# 2020 Sustainability Report

PORT HAWKESBURY PAPER



# OUR CULTURE OF ADAPTABILITY, INNOVATION AND DEVELOPMENT SAW US THROUGH 2020



### LOOKING TO THE FUTURE

2020 was the year of COVID, the global pandemic—a year like no other in memory. It was, at times, difficult to see the forest for the trees.

Like all of you, we hope to be putting this particular set of challenges in our rearview mirror very soon. We continue to do our best to stay safe, healthy and be a sustainable business for the long term. Port Hawkesbury Paper employees, contractors and sales representatives had to adapt to constantly changing market and business conditions.

Yet, we did what we do best. We manufactured quality paper through it all.

Like businesses all around us, the mill faced reduced demand and some uncertainty. Being a nimble organization allowed us to efficiently mitigate the impact of this unprecedented global event. We are always managing costs while investing in the future, and this culture of preparation-meets-innovation continues to see the mill through.

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**BEVAN LOCK** CO-MILL MANAGER

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MIKE HARTERY CO-MILL MANAGER

### FULL STEAM AHEAD IN A NEW YEAR

Recently, Port Hawkesbury Paper (PHP) has taken another significant step toward the 112-megawatt wind farm first announced in 2019 by directly funding the installation of two meteorological towers on the proposed site. When built, this project would be the largest wind farm in Nova Scotia and supply green power directly to PHP.

In addition, in 2021, PHP will work to meet a new and more rigorous Forest Stewardship Council<sup>®</sup> Canadian national standard, which was developed to replace the four regional standards in Canada. This new standard is more comprehensive than the current regional Maritime standard, and it raises the bar for requirements related to Indigenous Peoples, ecological values, forest management, and stakeholders.

Port Hawkesbury Paper continues to focus on technology, ingenuity and developing a highly-skilled workforce to adapt to changing circumstances. Building relationships for energy management, forest management and business development positions us to be sustainable for the future.

Port Hawkesbury Paper is Committed to Ongoing Energy Conservation and Reduction

### We continue to focus on TECHNOLOGY, INGENUITY,

and developing a skilled workforce that can adapt to changing circumstances

# TRENDING IN THE RIGHT DIRECTION

In 2020, PHP's Consumption of Water, Electricity and Waste Output Dropped Across the Board



Wet Solid Waste

6%

 $\frac{2\%}{2}$ 

Dry Solid Waste

# HEALTHY FORESTS BETTER PLANET

# 100%

Areas regenerated with new forests - either through natural regeneration or planting

85% PHP licensed land identified and managed as High Conservation Value Forest

48% The licensed Crown land set aside as protected area or left untouched

The wood used for paper production comes mainly from the seven eastern counties of Nova Scotia from Crown managed land and private woodland owners. The employees and contractors of Port Hawkesbury Paper not only work in the managed regions, but live, play, hunt and fish there as well.

# WOODLANDS

#### Protecting and Preserving Old Growth Forests

PHP has been working hard to help identify and conserve old growth forests and the best old forest restoration opportunities on public land in Nova Scotia. We are working with the Nova Scotia Department of Lands and Forestry to establish and sustain an ecologically representative network of old forests. Since 2019 we have assessed over 5,600ha of forest area for old growth potential, 1,300ha of which is now identified and protected as old growth.

### IN WITH THE OLD

Since 2019, PHP Has Been Activity Looking for Old Growth Forest to Restore and Protect

# 5610.4 ha

Total Area of Stands Assessed

# 1328.8 ha

Total Area of Old Growth Forest Identified and Protected

#### **TSS TO EFFLUENT TREATMENT**

KG PER METRIC TONNE OF PAPER PRODUCED



#### SOLID WASTE GENERATED

KG PER METRIC TONNE OF PAPER PRODUCED



### FLEXIBILITY POWERED OUR SUSTAINABILITY IN 2020

Last March, regulators approved a unique agreement designed to benefit both Nova Scotia Power ratepayers and Port Hawkesbury Paper, the utility's largest customer. While still supplying PHP with electricity sufficient to run its business, Nova Scotia Power now actively controls how much electricity the plant uses and when. This "demand" control provides a more efficient management of the electric system's load and avoidance of higher costs. The arrangement saved the utility about \$7.3 million in its first year. A quarter of that savings goes to PHP, while 75% is passed on to all other ratepayers. At the end of its first year, the four-year "demand control tariff" is paying off for all involved, while having little impact on the mill's ability to meet customer demand.

Overall, even with an interruption in production rates due to the new power arrangement and COVIDmarket-related downtime, the mill still showed improved results in water consumption, effluent, solid waste and electricity consumption.

#### 3.500 3,280 3,287 3,269 3.235 3.199 2,500

500

2016

2017



2018

2019

2020

#### **NET STEAM CONSUMPTION**

GIGAJOULES PER METRIC TONNE OF PAPER PRODUCED



#### WATER CONSUMPTION

CUBIC METER PER METRIC TONNE OF PAPER PRODUCED



Environment Canada Regulations provide an approved method for calculating a Reference Production Rate (RPR), which is the highest 90th percentile of the previous three years' actual production rate. This calculation normalizes production for events of curtailment, RPR is how we report our compliance data to Environment Canada for other areas of the mill and, with the exception of electricity consumption, we have converted our annual measurements to reflect this change

For GHG emissions reporting we previously had used composite numbers from the local utility which are no longer accessible in an applicable form.

#### **ELECTRICITY CONSUMPTION** KWH PER METRIC TONNE OF PAPER PRODUCED



# STEAM GENERATION FUEL MIX

<sup>gas</sup> 14.1%

HRU STEAM

BIOMASS FUEL

LIGHT OIL

### IT IS NOT JUST ABOUT MAKING PAPER

Port Hawkesbury Paper Found That Giving Back to Our Community Was a Way to Stay Inspired and Encouraged.

- Richmond Hospital

- One hundred thousand

:12345678

For ER Renovation Project

:012345678:

Dec. 11 20.20

Port Howtisbury Paper 2P

Strait Richmond Health Care Foundations 100,000.0

### OUR COMMITMENT TO THE COMMUNITY ENDURES

In 2020—forty years after the Strait Richmond Hospital first opened with the help of a major gift from Port Hawkesbury's Nova Scotia Pulp—Port Hawkesbury Paper is supporting the hospital's major renovation project. In December, employees, both past and present from Port Hawkesbury Paper, presented a cheque for \$100,000 to the members of the hospital's foundation. The mill's gift will go towards enhancing the emergency department and the creation of a new ambulatory care area. The gift also recognized a former colleague, Marc Dube, who played a key role in re-opening the mill eight years ago, and passed away in 2018.

The Strait Richmond Hospital has been so important to the health of many in this region, and certainly to all the employees of the mill and their families.

Dean MacDonald PM2 Line Manager



# ABOUT PORT HAWKESBURY PAPER

At Port Hawkesbury Paper, we are the leader in supercalendered paper manufacturing in North America. 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-inclass products. The secret to our effectiveness is shown 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.

Port Hawkesbury Paper ships its products to customers throughout North America and around the world. The mill produces the Artisan® (SCA++), Prominence® Plus (SCA+) and Prominence® (SCA) brands for use in retail inserts, catalogs, magazines, circulars, coupons and specialty packaging applications. Port Hawkesbury Paper is the only industrial company in the Maritimes that is independently certified by the Forest Stewardship Council® (FSC®) forest management (FSC-C023189) and chain of custody standards (FSC-C112699), Sustainable Forestry Initiative® (SFI®) forest management and chain of custody standards, and PEFC™ chain of custody standard.







#### PORT HAWKESBURY PAPER

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