

### PUBLIC COMMITMENTS







A detailed overview of our commitment to continuous improvement and transparency, highlighting our sustainability targets from 2023 to 2026 and our performance for 2022.

Resolute Forest Products' sustainability performance is driven by our public commitments – a combination of ambitious long-term objectives, annually revised targets and aspirational goals designed to maintain our competitive position.

Based primarily on the shared priority issues identified by our stakeholders, Resolute's public commitments drive our sustainability activities and initiatives. They are reviewed and refined annually by our sustainability committee, a crossfunctional group comprised of senior managers from various departments.

The following tables provide a summary of Resolute's sustainability performance for all of the operations we operated as at December 31, 2022, with the exception of the Thunder Bay (Ontario) pulp and paper mill, held separate until its sale to a third party, as required by the Consent Agreement between Domtar Corporation and the Canadian Commissioner of Competition registered with the Competition Tribunal of Canada on December 28, 2022. Targets may be adapted as a result of Resolute becoming a privately owned company pursuant to the merger of Resolute with a subsidiary of Domtar Corporation on March 1, 2023.

## **Environment Commitments**

### Greenhouse Gas (GHG) Emissions

| 2022 Targets   | 2022 Performance   | 2023+ Targets  |
|--|--|--|
| Report to CDP's<br>climate change<br>questionnaire,<br>including scope 1, 2<br>and 3 emissions   | Maintained B management-level score on CDP's climate change questionnaire, reflecting concrete actions on climate issues and steps taken to manage carbon footprint  Rating: | Report to CDP's<br>climate change<br>questionnaire,<br>including scope 1, 2<br>and 3 emissions       |
| Establish 2026<br>GHG emission<br>(scope 1 and 2)<br>reduction target in<br>2022 in line with<br>Science Based<br>Targets initiative<br>(SBTi) | Announced 2026 GHG emission reduction target (scope 1 and 2) to reduce emissions by 41.5%, as validated by SBTi on August 5, 2022  Rating:                                   | By 2026, reduce<br>scope 1 and 2 GHG<br>emissions by 41.5%<br>compared to 2015, in<br>line with SBTi |
| Establish 2026<br>scope 3 GHG<br>emission reduction<br>target in 2022 in line<br>with SBTi   | Announced 2026 scope 3 GHG emission reduction target to reduce emissions by 16.5%, as validated by SBTi on August 5, 2022  | By 2026, reduce<br>scope 3 GHG<br>emissions by 16.5%<br>compared to 2015, in<br>line with SBTi       |

### **Environmental Management Systems (EMS)**

| Environmental management cystems (Emo)  |   |   |
|---|---|---|
| 2022 Targets  | 2022 Performance  | 2023+ Targets   |
| Record 12 or fewer<br>class 1 and 2<br>environmental<br>incidents   | Recorded 14 class 1 and 2 environmental incidents  Rating:  | Record 12 or fewer<br>class 1 and 2<br>environmental<br>incidents                       |
| Maintain ISO 14001<br>EMS certification<br>at 100% of certified<br>operations                                     | Maintained ISO 14001 EMS certification at 100% of certified operations  Rating:   | Maintain ISO 14001<br>EMS certification<br>at 100% of certified<br>operations           |
| Implement ISO 14001<br>EMS certification at<br>U.S. sawmills  | Completed ISO 14001 EMS certification at Cross City (Florida) sawmill; achieved recommendation for certification at El Dorado (Arkansas) sawmill; certification of Glenwood (Arkansas) sawmill in progress (two external audits completed)  Rating: | Complete ISO 14001<br>EMS certification at<br>Glenwood sawmill                          |
| By 2023, implement<br>ISO 14001 EMS<br>certification at<br>Hagerstown<br>(Maryland) tissue<br>converting facility | Implementation planned in 2023  Rating:   | Implement ISO 14001<br>EMS certification at<br>Hagerstown tissue<br>converting facility |

### Forest Management (FM)

**Environment Commitments** 

| r orest management (r m)  |   |   |
|---|---|---|
| 2022 Targets  | 2022 Performance  | 2023+ Targets   |
| Maintain certification<br>of 100% of Resolute-<br>owned or managed<br>woodlands to at least<br>one internationally<br>recognized FM<br>standard       | Maintained certification of 100% of Resolute-owned or managed woodlands to at least one internationally recognized FM standard  Rating:                             | Maintain certification<br>of 100% of Resolute-<br>owned or managed<br>woodlands to at least<br>one internationally<br>recognized FM<br>standard       |
| Report to CDP's forests questionnaire   | Received B management-level score on CDP's forests questionnaire, demonstrating our management practices address the environmental impacts of our business  Rating: | Report to CDP's forests questionnaire   |
| Record no more than five forest management incidents leading to regulatory infractions in Canada, excluding those of a strictly administrative nature | Received three notices of infraction for forest management incidents recorded in Ontario between 2018 and 2021 – total penalties of C\$16,000  Rating:              | Record no more than five forest management incidents leading to regulatory infractions in Canada, excluding those of a strictly administrative nature |

### **Fiber Sourcing and Management**

| 2022 Targets  | 2022 Performance   | 2023+ Targets   |
|---|--|---|
| Complete integration of U.S. sawmills into Resolute's multisite chain of custody                                      | Completed integration of U.S. sawmills into Resolute's multisite CoC certification                             |   |
| (CoC) certification   | Rating: +  |   |
| Maintain CoC<br>certifications to<br>internationally<br>recognized standards<br>at 100% of certified<br>facilities    | Maintained CoC certifications to internationally recognized standards at 100% of certified facilities  Rating: | Maintain CoC<br>certifications to<br>internationally<br>recognized standards<br>at 100% of certified<br>manufacturing<br>facilities |
| By 2026, increase<br>externally sourced<br>certified fiber supply<br>to 75%   | Increased externally sourced fiber to 58%  | By 2026, increase<br>externally sourced<br>certified fiber supply<br>to 75%   |
| Reduce roundwood<br>consumption<br>by 0.025 m³/mfbm at<br>wood products<br>facilities                                 | Reduced roundwood consumption by 0.090 m³/mfbm at wood products facilities compared to 2021  Rating:           | Reduce roundwood consumption by 0.025 m³/mfbm at wood products facilities compared to 2022  |
| By 2026, reduce<br>roundwood<br>consumption<br>by 0.125 m³/mfbm at<br>wood products<br>facilities compared<br>to 2021 | Reduced roundwood consumption by 0.090 m³/mfbm at wood products facilities compared to 2021  Rating:           | By 2026, reduce roundwood consumption by 0.125 m³/mfbm at wood products facilities compared to 2021                                 |

### Waste and Residue Management

| 2022 Targets   | 2022 Performance   | 2023+ Targets  |
|--|--|--|
| By 2026, reduce<br>waste to landfill<br>by 15% at all pulp,<br>paper and tissue mills<br>against 2018 levels   | 2026 target achieved: Reduced waste to landfill by 33% against 2018 levels  Rating:                                | New target pending   |
| Record fiber losses of<br>no more than 39 kg<br>per mt of production<br>at all pulp, paper and<br>tissue mills | Recorded fiber losses of approximately 35 kg per mt of production at all pulp, paper and tissue mills  Rating: +++ | Record fiber losses of<br>no more than 42 kg<br>per mt of production at<br>all pulp, paper and<br>tissue mills |
| Establish annual fiber loss targets for each of our pulp, paper and tissue mills                               | Established annual fiber loss targets for each of our pulp, paper and tissue mills  Rating:                        | Establish annual fiber loss targets for each of our pulp, paper and tissue mills                               |

### **Water Management**

**Environment Commitments** 

| 2022 Targets  | 2022 Performance   | 2023+ Targets  |
|---|--|--|
| Establish annual<br>water reduction<br>targets for each of our<br>pulp, paper and tissue<br>mills | Established annual water reduction targets for each of our pulp, paper and tissue mills  Rating:   | Establish annual water<br>consumption targets<br>for each of our pulp,<br>paper and tissue mills |
| Report to CDP's water security questionnaire  | Received C disclosure-level score on CDP's water security questionnaire, measuring the comprehensiveness of Resolute's water management  Rating: | Report to CDP's water security questionnaire   |
|   |  | New Target  Deepen understanding of water-related physical risks in specific operating regions   |

### **Safety Incidents**

| 2022 Targets  | 2022 Performance  | 2023+ Targets  |
|---|---|--|
| Achieve an Occupational Safety and Health Administration (OSHA) incident rate of 0.55 or less | Achieved an OSHA incident rate of 0.63  Rating:             | Achieve an OSHA incident rate of 0.55 or less  |
| Achieve a severity rate of 16 or less   | Achieved a severity rate of 19.03  Rating:                  | Achieve a severity rate of 16 or less  |
| By 2026, achieve an<br>OSHA incident rate<br>of 0.40 or less                                  | Achieved 0.63 OSHA incident rate in 2022  Rating:           | By 2026, achieve an<br>OSHA incident rate<br>of 0.40 or less                           |
| By 2026, achieve 30 million hours without a recordable incident across our operations*        | 7.25 million incident-free hours achieved in 2022*  Rating: | By 2026, achieve 30 million hours without a recordable incident across our operations* |

<sup>\*</sup>Based on increments of facilities achieving 250,000 consecutive hours without a recordable injury; the 30 million hours themselves are not consecutive

### **Health and Safety Procedures**

| 2022 Targets  | 2022 Performance   | 2023+ Targets   |
|---|--|---|
| Ensure 100% of<br>hourly employees<br>submit at least two<br>proactive near-miss<br>reports   | 91% of hourly employees submitted at least two proactive near-miss reports; target not achieved due to integration of recently acquired U.S. facilities  Rating:                           | Ensure 100% of hourly<br>employees submit at<br>least two proactive<br>near-miss reports  |
| Review and resolve<br>more than 75% of<br>submitted proactive<br>near-miss reports  | Reviewed and resolved 91% of submitted proactive near-miss reports  Rating:  | Review and resolve<br>more than 75% of<br>submitted proactive<br>near-miss reports  |
| Ensure 100% of<br>hourly employees<br>create and review at<br>least four job safety<br>analysis (JSA) or safe<br>operating procedure<br>(SOP) reports | 92% of hourly employees created and reviewed at least four JSA or SOP reports, excluding woodlands operations; target not achieved due to integration of recently acquired U.S. facilities | Ensure 100% of<br>operations review at<br>least 10 JSA or SOP<br>reports that meet the<br>company's stringent<br>quality criteria |

### **Key Strategic Partnerships**

Social Commitments

| Key Strategic Partnerships   |   |  |  |
|--|---|--|--|
| 2022 Targets   | 2022 Performance  | 2023+ Targets  |  |
| Ensure and sustain<br>ongoing outreach with<br>stakeholders, and<br>develop key strategic<br>partnerships across<br>our operations | Engaged in development of Working Forests Initiative, a partnership supported by U.S. companies and trade associations that seeks to promote broad range of benefits generated by working forests   | Ensure and sustain<br>ongoing outreach with<br>stakeholders, and<br>develop key strategic<br>partnerships across<br>our operations |  |
|  | Continued to engage in Forestry for the Future, an initiative led by the Forest Products Association of Canada (FPAC) that highlights how Canadian forestry supports a more sustainable future  Announced C\$1.75 million commitment over five years (2023 and 2028) to University of Quebec in Chicoutimi to support boreal forest research consortium |  |  |
|  | Pledged C\$35,000 over five years (2022 to 2027) toward C\$6 million initiative led by University of Quebec in Outaouais and supported by National Council for Air and Stream Improvement (NCASI)   |  |  |
|  | Completed fifth year of C\$150,000 funding partnership for Confederation College in Thunder Bay (Ontario)   |  |  |
|  | Continued partnership with Nature<br>Conservancy of Canada (NCC),<br>committing C\$60,000 over four years to<br>support the Carapace Project  |  |  |
|  | Engaged 120 suppliers and business partners in fundraising C\$232,800 through a number of events  |  |  |
|  | Rating:   |  |  |

### **Renewal and Retention**

| 2022 Targets  | 2022 Performance  | 2023+ Targets   |
|---|---|---|
| Implement new leadership and human resources practices to create an inclusive and diverse workplace | Continued focus on emerging talent program, promotion of employee referral program and development of diversity, equity and inclusion (DE&I) strategy (see Human Rights and Diversity)  Deployed learning and development strategy, including Resolute power skills initiative  Assessed 1,431 salaried employees through demonstrated effectiveness appraisal process; completed 38 performance review sessions bringing together managers | Implement new leadership and human resources practices to create an inclusive and diverse workplace |
| Disclose annual hires,<br>turnover rate and<br>internal employee<br>movement                        | Hired 1,350 employees, including 148 foreign workers: 114 in Quebec and 34 in Ontario; 165 more expected in 2023  Recorded 23.4% turnover rate, including 14.3% resignation rate  Recorded 128 internal employee movements  Rating:   | Disclose annual hires,<br>turnover rate and<br>internal employee<br>movement                        |

### **Collective Agreements**

Social Commitments

| 2022 Targets   | 2022 Performance  | 2023+ Targets   |
|--|---|---|
| Renew 20 collective<br>agreements covering<br>1,160 employees at<br>pulp and paper<br>operations and 860<br>employees at wood<br>products facilities | Renewed 26 collective agreements covering 1,700 employees at 7 Canadian pulp and paper mills and 8 Quebec sawmills  Rating: | Renew three collective agreements covering approximately 490 employees at pulp and paper operations and 10 collective agreements covering approximately 430 employees at wood products facilities |

### **Human Rights and Diversity**

| 2022 Targets   | 2022 Performance  | 2023+ Targets   |
|--|---|---|
| Train 100% of new<br>employees on<br>workplace respect<br>and civility   | Sensitized 100% of new employees on workplace respect and civility at Resolute and provided training to 100% of managers, including executive team  | Train 100% of managers on workplace respect and civility with focus on unconscious biases   |
| Establish diversity,<br>equity and inclusion<br>(DE&I) steering<br>committee   | Established DE&I steering committee composed of employees from all business segments and corporate to provide recommendations and input toward decisions on DE&I projects and initiatives; held six meetings during the year  Rating: | Convene DE&I committee at least eight times to develop committee governance charter and deploy company-wide DE&I communications program |
| Adopt human rights policy according to international best practices to complement Resolute's existing policies related to human rights | Developed human rights policy according to international best practices to complement Resolute's existing policies related to human rights  Rating:   |   |

| 2022 Targets  | 2022 Performance  | 2023+ Targets   |
|---|---|---|
| Ensure 100% of operations report community outreach activities consistently and transparently, focusing on local engagement with external stakeholders  | 100% of operations reported community outreach activities, focusing on local engagement with external stakeholders, with monthly reporting average of 68%  Rating:  | Ensure 100% of operations report community outreach activities consistently and transparently, focusing on local engagement with external stakeholders and improving over 2022 monthly reporting average                        |
| Make annual community and charitable contributions of at least \$1 million with emphasis on environmental stewardship, health and education programs, in addition to supporting operations and employee fundraising initiatives   | Made community, charitable and academic contributions at the corporate and operations levels:  - \$248,000 at operations level - \$217,000 through Board of Directors Safety Award program - \$315,000 through other corporate donations - \$297,000 in academic support* - \$150,000 through local fundraisers in Lac-Saint-Jean region of Quebec - \$64,000 to Centraide  Total: \$1.290 million* | Make annual community and charitable contributions of at least \$1 million with emphasis on environmental stewardship, health and education programs, in addition to supporting operations and employee fundraising initiatives |
| By 2026, contribute at least \$5 million to charitable community organizations across all operations  By 2026, donate at least \$1 million to charitable community organizations through Board of Directors  Safety Award program | Contributed \$1,074,000 in 2022, not including safety award program  Rating:   Contributed \$217,000 in 2022  Rating:   | By 2026, contribute at least \$5 million to charitable community organizations across all operations  By 2026, donate at least \$1 million to charitable community organizations through safety award program                   |

<sup>\*</sup> Includes \$76,000 in awards from Resolute endowment funds as well as amounts disclosed under strategic partnerships

**Public Policy** 

Social Commitments

| 2022 Targets  | 2022 Performance   | 2023+ Targets  |
|---|--|--|
| Maintain participation in the Resolute political action committee (PAC) at the U.S. operations level and communicate regularly with PAC participants; make special solicitation effort at Arkansas, Florida and Maryland operations | Through the Resolute PAC, made \$60,500 in contributions to 29 political campaigns  Raised \$51,939 via employee PAC contributions  Rating:  | Maintain participation<br>in the Resolute PAC at<br>the U.S. operations<br>level and communicate<br>regularly with PAC<br>participants |
| Ensure a Resolute voice in public policy discussions that impact company operations, employees, communities and partners  | Ongoing engagement with public authorities and related stakeholders to continue to preserve Resolute's social license to operate  Continued efforts to oppose softwood lumber duties and support a long-term resolution to the dispute  Continued to work with forest industry associations and a range of stakeholders in the U.S. and Canada in an effort to provide stakeholder awareness on facts related to the boreal forest and to address anti-boreal legislative and regulatory initiatives | Ensure a Resolute voice in public policy discussions that impact company operations, employees, communities and partners               |
|   | Rating:  |  |

### **Sustainability Oversight and Risk Management**

| Custamusmy Creinight and Pack management   |  |   |
|--|--|---|
| 2022 Targets   | 2022 Performance   | 2023+ Targets   |
| Maintain sustainability<br>oversight and risk<br>management<br>practices via quarterly<br>meetings of<br>sustainability<br>committee and<br>board's environment,<br>health, safety and<br>sustainability (EHSS)<br>committee | Maintained sustainability oversight and risk management practices via four meetings of sustainability committee and board's EHSS committee  Rating:              | Maintain sustainability<br>oversight and risk<br>management practices<br>via quarterly meetings<br>of sustainability<br>committee |
| Develop governance<br>charter for<br>sustainability<br>committee   | Developed governance charter for sustainability committee  Rating:   |   |
| Disclose adoption of related persons policy in 2022 Management Proxy Statement   | Disclosed adoption of related persons policy in 2022 Management Proxy Statement  Rating:   |   |
| Provide board directors, executive team and sustainability committee members training on environmental, social and governance (ESG) disclosure   | Provided 100% of board directors, executive team and sustainability committee members training on environmental, social and governance (ESG) disclosure  Rating: | Provide senior management and sustainability committee members ESG-specific training, such as climate scenario analysis           |

### Sustainability Oversight and Risk Management (continued)

**Governance and Economic Commitments** 

| Oustainability Ove   | isignit and itisk management (****  |  |
|--|---|--|
| 2022 Targets   | 2022 Performance  | 2023+ Targets  |
| Maintain enterprise risk management (ERM) process to address risk factors identified by the corporate disclosure committee and executive management, as well as the board of directors' audit committee, as outlined in the company's Form 10-K for 2022 | Maintained an ERM process to identity and address risk factors  Rating:   | Maintain an ERM process to identify and address risk factors   |
| Introduce GHG emission reduction incentive into the company's annual short-term incentive plan (STIP), building on safety and environmental performance measures already in place  | Introduced GHG emission reduction incentive into the company's annual STIP, building on safety and environmental performance measures already in place  Rating: | Continue tying annual<br>STIP to GHG emission<br>reductions as well as<br>safety and<br>environmental<br>performance |

### **Sustainability Reporting and Transparency**

| Oustainability Reporting and Transparency  |   |   |
|--|---|---|
| 2022 Targets   | 2022 Performance  | 2023+ Targets   |
| Maintain commitment to transparency and annual sustainability reporting by completing materiality assessment of shared priorities according to the Global Reporting Initiative's (GRI) new GRI Universal Standards, and aligning reporting according to UN Sustainable Development Goals (SDGs) and Sustainability Accounting Standards Board (SASB) | Completed materiality assessment of shared priorities according to new GRI Universal Standards via engagement with 114 individual stakeholders from 10 stakeholder groups, and aligned reporting according to UN SDGs and SASB standards for forestry management and pulp & paper products  Rating: | Report according to<br>GRI's new GRI<br>Universal Standards,<br>UN SDGs and SASB<br>standards for forestry<br>management and pulp<br>& paper products |
| Assess compliance of<br>annual disclosures<br>with SASB standards  | Assessed compliance of annual disclosures according to SASB standards through third-party assessment  Rating: +   | Introduce web-based<br>climate reporting<br>framework according<br>to Task Force on<br>Climate-Related<br>Disclosures (TCFD)                          |

### **Ethics and Conduct**

**Governance and Economic Commitments** 

| 2022 Targets   | 2022 Performance   | 2023+ Targets   |
|--|--|---|
| Conduct annual<br>review of the<br>company's Code of<br>Business Conduct<br>and Ethics Reporting<br>Policy | Conducted annual review of the company's Code of Business Conduct and Ethics Reporting Policy  Rating: | Conduct annual review<br>of the company's Code<br>of Business Conduct<br>and Ethics Reporting<br>Policy |
| Train 100% of new<br>employees on the<br>company's Code of<br>Business Conduct                             | Trained 100% of new employees on the company's Code of Business Conduct  Rating:                       | Train 100% of new<br>employees on the<br>company's Code of<br>Business Conduct                          |

### **Data Security and Privacy**

| 2022 Targets   | 2022 Performance  | 2023+ Targets  |
|--|---|--|
| Report twice a year to<br>the board's audit<br>committee on<br>Resolute's security<br>posture  | Reported twice to the board's audit committee on Resolute's security posture  Rating:                   | Report twice a year on<br>the company's security<br>posture to the internal<br>oversight authority |
| Assess reporting according to GRI Standard 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data | Given Paper Excellence Group/Resolute transaction, assessment of GRI Standard 418-1 is ongoing  Rating: | Complete assessment of GRI Standard 418-1  |

# **Governance and Economic Commitments**

### **Customer Satisfaction**

| 2022 Targets   | 2022 Performance  | 2023+ Targets  |
|--|---|--|
| Continue measuring quality and service key performance indicators (KPIs) and monitor established processes for pulp, paper and tissue, and integrate wood products into the initiative | Developed reporting process for wood products to measure quality and service KPIs; continued tracking and monitoring quality and service KPIs for pulp, paper and tissue  Rating: | Determine appropriate<br>KPI for measuring and<br>monitoring root cause<br>problem elimination<br>(RCPE) cases related<br>to wood products |
| Ensure 90% of RCPE<br>cases are reviewed<br>and closed for pulp,<br>paper and tissue<br>segments   | Reviewed and closed 96% of RCPE cases for pulp, paper and tissue segments  Rating: ++   | Ensure 93% of RCPE<br>cases are reviewed<br>and closed for pulp,<br>paper and tissue<br>segments   |

### **Procurement**

**Governance and Economic Commitments** 

| 2022 Targets   | 2022 Performance  | 2023+ Targets  |
|--|---|--|
| Leverage Regional Supplier Registry across all operations to support development of local, regional and Indigenous businesses in our operating communities | Registered 2,809 suppliers through the portal since 2020; ongoing effort focused on contractors and subcontractors  Rating: | Measure penetration<br>rates toward<br>establishing annual<br>targets for regional<br>and Indigenous<br>procurement spend              |
|  |   | New Target  Develop supplier recognition program   |
| By 2026, create an online, one-stop procurement portal for local, regional and global suppliers to highlight supply chain transparency                     | Action plan to be set out in 2023  Rating:  | By 2026, create an online, one-stop procurement portal for local, regional and global suppliers to highlight supply chain transparency |

### **Indigenous Business Opportunities and Employment**

| 2022 Targets  | 2022 Performance  | 2023+ Targets   |
|---|---|---|
| Promote economic participation of Indigenous peoples and businesses in forest products sector | Maintained consultative relationships and business partnerships with close to 40 Indigenous communities and organizations in Ontario and Quebec  Awarded more than \$95 million in procurement contracts among three operating regions: Northwestern Ontario and the regions of Saguenay–Lac-Saint-Jean and Mauricie in Quebec  Engaged in five-year, C\$175,000 commitment to fund Laval University's educational leadership chair in Indigenous forestry via Quebec Forest Industry Council | Promote economic participation of Indigenous peoples and businesses in forest products sector |

### **Product Innovation**

| 2022 Targets   | 2022 Performance  | 2023+ Targets  |
|--|---|--|
| Complete construction<br>and ramp-up of<br>cellulose filaments<br>plant at Kénogami<br>(Quebec) paper mill | Launched initial start-up phase of cellulose filaments plant at Kénogami mill in November 2022  Rating: | Reach target<br>production levels at<br>cellulose filaments<br>plant at Kénogami<br>paper mill |



### **CONTACT US**

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To learn more about Resolute's sustainability activities and leadership, visit resolutefp.com/sustainability.









