydro-electric power, but water risks in areas where this form of power is dominant are currently low and forecasted to remain as such through 2050. In 2023, we are nonetheless focusing on water-related physical risks in specific operating regions, including the river basin where our hydro dams are located.</p> <p>Severe prolonged droughts could impact wood availability, but the various risk assessment tools we use do not indicate this as a current or future risk of drought in the regions where we operate. We are, however, increasingly concerned with indirect use as it pertains to our supply and value chain. In 2020, we implemented Guidelines for High-Risk Environmental Contracts, and continually update our procurement practices to better track and report our suppliers' environmental impacts. In 2022, we announced our intention to create an online, one-stop-shop procurement portal for local, regional and global suppliers to highlight supply chain transparency by 2026.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Not important at all	Not important at all	<p>Direct use: all of our mills - except for our Menominee (Michigan) recycled mill, which uses primarily surface water and a small amount of ground water - use exclusively surface water for their operations. Our pulp, paper and tissue operations have all been in place for more than 25 years, with the exception of our Calhoun (Tennessee) and Sanford (Florida) tissue mills. All of our facilities are strategically located close to plentiful supplies of surface water, which negates the need for recycled, brackish, and/or produced water.</p> <p>Indirect use: the availability of our key materials (wood and chemicals) is not significantly affected by quantity or quality of water, including recycled, brackish, and/or produced water. We do not rely on irrigated forests or plantations for our fiber needs. Our value chain, including downstream, does not rely on recycled, brackish, and/or produced water.</p>

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Continuously	Water withdrawal is tracked using water discharge data based on historical averages and calculations using the NCASI Water Consumption Tool. In addition, water intake is measured at the following mills, which represent 61% of our total water withdrawals: Calhoun (Tennessee) Gatineau (Quebec) Hialeah (Florida) Menominee (Michigan) Sanford (Florida) Thunder Bay (Ontario)	We calculated water withdrawal for 100% of the mills included in this disclosure. All mills are equipped with an on-site effluent treatment plant. As effluent regulation is based on water discharge volumes or flows, it is not required that all mills have a meter or flowmeter for water intake. That said, 61% of the water we withdraw is measured at six of our mills via water intake meters. Each mill reports effluent volume on a monthly basis using on-site flow meters. This data is entered into our internal data management systems and sent to the environmental managers at our head office. The data sheets from our management system are then used to calculate, manage and report company-wide environmental performance annually, including our GRI-compliant online sustainability reporting and our disclosures to CDP.
Water withdrawals – volumes by source	100%	Continuously	Water withdrawal is tracked using water discharge data based on historical averages and calculations using the NCASI Water Consumption Tool.	100% of our mills track water process withdrawals by source of water intake, usually one main source for the whole process. Over 99% of water withdrawn in 2022 was surface water.
Entrained water associated with your metals & mining and/or coal sector activities - total volumes [only metals and mining and coal sectors]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Water withdrawals quality	Not relevant	<Not Applicable>	<Not Applicable>	Incoming water quality is not monitored as the water is treated prior to entering into our production system in order to protect boilers, pipes and other equipment.
Water discharges – total volumes	100%	Yearly	Water discharges are calculated using water discharge data based on historical averages and calculations using the NCASI Water Consumption Tool, in combination with internal modeling of annual water consumption.	100% of our mills that treat their water on-site monitor the effluent volume to comply with the regulations in the jurisdictions where they operate.
Water discharges – volumes by destination	100%	Yearly	Water discharges are calculated using water discharge data based on historical averages and calculations using the NCASI Water Consumption Tool, in combination with internal modeling of annual water consumption.	100% of our mills know the destination of their effluent and track the volumes released at discharge points.

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water discharges – volumes by treatment method	100%	Continuously	Water discharges are calculated using water discharge data based on historical averages and calculations using the NCASI Water Consumption Tool, in combination with internal modeling of annual water consumption.	100% of our mills know the destination of their effluent and were responsible for treating their effluent in 2022.
Water discharge quality – by standard effluent parameters	100%	Continuously	All of Resolute's mills track effluent quality parameters in order to confirm compliance with regulations. Other parameters are also tracked to monitor treatment efficiency and quality of water discharges.	All of the water used in our pulp, paper and tissue making process passes through primary and secondary effluent treatment prior to being returned to the environment, with the exception of cooling water that is entirely contained in piping and returned to the waterway. Non-contact cooling water that does not mix with the process effluent may be returned without treatment, but it is monitored and sampled, while effluent quality is reported to regulatory authorities. It is important to our stakeholders, including the people in the communities where we operate, as well as required by government regulations, that we use the necessary technologies to return good quality effluent to surface waters.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	100%	Continuously	All of Resolute's mills track effluent quality parameters in order to confirm compliance with regulations.	Treatment plant performance is carefully tracked, using parameters such as biochemical oxygen demand (BOD5), total suspended solids and phosphorus.
Water discharge quality – temperature	100%	Continuously	Thermostats	100% of Resolute mills monitored effluent temperature in 2022.
Water consumption – total volume	100%	Continuously	Water consumption is measured directly on-site as well as indirectly using data and theoretical calculation tools, such as the NCASI Water Consumption Tool.	All mills equipped with on-site effluent treatment plants. As effluent regulation is based on water discharge volumes or flows, it is not required that all mills have a meter or flowmeter for water intake. Each mill reports effluent volume on a monthly basis using on-site flow meters. This data is entered into our internal data management systems and sent to the environmental coordinators at our head office. The data sheets from our management system are then used to calculate, manage and report company-wide environmental performance annually, including in our GRI-compliant online sustainability reporting and our disclosures to CDP.
Water recycled/reused	100%	Continuously	Recycled water is calculated based on historical averages and calculations using the NCASI Water Consumption Tool, in combination with internal modeling of annual water consumption.	While a significant amount of water is required to make pulp, paper and tissue, our operations return to the environment 94% of the water that is withdrawn, and we also reuse water to maximize efficiency. For instance, water is recycled to generate steam - 100% of our needs in terms of steam are self-generated.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Daily	Standard operating procedures and checklists.	The health and safety of our employees is our number one priority, and as such, 100% of mills provide fully-functioning WASH services for all workers directly on-site with proper control of water quality.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	179235	Lower	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	This quantity applies to all our pulp, paper and tissue mills. Water withdrawals are calculated using water discharge data based on historical averages and calculations using the NCASI Water Consumption Tool. In 2022, we reduced our absolute water withdrawals by 7% compared to 2021, in large part due to reductions in pulp and paper production. Each of our pulp, paper and tissue mills has an annual water reduction target. Incremental mill-specific goals contribute to meeting the company's overall long-term commitments. Our goal is to minimize environmental impacts by striving to go beyond legal and regulatory requirements. Our approach is based on continuous improvement and includes implementing environmental management systems at all of our North American operating facilities.
Total discharges	168840	Lower	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	This quantity applies to all our pulp, paper and tissue mills. Water discharges are calculated using water discharge data based on the NCASI Water Consumption Tool and internal modeling. In 2022, water discharges decreased by 7% compared to 2021, in large part due to reductions in pulp and paper production. Each of our pulp, paper and tissue mills has an annual water reduction target. Incremental mill-specific goals contribute to meeting the company's overall long-term commitments. Our goal is to minimize environmental impacts by striving to go beyond legal and regulatory requirements. Our approach is based on continuous improvement and includes implementing environmental management systems at all of our North American operating facilities.
Total consumption	10395	About the same	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	Water consumption is calculated using water discharge data based on historical averages and calculations using the NCASI Water Consumption Tool. In 2021, our total water consumption was 11,202 megaliters. Our absolute consumption decreased by 7% year over year, while our water withdrawal intensity (absolute consumption/production per metric ton) remained steady.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	Less than 1%	About the same	Increase/decrease in business activity	About the same	Increase/decrease in efficiency	WRI Aqueduct	According to our latest assessment using the WRI Aqueduct tool in July 2023, our Hialeah and Sanford (Florida) tissue mills are located in high-risk water stress areas. All other operations are currently considered low risk. No changes are forecasted over a five-year horizon. However, through 2040, water stressed operating regions may include our Grenada (Mississippi) paper mill and Menominee (Michigan) recycled pulp mill.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	179035	About the same	Increase/decrease in business activity	In 2022, our pulp, paper and tissue mills withdrew 179,035 megaliters of surface water, sourced directly from rivers and lakes adjacent to our facilities. Compared to the previous year, our production levels slightly decreased. This consequently caused a reduction in water use per tonne of production, with a difference of 13,909 megaliters withdrawn compared to 2021 levels. Since pulp and paper making is a water-intensive process, any reduction in production will lead to a reduction in water use. Our water sources are monitored by public authorities and watershed associations. Apart from the risks identified in section 3.3a, none of our water sources are at risk. Water withdrawal is calculated using water discharge data based on historical averages and calculations using the NCASI Water Consumption Tool. Each of our pulp, paper and tissue mills has an annual water reduction target. Incremental mill-specific goals contribute to meeting the company's overall long-term commitments.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We do not use brackish surface water or seawater.
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Our Menominee (Michigan) recycled pulp mill is our only facility that partly uses groundwater for process water. This volume represents about 0.1% of the company's total water withdrawal, approximately 200 megaliters.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We do not use non-renewable groundwater.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We do not use produced or entrained water.
Third party sources	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We do not use water from third-party sources.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	168840	Lower	Increase/decrease in business activity	94% of the water we withdraw is returned to the environment, into the rivers and lakes where we source the water we use. The remaining 6% is captured in the end product or evaporated during the manufacturing process. In 2022, we discharged 168,840 megaliters of water, which was 13,095 megaliters less than 2021 levels. All the water used in our pulp, paper and tissue making processes passes through primary and secondary effluent treatment prior to being returned to the environment, with the exception of cooling water that is entirely contained in piping and returned to the waterway. Treatment plant performance is carefully tracked, using parameters such as biochemical oxygen demand (BOD5). Non-contact cooling water that does not mix with the process effluent may be returned without treatment, but it is monitored, sampled and reported to regulatory authorities, in addition to being contained entirely in piping.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We do not return water to non-renewable groundwater sources.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We do not return water to produced or entrained water sources.
Third-party destinations	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We do not return water to third parties.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	The water we use in our pulp, paper and tissue making processes passes through primary and secondary effluent treatment.
Secondary treatment	Relevant	168840	Lower	Increase/decrease in business activity	100%	All the water used in our pulp, paper and tissue making processes passes through primary and secondary effluent treatment prior to being returned to the environment, with the exception of cooling water that is entirely contained in piping and returned to the waterway. In 2022, we treated and discharged 168,840 megaliters of water, which was 13,095 megaliters less than 2021 levels. Discharge volumes depend on production, and our 2022 production levels decreased compared to 2021. Treatment plant performance is carefully tracked, using parameters such as biochemical oxygen demand (BOD5). Non-contact cooling water that does not mix with the process effluent may be returned without treatment, but it is monitored, sampled and reported to regulatory authorities, in addition to being contained entirely in piping.
Primary treatment only	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	The water we use in our pulp, paper and tissue making processes passes through primary and secondary effluent treatment.
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	All the water used in our pulp, paper and tissue making processes passes through primary and secondary effluent treatment prior to being returned to the environment, with the exception of cooling water that is entirely contained in piping and returned to the waterway. In 2022, we treated and discharged 168,840 megaliters of water, which was 13,095 megaliters less than 2021 levels. Discharge volumes depend on production, and our 2022 production levels decreased compared to 2021. Treatment plant performance is carefully tracked, using parameters such as biochemical oxygen demand (BOD5). Non-contact cooling water that does not mix with the process effluent may be returned without treatment, but it is monitored, sampled and reported to regulatory authorities, in addition to being contained entirely in piping.
Discharge to a third party without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	The water we use in our pulp, paper and tissue making processes passes through primary and secondary effluent treatment. None is discharged to a third party.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	The water we use in our pulp, paper and tissue making processes passes through primary and secondary effluent treatment.

W1.2k

(W1.2k) Provide details of your organization's emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

	Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	List the specific substances included	Please explain
Row 1	191	Nitrates Phosphates	<Not Applicable>	This number represents total phosphorus, which encompasses phosphates. We do not measure phosphates independently from total phosphorus. The same principle applies to nitrates, as we do not measure them individually due to their combination with other nitrogen compounds during the quantification process. Wood contains low quantities of nitrogen compounds and phosphorus, therefore process waters from pulp and paper production contain such emissions. Minimizing the discharge of phosphorus from wastewater also requires effective measuring and removal of suspended solids from the treated wastewater.

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	3793000	179235	21162.1614082071	Resolute is committed to establishing annual water reduction targets for each of our pulp, paper and tissue mills, in addition to deepening its understanding of water-related physical risks in specific operating regions. Combined, we anticipate a positive impact on our water use.

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	Resolute's pulp, paper, tissue and wood products are not classified hazardous by any regulatory authority.

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement	Primary reason for no engagement	Please explain
Suppliers	No	Important but not an immediate business priority	
Other value chain partners (e.g., customers)	Yes	<Not Applicable>	<Not Applicable>

W1.5e

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder

Investors & shareholders

Type of engagement

Innovation & collaboration

Details of engagement

Collaborate with stakeholders on innovations to reduce water impacts in products and services

Rationale for your engagement

Resolute is committed to establishing key strategic partnerships in communities where we operate, a fact well illustrated at our Tundra Greenhouse, which we formed as a partnership in 2014 with the City of Saint-Félicien (Quebec) and local investors.

Impact of the engagement and measures of success

Located on land adjacent to our Saint-Félicien pulp mill, the state-of-the-art greenhouse fulfills 90% of its water requirements through rainwater and snow recovery, while producing approximately 100 million cucumbers annually. It also reuses waste heat from the mill via hot water intake to offset its energy requirements, reducing the facilities' respective carbon footprints.

Type of stakeholder

Customers

Type of engagement

Education / information sharing

Details of engagement

Share information about your products and relevant certification schemes

Rationale for your engagement

Increasingly, customers are asking for assurance that the pulp, paper, tissue and wood products they buy from Resolute originate from responsible sources. All of our manufacturing facilities have fiber-tracking systems that enable the company to follow the flow of wood from its point of origin, through the manufacturing process, to the customer. Our customers' priorities are assessed every two to three years through our stakeholder engagement surveys to better understand the sustainability issues important to them. Since our last assessment, our shared priorities have remained roughly the same. In 2022, water management was the only new high-priority issue to emerge, reflecting a general sustainability trend toward water stewardship. We have reported on this topic for several years, including our 2022 CDP Water Security report and the Water Management section on our website, available at the following link:

https://www.resolutefp.com/Sustainability/Mill_Environmental_Performance/Key_Performance_Indicators/#water_management

Impact of the engagement and measures of success

Resolute is committed to establishing key strategic partnerships in communities where we operate to mitigate water-related risks. We work closely with Malbaie River Salmon Corporation in the Charlevoix region of Quebec on wildlife protection, focusing on spawning salmon in the Malbaie River. We also participate in local and regional non-governmental organizations to collaborate on water management in watersheds where we operate.

In 2023, we have plans in place to deepen understanding of water-related physical risks in specific operating regions. We are also firmly committed to managing water efficiently by establishing annual water reduction targets for each of our pulp, paper and tissue mills.

Resolute believes it is essential to have meaningful engagement and partnerships with a wide range of stakeholders - engagement is at the core of our licence to operate. In addition to engaging in dialogue, we strive to have a positive and meaningful impact in the local and regional communities where we operate, including job creation and positive environmental outcomes.

Type of stakeholder

Other, please specify (Government and local communities)

Type of engagement

Innovation & collaboration

Details of engagement

Engage with stakeholders to advocate for policy or regulatory change

Rationale for your engagement

We draw water from various public rivers – use of government-owned waters are governed by water power agreements; some agreements are contingent on continued operation of related mills and a minimum level of capital spending. Engagement with government, local authorities and watershed stakeholders is fundamental to these agreements. In 2022, we renewed five agreements with the Quebec government for the following dams: Jim-Gray, Adam Cunningham, Murdock-Wilson, Lac Onatchiway and Chute-aux-Galets.

Impact of the engagement and measures of success

Water rights agreements required to operate some of our facilities typically range from 10 to 50 years, providing lasting, positive social and economic impacts in our operating communities. In some cases, the agreements are contingent on the continued operation of the related paper mills and a minimum level of capital spending in the region, contributing to job creation and further economic development. Environmental performance is managed at the facility level, with top-level oversight by the organization guided by our Environmental Policy. Mill environment coordinators are responsible for compliance with local laws and regulations and for facilitating continuous improvement. We seek to minimize our environmental impacts by striving to go beyond minimum legal requirements, such as those in the Ontario Toxics Reduction Act, by focusing on continuous improvement and establishing environmental management systems (EMS) at all our operating facilities. In 2022, 93% of our facilities had ISO 14001-certified EMS in place, and the remaining three facilities not yet certified were scheduled to be by the end of 2023.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment
Row 1	Yes	Enforcement orders or other penalties but none that are considered as significant	We received three notices of violation (NOV) regarding water-related environmental incidents at two of our facilities in the province of Quebec, Canada: Saint-Félicien pulp mill and Saint-Thomas sawmill, the latter of which is outside the scope of this disclosure. The incidents involved non-compliance with toxicity standards, two of which pertain to the same incident, with one received at the provincial level and the other at the federal level.

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified	Please explain
Row 1	Yes, we identify and classify our potential water pollutants	<p>Our manufacturing processes require the use of chemicals to accentuate the brightness of our pulp, to treat our effluent and for pH control. As the use of chemicals relates to both environmental stewardship and worker health and safety, it is a major focus across all of our operations and considered material for both internal and external stakeholders.</p> <p>Chemical suppliers are required to maintain certain health, safety and environmental standards when transporting, delivering and handling chemicals for Resolute. Risk reduction also plays a role in determining which chemicals are selected for use in the manufacturing process, including the optimal chemical state (ie., liquid, gas, or solid) of particularly dangerous or toxic substances.</p> <p>All new chemicals entering a mill undergo assessments to identify any potentially negative effects for employees, risks to health and safety, and potential impacts on the effluent treatment plant. Representatives from Operations and Environment work together to assess the risk of different chemicals. Some chemicals have been banned entirely due to their toxicity, although this is not required by law, while other substances have been chosen specifically to reduce risk and mitigate environmental impacts. In addition, inventories are carefully tracked to quickly identify spills and abnormal consumption. Chemical management is audited as part of our environmental risk and compliance audits, through which each facility is audited every three years.</p>	<Not Applicable>

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category

Phosphates

Description of water pollutant and potential impacts

Pulp, paper and tissue mills produce large volumes of wastewater and residual sludge waste; water used in the manufacturing process absorbs phosphorus, which can cause increased growth of algae and large aquatic plants, which may result in decreased levels of dissolved oxygen— a process called eutrophication. Phosphates are measured in our treatment plants as water passes through primary and secondary effluent treatment.

Value chain stage

Direct operations

Actions and procedures to minimize adverse impacts

Resource recovery

Beyond compliance with regulatory requirements

Industrial and chemical accidents prevention, preparedness, and response

Please explain

100% of the water we withdraw passes through primary and secondary effluent treatment prior to being returned to the environment. As pulp and papermaking is a water-intensive process, we reuse water as much as possible, returning 94% to the environment; the remaining 6% is captured in the end product or evaporated during the manufacturing process. Data on water discharge is aggregated, analyzed and reported to reputable organizations, such as CDP. Treatment plant performance is carefully tracked and disclosed publicly. Our employees have worked collaboratively across all levels of the organization to instill a preventive and proactive approach to environmental management, including developing and implementing environmental risk audits designed to identify potential non-compliances or environmental risks before incidents occur. In the rare event that an environmental incident does occur, our operations and Environment group review all incident investigations and action plans. Our incident management approach includes a comprehensive tracking system to ensure efficient reporting. We set annual targets and report our performance. In 2022, we recorded 14 class 1 and 2 environmental incidents across the company, a 42% reduction over 2015, and we continue to work toward our long-term goal of zero incidents. Ten of these incidents related to water, such as discharges of untreated effluent.

Water pollutant category

Other nutrients and oxygen demanding pollutants

Description of water pollutant and potential impacts

High biological oxygen demand (BOD) is harmful to ecosystems, as fish and other aquatic life may suffocate in oxygen-depleted waters. BOD can also cause odors and discoloration.

Value chain stage

Direct operations

Actions and procedures to minimize adverse impacts

Resource recovery

Beyond compliance with regulatory requirements

Industrial and chemical accidents prevention, preparedness, and response

Please explain

100% of the water we withdraw passes through primary and secondary effluent treatment prior to being returned to the environment. As pulp and papermaking is a water-intensive process, we reuse water as much as possible, returning 94% to the environment; the remaining 6% is captured in the end product or evaporated during the manufacturing process. Data on water discharge is aggregated, analyzed and reported to reputable organizations, such as CDP. Treatment plant performance is carefully tracked and disclosed using parameters such as biochemical oxygen demand (BOD5). Our employees have worked collaboratively across all levels of the organization to instill a preventive and proactive approach to environmental management, including developing and implementing environmental risk audits designed to identify potential non-compliances or environmental risks before incidents occur. In the rare event that an environmental incident does occur, our operations and Environment group review all incident investigations and action plans. Our incident management approach includes a comprehensive tracking system to ensure efficient reporting. We set annual targets and report our performance. In 2022, we recorded 14 class 1 and 2 environmental incidents across the company, a 42% reduction over 2015, and we continue to work toward our long-term goal of zero incidents. Ten of these incidents related to water, including two BOD5 related exceedances.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations
Supply chain

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
Enterprise risk management
International methodologies and standards
Databases

Tools and methods used

WRI Aqueduct
WWF Water Risk Filter
Enterprise Risk Management
ISO 14001 Environmental Management Standard

Contextual issues considered

Water availability at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Water regulatory frameworks
Status of ecosystems and habitats

Stakeholders considered

Customers
Employees
Investors
Local communities
NGOs
Regulators
Suppliers
Water utilities at a local level
Other water users at the basin/catchment level

Comment

Overall responsibility for risks at the mill level resides with our vice president, Environment, Energy and Innovations. A top-down approach is in place for assessing risks, which relate primarily to strategic, operational, reputational and legal/regulatory risks. At each Resolute facility, facility managers and environment coordinators strive to ensure our facilities comply fully with environmental regulations, working with local, regional and national regulatory authorities, as well as water utilities, as applicable. Risk factors are reviewed through our enterprise risk management system process by executive management and disclosure committee, which is composed of senior managers to ensure information released to the public is responsible, accurate and reflects the best image of the company.

In 2022, we conducted a full risk assessment using the WRI Aqueduct Water Risk Atlas to consider water-related risks for our facilities through 2040, updating it in July 2023. With the exception of our Hialeah and Sanford (Florida) tissue mills - deemed low to mid risk - water risks related to our facilities are currently considered low. Through 2040, risk levels escalate for our Menominee recycled pulp mill in Michigan (from low to high), our Florida tissue mills in Hialeah and Sanford (from low/mid to mid/high), and our Grenada newsprint mill in Mississippi (from low to mid/high). Generally speaking, water-related risks are increasing in these operating regions due to rising demand caused by population and industrial growth. We also conducted a risk assessment using the WWF-DEG Water Risk Filter tool in July 2023, and found that our only operating region facing water scarcity issues is the greater Miami area, where our Hialeah mill is located.

In addition, as part of the Global Reporting Initiative (GRI) reporting process, Resolute conducts targeted stakeholder outreach to better understand the sustainability issues of greatest importance to the company. Our latest assessment in 2022 placed water management as a high-priority issue, below forest management, economic performance and employee health, safety and wellness, but ahead of climate change and fiber sourcing.

At the site level, risks and opportunities identified during the development of environmental management systems certified to the ISO 14001:2015 standard are assessed by likelihood of occurrence and gravity of impact, including water-related risks.

W3.3b

(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	<p>Even though water is not a critical ingredient in our final products, it is essential in the manufacturing process of pulp, paper and tissue. Sufficient amounts of good quality freshwater available for use at our mills are critical. At each Resolute facility, facility managers and environment coordinators strive to ensure our facilities comply fully with environmental regulations, working with local, regional and national regulatory authorities, as well as water utilities, as applicable. Based on ISO 14001-certified environmental management systems, they also monitor environmental risks, which are reported to our vice president, Environment, Energy and innovation. Risk factors are reviewed by the disclosure committee and executive management through our enterprise risk management system (ERM) process.</p>	<p>Our pulp, paper and tissue operations have all been in place for more than 25 years, with the exception of our Calhoun (Tennessee) and Sanford (Florida) tissue mills. All of our facilities are strategically located close to plentiful supplies of surface water. Potential changes to water quality and/or effluent limits are considered in financial planning of capital expenditures. As pulp and papermaking is a water-intensive process, we reuse water as much as possible, returning 94% to the environment. The remaining 6% is captured in the end product or evaporated during the manufacturing process. The water we use passes through primary and secondary effluent treatment prior to being returned to the environment. The availability of our key materials (wood and chemicals) is not significantly affected by quantity or quality of water, and we do not rely on irrigated forests or plantations for our fiber needs. Quantity of water can, in theory, affect availability of hydro-electric power, but there is negligible water risk in areas where this form of power is dominant. Severe prolonged droughts could impact wood availability, but the various risk assessment tools we use do not indicate this as a current or future risk of drought in the regions where we operate.</p>	<p>Resolute applies the Global Reporting Initiative’s (GRI) definition and determination methodology for defining its shared priorities. These topics are regularly updated and presented in our Shared Priorities Matrix, which illustrates our stakeholders’ concerns relative to potential impacts on the company. 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. Since our last assessment, our shared priorities remained roughly the same, with the exception of water management, which was the only new high-priority issue to emerge, reflecting a general sustainability trend toward water stewardship. Our most recent assessment, completed in late 2022, targeted ten stakeholder groups: employees and retirees; customers; suppliers; First Nations and other Indigenous groups; investors and the financial community; industry associations and other business partners, such as labor unions; representatives of our operating communities, such as NGOs and local community organizations; government and elected officials; sustainability committee members; and finally, company executive and board members. A representative geographic participation was ensured, as was stakeholder involvement from various Resolute operations, including head office, pulp, paper and tissue mills, woodlands operations and wood products facilities.</p>	<p>At Resolute, environmental performance is managed at the local level with oversight by the organization’s top management. Our vice president, Environment, Energy and Innovation, has overall responsibility for risks and opportunities at the mill level, reporting directly to the president and chief executive officer in addition to sitting on Resolute’s sustainability committee. 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. Risk factors are reviewed by the disclosure committee and executive management through our enterprise risk management system (ERM) process. Commitments and targets are set by the company’s sustainability committee, which reports to the executive team. Resolute’s sustainability performance is driven by its public commitments – a combination of ambitious long-term objectives, annually revised targets and aspirational goals designed to maintain our competitive position, including water management targets. In 2022, the committee set three annual objectives for 2023:</p> <ul style="list-style-type: none"> -Establish annual water consumption targets for each of our pulp, paper and tissue mills; -Report to CDP’s water security questionnaire; and -Deepen its understanding of water-related physical risks in specific operating regions.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) 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 water-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.

As an example, the Quebec government's Bill 20 would create the Fonds bleu, a fund specifically dedicated to water, and to finance it, in part, through royalties from industrial water use. Despite the goal of providing adequate, predictable and sufficient funding for protecting, restoring, developing and managing water resources, the cost of paying these royalties could be substantial for several of our Quebec operations. For industries that draw water, Bill 20 raises rates from \$2.50 to \$35 per million liters, representing a significant impact for a company like Resolute that withdraws more than 136 billion liters annually. We will continue to monitor developments on this front.

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.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	6	1-25	<p>According to the risk assessment we conducted using the WRI Aqueduct Water Risk Atlas in July 2023, using a business as usual scenario, four of our facilities are subject to water-related risks through 2040. For Hialeah and Sanford tissue mills in Florida, risk levels are forecasted to increase slightly through 2040 from low/mid to mid/high risk. However, these facilities use a very small quantity of water compared to our other operations - ie. 0.1% of the company total. In addition, our Grenada (Mississippi) mill's water risk is also projected to increase through 2040, from low to mid/high, while our Menominee (Michigan) recycled pulp mill is located in a region where water availability risks are projected to increase significantly through 2040 (from low to high). Our Menominee mill is also located next to a body of water – the Menominee River – that is predicted to have extremely high-water stress by 2040. Management at these mills is making sustained and continuous efforts in water management, and will develop contingency plans to manage risk over the longer term. Resolute is also committed to managing water efficiently at these facilities by establishing annual water reduction targets.</p> <p>We also generate electricity at our hydroelectric facilities. There can be no certainty that we will be able to maintain the water rights necessary for our hydroelectric power generating facilities, or to renew such rights or power sales contracts on favorable conditions. The closure of certain machines or facilities located in Quebec could trigger the exercise of termination rights by the Quebec government under water rights agreements. The amount of electricity we can generate at our hydroelectric facilities is also subject to the volume of rain or snowfall and is therefore variable from one year to the next. Two of our paper mills, Alma and Kénoagami, are in part powered by these facilities. In 2022, we renewed five agreements with the Quebec government for the following dams: Jim-Gray, Adam Cunningham, Murdock-Wilson, Lac Onatchiway and Chute-aux-Galets.</p>

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Other, please specify (Menominee River)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

We conducted a full risk assessment using the WRI Aqueduct Water Risk Atlas in July 2023 to consider risks through 2040. Our Menominee (Michigan) recycled pulp mill is our only facility located in a region where water availability risks are projected to increase significantly through 2040 (from low to high). It is our only facility in the region, and with 43 facilities overall, represents less than 3% of our total operations. A catastrophic 16-day fire took place on the mill site in October 2022, involving 68 fire departments and destroying a leased warehouse and administrative building. The mill shut down operations for close to six months, only re-opening in March 2023. Management at Menominee has been actively working with local, state and federal authorities since the fire. Making sustained and continuous efforts in water management, while developing contingency plans to manage risk over the longer term, is at the top of the agenda for mill management.

Country/Area & River basin

Mississippi River

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

We conducted a full risk assessment using the WRI Aqueduct Water Risk Atlas in July 2023 to consider risks through 2040. Our Grenada (Mississippi) mill's water risk is projected to increase through 2040, from low to mid/high. It is our only facility in the Mississippi River basin, and with 43 facilities overall, represents less than 3% of our total operations. Management at Grenada is making sustained and continuous efforts in water management, and is developing contingency plans to manage risk over the longer term.

Country/Area & River basin

St. Johns River

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

We conducted a full risk assessment using the WRI Aqueduct Water Risk Atlas in July 2023 to consider risks through 2040. For our Sanford (Florida) tissue mill, risk levels are forecasted to increase slightly through 2040 from low/mid to mid/high risk. However, this facility uses a very small quantity of water compared to our other operations - ie. 0.1% of the company total. Our Sanford mill is located in the St. Johns River basin and is our only facility in the region. Management at Sanford is making sustained and continuous efforts in water management and is developing contingency plans to manage risk over the longer term.

Country/Area & River basin

Other, please specify (Everglades River Basin)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

We conducted a full risk assessment using the WRI Aqueduct Water Risk Atlas in July 2023 to consider risks through 2040. For our Hialeah (Florida) tissue mill, risk levels are forecasted to increase slightly through 2040 from low/mid to mid/high risk. However, this facility uses a very small quantity of water compared to our other operations - ie. 0.1% of the company total. Our Hialeah mill is located in the Everglades River basin and is our only facility in the region. Management at Hialeah is making sustained and continuous efforts in water management and is developing contingency plans to manage risk over the longer term.

Country/Area & River basin

Other, please specify (Mistassini River)

Number of facilities exposed to water risk

2

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

We generate electricity at hydroelectric facilities that power two of our paper mills in Quebec: Alma and Kénogami mills. There can be no certainty that we will be able to maintain the water rights necessary for our hydroelectric power generating facilities, or to renew such rights or power sales contracts on favorable conditions. In 2022, we renewed five agreements with the Quebec government for the following dams: Jim-Gray, Adam Cunningham, Murdock-Wilson, Lac Onatchiway and Chute-aux-Galets.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Saguenay (Riviere)

Type of risk & Primary risk driver

Increased difficulty in obtaining withdrawals/operations permit

Primary potential impact

Increased operating costs

Company-specific description

We generate electricity at hydroelectric facilities that power two of our paper mills in Quebec. There can be no certainty that we will be able to maintain the water rights necessary for our hydroelectric power generating facilities, or to renew such rights or power sales contracts on favorable conditions. The closure of certain machines or facilities located in Quebec could trigger the exercise of termination rights by the Quebec government under water rights agreements. The amount of electricity we can generate at our hydroelectric facilities is also subject to the volume of rain or snowfall and is therefore variable from one year to the next. Two of our paper mills, Alma and Kénogami, are in part powered by these facilities.

In 2022, we renewed five agreements with the Quebec government for the following dams: Jim-Gray, Adam Cunningham, Murdock-Wilson, Lac Onatchiway and Chute-aux-Galets.

Timeframe

More than 6 years

Magnitude of potential impact

Medium

Likelihood

Very unlikely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

24000000

Potential financial impact figure - maximum (currency)

28500000

Explanation of financial impact

We produce electricity at six cogeneration facilities and seven hydroelectric dams. The output is consumed internally or sold under contract to third parties. This allows us to reduce our costs by generating energy internally at a lower cost compared to open market purchases. The output capacity (based on installed capacity and operating expectations in 2022) of these facilities is 220 MW, with 170 MW of capacity obtained via our hydroelectric facilities and available for internal consumption. We estimate that the approximate annualized cost savings to our operations attributable to internal consumption from our cogeneration assets and hydroelectric facilities is between \$32 million and \$37 million. The estimated financial impact noted above (\$24 million to \$28.5 million) is the portion of this related to the hydroelectric facilities specifically.

Primary response to risk

Engage with regulators/policymakers

Description of response

Resolute is committed to building solid relationships with a broad range of stakeholders by maintaining ongoing outreach and developing strategic partnerships through a variety of formal and informal channels, including regulators and policymakers. Our focus is on ensuring we have a Resolute voice in public policy discussions that impact company operations and employees, as well as engaging and supporting our operating communities and partners across North America. In 2022, we renewed five agreements with the Quebec government for the following dams: Jim-Gray, Adam Cunningham, Murdock-Wilson, Lac Onatchiway and Chute-aux-Galets.

Cost of response

10000000

Explanation of cost of response

Engagement with regulators and policymakers is undertaken as part of our public affairs program. In addition to the costs associated with this engagement, our hydroelectric dams incur annual operating costs, on which this approximate figure is based.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	<p>Fiber sourcing represents the most significant hypothetical risk in our value chain. Resolute's Wood and Fiber Sourcing Policy, applied in conjunction with our 100% chain-of-custody certified tracking systems at our facilities that process virgin fiber, ensures our ability to trace all the wood fiber processed at our facilities. We do not rely on irrigated forests or plantations for our fiber needs. Most of the virgin fiber consumed by our operations in Canada is sourced from Resolute's directly and indirectly managed forests, which are 100% certified to internationally recognized forest management standards. For our operations in the United States, much of the fiber is sourced externally, through a supplier network, from numerous small, non-industrial private forest landowners.</p> <p>We use ISO 14001:2015 to consider local and regional supply chain risks as well as the WRI Aqueduct Water Risk Atlas and the WWF-DEG Water Risk Filter to consider water quantity and quality risks in the regions and countries where our products are produced.</p> <p>Severe prolonged droughts could impact wood availability, but the various risk assessment tools used did not indicate drought as a high risk in the regions where we operate. Long term, none of these sourcing regions register as high or extreme risk with respect to water, with the exception of three facilities: our Menominee (Michigan) recycled pulp mill and our Florida tissue mills in Hialeah and Sanford. However, Menominee's supply chain does not rely on virgin fiber, and our Florida tissue mills source most of their fiber through our internal virgin and recycled fiber network, or from Brazil (Eucalyptus), where risks related to water availability are negligible.</p>

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Cost savings

Company-specific description & strategy to realize opportunity

Access to water is crucial for our pulp, paper and tissue operations, which is why our mills are located alongside bodies of water. Steam and electrical power constitute the primary forms of energy used in pulp, paper and tissue production; process steam is produced in boilers using a variety of fuel sources, as well as heat recovery units in mechanical pulp facilities.

All of our operating sites generate 100% of their own steam requirements. In 2022, our Alma, Coosa Pines, Dolbeau, Gatineau, Kénogami, Saint-Félicien and Thunder Bay operations also collectively consumed close to two thirds of their electrical requirements from internal sources, notably through on-site cogeneration and hydroelectric dams. We purchased the balance of our electrical energy needs from third parties. Six of our sites operate cogeneration facilities that generate green energy primarily from renewable biomass.

In addition to providing a reliable water supply, water is the foundation of our hydroelectric generation and transmission network, Hydro-Saguenay in the Saguenay–Lac-Saint-Jean region of Quebec, which provides the company with access to electricity via seven generating stations with 170 MW of capacity.

Including our six cogeneration/thermal power facilities, our network of 13 power generation assets has a total installed capacity of 440 MW.

The water rights agreements required to operate our hydroelectric facilities typically range from 10 to 25 years and, subject to certain conditions, are generally renewable for additional terms. In some cases, the agreements are contingent on the continued operation of the related paper mills and a minimum level of capital spending in the region. For the other facilities, the right to generate hydroelectricity stems from our ownership of the riverbed on which these facilities are located. In 2022, we renewed five agreements with the Quebec government for the following dams: Jim-Gray, Adam Cunningham, Murdock-Wilson, Lac Onatchiway and Chute-aux-Galets.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

32000000

Potential financial impact figure – maximum (currency)

37000000

Explanation of financial impact

We estimate that the approximate annualized cost savings to our operations attributable to internal consumption from our hydroelectric facilities and cogeneration assets is between \$32 million and \$37 million.

Type of opportunity

Resilience

Primary water-related opportunity

Increased resilience to impacts of climate change

Company-specific description & strategy to realize opportunity

Toundra Greenhouse, in which we hold a 49% interest, is a greenhouse in Saint-Félicien (Quebec). By fulfilling 90% of its water requirements through rain water and snow recovery to produce close to 100 million cucumbers annually, Toundra Greenhouse significantly decreases the costs related to producing hydroponically-produced cucumbers. The greenhouse also pulls excess heat from our adjacent Saint-Félicien pulp mill, which generates steam from its water processing. The complex already covers more than two million square feet (17 hectares) and employs 180 workers. When completed, the greenhouse could cover as many as four million square feet (34 hectares) and account for approximately 300 jobs in the Lac-Saint-Jean region.

Estimated timeframe for realization

4 to 6 years

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

86000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

Once all four construction phases are completed, the greenhouse could cover as many as four million square feet (34 hectares), account for approximately 300 jobs, and bring the total investment to \$175 million. With its 49% interest, this represents an \$86 million investment for Resolute.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Menominee

Country/Area & River basin

Other, please specify (Menominee River)

Latitude

45.101833

Longitude

-87.60961

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

3424

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

3274

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

150

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

3218

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

3218

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

206

Comparison of total consumption with previous reporting year

Lower

Please explain

Our Menominee (Michigan) recycled pulp mill underwent a major fire in an adjacent warehouse in October 2022, shutting down the facility through March 2023.

Facility reference number

Facility 2

Facility name (optional)

Grenada

Country/Area & River basin

Mississippi River

Latitude

33.833148

Longitude

-89.816108

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

6896

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

6896

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

6482

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

6482

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

414

Comparison of total consumption with previous reporting year

About the same

Please explain

Production remained consistent with 2021.

Facility reference number

Facility 3

Facility name (optional)

Hialeah

Country/Area & River basin

Other, please specify (Everglades River)

Latitude

25.857914

Longitude

-80.260607

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

264

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

264

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

248

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

248

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

16

Comparison of total consumption with previous reporting year

About the same

Please explain

Production remained consistent with 2021.

Facility reference number

Facility 4

Facility name (optional)

Sanford

Country/Area & River basin

St. Johns River

Latitude

28.803923

Longitude

-81.307791

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

45

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

45

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

3

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

3

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

2

Comparison of total consumption with previous reporting year

Lower

Please explain

Production increased from 17,000 short tons in 2021 to 24,000 short tons in 2022, and efforts to improve water efficiency were successful.

Facility reference number

Facility 5

Facility name (optional)

Hydro-Saguenay

Country/Area & River basin

Saguenay (Riviere)

Latitude

48.42929

Longitude

-71.06546

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

We generate electricity at seven hydroelectric facilities. These facilities do not consume water, rather they use the water through their dams to produce energy and generate electricity. The output is consumed internally or sold under contract to third parties. This allows us to reduce our costs by generating energy internally at a lower cost compared to open market purchases. The output capacity (based on installed capacity and operating expectations in 2022) of these facilities is 170 MW. The amount of electricity we can generate at our hydroelectric facilities is subject to the volume of rain or snowfall and is therefore variable from one year to the next. Two of our paper mills, Alma and Kénogami, are in part powered by these facilities.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

Not verified

Water withdrawals – volume by source

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

Not verified

Water withdrawals – quality by standard water quality parameters

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

Not verified

Water discharges – total volumes

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

Not verified

Water discharges – volume by destination

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Not verified

Water discharges – volume by final treatment level

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Not verified

Water discharges – quality by standard water quality parameters

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Not verified

Water consumption – total volume

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Not verified

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of the scope (including value chain stages) covered by the policy Commitment to prevent, minimize, and control pollution Commitments beyond regulatory compliance Other, please specify (Implementing and maintaining rigorous third-party-certified environmental management system certification and audits; and collaboration with our suppliers to encourage them to reduce their own environmental footprint.)	For Resolute, responsible environmental stewardship is both an ethical obligation and a business imperative. We recognize that the long-term future of our company and the communities where we operate depend on the sustainability of the natural resources in our care and the performance of our operations. Our operations are subject to physical, financial and regulatory risks associated with global, regional, and local weather conditions, and climate change. We use international tools, such as WRI's Water Risk Atlas, to assess that risk, as well as our enterprise risk management process. We rely on various public rivers in order to draw water for the pulp and paper making process, which is water intensive. We also rely on water to generate electricity at our network of seven hydroelectric facilities, which supply energy for pulp and paper production. Resolute's company-wide water policy is a combination of our Environmental Policy and the public sustainability commitments we have made. The Policy is available online and applies to all of our facilities: https://www.resolutefp.com/uploadedFiles/Sustainability/Environmental_Performance(1)/Environmental_Policy.pdf Our company-wide environmental commitments, including our annual and long-term water-related targets, are available on our Public Commitments page: https://www.resolutefp.com/Sustainability/Our_Approach_to_Sustainability/Public_Commitments/ In 2021, we integrated the United Nation's Sustainable Development Goals (SDG) into our sustainability reporting. Resolute is focused on leveraging its sustainability performance to support the achievement of these goals and the relevant SDG targets. Two of our GRI-based reporting metrics align with SDG target 6.4: by 2030, substantially increase water-use efficiency across all sectors; and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity. We will monitor our progress regularly in this respect, updating our performance in conjunction with our annual sustainability reporting.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-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 environmental, social and governance (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 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. A portion of the STIP is based on our Occupational Safety and Health Administration incident rate, the company's greenhouse gas emission reductions (beginning in 2022), and the number of environmental incidents we report relative to our annual targets. Environmental incidents include class 1 and 2 incidents, the scope of which spans incidents related to water, such as spills, gas or liquid release, and fish or wildlife kill.</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 the policies, management systems and performance of Resolute relating to environmental, occupational health, safety, and sustainability matters.</p> <p>The EHSS committee provided overall guidance on our sustainability strategy and performance by reviewing established key performance indicators (KPIs), 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 water reduction targets for each of our pulp, paper and tissue mills. 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 water 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 fiber and water management.</p>
Chief Executive Officer (CEO)	<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 president & CEO was a member of the board of directors and led the executive team.</p> <p>Resolute's executive team was responsible for our business and sustainability strategies, which were reviewed by the board of directors. The overall responsibility for our performance resided with our president & chief executive officer, who sat on the board as a member, with oversight from the board of directors' environmental, health, safety and sustainability (EHSS) committee and full board.</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 reviewed quarterly by senior management who considers each issue for inclusion in Resolute's financial reporting. Risks identified by management (including the president & CEO and executive team) are also raised. Our vice president, Environment, Energy and Innovation, who has overall responsibility for environmental risks and opportunities at the mill level, reports to the president & CEO, including tracking and reporting water-related KPIs and targets. In 2022, all pulp, paper and tissue mills established targets for water consumption and intensity.</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 water-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, water-related risks and related mitigation actions were reviewed by the committee. 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>

W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions, mergers, and divestitures Overseeing major capital expenditures Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation/R&D priorities Setting performance objectives	<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. 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: accountability, caring and trust. These values 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>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. Environmental incidents include class 1 and 2 incidents, the scope of which spans incidents related to water, such as spills, gas or liquid release, and fish or wildlife kill.</p>

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-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 water-related issues.</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>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Executive Officer (CEO)

Water-related responsibilities of this position

Managing water-related risks and opportunities
Integrating water-related issues into business strategy

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The overall responsibility for our sustainability performance, which includes water-related issues deemed high priority by our stakeholders, resides with our president & CEO. The president & CEO also leads the company's business strategy.

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. In addition, through our enterprise risk management process, senior management considers risks for inclusion in Resolute's annual financial reporting, which are subject to approval and signoff from the CFO and president & CEO.

The vice president, Environment, Energy and Innovation reports progress on water-use reduction goals to the president & CEO on a monthly basis, and reported quarterly to the board's environmental, health, safety and sustainability committee until March 1, 2023.

Name of the position(s) and/or committee(s)

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

Water-related responsibilities of this position

Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

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 water-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 water-use reduction goals is reported by the vice-president to the president & CEO as part of this governance structure.

The vice president, Environment, Energy and Innovation is also a member of Resolute's sustainability committee, and chairs Resolute's carbon committee.

Name of the position(s) and/or committee(s)

Sustainability committee

Water-related responsibilities of this position

Setting water-related corporate targets
Monitoring progress against water-related corporate targets

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

While overall responsibility for our sustainability performance resides with our president & CEO, we rely on our sustainability committee to support the delivery of our key commitments and implement related plans. It is accountable to the executive team and chaired by the vice president, Corporate Communications, Sustainability and Government Affairs. It met four times in 2022.

The sustainability committee is a cross-functional group of senior managers whose mandate is to recommend strategies, set goals and measure results, oversee reporting, ensure continuous improvement, and assess stakeholder expectations. In 2022, with final approval from the executive team, the committee established annual water reduction targets for each of our pulp, paper and tissue mills, in addition to overseeing disclosures to CDP's Water Security program.

Name of the position(s) and/or committee(s)

Facilities manager

Water-related responsibilities of this position

Monitoring progress against water-related corporate targets
Managing public policy engagement that may impact water security

Frequency of reporting to the board on water-related issues

As important matters arise

Please explain

Resolute remains committed to managing water efficiently by continuing to establish annual water reduction targets for each of our pulp, paper and tissue mills. We rely on our general managers supported by site environmental coordinators to deliver on our key commitments and implement plans relating to our water targets. Environment coordinators work to ensure operations comply fully with environmental regulations, such as those related to water intake and effluent discharges, in addition to managing public policy engagement that may impact water security. General managers propose annual water targets for corporate approval, and once in place, work with site environmental coordinators to track, review and report on progress.

Name of the position(s) and/or committee(s)

Environment/Sustainability manager

Water-related responsibilities of this position

Assessing future trends in water demand
Conducting water-related scenario analysis

Frequency of reporting to the board on water-related issues

Annually

Please explain

Our director, Sustainability and Public Affairs, who reports to the vice president, Corporate Communications, Sustainability and Government Affairs, as well as the sustainability committee, monitors and assesses future water trends, including assessments using the WRI Aqueduct tool. The findings of these assessments are shared with relevant facility managers and reported in the company's sustainability reporting, including Resolute's corporate website and its CDP Water Security questionnaire. The

director, Sustainability and Public Affairs, who oversees all annual sustainability reporting, also ensures water-related targets and performance are disclosed in accordance with the Global Reporting Initiative Standards.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	As part of Resolute's short term incentive plan (STIP), bonus payouts for all eligible employees are calculated using economic key performance indicators, 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 2022 STIP was based on our Occupational Safety and Health Administration incident rate, the company's greenhouse gas emission reductions (beginning in 2022), and the number of environmental incidents we report relative to our annual targets. Environmental incidents include class 1 and 2 incidents, the scope of which spans incidents related to water, such as spills, gas or liquid release, and fish or wildlife kill.

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO) Other C-suite Officer (Chief Legal Officer) Other, please specify (All salaried employees)	Other, please specify (Reduction in environmental incidents, which may be water related)	As part of Resolute's short term incentive plan (STIP), bonus payouts for all eligible employees are calculated using economic key performance indicators, 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 2022 STIP was based on our Occupational Safety and Health Administration incident rate, the company's greenhouse gas emission reductions (beginning in 2022), and the number of environmental incidents we report relative to our annual targets. The STIP incentivizes facility managers, environmental coordinators and mill employees to reduce water-related environmental incidents.	Environmental incidents include class 1 and 2 incidents, the scope of which spans incidents related to water, such as spills, gas or liquid release, and fish or wildlife kill.
Non-monetary reward	Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO) Other C-suite Officer (President, Wood Products; Chief Legal Officer; Chief Information Officer; Senior Vice President, Human Resources; Senior Vice President, Sales) Other, please specify (All employees who demonstrate a deserving performance)	Implementation of employee awareness campaign or training program on water-related issues Implementation of water-related community project Supply chain engagement	In recognition of our industry-leading sustainability performance, Resolute won 37 regional, North American and global awards and distinctions in 2022 alone. 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 and the hard work and dedication of our employees. In 2022, several individual Resolute employees were recognized for their ongoing commitment to the forest products industry. Tom Ratz, manager, Forestry, and Christa Campbell, coordinator, Forestry, at our Ontario woodlands, received the Outstanding Member of the Year and a Rising Star award, respectively, from the Forest Products Association of Canada. Both employees are involved in forest management planning that involves land management of expansive forest areas that include ecosystems centered around watersheds with abundant lakes, rivers and marshland. Ensuring the vitality of these ecosystem services, the waterways in particular, is a fundamental component of forest management planning. In 2022, Ratz and Campbell worked on forest management plans in the Black Spruce, Caribou, Dog-River Matawin and English River forests of Ontario.	Facilities and employees may focus on water-related projects in the future that could merit special recognition.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

We partner with industry and business organizations to share perspectives on policies and issues that affect our industry, our business and the communities where we operate. These partnerships address a number of areas of mutual interest, including wood fiber supply, environmental regulations and carbon emissions management, transportation standards, third-party certification of our products, and the economic impact of our operations on all levels.

The vice president, Environment, Energy and Innovation has the responsibility to represent the company with several trade associations and scientific institutions on water issues, including FPInnovations, American Forest & Paper Association (AF&PA), Forest Products Association of Canada (FPAC), Ontario Forest Industries Association (OFIA), National Council for Air and Stream Improvement (NCASI), and Québec Forest Industry Council (QFIC).

Given the direct responsibilities and extended involvement in these organizations, the vice president plays a key role in influencing the business strategy; ensuring Resolute properly and consistently represents our water policies, procedures and commitments; and reporting any inconsistencies to the executive team. Any risks that are identified by management are raised at quarterly meetings and considered for inclusion in Resolute's annual reporting.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	21-30	<p>At Resolute, our business and sustainability strategies have been expressly developed to align our efforts in environmental stewardship and social responsibility with our business objectives. This approach reinforces 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.</p> <p>Our corporate strategy 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.</p> <p>As part of the Global Reporting Initiative (GRI) reporting process, Resolute conducts targeted stakeholder outreach to better understand the sustainability issues of most importance to our stakeholders, and how stakeholders perceive the way we manage these issues. We updated our stakeholders' priorities in 2022, a process that confirmed water management is a high priority concern for our stakeholders. We have placed a greater emphasis on watershed management and water quality to align with greater public interest in these issues, and for 2023, we have set a target to deepen understanding of water-related physical risks in specific operating regions.</p>
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	21-30	<p>Building a strong reputation as a leader in sustainability and positioning the company as an environmental supplier of choice is fundamental to our ongoing approach. We strive to go beyond legal and regulatory compliance to mitigate environmental and social impacts. We do so by minimizing our consumption of resources and our generation of waste, air emissions and water effluent. An increased emphasis is placed on effluent flow reduction and effluent discharge limits. This approach has made us a more efficient company, a better employer, a stronger partner for our customers, and an engaged member of the communities in which we live and work.</p> <p>We monitor our performance closely, targeting continuous improvement across key performance indicators, and we conduct regular environmental risk audits as part of our proactive, preventative approach to environmental management. In addition to the public disclosures we provide through the CDP Water Security questionnaire, water consumption, discharge and emissions are disclosed publicly and annually on our corporate website according to the Global Reporting Initiative (GRI) reporting process.</p> <p>In 2023, we are working to deepen our understanding of water-related physical risks in specific operating regions, including hydroelectric power dams in the Saguenay-Lac-Saint-Jean region of Quebec. The \$150,000 initiative is part of our larger investment in completing climate scenarios related to our most important manufacturing inputs.</p>
Financial planning	Yes, water-related issues are integrated	21-30	<p>Our pulp, paper and tissue operations have all been in place for more than 25 years, with the exception of our Calhoun (Tennessee) and Sanford (Florida) tissue mills. All of our facilities are strategically located close to plentiful supplies of surface water. However, potential changes to water quality and/or effluent limits are considered in financial planning of capital expenditures.</p> <p>Our Menominee (Michigan) recycled pulp mill, as well as our Grenada (Mississippi) newsprint mill and Florida tissue mills are our only operations where the WRI Aqueduct tool predicts an increase in future water stress by 2040. However, that increase is projected to be high risk in only one of those operating basins: Menominee. We will continue to monitor these trends on an ongoing basis, managing our assets and planning capital investments in water management accordingly.</p> <p>More than \$1.3 M has been earmarked for our pulp, paper and tissue mills in 2023 to improve water-related infrastructure. In addition, once we have deepened our understanding of water-related physical risks in specific operating regions through a \$150,000 assessment in 2023, including an analysis of our hydroelectric power dams in the Saguenay-Lac-Saint-Jean region of Quebec, a larger investment in completing climate scenarios related to our most important manufacturing inputs is designed to identify specific areas in which additional funds should be allocated.</p>

W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

-93

Anticipated forward trend for CAPEX (+/- % change)

1256

Water-related OPEX (+/- % change)

Anticipated forward trend for OPEX (+/- % change)

Please explain

Our 2022 cap/ex was well below the annual trend - in 2021, we invested seven times the amount spent in 2022 (\$108K). In 2023, ten times that amount has been earmarked for our pulp and paper mills (\$1.357 M).

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	<p>Strategic climate change, forest and water-related issues are discussed and reviewed on a regular basis at the corporate level. All capital projects considered require an evaluation of climate change impact, and water assessments are performed annually for pulp, paper and tissue mills.</p> <p>As part of these 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 risk assessments using the WRI Aqueduct Water Risk Atlas as well as the WWF-DEG Water Risk Filter to consider water quantity and quality risks in the regions and countries where our products are produced.</p> <p>In addition, in 2023, we are committed to deepening our understanding of water-related physical risks in specific operating regions, including the impact on our hydroelectric power dams in the Saguenay-Lac-Saint-Jean region of Quebec.</p>

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization’s business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related Other, please specify (Forest management planning)	<p>We focus our water-related scenario analysis on all of our pulp, paper and tissue mills and their water basins through 2040, focusing on water supply, access and stress. We undertake these risk assessments using the WRI Aqueduct Water Risk Atlas as well as the WWF-DEG Water Risk Filter to consider water quantity and quality risks using a business-as-usual scenario that is compared to the current water conditions under which our facilities operate.</p> <p>Resolute also performs scenario analysis through forest management planning. 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 (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</p> <p>As part of a larger investment to complete climate scenarios related to our most important manufacturing inputs, we are currently working to deepen our understanding of water-related physical risks in specific operating regions, including hydroelectric power dams in the Saguenay-Lac-Saint-Jean region of Quebec.</p>	<p>Increased global temperatures will raise surface water temperatures. Our pulp, paper and tissue mills have all been in place for more than 25 years, with the exception of our Calhoun (Tennessee) and Sanford (Florida) tissue mills. Mills 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. Use of government-owned waters are governed by waterpower agreements; some agreements are contingent on continued operation of related mills and a minimum level of capital spending.</p> <p>Changes in precipitation extremes and long-term droughts make forests more susceptible to forest fires, especially in Canada, where access can be difficult and forest fires can go undetected due to low population density in forested areas.</p> <p>Risk related to the availability of our key raw materials (wood and chemicals) may increase as climate change takes its toll, but access to these remains stable for now.</p> <p>We generate electricity at hydroelectric facilities – the water rights necessary for hydroelectric power generating facilities are subject to change.</p> <p>Environmental and health & safety regulations governing water usage, wastewater discharges and wastewater treatment systems are also subject to change.</p>	<p>One of Resolute’s greatest opportunities to use resources efficiently is reducing the amount of water and fiber we lose through the pulp, paper and tissue making process. This also means minimizing the cost of effluent treatment and reducing the amount of waste sent to landfill. To drive efficiency, each of our mills has a reduction target for their fiber and water losses, while senior management focuses on mill progress towards achievement of fiber efficiency on a monthly basis. In 2022, we surpassed our company-wide target to record fiber losses of no more than 39 kg per metric ton of production by recording a rate of 35 kg/mt.</p> <p>We are also actively engaged with public authorities on water-related issues and continue to build strategic partnerships in this regard. In 2022, we renewed five agreements with the Quebec government for the use of hydroelectric dams.</p> <p>A thorough water risk assessment has been performed for all of our mills with the goal of developing sustainable water management plans for each of our operations. As pulp and paper making is a water-intensive process, we reuse water as much as possible, returning 94% to the environment. The remaining 6% is captured in the end product or evaporated during the manufacturing process. We also reuse process steam as much as possible, repurposing it for energy recovery at five of our pulp and paper mills that have cogeneration facilities, producing 145 MW of power capacity between them.</p>

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

We monitor legislative and regulatory developments to ensure we are well positioned with respect to financial risks related to water (see section W4). In Quebec, for example, the provincial government introduced Bill 20 on April 6, 2023, the goal of which is to create a fund specifically dedicated to water, and to finance it, in part, through royalties from industrial water use. With the goal of providing adequate, predictable and sufficient funding for protecting, restoring, developing and managing water resources, the cost of paying these royalties could be potentially significant for several of our Quebec operations. We will continue to monitor the proposed legislation, in particular, the cost per cubic meter of water used. We anticipate implementing an internal price on water over the next two years at our Quebec mills.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	<p>The World Resources Institute defines at least three types of water-related risks: physical, regulatory and reputational. While we declare regulatory risks in section 4 of this disclosure, we consider the products we manufacture to be low risk.</p> <p>Physical: our products do not impact access or availability of water in our operating regions.</p> <p>Regulatory: the water rights agreements required to operate our hydroelectric facilities typically range from 10 to 25 years and, subject to certain conditions, are generally renewable for additional terms. We are not faced with, or expect to face, the suspension or withdrawal of our water permits, although there can be no certainty that we will be able to maintain the water rights necessary for our hydroelectric power generating facilities, or to renew such rights or power sales contracts on favorable conditions.</p> <p>Reputational: none at this time.</p> <p>For more information on our procedures for identifying and assessing water-related risks, see section 3.3 of this disclosure.</p>	<Not Applicable>	<p>Water is not a critical ingredient in our final products, and while it is essential in the manufacturing process of pulp, paper and tissue, 94% of the water we withdraw is returned to the environment. The remaining 6% is captured in the end product or evaporated during the manufacturing process. All the water we use passes through primary and secondary effluent treatment prior to being returned to the environment, with the exception of cooling water that is entirely contained in piping and returned to the waterway.</p> <p>The availability of our key materials (wood and chemicals) is not significantly affected by quantity or quality of water. We do not rely on irrigated forests or plantations for our fiber needs. Severe prolonged droughts could impact wood availability, but the various risk assessment tools we use do not indicate this as a current or future risk of drought in the regions where we operate.</p>

W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	No, and we do not plan to within the next two years	Treatment plant performance is carefully tracked, using parameters such as biochemical oxygen demand (BOD5). Non-contact cooling water that does not mix with the process effluent may be returned without treatment, but it is monitored, sampled and reported to regulatory authorities.
Water withdrawals	Yes	<Not Applicable>
Water, Sanitation, and Hygiene (WASH) services	No, and we do not plan to within the next two years	The health and safety of our employees is our number one priority, and as such, 100% of mills provide fully-functioning WASH services for all workers directly on-site with proper control of water quality.
Other	Yes	<Not Applicable>

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Target coverage

Site/facility

Quantitative metric

Reduction of water withdrawals from surface water

Year target was set

2022

Base year

2021

Base year figure

193136000

Target year

2022

Target year figure

187342000

Reporting year figure

179235372

% of target achieved relative to base year

239.914187090093

Target status in reporting year

Achieved

Please explain

We are committed to setting mill specific reduction targets on an annual basis and reporting on our company-wide environmental performance, however, reduction targets are on a mill-by-mill basis and aggregated. In 2021, Resolute's company-wide water withdrawals decreased by 3%, in part, due to the temporary idling of our Amos and Baie-Comeau (Quebec) newsprint mills, as well as decreased production. Our 2022 targets were set accordingly, and our overall withdrawals decreased by 7% year-over-year in 2022.

Target reference number

Target 2

Category of target

Product water intensity

Target coverage

Company-wide (direct operations only)

Quantitative metric

Reduction per unit of production

Year target was set

2022

Base year

2021

Base year figure

4.17

Target year

2022

Target year figure

4.09

Reporting year figure

3.98

% of target achieved relative to base year

237.5

Target status in reporting year

Achieved

Please explain

We are committed to setting mill specific reduction targets on an annual basis and reporting on our company-wide environmental performance, however, intensity targets are on a mill-by-mill basis and aggregated. In 2021, company-wide water withdrawal intensity increased by 2%, as a result of water withdrawals decreasing at a rate lower than production. Our 2022 targets were set accordingly, and our overall withdrawal intensity decreased by less than 1% year-over-year in 2022.

Target reference number

Target 3

Category of target

Other, please specify (Environmental incidents)

Target coverage

Company-wide (direct operations only)

Quantitative metric

Other, please specify (Number of incidents)

Year target was set

2022

Base year

2021

Base year figure

12

Target year

2021

Target year figure

12

Reporting year figure

14

% of target achieved relative to base year

<Calculated field>

Target status in reporting year

Revised

Please explain

In 2022, our target was to record 12 or fewer environmental incidents, and we recorded 14 environmental incidents across the company. Our environmental incident target spans class 1 and 2 incidents, including incidents related to water, such as spills, gas or liquid release, and fish or wildlife kill. Of the incidents recorded in 2022, 10 were water related.

Target reference number

Target 4

Category of target

Other, please specify (Environmental Management System Certification)

Target coverage

Company-wide (direct operations only)

Quantitative metric

Other, please specify (Number of certified operations)

Year target was set

2021

Base year

2020

Base year figure

0

Target year

2023

Target year figure

4

Reporting year figure

2

% of target achieved relative to base year

50

Target status in reporting year

Underway

Please explain

All of our operations are now certified to the ISO 14001:2015 EMS standard, with the exception of our Hagerstown (Maryland) tissue converting facility and Glenwood (Arkansas) sawmill, both of which were acquired in 2020. We are in the process of implementing EMS at these facilities, with the goal of completing certification in 2023.

In 2019, we also completed the transition to the new ISO 14001:2015 environmental management system certification at our certified operations, working to comply with the increasingly stringent and far-reaching requirements of the standard.

Target reference number

Target 5

Category of target

Product water intensity

Target coverage

Company-wide (direct operations only)

Quantitative metric

Reduction per unit of production

Year target was set

2021

Base year

2020

Base year figure

4.2

Target year

2030

Target year figure

3.5

Reporting year figure

3.98

% of target achieved relative to base year

31.4285714285714

Target status in reporting year

Underway

Please explain

In 2021, we committed to integrating the United Nation's Sustainable Development Goals (SDG) into our sustainability reporting strategy. As part of this commitment, we identified SDG target 6.4 for integration into our reporting strategy: by 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity. Resolute's commitment to managing water efficiently by establishing annual water reduction targets for each of our pulp, paper and tissue mills falls under the scope of this target.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we do not currently verify any other water information reported in our CDP disclosure

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Not mapped – and we do not plan to within the next two years	<Not Applicable>	<p>Resolute produces a diverse range of wood, pulp, tissue and paper products, providing indispensable products for basic human necessities like shelter, personal care and education. Leveraging modern practices, we steward renewable, sustainable, fossil-free resources made from wood; seek resource maximization and waste minimization through integration and innovation; and play an important role in fighting climate change. The life cycle of our products are mapped at the bottom of the following pages: https://www.resolutefp.com/Sustainability/Climate_Change_and_Energy/Carbon_Footprint/ https://www.resolutefp.com/Sustainability/Forestry_and_Fiber_Sourcing/</p> <p>Although our primary products are derived from wood, we do use plastics in packaging for many of our products. For instance, pulp bales are tied with plastic straps, and lumber is packaged in plastic tarps. While we have not mapped out where in our value chain plastics are used and/or produced, our facilities track plastic use, and three of them set annual reduction targets related to plastic consumption.</p>

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Value chain stage	Please explain
Row 1	Not assessed – and we do not plan to within the next two years	<Not Applicable>	<p>In addition to optimizing fiber use, Resolute's environmental initiatives are focused on our most important impacts, as determined according to the GRI Standards:</p> <ul style="list-style-type: none"> -curb water and energy use -improve effluent quality -reduce air emissions -reduce mill organic waste sent to landfills by optimizing beneficial use alternatives -reduce environmental incidents <p>Resolute reports its sustainability performance in accordance with Global Reporting Initiative Standards. Detailed descriptions of the scope of our climate, water and waste management reporting and data measurement techniques are available on our webpage at https://www.resolutefp.com/Sustainability/Mill_Environmental_Performance/Key_Performance_Indicators/.</p> <p>Our operations strive to continuously improve environmental performance in key areas. The potential environmental and human health impacts of plastics use is assessed on a facility by facility basis.</p>

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Value chain stage	Type of risk	Please explain
Row 1	No, risks assessed, and none considered as substantive	<Not Applicable>	<Not Applicable>	Resolute has in place a top-down approach for assessing risks and opportunities, which relate primarily to strategic, operational, reputational and legal/regulatory risks through our enterprise risk management system process, which allows us to address risk factors identified by the disclosure committee and executive management. There are no plastics-related risks with the potential to have a substantive financial or strategic impact on our business among the risks we have identified.

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	Yes	Plastic polymers Plastic packaging Plastic goods	Reduce the total weight of virgin content in plastic polymers Increase the proportion of post-consumer recycled content in plastic polymers Increase the proportion of renewable content from responsibly managed sources in plastic polymers Reduce the use of plastics additives Reduce the total weight of plastic packaging used and/or produced	<p>We have plastic-related targets for three of our facilities, which include our Hialeah and Sanford tissue mills in Florida, and our Chateau-Richer remanufactured wood facility in Quebec, the latter of which is outside the scope of this disclosure.</p> <p>In addition to optimizing fiber use, Resolute's environmental initiatives are focused on our most important impacts, as determined according to the GRI Standards:</p> <ul style="list-style-type: none"> -curb water and energy use -improve effluent quality -reduce air emissions -reduce the quantities of mill organic waste sent to landfills by optimizing beneficial use alternatives -reduce environmental incidents <p>In terms of reducing the waste and residues generated by our operations, our approach is focused on identifying beneficial-use alternatives, such as agricultural land spreading, in order to reduce the amount of waste sent to landfills. Our beneficial use programs have increased the amount of waste recycled or repurposed, reduced our environmental impact and generated cost savings. For example, we have cardboard, clean wood waste and pallets composted at certain facilities, instead of disposed of in landfill sites. In addition, a significant amount of the waste produced at our manufacturing facilities is used as fuel, reducing our reliance on fossil fuels and supporting our production of green energy. In 2022, nearly half of the waste and residues we produced was recovered for use in energy production.</p>

W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	No	Resolute produces a diverse range of wood, pulp, tissue and paper products, providing indispensable products for basic human necessities like shelter, personal care and education. At our new cellulose filaments plant in K�nagogami (Quebec), we are working to commercialize a translucent film made of cellulose filaments (CF). This product could potentially replace clear plastic films used in a number of everyday applications, notably in store packaging of fresh foods. For example, the plastic window on a typical premium bread bag can be replaced with the new CF-based film, representing a 100% biosourced package that can be easily disposed of through a single-stream recycling collection system or a typical municipal composting infrastructure. This product offers a sustainable alternative to single-use plastics in a range of applications.
Production of durable plastic components	No	Resolute produces a diverse range of wood, pulp, tissue and paper products, providing indispensable products for basic human necessities like shelter, personal care and education. At our new cellulose filaments plant in K�nagogami (Quebec), we are working to commercialize a translucent film made of cellulose filaments (CF). This product could potentially replace clear plastic films used in a number of everyday applications, notably in store packaging of fresh foods. For example, the plastic window on a typical premium bread bag can be replaced with the new CF-based film, representing a 100% biosourced package that can be easily disposed of through a single-stream recycling collection system or a typical municipal composting infrastructure. This product offers a sustainable alternative to single-use plastics in a range of applications.
Production / commercialization of durable plastic goods (including mixed materials)	No	Resolute produces a diverse range of wood, pulp, tissue and paper products, providing indispensable products for basic human necessities like shelter, personal care and education. At our new cellulose filaments plant in K�nagogami (Quebec), we are working to commercialize a translucent film made of cellulose filaments (CF). This product could potentially replace clear plastic films used in a number of everyday applications, notably in store packaging of fresh foods. For example, the plastic window on a typical premium bread bag can be replaced with the new CF-based film, representing a 100% biosourced package that can be easily disposed of through a single-stream recycling collection system or a typical municipal composting infrastructure. This product offers a sustainable alternative to single-use plastics in a range of applications.
Production / commercialization of plastic packaging	No	Resolute produces a diverse range of wood, pulp, tissue and paper products, providing indispensable products for basic human necessities like shelter, personal care and education. At our new cellulose filaments plant in K�nagogami (Quebec), we are working to commercialize a translucent film made of cellulose filaments (CF). This product could potentially replace clear plastic films used in a number of everyday applications, notably in store packaging of fresh foods. For example, the plastic window on a typical premium bread bag can be replaced with the new CF-based film, representing a 100% biosourced package that can be easily disposed of through a single-stream recycling collection system or a typical municipal composting infrastructure. This product offers a sustainable alternative to single-use plastics in a range of applications.
Production of goods packaged in plastics	Yes	Although our primary products are derived from wood, we do use plastics in packaging for many of our products. For instance, pulp bales are tied with plastic straps, and lumber is packaged in plastic tarps. Our approach to residue and waste management is focused on identifying beneficial-use alternatives to reduce the amount of waste sent to landfills. Our beneficial use programs have increased the amount of residues and waste we recycle or repurpose, reducing our environmental impact and generating cost savings. At our new cellulose filaments plant in K�nagogami (Quebec), we are working to commercialize a translucent film made of cellulose filaments (CF). This product offers a sustainable alternative to single-use plastics in a range of applications.
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	Yes	Although our primary products are derived from wood, we do use plastics in packaging for many of our products. For instance, pulp bales are tied with plastic straps, and lumber is packaged in plastic tarps. Our approach to waste management is focused on identifying beneficial-use alternatives to reduce the amount of waste sent to landfills. Our beneficial use programs have increased the amount of residues and waster we recycle or repurpose, reducing our environmental impact and generating cost savings. At our new cellulose filaments plant in K�nagogami (Quebec), we are working to commercialize a translucent film made of cellulose filaments (CF). This product offers a sustainable alternative to single-use plastics in a range of applications.

W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	% virgin fossil-based content	% virgin renewable content	% post-industrial recycled content	% post-consumer recycled content	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used		S�lectionnez	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	We do not currently track the total weight of plastic packaging sold and/or used across our operations. However, we have plastic-related targets for three of our facilities, which include our Hialeah and Sanford tissue mills in Florida, and our Chateau-Richer remanufactured wood facility in Quebec, the latter of which is outside the scope of this disclosure. Moreover, we tracked the plastic sourced from seven different suppliers in 2022, a volume totaling 3,233 metric tons, and determined it to be 100% recyclable.

W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is reusable	% of plastic packaging that is technically recyclable	% of plastic packaging that is recyclable in practice at scale	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	% recyclable in practice and at scale	<Not Applicable>	<Not Applicable>	100	<p>Our approach to residue and waste management is focused on identifying beneficial-use alternatives to reduce the amount of waste sent to landfills and to optimize the residues we generate through the manufacturing process. Our beneficial use programs have increased the amount of residues and waste we recycle or repurpose, reducing our environmental impact and generating cost savings. Some of the plastic we use, while technically recyclable, does not benefit from the proximity of recycling facilities specialized in those particular types of plastic.</p> <p>We have plastic-related targets for three of our facilities, which include our Hialeah and Sanford tissue mills in Florida, and our Chateau-Richer remanufactured wood facility in Quebec, the latter of which is outside the scope of this disclosure.</p> <p>Moreover, we tracked the plastic sourced from seven different suppliers in 2022, a volume totaling 3,233 metric tons, and determined it to be 100% recyclable.</p>

W11. Sign off

W-FI

(W-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.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

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

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 indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Yes, CDP may share our Main User contact details with the Pacific Institute

Please confirm below

I have read and accept the applicable Terms