

SUSTAINABLE FOREST MANAGEMENT (SFM)

Mission

The mission of the Woodlands Unit is to "provide a reliable, cost effective and high quality supply of wood through the implementation of Sustainable Forest Management.

Vision

The vision of Port Hawkesbury Paper LP Woodlands Unit is "that the forest resources, for which we have responsibility, will sustain healthy ecosystems and natural biodiversity, provide a continuous and expanding supply of valuable wood and conserve the forest characteristics of value to society, wildlife and the environment."

Guiding Principles of SFM

In order to "promote environmentally responsible, socially beneficial and economically viable management" of company forest resources, Port Hawkesbury Paper LP Woodlands Unit commits to:

- 1. Plan and conduct its forest operations to meet or be better than the requirements of all applicable regulations and legal obligations.
- 2. Conduct forest management practices consistent with and adhere to FSC® Principles and Criteria, and related FSC Policies and Standards.
- 3. Clearly establish and document long-term tenure and land use rights.
- 4. Recognize and respect indigenous peoples' legal and customary rights and cooperate with local Aboriginal communities regarding conservation of forestlands.
- 5. Maintain or enhance long-term community relations and forest worker well-being. Provide opportunities for the public to receive education, exchange information and provide input to the identification of values, setting of objectives and selection of indicators, which form the basis of our forest management planning.
- Manage for the conservation of a wide range of social, cultural, economic, and environmental benefits
 of forests that are consistent with our forest management objectives through the company's High
 Conservation Value Forest (HCVF) Assessment and identified Forests of Exceptional Conservation
 Value.
- 7. Sustain long-term production of valuable wood by effectively using natural resources and ensuring forest renewal.
- 8. Implement planning processes and operating practices that conserve the biological diversity and ecological functions and integrity of the forest.
- 9. Prepare, implement and regularly update a documented forest management plan.
- 10. Monitor forest conditions, forest product yields, and the results of management activities, and strive for continual improvement through the implementation of science and technology developments, experience and research results.

- 11. Provide protected status for genuinely unique and representative natural landscapes and rare or endangered biotypes.
- 12. Develop and implement silviculture methods that complement or imitate natural forest processes to improve overall forest health and quality.
- 13. Protect the safety of employees and the public by implementation of the company Safety Policy.
- 14. Control and mitigate environmental impacts of the company's forest activities through implementation of the Woodlands Environmental Policy.
- 15. Maintain a certified Sustainable Forest Management System.
- 16. Consider other guidelines for SFM (i.e. the Criteria and Indicators of SFM of the Canadian Council of Forest Ministers (CCFM)) in determining forest management strategies and programs.

Guiding Principles of Wood Procurement

In order to "promote environmentally responsible, socially beneficial and economically viable management" of all lands from which it receives wood, Port Hawkesbury Paper LP Woodlands Unit commits to:

- Implementing and maintaining a certified Chain of Custody and Controlled Wood system to the Forest Stewardship Council[®] (FSC[®]) Standard, and a certified Chain of Custody system to the Sustainable Forestry Initiative[®] (SFI[®]) Standard and Programme for the Endorsement of Forest Certification (PEFC™) Standard.
- 2. Maintain internationally recognized Environmental Management System to ensure all wood originates from legal sources that are in compliance with the principles of sustainable forestry.
- 3. Support sustainable forest management and promote forest certification on all land used to supply the mill with fibre to protect, verify and communicate a wide range of economic, environmental and social values. Make publicly available non-proprietary results of third party certification audits and related Environmental Management System documentation (i.e. information pertaining to our FSC, SFI, and PEFC certification programs)
- 4. Efficiently harvest, transport and process wood to minimize waste of wood and resources.
- 5. Promote the sustainability of our wood sources by ethical purchasing practices and providing training and long-term partnerships to our suppliers.
- 6. Commit not to be directly or indirectly involved in the following unacceptable activities:
 - a) Illegal logging or trade in illegal wood or forest products;
 - b) Violation of traditional and human rights in forestry operations;
 - c) Destruction of high conservation values in forestry operations;
 - d) Significant conversion of forests to plantations or non-forest use;
 - e) Introduction of genetically modified organisms in forestry operations;
 - f) Violation of any of the ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work.)

Standard Practices for Sustainable Forest Management

The Woodlands Unit of Port Hawkesbury Paper LP will:

- Develop long-term plans based on ecological landscape planning methods designed to provide a
 sustainable wood supply while ensuring conservation and restoration of components of the Acadian
 Forest ecosystem. Such plans promote ecological landscape level diversity, and forest product
 quality and quantity, while conserving biological and wildlife habitat diversity, mature forest habitat,
 old forests, natural softwood/hardwood/mixedwood forest community types.
- 2. On a five-year basis, use permanent sample plot information and accepted modeling procedures to develop or review the long-term forest management plan. The results of past management actions, the latest forest information and ecosystem-based management will be used to develop each subsequent plan, with the objective of continual improvement in our planning procedures. Through this adaptive management approach, we can ensure that we are managing our forests using the most accurate information, and the most current scientific theory.
- 3. Continue to cooperate with the provincial Department of Lands and Forestry through the Integrated Resource Management process to provide protected or conservation status for genuinely unique and representative natural landscapes, and rare or endangered biotypes.
- 4. Continue to provide participation opportunities for Aboriginal peoples with respect to their rights and interests in sustainable forest management issues.
- 5. Identify, map and manage special sites based on collaborative work with the Province of Nova Scotia and provincial environmental non-governmental organizations.
- 6. On Crown land areas licensed to the company, submit all silviculture and harvesting plans to government authorities for approval by forest and wildlife scientists prior to operations beginning. All operations will be inspected by government authorities during and at completion of activities.
- 7. Implement the requirements of the Forest Utilization License Agreement.
- 8. Plan and conduct all forest operations in accordance with the Wildlife Habitat and Watercourse Protection Regulations and Forest/Wildlife Guidelines for Nova Scotia, which include criteria for stand level wildlife habitat elements to be retained (e.g., snags, mast trees, down woody debris, den trees, nest trees, etc.).
- 9. Utilize the silviculture system most appropriate to the ecodistrict and site. These can include full removal or partial cutting techniques for harvests, promotion of natural regeneration, planting, release spacing of young stands, maintenance or natural species diversity and encouragement or reestablishment of valuable shade tolerant species, such as red spruce, yellow birch and sugar maple. All forest practices will ensure efficient utilization of trees. Harvesting and other silviculture practices will be augmented to address aesthetics where necessary and appropriate.
- 10. Address management and protection of water bodies and riparian zones and implement Provincial BMP's during all phases of management activities including exclusion zones, shutdown procedures, and careful road construction. Mill inventories and procurement practices during adverse weather conditions will be guided by PHP's Adverse Weather Policy.
- 11. Protect and maintain forest and soil productivity and stability by wood harvesting machine tire/track standards, trail rutting restrictions, and logging slash distribution policies.
- 12. Protect forests from damaging agents from occurrences such as fire, invasive exotic and domestic pest plants, animals, insects and disease. The company does not use chemical pesticides.

- 13. Promote awareness and provide information on Port Hawkesbury Paper LP forest activities to employees and the public through tours and information programs. Community concerns about forest practices will be responded to in a sensitive and progressive manner as outlined in the Woodlands Environmental Management System (EMS) "concerns from interested persons" procedure. Forest worker well-being is ensured through implementation of the Port Hawkesbury Paper Safety policy.
- 14. Periodic broad-based public input into our forest management planning process will be implemented through the IRM public consultation process with the Department of Natural Resources. Ongoing public input will be through our Forest Advisory Committee established for the company's Woodlands Unit. We will manage and allow for public recreation where safe and appropriate.
- 15. Facilitate professional training of wood producers and train those staff employees and operators responsible for implementing BMP's to protect water quality. Promote sustainable forest management practices and provide assistance to private woodlot owners and other private wood producers through the implementation of section 6 of the Woodlands Environmental Policy and implementation of the Nova Scotia Forest Sustainability Regulations.
- 16. Support, through participation in the Nova Scotia Tree Improvement Working Group, appropriate research, testing, evaluation, and development of genetically improved trees. The company does not use genetically modified organisms (GMO's) in its reforestation programs. Support other sustainable forest management research, science and technology initiatives as appropriate.

Approved By:

Marven A. Hudson Manager, Woodlands Port Hawkesbury Paper LP

Marien Hudson

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