

FALL 2022 NEWSLETTER



Celebrating Ten Years: Success and Support



Nearly ten years ago, a partnership was formed with the Province of Nova Scotia—one that saw the restart of the Port Hawkesbury facility under the Port Hawkesbury Paper banner. As the saying goes,

it takes a village... and it takes a wide array of relationships to make a business successful. Thanks to your support, the innovation and drive of our employees, the dedication of our suppliers, our growing customer base and the strong focus of owners, Stern Partners, we are in our 10th year of continuous operations. So, it is with a keen awareness of the role all stakeholders have played in our success to date that we reach out to say, 'Thank You!'

Product Strength and Growth

At PHP, we are dedicated to being a producer of the world's best Supercalendered Paper.



PHP's Supercalendered Paper Machine

Did you know, Supercalendered Paper is not paper used to make calendars? It's the process of passing paper between rolls to create a polished finish.

Did you know, Supercalendered Paper is not paper used to make calendars? It's the process of passing paper between rolls to create a polished finish. We believe that every employee's actions make a difference, and we rely on committed, skilled people to use leading-edge processes and technology to develop best-in-class products. Port Hawkesbury Paper produces 360,000 tonnes of paper every year and ships its products to customers throughout North America and worldwide. Our facility produces the Artisan® (SCA++) and Prominence® Plus (SCA+) brands for use in retail inserts, catalogs, magazines, circulars, coupons, and specialty packaging applications.

Our paper is used by some international titles that you may recognize. The smooth paper used in these publications comes from our mill in Port Hawkesbury with material sourced from our sustainably managed forests in Nova Scotia!



The secret to our effectiveness is in the consistent and reliable quality of our products and our open communication and problem-solving with our employees, suppliers, and customers. Quality, reliability, and consistency of products and services deliver ultimate customer value. Feedback from international markets increasingly view our product offerings as highly desirable; customers report that our production facility and customer service are extremely reliable.

Science-led Sustainability

At PHP, our business has always been predicated on ecologically appropriate forest resource management. We continue to hold three internationally recognized third-party certifications of our management process and activities. Protecting Species at Risk is an important element of such management. In 2020, PHP partnered with Dalhousie University on a three-year project to conduct field research to develop special management practices for Canada Warbler, Olive-sided Flycatcher, and Rusty Blackbird conservation in Nova Scotia. In 2021, field research was conducted on PHP leased Crown land to identify the presence and habitat use of the three bird species. Port Hawkesbury Paper has also helped develop habitat special management practices for the American Marten and the Canada Lynx. PHP has been implementing special management practices for the endangered Mainland Moose since 2012, which will be updated in the coming year based on a new recovery strategy released by the province in 2021.



Multi-stakeholder group discussing forest issues

We are proud of our partnership with the Province and our leadership role with the implementation of Ecological Forestry (Lahey Report) on both Crown and Private land. Ongoing renewal discussions regarding our Forest Utilization License Agreement as well as its companion Sustainable Management and

Outreach Agreement are setting the stage for ongoing success. Testament to the enduring strength of our overall relationship with Nova Scotia and Nova Scotians.

Powering Local Success —PHP Wind Project

As many of you are aware, our business is very energy intensive. PHP consumes 10% of all the energy produced on the Nova Scotia grid. Given the importance of energy to our business and the crucial link between energy production and climate change management, PHP has focused on greening our energy supply through the development of a 130 MW wind farm. The PHP Wind project is well advanced and on track to deliver green energy to our facility in early 2025. On the economic front, this will represent an investment of close to \$300 million and generate significant economic activity through the construction phase as well as substantial tax revenues on an ongoing basis. On the environmental front, we are proud of the project's alignment with both Federal and Provincial goals around reducing greenhouse gasses and its contribution to wean Nova Scotia off coal-based electricity production by 2030. The PHP Wind project team has been organizing local community open houses and engaging with the peoples of the Mi'kmaq communities who might have an interest in this project <https://www.phpwind.ca/>



A rendered photomontage that gives an idea of what the wind turbines will look like from along Route 16, Tracadie Road near Lincolnville

Welcoming New Leadership to our Team



We've recently welcomed Geoff Clarke as PHP's new Manager of Business Development. Geoff graduated from the University of New Brunswick, obtaining his BScF under the Atlantic Cooperative Wildlife Ecology Research

Network program with a minor in Computer Applications. He holds a Master's Degree in both Business and Forestry from the University of Alberta and has had diverse, extensive experience in the natural resource sector in various technical and senior management positions. Geoff is a Status First Nation; a member of the Qalipu Mi'kmaq First Nation and is excited to return to the Maritimes. He provides strategic planning and implementation for both Economic Development and Woodlands activities and is looking to create new opportunities that leverage PHP's strengths that are aligned with the company's goals. He also provides representation from the organization on various community and sector-based organizations as well as liaison between PHP and multiple levels of government and Mi'kmaq communities in Unama'ki/Cape Breton and the Piktuk districts.

Contribution to the Economy

All of this augers well for the continued success of our high-tech manufacturing facility, and its role as a crucial economic engine for eastern Nova Scotia and the family-sustaining jobs that support so many rural communities. Some of the most obvious measures of PHP's success in our region include:

- Economic studies indicate 1,000 full-time equivalent jobs in both the mill and woodlands, providing - \$24 million in direct labour income
- Tax revenues of all types amount to approximately \$27 million annually
- All the government's investments in start-up support for the facility were repaid by 2018
- PHP has spent \$1.8 billion in the Province since the facility reopened, not including employee wages

Thank You!

Working through the opportunities and challenges of our first 10 years of continuous operation with our many stakeholders has been a rewarding and fulfilling experience. We are proud of our role in providing meaningful careers, and are completely dedicated to science-led sustainable management of the forests we manage. But most of all, we are thankful for and proud of all the Nova Scotians that contribute to our success and make this one of the best places on earth to live, raise a family and work. A sincere thanks to each of you!

