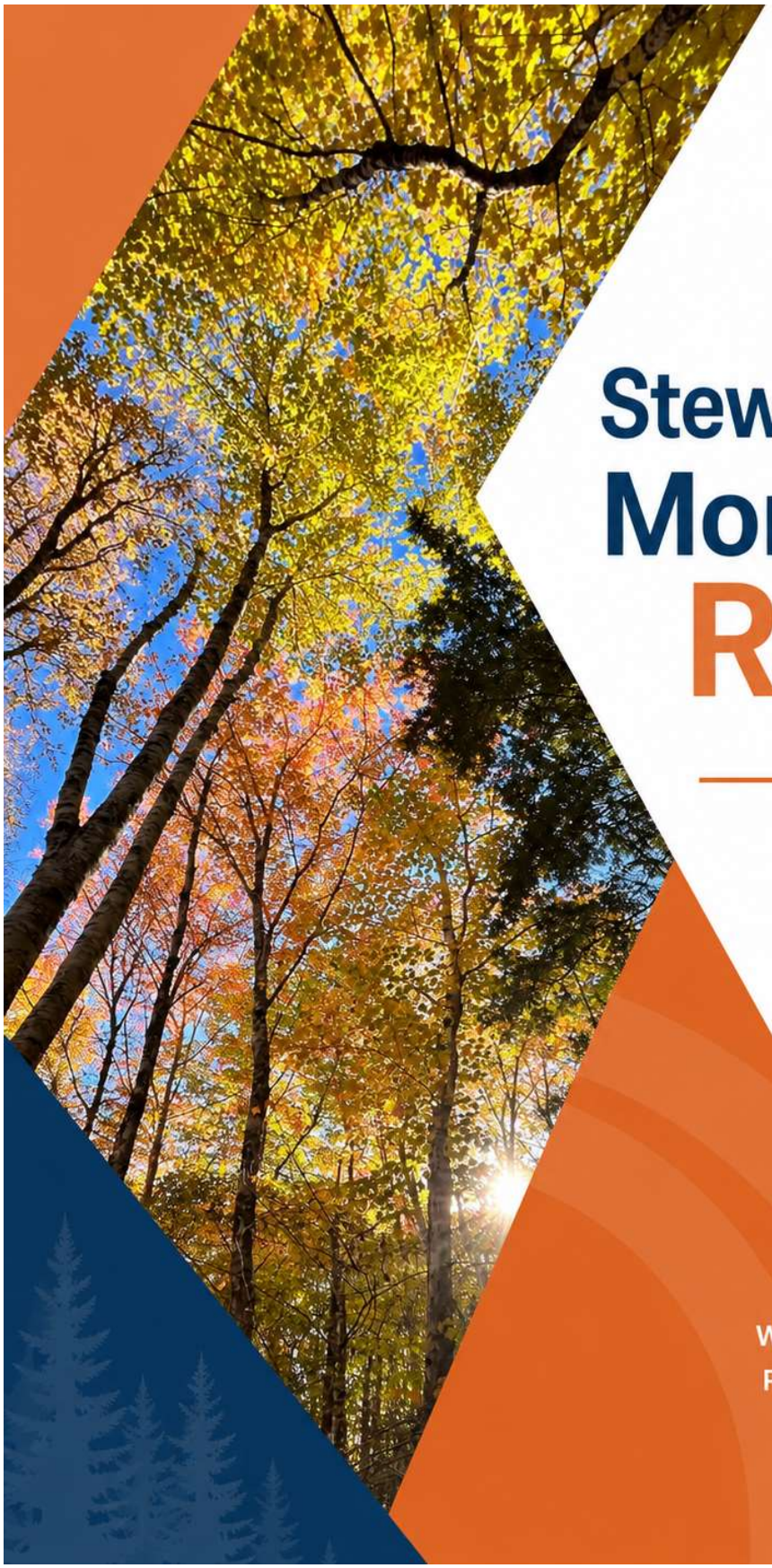


PORT HAWKESBURY PAPER

Stewardship & Monitoring Report

2025

Monitoring Safety, Environmental and Responsible Forest Management Progress

WOODLANDS DEPARTMENT
PORT HAWKESBURY PAPER

Executive Summary

Port Hawkesbury Paper's (PHP) 2025 Annual Monitoring Report summarizes Woodlands safety, environmental performance, sustainable forest management (SFM), FSC-specific monitoring, and High Conservation Value Forest (HCVF) effectiveness monitoring across the company's Defined Forest Area in eastern Nova Scotia. The report continues PHP's long-standing monitoring program, which has tracked SFM indicators since 2002 to assess forest management performance, demonstrate compliance, and support continual improvement.

The report highlights PHP's commitment to workplace safety through training, monitoring, communication, and contractor oversight, with the goal of reducing lost-time accidents and medical aids. Environmental performance is assessed through PHP and Nova Scotia Department of Natural Resources audits of Crown harvest operations, private suppliers, silviculture activities, and trucking contractors. These audits review safety systems, layout and prescription compliance, riparian and watercourse protection, soil disturbance, fuel and waste handling, wildlife retention, road and stream crossing practices, and other operating requirements. Corrective actions, refresher training, and follow-up audits are used where deficiencies are identified.

SFM indicators are organized around the Canadian Council of Forest Ministers' criteria, including biodiversity, forest ecosystem condition and productivity, soil and water conservation, global ecological cycles, multiple benefits to society, and social responsibility. Key topics include significant species and habitats, protected and old forest areas, connectivity management zones, natural regeneration, harvest treatments, forest health, watershed condition, riparian management, road construction, harvest levels, growing stock, hardwood management, engagement with Mi'kmaw organizations, First Nation agreements, and education and extension contributions.

The FSC-specific monitoring section addresses potential environmental impacts from forest management activities, including regeneration performance, alien species monitoring, fertilizer and pesticide use, biological control agents, soil disturbance and rutting, access-related impacts, residual tree damage, and waste storage or disposal. These requirements are supported by PHP's planning systems, operational controls, cutover assessments, internal audits, supervisor inspections, and contractor procedures.

The HCVF Effectiveness Monitoring Program documents how high conservation values are protected or enhanced through operational and, where applicable, strategic monitoring. The program addresses species at risk, significant habitats, rare ecosystems, protected areas, cold-water refugia, important at-risk species, and other values. Monitoring relies on field verification, GIS analysis, regulatory review, and collaboration with government agencies and other organizations. Overall, the report demonstrates PHP's structured approach to monitoring, compliance, adaptive management, and continual improvement.

Table of Contents

1.0 About Port Hawkesbury Paper & Our Monitoring Program

Port Hawkesbury Paper (PHP) is a paper mill company located in Port Hawkesbury, Nova Scotia. The company manufactures high-quality supercalendered paper for customers throughout North America and international markets. Through its Woodlands Department, PHP is responsible for the sustainable management of Crown forest lands within eastern Nova Scotia under a Forest Utilization Licence Agreement (FULA) with the Province of Nova Scotia.

The company manages approximately 520,000 hectares of Crown forest across the seven eastern counties of Nova Scotia. In addition to Crown lands, PHP procures wood from private woodland owners and suppliers throughout the region, supporting a diverse and sustainable fibre supply while encouraging responsible forest stewardship. These forests provide important ecological, social, cultural, and economic values, including wildlife habitat, clean water, recreation, timber production, carbon storage, and opportunities for Indigenous and public use.

PHP is committed to balancing these multiple forest values through sustainable forest management based on ecological principles, scientific knowledge, regulatory requirements, and continual improvement. Forest management planning incorporates biodiversity conservation, wildlife habitat, water protection, climate considerations, and sustainable timber production while recognizing the importance of collaboration with Mi'kmaq communities, government agencies, stakeholders, contractors, and the public.

Since 2001, PHP has maintained independent third-party forest certification and currently manages its forests in accordance with the requirements of the Forest Stewardship Council® (FSC®) and the Sustainable Forestry Initiative® (SFI®). The company also maintains FSC, SFI, and PEFC (Program for the Endorsement of Forest Certification) Chain of Custody certification, providing customers with assurance that certified products originate from responsibly managed forests and controlled sources.

Purpose of this Report

This Annual Stewardship & Monitoring Report summarizes Port Hawkesbury Paper's environmental, safety, and sustainable forest management monitoring results for the 2025 reporting year. It is intended to provide a clear overview of how the company is performing against its management objectives, certification commitments, and stewardship responsibilities.

- **Program scope:** Summarizes monitoring related to environmental performance, workplace safety, sustainable forest management, key forest values, and certification commitments.
- **Monitoring inputs:** Draws on operational inspections, environmental monitoring, certification audits, contractor assessments, wildlife and habitat monitoring, silviculture evaluations, and stakeholder engagement.
- **Adaptive management:** Uses monitoring results to evaluate management effectiveness, measure progress toward objectives, identify opportunities for improvement, and guide future planning and operational decision-making.
- **Continual improvement:** Demonstrates how monitoring results influence management practices and support healthy, productive, and resilient forest ecosystems.
- **Long-term benefits:** Supports environmental, social, cultural, and economic benefits for Nova Scotians through responsible forest stewardship.

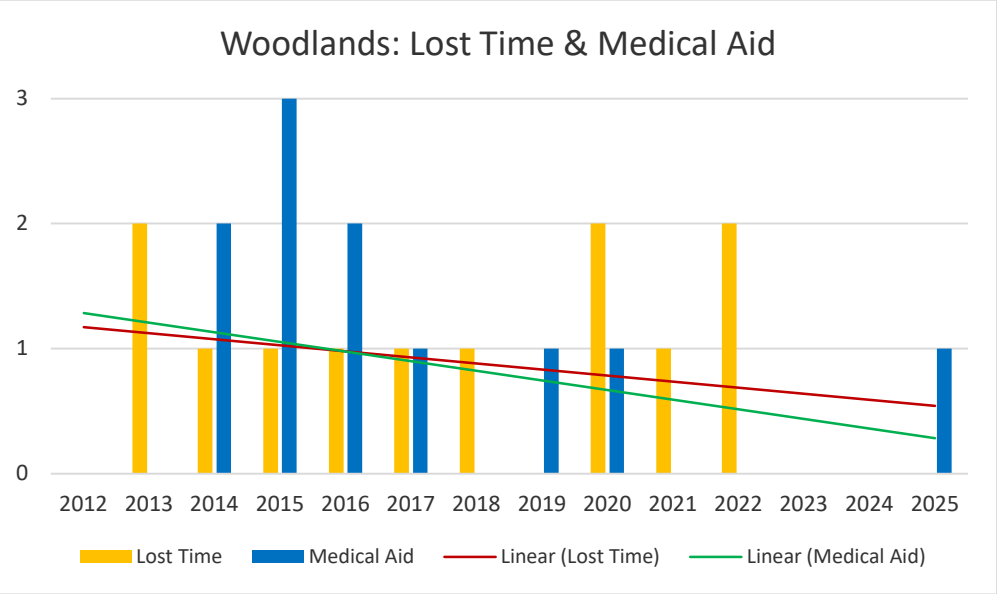
2.0 Key Commitments to Safety & the Environment

Monitoring and reporting on Woodlands safety and environmental performance is integral to achieving responsible forest management. Harvest contractors working on Crown land are audited by PHP three times per year (Winter, Spring/Summer, Fall). The NS Department of Natural Resources (DNR) also conducts its own Crown land audits. Compliance is assessed against layout, operational safety, environmental compliance, and job quality. Where deficiencies are found, incident or violation reports are developed, fresher training is provided, and follow-up actions are completed by the contractor.

Overall, the 2025 internal audit results for Sections 2.1 through 2.5 demonstrate strong performance across Woodlands safety, Crown harvest operations, silviculture, private suppliers, and trucking contractors. Most audit requirements were within compliance, particularly for environmental protection, operating plan adherence, watercourse and wetland buffers, fuel and waste handling, wildlife and habitat protection, equipment safety, and load securement. Areas with lower compliance were generally related to documentation, safety systems, first aid supplies or records, lock-out/tag-out procedures, and selected administrative requirements. These results indicate that PHP's internal audit program is functioning effectively to monitor contractor performance, identify opportunities for improvement, and support follow-up training or corrective action where needed.

2.1 Woodlands Safety Results

The Woodlands Safety Results continue to show a strong trend toward zero lost-time accidents and medical aids, although there was one medical aid in 2025. PHP promotes employee and worker safety through training programs, monitoring, and communication to strive toward zero safety incidents annually.



Lost Time Accident: An employee or worker is injured on the job, resulting in lost work time.
Medical Aid: An employee or worker is injured and requires medical treatment but does not lose work time.

2.2 PHP Contractor Audits on Licensed Crown Land

Audit Requirement	% Within Compliance
Weekly Inspections Completed Accurately	87
Work Site (Layout Compliance)	93
Work/Approval Instructions Understood & Followed	100
Worked within Cutting/Property Boundaries	100
Wildlife Clumps	100
Wildlife Corridors	100
Properly Buffered Watercourses and Wetlands	100
Qualified Logging Professional Part of Operation / at Work Site Regularly	93
Each Machine to have Personal (Type 1) First Aid Kit	100
Qualified First-aider on Work Site	93
Is there a Safety Representative?	100
Working Alone Policy Documented	67
Remote Location Plan	93
Emergency Response Plan Procedures in Place	100
Safety Policy Documented, Signed, Dated within the Last Year	87
Copy of Occupational Health and Safety Act Available at the Work Site	87
MSDS Available at the Work Site	87
OHS Compliant Safety System at the Work Site	80
PHP Policies & Work Instructions at the Work Site	100
Proper Warning Signs Posted on 2-way Public Traffic Road	100
"NO HUNTING" Signs Posted	100
All Personnel have Appropriate Forest Firefighting Equipment	100
All Machines have Fire Suppression Equipment	100
Lock-out Procedure Documentation	100
Absorbent snake on all forwarders, pads on all other machines	100
Maintenance done on level ground with minimal surface runoff and >30m from watercourses	100
Spill kit is on-site and well maintained	100
Pumps and fuel locked and secure	100
Fuel/Oil handling procedures followed	100
WHMIS training	100
TDG training (>= 2000 L)	100
Central collection spot for hazardous material	100
Waste oil disposal system in place	93

Tanks properly labelled	93
Lock (for lock-out)	100
Clean & Tidy	100
Securing Items	100
First Aid Kit	100
Fire Extinguisher	93
Welders, Generators and any other Internal Combustion engine(s) vented	100
Working Carbon Monoxide (CO) Detector	100
Bridges Used and Erosion Controlled	100
Temporary Bridges Removed and Water Courses Cleared of Debris	100
No Evidence of Siltation	100
Machine Rutting	100
Ground Disturbance	100
Harvested Merchantable Trees Utilized	100
Harvest meets Mapped/Operating Plan/Prescription Requirements	100
Unmerchantable Hardwood Trees Protected	100
Damage to Leave Trees Acceptable	100
Road Drains and Culverts Cleared of Debris	100
Road Surface in Good Condition	93
Disposal of Hazardous Materials	100
Garbage, Trash, Litter to be Collected and Discarded	100
Safety Meeting Minutes	80
Training - New Employees	93
Critical Wildlife Habitat Elements, Biodiversity & Species at Risk	100
Forests with Exceptional Conservation Value	100
Invasive Exotic Plants and Animals	100
Species Sites Preserved	100
Special Management Zone(s)	100
Machine Exclusion Zone(s)	100
Boundary Line(s)	100
Sensitive Species/Habitat(s)	100
Corridors	100
Recreational Trails/Portages	100
Quality Regeneration	100
Roadside Wood Piled >30m from Watercourse(s)	100
Operating Plan Map & Work/Approval Instructions On Site	95

No. 3 First Aid Kit(s) on Work Site	80
CSA Approved Hard Hat	100
CSA Approved Grade 2 Boots	100
Eye Protection	97
High Visibility Clothing	100
Hearing Protection	97
Seatbelts Worn	100
Forest Fire Protection Regulations	
Class I Machine	100
Class II Machine with on board suppression system	100
Class II Machine without on board suppression system	97
Class II Machine: two-way communication	100
Class II Machine additional recommended	100
All fire extinguishers require proof of inspection within the last year	100
Lock-out Procedure Documentation	91
De-energize the machine	100
Lock-out sources of ignition	97
Secure lock-out tag	94
Test lock-out	97
Notify when lock-out procedure has been completed	100
All guards, screens & other safety devices in working order on heavy equipment	100
No visible signs of leaking oil/fuel	100
Absorbent snake on all forwarders, pads on all other machines	100
Maintenance on level ground with minimal surface runoff and >30m from water	100
Tank capacity indicted on fuel tanks	97
Shut-off valve on fuel tank, automatic shut-off nozzle on hose & holding device	100
Fuel nozzle drip catcher with drain valve to prevent overflow/spillage	97
Tanks < 450 litres with capacity and product identification labels	100
Tanks >= 450 litres with capacity & product ID labels and certification stamp	87
Tanks >= 2000 litres placarded and with manifest for transport	97
All fuel trailers towed on public roads safety inspected and registered	100
Fuel tanks & service units > 30m from watercourses	100
Watercourse Crossing(s)	100

2.3 DNR Audits of PHP Harvest Operations

Audit Requirement	% Within Compliance
DNR Harvest Prescription Standards followed	100
Operators aware of work instructions	100
Approved area has been treated as per prescription	100
All processed wood brought to roadside	100
Roadside wood piled >30m from watercourse(s)	100
Trail/Portages	100
Heritage/Culture sites	100
Nesting Sites	100
Sensitive Species and/or Habitat	100
Riparian Zone	97
Watercourse > 50cm width	100
Watercourse < 50cm width	100
Temporary Crossing	100
Soil Disturbance	100
Handling of Fuel/Oil	100
Boundary Lines	100
Garbage Disposal	100
Road/Culverts	100
Wildlife Clumps	100
Permanent Reserve Trees	100
Corridors	100
Clumps are 20-200m apart	100
Openings in SMZ not greater than 15m	100
Less than 25% of the area in Trails	100
Basal Area within prescription tolerance	100
Minimum requirements met for Permanent Reserve Trees	100
Less than 10% of the stand BA damaged	100
Increased AGS	100
Increased LIT	100

2.4 DNR Audits of PHP Silviculture Operations

Audit Requirement	% Within Compliance
Approved Treatment Area Followed	100
DNR silviculture prescription standards followed	100
Operators aware of work instructions	100
Department Standards	100
Handling of Fuel/Oil	100
Garbage Disposal	100
Riparian Zone	100
Machine Exclusion Zone	100
Temporary Crossing	100
Boundary Line	100
Nesting Site	100
Sensitive Species Habitat	100
Trails/Portages	100
Heritage/Cultural Site	100
Microsite Quality	100
Site Coverage	100
Creation of Microsite	100
Wildlife Clumps	100
Cavity Trees	100
Coverage of Site	100
Soil Disturbance	100
Crop Tree Selection Quality	100
Roadway and Ditches brush free	100
Plot Location Mapped	98
Safety Trails adequate and marked	100
Coverage of Site	100
Percent Quality (%)	100
Quality	100

2.5 PHP Audits of Private Suppliers

Audit Requirement	% Within Compliance
Worked within Cutting/Property Boundaries	100
Wildlife Clumps	100
Properly Buffered Watercourses and Wetlands	91
Maritime SFI Qualified Logging Professional	100
Operations Management Plan/Map Onsite	100
First aid supplies	82
Training Records Shown for First Aid	82
Remote Location & Emergency Response Plans in Place	91
System to Check on Employees Who Work Alone	91
MSDS Info and Labels	82
PHP Policies & Work Instruction Manual or Handbook on Site	91
Fuel tank hoses in good condition	100
Pumps	100
Spill Kit on Site	100
Trailer Permits if not floated	82
WHIMIS and TDG Trained Personnel	100
Waste Oil Disposal System in Place	100
Tanks Properly Labeled / Placarded to TDG and WHMIS Regulations	91
Storage Tanks Located Not Closer Than 30m From Any Watercourse	100
Bridges Used and Erosion Controlled on Approaches to Stream Crossing	100
Temporary Bridges Removed, Water Courses Cleared of Debris	100
No Evidence of Siltation	100
Harvested Merchantable Trees Utilized	100
Harvest meets Mapped/Operating Plan/Prescription Requirements	100
Garbage & Litter Collected to be Discarded	100
No Discarded Parts/Tires	100
Disposed of Hazardous Materials	100
Road Drains & Culverts Cleared of Debris	100
Known Critical Wildlife Habitat Elements, Biodiversity & Species at Risk	100
Known Species at Risk Elements	100
Known Invasive Exotic Plants or Animals	100
Known Characteristics of Special Sites Preserved	100
WHIMS Trained Personnel	91

TDG Trained Personnel	100
Does Machine have a Type 1 First Aid Kit	100
Does Person have Personal Protective Equipment	100
Lock Out – Tag Out Procedure in Machine	88
Lock and Tag Present	100
Seasonal, Provincially Required Wildfire Suppression Equipment	100
Fire Protection on Machine	93
Spill Pads on Each Machine	100

2.6 PHP Audits of Trucking Contractors

Audit Requirement	% Within Compliance
Hard Hat	100
High Visibility Vest	100
Safety Boots	100
Safety Glasses	94
First Aid Kit	96
Truck MVI and Trailer MVI	98
Loader Inspection	94
Lock Out/Tag Out	89
Government Daily Trip Inspections by Driver	100
Current Procedures Manual	96
Reflective Tape to Standard	98
Trailer / Loader Steps & Hand Grips	100
Seatbelt or Armrest	100
Load Slip Completed	100
Chip Trucks – Tarp Effective and in Good Repair	100
Chip Trucks – Rear Door	100
Chip Trucks – Rear Door Latches in Good Repair	100
Air Binder System	100
Log Straps	98
Manual Binding System	100
Grapple Secured from Swinging	100
Load Height at Stakes	100
Load Crowned & Top Chain Touching Wood	100
Wood Properly Aligned	100

No Excessive Limbs Debris	100
First Aid Certified	100
Communication Device	100
Flares / Triangles	96
Fire Extinguisher(s)	98
One Round Point Shovel	87
Chainsaw On Truck	100
Fall Protection / Rail Bar	100
Spill Kit	96
No Visible Signs of Leaking Oil / Fuel	100

2.7 Summary of Audits

Audit Program	Highlights
PHP Contractor Audits	Strong environmental and harvesting performance. Improvement opportunities focused primarily on documentation and safety records.
DNR Harvest Audits	Harvest prescriptions, wildlife habitat, soil conservation and watercourse protection consistently met provincial standards.
DNR Silviculture Audits	Silviculture treatments met provincial standards with virtually all audit criteria achieving full compliance.
PHP Private Supplier Audits	Strong operational and environmental performance with minor improvements identified for documentation and first aid records.
PHP Trucking Contractor Audits	Excellent performance in transportation safety and load securement with a few opportunities to strengthen documentation and emergency equipment.

Independent DNR audits and internal PHP contractor audits continue to demonstrate a high level of compliance with environmental, operational and safety requirements. Most opportunities for improvement related to documentation and administrative requirements such as training records, first aid documentation, and lock-out/tag-out procedures rather than field performance or environmental protection.

3.0 Sustainable Forest Management Indicators

Since 2002, PHP has monitored a variety of sustainable forest management (SFM) indicators to measure progress in maintaining or enhancing forest values. Results are analysed annually to determine whether targets are met and to identify management adjustments needed.

Local-level SFM indicators were developed according to the Canadian Council of Forest Ministers' criteria for sustainable forest management:

- Conservation of Biological Diversity
- Forest Ecosystem Condition and Productivity
- Conservation of Soil and Water Resources
- Forest Ecosystem Contributions to Global Ecological Cycles
- Multiple Benefits to Society
- Accepting Society's Responsibility for Sustainable Development

3.1 Criterion 1 – Conservation of Biological Diversity

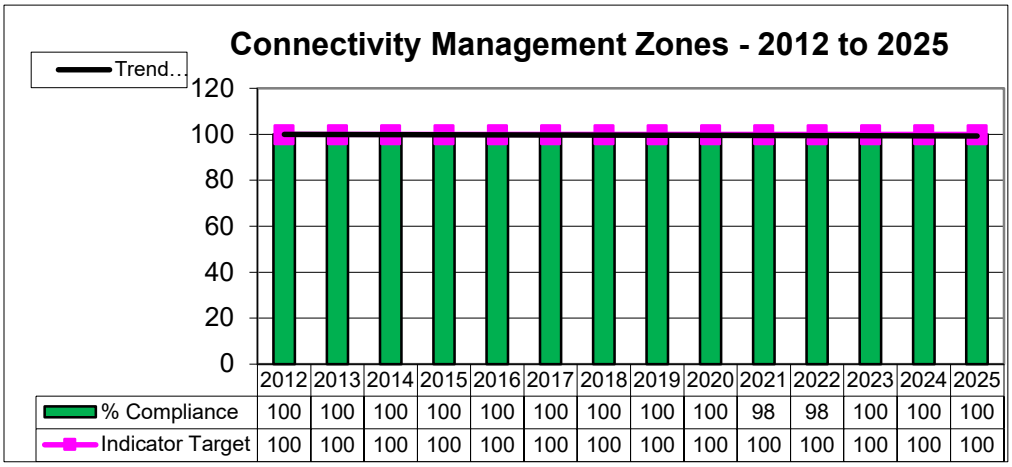
Conserve biological diversity by maintaining the integrity, function, and diversity of living organisms and the complexes of which they are part.

Indicator 1.1 – Species Diversity – Significant Species

OBJECTIVE Managing and mitigating effects on known occurrences of endangered and threatened species.	
INDICATOR Annual review of NSDNR's Significant Species and Habitats Database and other species status lists.	
TARGET Complete annual review of NSDNR's Significant Species and Habitats Database, and other species status lists, and implement appropriate management activities where necessary.	**VARIANCE** None allowed
2025 MONITORING UPDATE The Significant Habitat database was last updated in June 2025 by NSDNR and provided to PHP for forest management planning. Categories with area in hectares are: Deer Wintering Area – 27,175 ha Migratory Bird Area – 219 ha Moose Wintering Area – 11,104 ha Other Habitat Area – 5046 ha Species at Risk Area – 214,250 ha Species of Concern Area – 2346 ha	

Indicator 1.2 – Genetic Diversity – Connectivity Management Zones

OBJECTIVE Maintain landscape-level Connectivity Management Zones (CMZs) according to company connectivity guidelines.	
INDICATOR Percent of CMZs managed according to connectivity guidelines.	
TARGET Maintain 100% of CMZs meeting the 100 m solid cover with minimum 30% crown closure.	**VARIANCE** 10%
2025 MONITORING UPDATE 46 CMZs assessed for 100 m solid cover with minimum 30% crown closure met the connectivity guidelines, achieving 100% compliance.	



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
% Compliance	100	100	100	100	100	100	100	100	100	98	98	100	100	100
Indicator Target	100	100	100	100	100	100	100	100	100	100	100	100	100	100

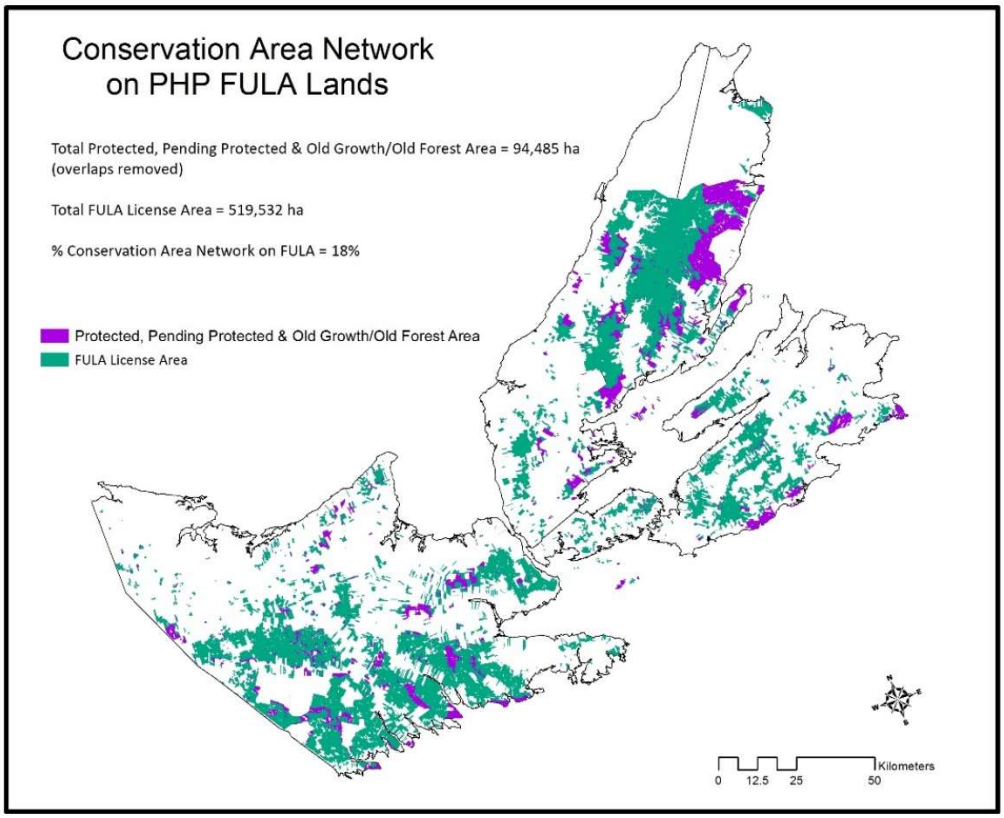
Indicator 1.3 – Protected Areas – Protected Area Strategy

OBJECTIVE Identify and maintain areas reserved from harvest under a protected areas strategy in eastern Nova Scotia.	
INDICATOR Proportion of area reserved from harvest under a protected area strategy.	
TARGET Maintain 12% of total area reserved from harvest under a protected area strategy.	**VARIANCE** +/- 1%
2025 MONITORING UPDATE In the 7 eastern counties where PHP operates, there is a total of approximately 209,700 ha (29%) of legally protected Crown land. On Crown lands managed by PHP, approximately 82,517 hectares (16%) is legally or pending legal protection. Additionally, there is 6,147 ha administratively protected by PHP as High Conservation Value Forest areas.	

Indicator 1.4 – Protected Areas – Old Forest

OBJECTIVE Maintain old forest conditions throughout the landscape.	
INDICATOR Percent of forest management area protected for old forest values.	
TARGET Maintain 8% of forest areas in old forest condition.	**VARIANCE** +/- 1%
2025 MONITORING UPDATE The current total area reserved as old forest on the Crown FULA lands is 12% (61,126 hectares).	

The FSC Canada National Forest Stewardship Standard requires certified companies to assess the Conservation Area Network, which must comprise a minimum of 10% of the management unit (PHP FULA lands). Protected, pending protected, and old growth/old forest areas identified under Indicators 1.3 and 1.4 are used to assess this network, with GIS analysis removing spatial overlaps to avoid double-counting. Based on this, the current Conservation Area Network for PHP is approximately 18%.

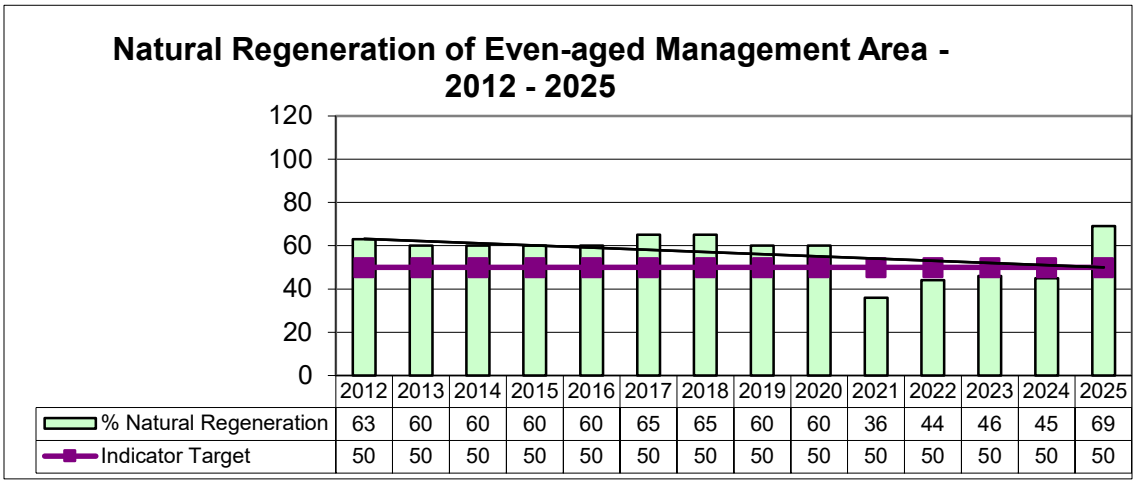


3.2 Criterion 2 – Forest Ecosystem Condition and Productivity

Conserve forest ecosystem condition and productivity by maintaining health, vitality, and rates of biological production.

Indicator 2.1 – Forest Ecosystem Resilience – Natural Regeneration

OBJECTIVE Promote Acadian forest characteristics using natural regeneration.	
INDICATOR Proportion of even-aged management regenerated naturally.	
TARGET Naturally regenerate with appropriate species 50% of total even-aged management area.	**VARIANCE** +/- 10%
2025 MONITORING UPDATE In 2025, approximately 69% of the total even-aged management area was naturally regenerated.	



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
% Natural Regeneration	63	60	60	60	60	65	65	60	60	36	44	46	45	69
Indicator Target	50	50	50	50	50	50	50	50	50	50	50	50	50	50

Indicator 2.2 – Forest Ecosystem Resilience – Harvest Treatments

OBJECTIVE Reduce clearcut area by applying alternative harvest treatments in appropriate ecoregions.	
INDICATOR Proportion of total area harvested using uneven-aged, thinning, shelterwood, selection cut and/or partial cut techniques by EPU.	
TARGET Increase non-clearcut treatments in appropriate ecoregions to represent 50% of total harvest.	**VARIANCE** +/- 5 Year Period
2025 MONITORING UPDATE PHP has fully transitioned to the provincial 'Silvicultural Guide for the Ecological Matrix'. The treatments closest to a traditional clearcut are Variable Retention 5% and 10%, and High Production Forestry Final Felling treatments. In 2025, 37% of total area harvested were in these clearcut similar treatments. Alternatively, 63% of total area harvested were in higher retention non-clearcut treatments.	

Harvest Treatment Types (with % retention)	Total Hectares Treated
Commercial Thinning , 60	50
Final Felling , 0	251
High Production Forestry - Final Felling , 0	287
High Retention Continuous Cover Irregular Shelter with Reserves , 67	2
Medium Retention Gap Irregular Shelterwood , 50	20
Partial Overstory Removal 1/3 Retention , 20	48
Partial Overstory Removal 1/3 Retention , 33	394
Partial Overstory Removal 1/3 Retention and Underplant , 33	107
Partial Overstory Removal 1/5 Retention , 20	21
Partial Overstory Removal 1/5 Retention , 33	83
Partial Overstory Removal 1/5 Retention and Underplant , 20	11
Salvage with Retention , 0	91
Salvage with Retention , 20	11
Single Tree Selection , 50	16
Single Tree Selection , 67	5
Strip Shelterwood with Reserves , 66	2
Variable Retention , 10	44
Variable Retention , 30	161
Variable Retention , 5	8
Grand Total	**1,612**

Average Variable Retention 5% and 10%, and Final Felling Site Size (Clearcut Equivalent)

In 2025, PHP treated 590 hectares (16 sites) using the VR5%, VR10%, and Final Felling in High Production Forestry treatments, for an average size of 37 hectares.

Indicator 2.3 – Forest Ecosystem Productivity – Forest Health

OBJECTIVE	Minimize fire, insect, and disease occurrence across the forest landscape.
INDICATOR	Area (by ha) of forest killed by fire, insect, and disease.
TARGET Less than 500 ha of forest killed by fire or disease.	**VARIANCE** + 1000 ha
2025 MONITORING UPDATE In 2025, 23.78 ha of forest was killed by fire. No information provided by DNR on areas affected by disease.	

Indicator 2.4 – Forest Ecosystem Productivity – Budworm Hazard

OBJECTIVE	Minimize budworm hazard on the Cape Breton Highlands.
INDICATOR	Area (by ha) killed by budworm outbreak on the Cape Breton Highlands.
TARGET Zero hectares of forest killed by a budworm outbreak.	**VARIANCE** + 800 ha
2025 MONITORING UPDATE In 2025, zero hectares of forest was killed by a spruce budworm outbreak. There is some defoliation occurring related to spruce budworm and mortality is expected to occur in the Highlands National Park within the next few years.	

3.3 Criterion 3 – Conservation of Soil and Water Resources

Conserve soil and water resources by maintaining their quantity and quality in forest ecosystems.

Indicator 3.1 – Soil Protection – Steep Slopes

OBJECTIVE	Avoid regular harvesting in identified steep slope areas.
INDICATOR	Area (by ha) of regular harvest in steep slope areas. INTERPRETATION — note that steep slope data is based on contour-derived spatial data and small slivers may reflect data inaccuracies rather than actual steep slope harvesting.
TARGET Maintain no regular harvest in areas with greater than 30% average slope.	**VARIANCE** + 20 ha
2025 MONITORING UPDATE A GIS overlay of steep slope areas with 2025 harvest areas shows 0 hectares harvested.	

Indicator 3.2 – Water Protection – Watersheds

OBJECTIVE	Protect hydrological functions in all watersheds.
INDICATOR	Proportion of identified watershed area (managed by PHP) in a closed forest condition.
TARGET Each watershed shall have 80% of its area (managed by PHP) in a closed forest condition.	**VARIANCE** - 5%
2025 MONITORING UPDATE PHP monitors 15 watersheds for closed forest condition (> 10 years of age). All watersheds met the 80% target in 2025.	

Watershed Name	2025	2024	2023	2022	2021	2020	2019
Antigonish Municipal (2,169 ha)	100%	100%	100%	100%	100%	100%	100%
Guysborough 1 Municipal (2,778 ha)	83%	88%	88%	86%	82%	84%	86%
Inverness Municipal (131 ha)	84%	88%	86%	85%	85%	85%	86%
Victoria Municipal (974 ha)	93%	93%	93%	93%	95%	95%	97%
Baddeck River (15,439 ha)	97%	96%	95%	95%	95%	95%	94%
East River (9,896 ha)	85%	92%	92%	90%	89%	90%	93%
Grand River (5,749 ha)	95%	97%	97%	97%	95%	94%	93%
Liscomb River (14,824 ha)	98%	98%	97%	97%	96%	96%	96%
Margaree River (35,929 ha)	93%	92%	93%	93%	93%	93%	93%
Middle River (20,527 ha)	90%	91%	90%	90%	90%	90%	92%
Mira River (13,946 ha)	95%	94%	93%	93%	92%	91%	92%
New Harbour River (2,101 ha)	99%	99%	99%	98%	98%	98%	98%
North River (15,830 ha)	89%	90%	90%	90%	90%	86%	85%
River Inhabitant (7,852 ha)	91%	96%	96%	97%	96%	94%	96%
St. Mary's River (53,442 ha)	90%	93%	92%	92%	91%	91%	91%

Indicator 3.3 – Water Protection – Riparian Zone Management

OBJECTIVE	To protect and maintain all riparian functions.
INDICATOR	Number of riparian zone non-conformance incidents.
TARGET Zero non-conformance incidents.	**VARIANCE** None allowed
2025 MONITORING UPDATE There were no infractions of the Wildlife Habitat & Watercourse Protection Regulations in 2025.	

The Wildlife Habitat and Watercourse Protection Regulations (Section 40, Forests Act) apply to watercourses and marshes — wetlands, lakes, ponds, rivers, streams, creeks, estuaries, or salt-water bodies containing water for at least part of the year — where people are conducting forestry operations.

Indicator 3.4 – Water Protection – Roads and Stream Crossings

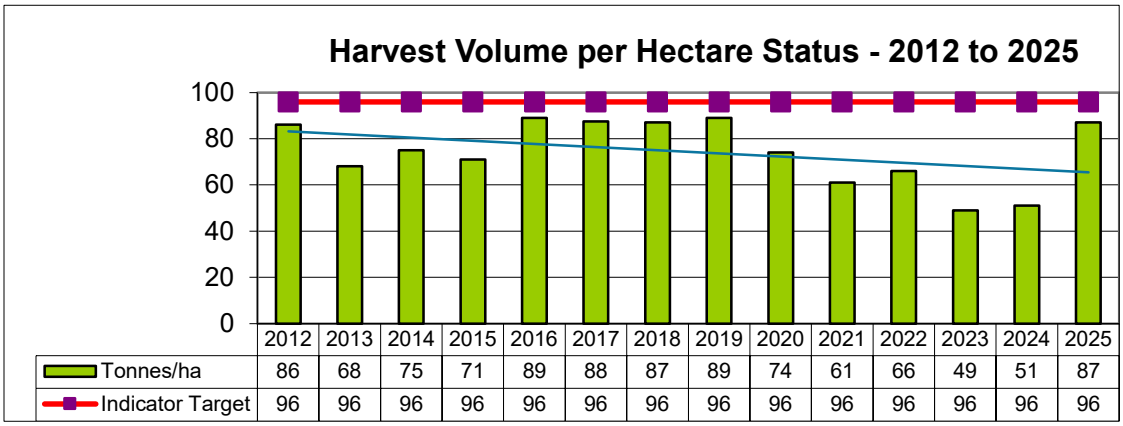
OBJECTIVE	Reduce negative impacts on water quality resulting from road construction.
INDICATOR	Number of road construction and stream crossing incidents according to company guidelines.
TARGET Zero non-conformance incidents.	**VARIANCE** None allowed
2025 MONITORING UPDATE There were no incidents related to road construction and stream crossings in 2025.	

3.4 Criterion 4 – Forest Ecosystem Contributions to Global Ecological Cycles

Maintain forest conditions and management activities that contribute to the health of global ecological cycles.

Indicator 4.1 – Forest Carbon – Harvest Volume

OBJECTIVE	Reduce carbon emissions.
INDICATOR	Period average volume per hectare harvested.
TARGET Increase the average harvest volume by 20% within 25 years.	**VARIANCE** +/- 5 Year Period
2025 MONITORING UPDATE The average volume per hectare harvested in 2025 was 87 tonnes/ha (excluding commercial thinning). Compared to 2024, the volume per hectare harvested increased in 2025 due to newly allocated High Production Forestry sites and final felling harvests in 2025.	



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Tonnes/ha	86	68	75	71	89	88	87	89	74	61	66	49	51	87
Indicator Target	96	96	96	96	96	96	96	96	96	96	96	96	96	96

Indicator 4.2 – Forest Carbon – Total Growing Stock

OBJECTIVE	Contribute to total carbon storage through maintenance of above-ground carbon pool.
INDICATOR	Total growing stock of merchantable and non-merchantable species on forest lands.
TARGET Total growing stock of 21,221,500 m^3	**VARIANCE** +/- 1,000,000 m^3
2025 MONITORING UPDATE The total growing stock for softwood is estimated to be 17,895,038 m^3 and for hardwood 15,019,044 m^3	

Indicator 4.3 – Forest Land – Road Construction

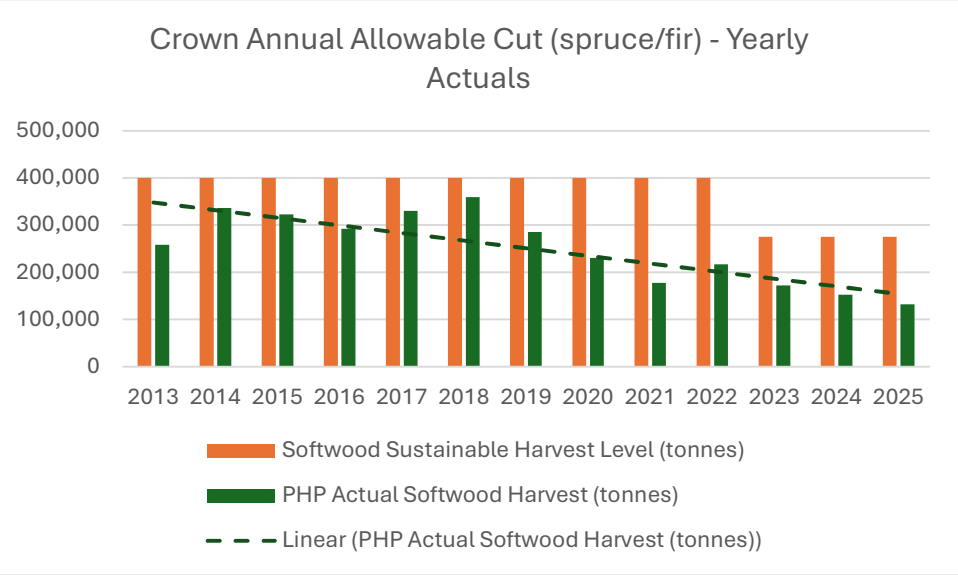
OBJECTIVE	Minimize deforested land.
INDICATOR	Minimize deforested land due to new road construction.
TARGET Reduce new road construction to 5 km per year.	**VARIANCE** 5% +/-
2025 MONITORING UPDATE Total new road built in 2025 was 359 meters.	

3.5 Criterion 5 – Multiple Benefits to Society

Sustain flows of forest benefits for current and future generations by providing multiple goods and services.

Indicator 5.1 – Communities and Sustainability – Harvest Level

OBJECTIVE	Continue to harvest at a sustainable rate.
INDICATOR	Annual harvest level.
TARGET Harvest 275,000 tonnes of softwood per year.	**VARIANCE** -10%
2025 MONITORING UPDATE In 2025, the softwood volume harvested was 131,633 tonnes (48%) of the Annual Allowable Cut of 275,000 tonnes.	

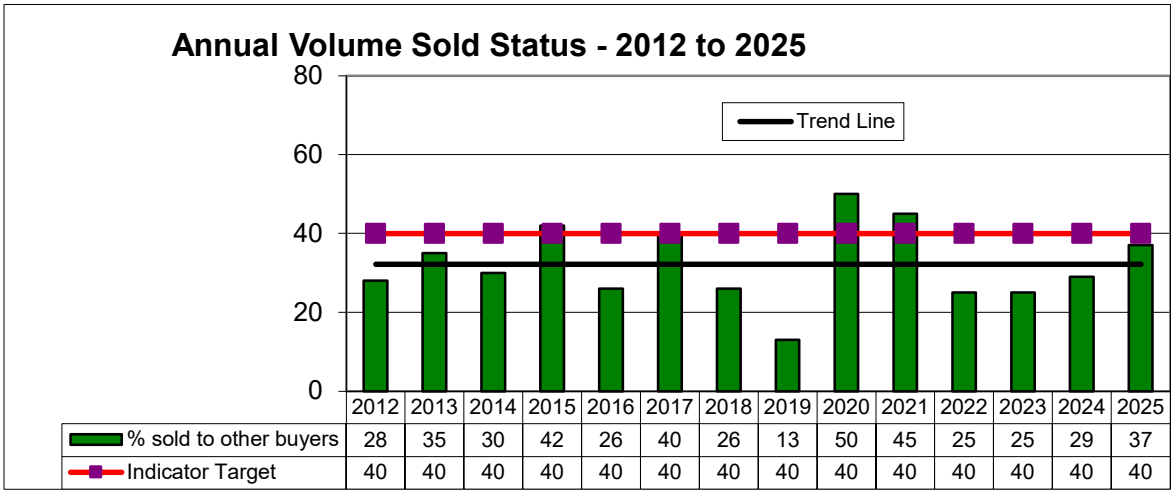


Indicator 5.2 – Communities and Sustainability – Third Party Requests

OBJECTIVE	Where appropriate, provide economical, recreational, and cultural opportunities to the general public.
INDICATOR	Number of reasonable third-party requests approved.
TARGET Approve all reasonable third-party requests received each year.	**VARIANCE** 10 requests
2025 MONITORING UPDATE A total of 10 third-party requests were received in 2025. Seven were approved by PHP and three were declined as unreasonable due to inability to approve land swaps.	

Indicator 5.3 – Fair Distribution of Benefits and Costs – Sales to Other Mills

OBJECTIVE	Ensure fair distribution of forest resources.
INDICATOR	Proportion of harvest volume sold to other buyers.
TARGET Sell at least 40% of annual harvest volume to other buyers.	**VARIANCE** +/- 5 Year Period
2025 MONITORING UPDATE In 2025, approximately 37% of the annual harvest volume was sold to other buyers. Products included sawlogs, veneer logs, studwood, firewood, fuelwood, and palletwood.	



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
% sold to other buyers	28	35	30	42	26	40	26	13	50	45	25	25	29	37
Indicator Target	40	40	40	40	40	40	40	40	40	40	40	40	40	40

3.6 Criterion 6 – Accepting Society's Responsibility for Sustainable Development

Society's responsibility for sustainable forest management requires fair, equitable, and effective forest management decisions.

Indicator 6.1 – Aboriginal and Treaty Rights – Respect First Nations

OBJECTIVE	Provide opportunities to better understand, recognize, and respect local Mi'kmaw and Treaty Rights.
INDICATOR	Number of opportunities to meet with Mi'kmaw organizations and/or community representatives.
TARGET Ensure a minimum of six opportunities to meet with Mi'kmaw organizations and/or individuals annually.	**VARIANCE** - 1 Meeting
2025 MONITORING UPDATE In 2025, the company met a minimum of 6 times with Mi'kmaq organizations, communities, or individuals related to forest management agreements, 5-year development plans, Cape Breton Highlands management, and other initiatives.	

Indicator 6.2 – Aboriginal and Treaty Rights – First Nation Agreements

OBJECTIVE	Build capacity within Mi'kmaq communities to provide increased employment opportunities for Mi'kmaw.
INDICATOR	Volume harvested under agreements with Mi'kmaq communities.
TARGET Increase the softwood volume harvested under First Nation agreements to 30,000 tonnes.	**VARIANCE** - 5,000 tonnes
2025 MONITORING UPDATE In 2025, the total volume harvested by Unama'ki Institute of Natural Resources was 307 tonnes. In 2025, the total volume harvested by Confederacy of Mainland Mi'kmaq was approximately 4,225 tonnes.	

Indicator 6.3 – Decision-Making – Education and Extension

OBJECTIVE	Advance sustainable forest management principles through commitments to research and extension.
INDICATOR	Level of investment and contribution to education and extension initiatives.
TARGET Provide $0.03 of direct and/or in-kind contributions to education and extension initiatives for every tonne harvested.	**VARIANCE** +/- $0.01
2025 MONITORING UPDATE In 2025, $1.31 per tonne harvested was contributed to education and extension initiatives.	

4.0 FSC Canada Specific Monitoring Updates

The FSC National Forest Stewardship Standard (2020) identifies specific indicators requiring monitoring for significant environmental impacts from management activities. This section summarizes those requirements and PHP's 2025 monitoring results.

4.1 Poor Regeneration

Regeneration	Regeneration is when forests are restocked — naturally or through plantings — so a healthy new forest develops over time. PHP has a rigorous silviculture program to ensure all sites are regenerated either naturally or with seedlings.
Monitoring Approach	Under the new triad forest management model for Crown lands, there are two main categories where natural regeneration and/or planting can occur: high production forest areas and extensive management areas. Since high production forest areas result in a final felling, all areas are planted to ensure sufficient stocking for the next forest cycle. In extensive management areas where lighter treatments are applied, many areas are not fully planted due to varying retention levels that can provide a seed source. Where natural regeneration is lacking, planting is generally carried out within two years from harvest.
2025 Update	Cutover assessments and other stand level information is used to determine whether an area requires planting or has sufficient natural regeneration. In 2025, there were 1,972 hectares planted on Crown lands. Regeneration from planting and natural was successful.

4.2 Alien Species – Invasiveness and Other Adverse Impacts

Alien Species	An alien species is an insect, micro-organism, or plant found outside its natural range, potentially crowding out native species. PHP planted approximately 20,000 hectares of Norway spruce since the 1970s but stopped in 2014 and continues to monitor stands in its Crown license area for Norway spruce regeneration and seeding outside planted areas. No other alien species have been planted by the company.
Monitoring Approach	PHP annually selects a minimum of two Norway spruce stands for assessment to determine if the species is regenerating or seeding outside the planted area. A Norway spruce regeneration survey tally sheet records total softwood and Norway spruce regeneration. Plots are 1:1000th of a hectare (1.78 m) at 1 plot per hectare intensity, with two adjacent stand plots per assessment.
2025 Update	Two Norway spruce stands were selected for assessments. Both stands showed zero regeneration of Norway Spruce inside or outside the originally planted area.

4.3 Adverse Effects of Fertilizers

Fertilizers	Fertilizers in forest management are nutrients added to forest soils to improve tree growth or correct a nutrient deficiency—like fertilizer used in farming but generally applied much less frequently and over larger areas. FSC Canada's monitoring requirement focuses on fertilizers applied directly on the forest management unit, not those used in nursery stock production.
Monitoring Approach	Not Applicable
2025 Update	PHP does not apply fertilizers directly on the forest management unit; no monitoring is required.

4.4 Adverse Effects of Pesticides

Pesticides	Pesticides in forest management are products used to control plants, insects, fungi or other organisms that may damage trees or interfere with forest-regeneration objectives. "Pesticide" is an umbrella term that includes: • Herbicides: Control competing vegetation around newly planted or naturally regenerating trees. • Insecticides: Control insects that can kill or weaken trees. • Fungicides: Prevent or control fungal diseases, most commonly in nurseries rather than across forests. • Rodenticides: Control rodents that may damage seedlings, although these are less common. • Biological pesticides: Use naturally occurring organisms or substances to target particular pests. For example, *Bacillus thuringiensis* var. *kurstaki* —usually called Btk—can control certain insect larvae.
Monitoring Approach	Not Applicable
2025 Update	PHP has not applied herbicides for forest management since 1997 and does not apply other FSC-allowed pesticides. Decisions and use of biological pesticides such as Btk are applied by the provincial government and not PHP.

4.5 Adverse Effects of Biological Control Agents

Biological Control Agents	Biological control agents are living organisms—or naturally occurring substances produced by them—used to manage forest pests and diseases. They provide an alternative to conventional chemical pesticides. Common biological control agents include: • Bacteria: For example, *Bacillus thuringiensis* var. *kurstaki* (Btk) targets the caterpillar stage of certain moths, including spruce budworm. • Viruses: Some naturally occurring viruses infect and kill specific forest insects. • Fungi: Certain fungi can infect harmful insects or suppress plant diseases. • Parasitoids: Small wasps or flies lay eggs in or on a pest insect; their young then develop by feeding on the pest. • Predators: Birds, beetles, spiders and other organisms naturally feed on forest pests.

	• Competing organisms: Beneficial fungi or microorganisms may prevent harmful organisms from becoming established. • Pheromones: Naturally occurring insect signals can be used in traps, monitoring or mating-disruption programs. These are biological products rather than living organisms.
Monitoring Approach	Not Applicable
2025 Update	PHP does not use biological control agents in its forest management.

4.6 Physical Damage to Soil, Loss of Soil Nutrients, and Loss of Productive Forest Area

Soil & Nutrients	Soil quality is the capacity of a soil to sustain biological productivity, maintain environmental quality, and promote plant and animal health — including integrity of nutrient cycling and resilience to disturbance. Monitoring physical soil damage, nutrient loss and the loss of productive forest area helps ensure forest management does not reduce the land's long-term ability to support healthy forests. Soil compaction, rutting and erosion can affect drainage and root growth, while nutrient removal can reduce future tree growth and regeneration. Tracking productive forest area also helps identify land lost to roads, landings or other disturbances. Together, these indicators allow concerns to be addressed early and support the continued ecological and economic productivity of the forest.
Monitoring Approach	PHP implements procedures and monitoring for ground disturbance and rutting from forest management activities. Ground disturbance means any area where surface organic horizons are completely removed or redistributed (mineral soil exposed). Sites with 10% or less ground disturbance are considered harvested with due regard for soil protection. PHP minimizes rutting through pre-planning (harvest timing and soil type considerations). Supervisors monitor sites regularly; if rutting exceeds the maximum allowed, forwarding ceases until remediation measures are in place. All Crown harvest sites are monitored using an internal audit process, with compliance checked during seasonal audits and post-harvest inspections.
2025 Update	Crown and private land contractors were audited by PHP operations supervisors in 2025. For full audit results, see above on page 7. For ground disturbance and machine rutting specifically, there was 100% compliance with PHP procedures.

4.7 Adverse Effects of Increased Access

Road Access	Increased road access can negatively affect forest ecosystems by fragmenting habitat, disturbing wildlife and making remote areas easier for people and vehicles to reach. This may increase hunting and fishing pressure, illegal activities, invasive species, erosion and sediment entering nearby waterways. Monitoring road development, use and decommissioning helps reduce these effects and maintain the ecological integrity of the surrounding forest. Forest access roads are necessary for forest management but can harm wildlife through hunting, predation, habitat use changes from noise, and encroachment into ecologically sensitive areas.

Monitoring Approach	The forest roads used by PHP are owned by the provincial government; PHP does not have authority to close access, but supervisors occasionally pull temporary bridges and post signs. PHP implements a public inquiry/complaints process as well as maintains waste material reporting and disposal procedure. The procedure details a process for reporting, collecting, storing, and disposal of waste material from PHP's Crown license area. There are two identified categories for waste material: 1. Waste generated from PHP operations 2. Waste generated from non-PHP operations (i.e. public dumping) PHP monitors waste on its licensed Crown lands by recording the location and type of waste through a spatial reporting application. Waste sites are regularly reviewed, mapped and shared with district staff to plan timely collection and proper disposal. Progress is tracked through regular follow-up, while public dumping is reported to the appropriate provincial authorities.
2025 Update	There were no known adverse effects of increased access to the forest management area in 2025. There were 24 locations identified on PHP's Crown license area containing waste. Two of these sites were confirmed as PHP contractor source, while the remaining are public waste sites. Four sites were cleaned of waste, and others will continue to be monitored for pick-up by either PHP or DNR. PHP aims to clean up as many waste sites when identified as feasible, but not all sites need to be cleaned up within the year it is found. Waste sites are tracked through an internal audit for managing over time.

4.8 Site-Level Damage of Harvesting on Residual Trees and Environmental Values

Residual Tree Damage	Site-level damage from harvesting can cause unacceptable damage to trees left within or next to a treatment area, or to environmental values such as soils, watercourses, wildlife habitat and required retention areas. Identifying issues such as damaged residual trees, rutting, erosion, buffer encroachment or disturbance to sensitive features allows corrective action to be taken and helps improve future harvesting practices.
Monitoring Approach	PHP retains residual standing trees for ecological, aesthetic, or production functions. The provincial Retention Guidelines are applied on Crown land to increase retention above required wildlife clumps. Guidelines include leaving approximately 10–30% stand retention during overstory removal or seed tree harvest; distribute retention throughout the stand; prioritize uncommon tree species, wildlife trees, biodiversity features, growing stock, wind-firm overstory, and residual red spruce components. PHP also implements the legislated Wildlife Habitat and Watercourse Protection Regulations, and buffers known sensitive features identified by either PHP or DNR during the approval process.
2025 Update	Crown and private land contractors were audited by PHP operations supervisors in 2025. For full audit results, see above on page 7. The 2025 audit results indicate that PHP performed very well in avoiding site-level damage to residual trees and environmental values. Contractor audits found 100% compliance for preventing leave-tree damage, soil disturbance, rutting, watercourse protection, wildlife retention and sensitive habitat requirements. DNR harvest audits also reported 100% compliance for preventing residual-tree damage and nearly all environmental measures, with riparian-zone compliance at 97%. Overall, the results show that harvesting practices were effective in protecting retained trees and important site-level environmental values.

4.9 Damage Caused by Inappropriate Storage or Disposal of Waste Materials

Waste Materials	Inappropriate storage or disposal of garbage, oil, fuel and other wastes can contaminate soil and water, damage vegetation, create hazards for wildlife and people, and reduce the environmental quality of forest sites. Monitoring waste handling helps ensure materials are stored securely, spills and leaks are prevented, and all waste is collected and taken to an approved recycling or disposal facility.
Monitoring Approach	PHP requires fuels, oils, chemicals and other non-organic wastes to be securely stored, regularly inspected and handled in accordance with legal and environmental requirements. Storage and refuelling must occur in suitable locations away from watercourses, with spill kits and emergency procedures available at active operations. Spills are contained, documented and reported as required, while waste materials, used fluids and equipment are removed for appropriate recycling or disposal when work is completed.
2025 Update	Crown and private land contractors were audited by PHP operations supervisors in 2025. For full audit results, see above on page 7. The 2025 internal audits showed strong performance in the storage, handling and disposal of waste materials. Operations achieved 100% compliance for hazardous-material disposal, garbage and litter removal, fuel and oil handling, spill-kit availability, secure fuel storage and keeping equipment free of visible leaks. Waste-oil disposal systems and proper tank labelling each achieved 93% compliance, while most other fuel-tank and transportation requirements ranged from 87% to 100%. Overall, waste materials were well managed, with a small number of opportunities identified for improving waste-oil systems and fuel-tank labelling.

5.0 High Conservation Value Forest Effectiveness Monitoring Program

5.1 Introduction

This HCVF Effectiveness Monitoring Program fulfills the requirements of Principle 9 of the FSC Canada Standard. Forest managers must complete an assessment of their forest lands to identify high conservation values across six distinct categories that contain critical conservation significance. FSC Canada defines an HCVF as:

1. Forest areas containing globally, regionally, or nationally significant concentrations of biodiversity values or large landscape-level forests where viable populations of naturally occurring species exist;
2. forest areas in or containing rare, threatened, or endangered ecosystems;
3. forest areas providing basic services of nature in critical situations (e.g., watershed protection, erosion control); and
4. forest areas fundamental to meeting basic needs of local communities or critical to local communities' traditional cultural identity.

Once HCVFs are identified, forest managers must decide how to manage them to maintain or enhance present values, and monitoring is needed to demonstrate effectiveness.

Operational monitoring (Level 1) — conducted annually — addresses basic procedures and special management practices (buffer zones, habitat characteristics, protection) and ensures PHP is implementing the best current management approach based on input from known experts and organizations.

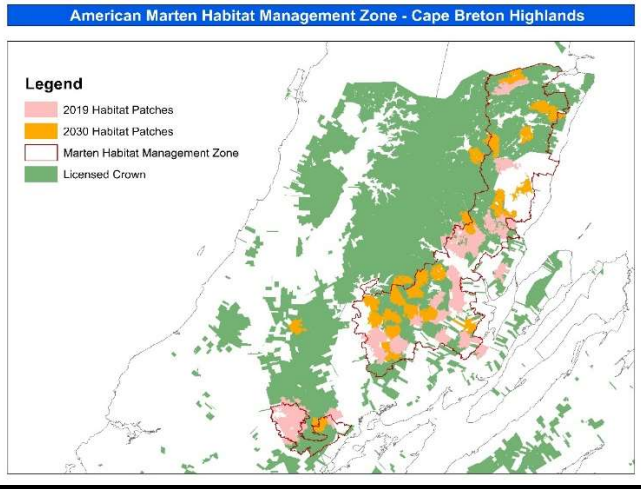
Strategic monitoring (Level 2) — where applicable — determines whether HCV attributes are being maintained on the landscape (e.g., confirming species at risk are still present in suitable habitat). Not all HCVs require strategic monitoring; for example, legally protected old forest is preserved automatically without active management.

PHP collaborates with government agencies and other organizations as required for strategic monitoring of species populations and health.

5.2 HCVF Category 1 – Biodiversity – Species at Risk

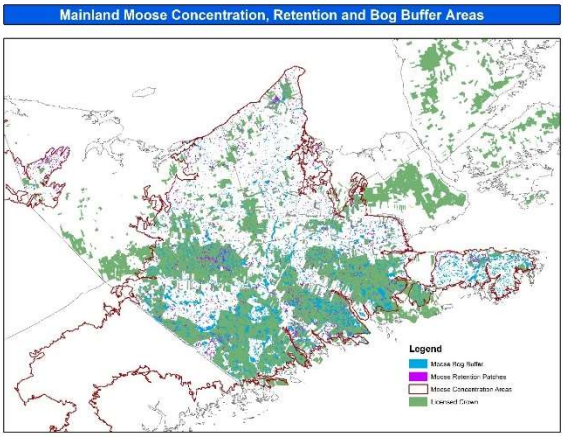
HCV – American Marten Habitat

Management Approach	Required management measures are built into Crown-land harvest prescriptions and approvals. These measures include retaining mature trees and large yellow birch, maintaining coarse woody debris, applying commercial-thinning requirements, and maintaining 30 suitable home-range patches across the management zone. 
Monitoring Approach	Implementation monitoring confirms whether required habitat measures move from harvest planning into field practice. Population and habitat-use updates provide broader context for assessing whether the management approach remains appropriate. PHP monitors implementation annually through its GIS system and PHP/DNR field audits. Management practices are reviewed to confirm they remain current and are adjusted as needed. DNR and the American Marten Recovery Team lead population monitoring and habitat-use research.
2025 Monitoring Results	• There were no harvest or silviculture treatments inside the Marten Habitat Management Zone in 2025. • PHP continues to implement and annually verify the Marten Habitat Management Zone requirements.
Population and Habitat Status	Nova Scotia's 2023 recovery plan indicates that the Cape Breton marten population is believed to be stable or increasing and may exceed 250 animals, although no reliable current population estimate is available. Martens primarily occur in the Cape Breton Highlands, where approximately 2,258 km^2 meets minimum habitat requirements.
Overall Assessment	Required measures to protect American marten habitat were incorporated into 2025 harvest planning and implementation. Continued coordination with DNR will help ensure forest-management practices reflect updated habitat information and recovery objectives.



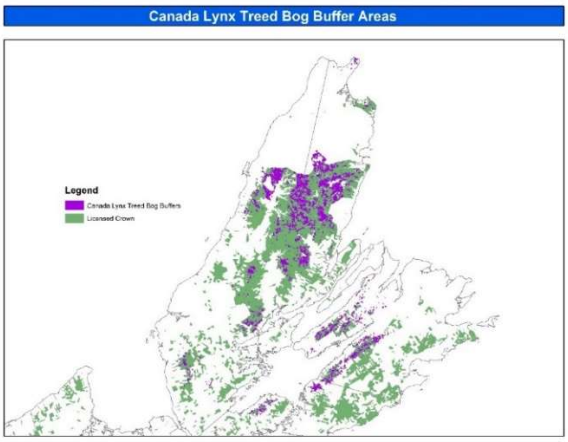
HCV – Mainland Moose Habitat

Management Approach	Mainland Moose habitat requirements are incorporated into Crown land harvest prescriptions and approvals within the five Significant Mainland Moose Population Concentration Areas. Required measures include retention of moose shelter patches, moose retention patches, forested buffers adjacent to wetlands and watercourses, access management, retention of coarse woody debris, and road decommissioning where appropriate. 
Monitoring Approach	Implementation monitoring confirms that approved Mainland Moose habitat measures are incorporated into operational planning and field implementation. PHP monitors compliance annually through GIS review and PHP/DNR field audits. Management practices are reviewed periodically to ensure they remain current and consistent with provincial requirements. NSDNR and the Mainland Moose Recovery Team lead population monitoring and habitat-use research.
2025 Monitoring Results	• All harvest treatments within mapped Mainland Moose Population Concentration Areas were planned and implemented in accordance with the May 2022 Mainland Moose Special Management Practices and approved through the NSDNR review process. • Required shelter patches, retention patches, habitat buffers, and access-management measures were incorporated into harvest planning and operations. • A total of 9 hectares of Mainland Moose shelter patch habitat were established and/or retained during 2025.
Population and Habitat Status	Mainland Moose remain listed as Endangered under the Nova Scotia Endangered Species Act. NSDNR and the Mainland Moose Recovery Team continue to lead population monitoring and recovery efforts. No updated province-wide population estimate was identified during the reporting period; however, ongoing monitoring, habitat-use studies, and conservation initiatives continue to improve understanding of Mainland Moose distribution, habitat use, and recovery needs. The 2021 Recovery Plan remains the primary framework guiding recovery actions.
Overall Assessment	Required measures to protect and maintain Mainland Moose habitat were incorporated into 2025 harvest planning and operational implementation where applicable. Continued coordination with NSDNR and the Mainland Moose Recovery Team will help ensure forest management practices remain aligned with current habitat information, special management practices, and long-term recovery objectives.



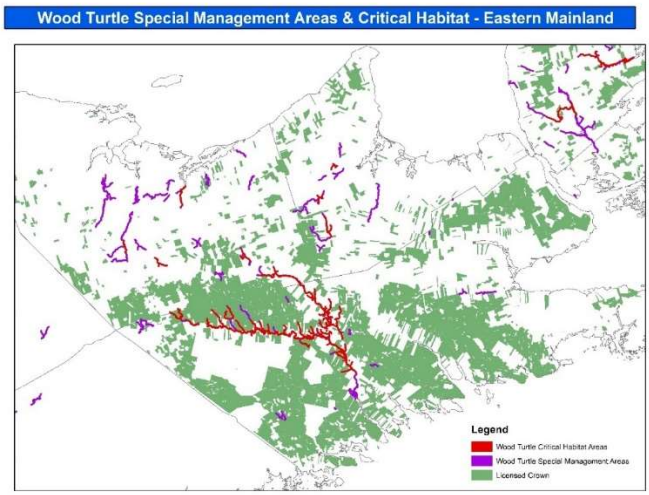
HCV – Canada Lynx Habitat

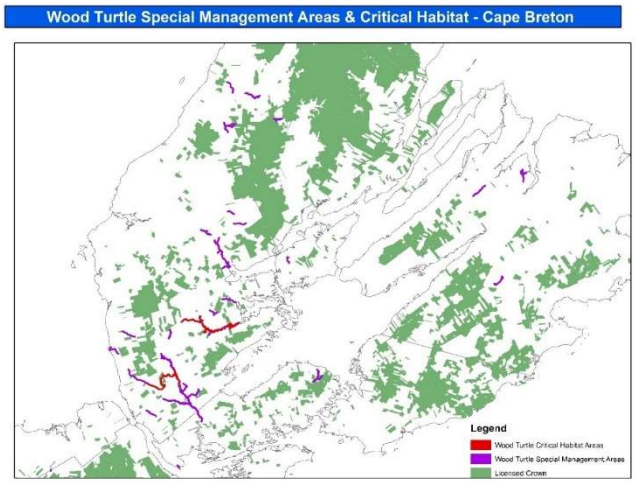
Management Approach	Canada Lynx habitat-management requirements are incorporated into Crown land harvest planning and approvals throughout the Cape Breton Lynx Range. Key measures include maintaining 100 m unharvested buffers around treed bogs, retaining coarse woody debris, supporting mid-regeneration conifer habitat for snowshoe hare populations, maintaining landscape connectivity through habitat mosaics, and minimizing road-related impacts through access management and decommissioning where feasible. 
Monitoring Approach	Implementation monitoring confirms that required lynx habitat measures are incorporated into harvest planning and carried through to field operations. PHP monitors implementation annually through GIS reviews and PHP/DNR field audits. Habitat management practices are reviewed periodically to ensure they remain consistent with current provincial direction. NSDNR and the Canada Lynx Recovery Team are responsible for population monitoring, habitat-use studies, and recovery planning.
2025 Monitoring Results	• All proposed forestry activities within the Cape Breton Lynx Range continued to be subject to applicable lynx habitat management requirements and NSDNR review. Until the identification of core habitat areas and associated recovery planning is finalized, planned harvest treatments within designated Canada Lynx treed bog buffers remained prohibited. • Coarse woody debris, connectivity management zones, and maintaining mid-regeneration conifer habitat for snowshoe hare exist across the Cape Breton Lynx Range. • No departures from required bog habitat protection measures were identified in 2025.
Population and Habitat Status	Canada Lynx remains an important species-at-risk consideration within Cape Breton. NSDNR continues to lead population monitoring and habitat research in collaboration with recovery partners. No updated population estimate was available for the 2025 reporting period. Existing habitat-management measures continue to focus on maintaining treed bog buffers, snowshoe hare habitat, habitat connectivity, and denning opportunities needed to support lynx populations.
Overall Assessment	Required measures to protect and maintain Canada Lynx habitat were incorporated into 2025 forest management planning and operations. The precautionary approach to treed bog buffers remains in effect while recovery planning and core habitat reviews continue. Continued coordination with NSDNR will help ensure forest management practices remain aligned with evolving habitat information and species recovery objectives.



HCV – Wood Turtle Habitat

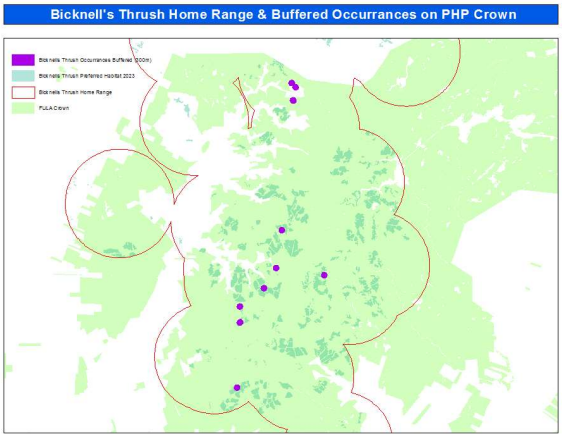
Management Approach	Wood Turtle habitat protection measures are incorporated into Crown land harvest planning and approvals. Management requirements include seasonal restrictions on motorized vehicle use, use of temporary bridge crossings on perennial streams, restrictions on road and landing construction near occupied watercourses, and implementation of special management practices for overwintering, nesting, and basking habitats. 
Monitoring Approach	Implementation monitoring confirms that required temporal and spatial habitat protection measures are incorporated into harvest planning and field operations. PHP monitors implementation annually through GIS review and PHP/DNR field audits. Habitat management requirements are reviewed regularly to ensure they remain aligned with current provincial direction. DNR and the Wood Turtle Recovery Team continue to lead population monitoring and habitat-use research.
2025 Monitoring Results	• All harvest treatments occurring within identified Wood Turtle habitat zones were planned and implemented in accordance with approved DNR management prescriptions. • Required temporal and spatial restrictions, stream-crossing requirements, and habitat protection measures were incorporated into operational planning and implementation. • No departures from approved management requirements were identified during the reporting period.
Population and Habitat Status	Wood Turtle remains a species-at-risk requiring ongoing habitat protection and recovery efforts. DNR continues to lead population inventory, habitat monitoring, and recovery planning activities. Any updated population information or management direction provided by DNR will be incorporated into future monitoring reports.
Overall Assessment	Required measures to protect and maintain Wood Turtle habitat were incorporated into 2025 forest management planning and implementation. Continued coordination with DNR and the Wood Turtle Recovery Team will help ensure management practices remain consistent with evolving habitat information, regulatory requirements, and long-term recovery objectives.





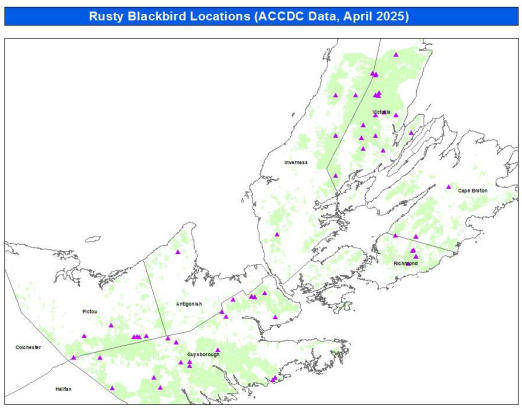
HCV – Bicknell's Thrush Habitat

Management Approach	Bicknell's Thrush habitat protection measures are incorporated into Crown land harvest and silviculture planning in the Cape Breton Highlands. Management requirements include avoiding pre-commercial thinning in occupied habitat, applying seasonal restrictions during the breeding period, retaining intact forest patches where clearing or thinning cannot be avoided, and maintaining a 300 m seasonal buffer around recent occurrences. PHP operates under a no-net-loss approach for identified critical habitat in accordance with its Section 16 agreement under the Nova Scotia Endangered Species Act. 
Monitoring Approach	PHP has partnered with other agencies such as Parks Canada and Bird Studies Canada to conduct surveys during the breeding season using Audio Recording Units. Over 100 units are deployed in the Highlands National Park and PHP's forest management area. Data is collected and analyzed by the main research partners. Planned pre-commercial thinning, commercial harvesting and road activities are reviewed against mapped federal critical habitat, potentially suitable habitat, young high-density stands and known Bicknell's Thrush occurrences. GIS and field reviews are used to verify treatment boundaries, seasonal restrictions and required retention. Habitat conditions and management requirements are reviewed with DNR to support implementation of the no-net-loss approach.
2025 Monitoring Results	• There were no pre-commercial thinning treatments completed in the Bicknell's Thrush critical habitat area. • Data from audio recording units were not collected until spring 2026 due to inability to access the study area. Data analysis is on-going. • No departures from approved management requirements were identified.
Population and Habitat Status	Bicknell's Thrush remains a species at risk requiring continued habitat protection and population recovery efforts. Critical habitat in the Cape Breton Highlands includes currently suitable habitat and areas capable of developing suitable conditions over time. Continued ARU monitoring, habitat modelling and coordination with Birds Canada, DNR, Cape Breton Highlands National Park and other conservation partners are needed to assess population trends and habitat availability.
Overall Assessment	Bicknell's Thrush habitat requirements were incorporated into 2025 forest management planning through spatial review, seasonal restrictions, untreated retention and application of the no-net-loss approach. Continued monitoring and habitat modelling are required to evaluate whether suitable habitat is being maintained over time.



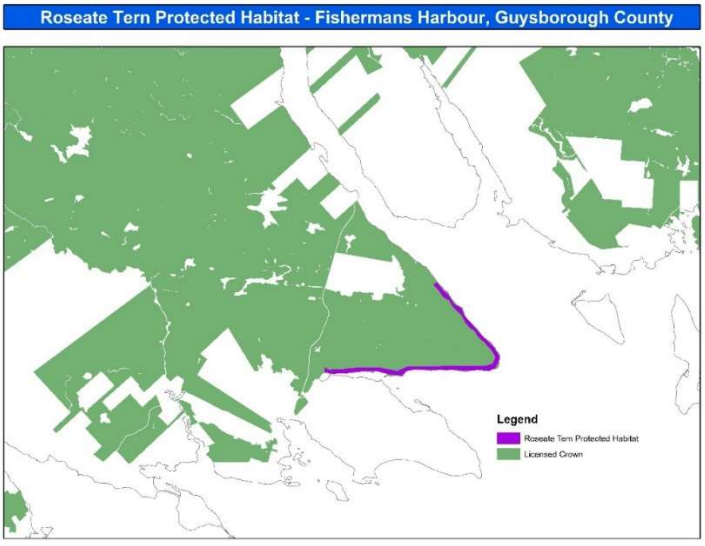
HCV – Rusty Blackbird Habitat

Management Approach	Rusty Blackbird habitat protection is incorporated into Crown land harvest planning through watercourse and wetland buffers, retention of forest cover adjoining suitable wetlands, and application of species-at-risk information during operational review. PHP also maintains no-harvest buffers of 100 m or greater around treed bogs in Cape Breton and certain bogs identified for Mainland Moose management. These measures help retain the wetland–forest habitat combination used by Rusty Blackbirds for nesting and foraging. 
Monitoring Approach	Planned treatments are reviewed against mapped wetlands, watercourses, treed bogs and known Rusty Blackbird occurrences. PHP monitors the implementation of required buffers and retained stand structure through GIS review and operational field audits. Updated ACCDC records, provincial direction and results from habitat research are reviewed periodically to determine whether additional management measures are needed.
2025 Monitoring Results	• Harvest activities near mapped wetlands, treed bogs and known Rusty Blackbird occurrences were reviewed during operational planning. • Required riparian and wetland buffers, including applicable no-harvest buffers, were incorporated into harvest plans and field implementation. • The ACCDC dataset, updated in spring 2025, identifies 87 Rusty Blackbird occurrence locations within PHP's Crown license area. Observations range from 1987 to 2024. • No active nests were encountered during 2025 operations. • Research led by Dalhousie University continued to examine beneficial management practices for Rusty Blackbird and other landbirds at risk in working forests.
Population and Habitat Status	Rusty Blackbird remains listed as Endangered in Nova Scotia and Special Concern under the federal Species at Risk Act. No current population estimate specific to Nova Scotia or PHP's Crown licence area was identified. The most recent comprehensive federal assessment estimated approximately 4.4 million breeding birds in Canada but documented an overall decline of approximately 85–90% since 1970. The species continues to breed primarily in coniferous forest adjoining wetlands, including bogs, swamps, beaver ponds, slow-moving streams and lake margins.
Overall Assessment	Measures intended to maintain Rusty Blackbird wetland and adjoining forest habitat were incorporated into 2025 forest management planning and implementation. PHP will continue review of occurrence records, field-audit results and emerging habitat research.



HCV – Roseate Tern Habitat

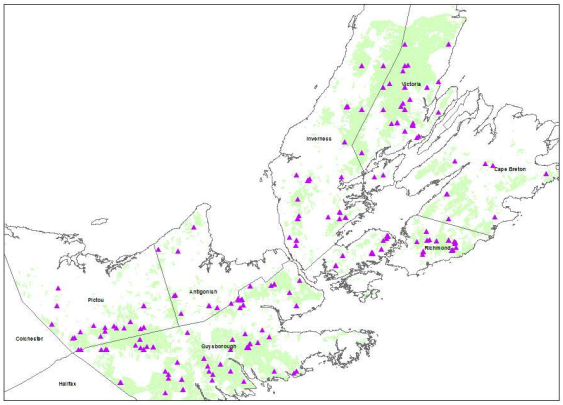
Management Approach	 Roseate Tern habitat at Fisherman's Harbour is protected by maintaining a no-harvest buffer along the coast. The area has historically been used for nesting and as a temporary refuge when predators disturbed the nearby Country Island colony. It also provides coastal foraging habitat. PHP does not undertake forest management within the established buffer. The buffer has more recently been identified as part of the Guysborough Headlands Wilderness Area which is pending cabinet submission and approval. This 1,256 hectare area is currently protected under a provincial interim policy.
Monitoring Approach	Planned forest management activities are reviewed annually against the mapped Fisherman's Harbour HCV and its coastal no-harvest buffer. A GIS overlay of annual treatment data is used to confirm that no harvest or silviculture activities have occurred within the buffer. Any proposed activity near the HCV would require additional review before approval.
2025 Monitoring Results	• No forest management activities occurred within the established coastal buffer at Fisherman's Harbour nor within the pending Guysborough Headlands Wilderness Area.
Population and Habitat Status	Roseate Tern remains listed as Endangered under both the Nova Scotia Endangered Species Act and the federal Species at Risk Act. The Canadian population remains small and is concentrated primarily in a limited number of coastal colonies. Federally identified critical habitat includes Country Island, The Brothers and portions of Sable Island. Fisherman's Harbour remains locally important because of its historical use for nesting, refuge and foraging within the broader Country Island complex.
Overall Assessment	Required measures to protect and maintain Roseate Tern habitat have been maintained through continued application of no-harvest activities within existing and pending wilderness areas.



HCV – Olive-sided Flycatcher Habitat

Management Approach	 Olive-sided Flycatcher habitat considerations are incorporated into forest management through retention of snags and tall residual trees, protection of wetland and riparian habitat, and maintenance of structural diversity around forest openings. The species often uses open coniferous forests, forest–wetland edges, burns and other disturbed areas with prominent trees or snags for perching and nesting. If an active nest is identified during operations, work in the immediate area is stopped and DNR is contacted for direction.
Monitoring Approach	Planned forest management activities are reviewed against current ACCDC occurrence records and available habitat information. Operational field audits assess compliance with required riparian protection, wildlife-tree retention and other applicable stand-structure requirements. Federal and provincial recovery information and emerging beneficial management practices are reviewed annually to determine whether additional measures should be incorporated into planning.
2025 Monitoring Results	• The federal Recovery Strategy remained the primary recovery document available for the species in 2025. Critical habitat has not yet been identified because sufficient landscape-level information is unavailable. • The ACCDC dataset, updated in spring 2025, contains 351 occurrence locations within PHP's Crown license area. Observations range from 1986 o 2024. • Operational audits confirmed that applicable riparian buffers, wildlife-tree retention and stand-structure requirements were implemented. • Research led by Dalhousie University continued to evaluate beneficial management practices for Olive-sided Flycatcher and other landbirds at risk in working forests. • No active nests were encountered during 2025 operations.
Population and Habitat Status	Olive-sided Flycatcher remains listed as Threatened under the Nova Scotia Endangered Species Act and Schedule 1 of the federal Species at Risk Act. COSEWIC reassessed it as Special Concern in 2018 because its rate of decline had slowed, but the federal legal listing remains Threatened. Critical habitat has not yet been formally identified. The recovery objective is to halt or reverse population decline and, over the longer term, achieve a positive 10-year population trend while maintaining the species' Canadian breeding distribution.
Overall Assessment	Habitat features used by Olive-sided Flycatcher were maintained through riparian protection and retention of snags, residual trees and structural diversity.

Olive-sided Flycatcher Locations (ACCDC Data, April 2025)



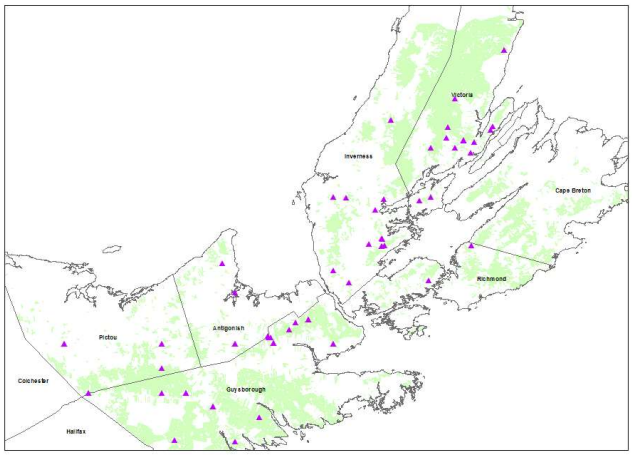
HCV – Eastern Whip-poor-will Habitat

Management Approach	Eastern Whip-poor-will habitat considerations are incorporated into forest management by maintaining a mixture of forest cover, openings, regenerating stands, edge habitat and understory vegetation. Although some forest treatments can create suitable foraging and future nesting habitat, operations during the breeding season could disturb birds or damage well-camouflaged ground nests. If an active nest is identified, work in the immediate area is stopped and DNR is contacted for direction. 
Monitoring Approach	Current ACCDC occurrence records are reviewed against planned forest management activities. Federal and provincial recovery information is reviewed annually for changes in critical habitat, survey guidance or beneficial management practices. Because the species is nocturnal, standard daytime operational audits are not considered an effective population survey.
2025 Monitoring Results	• The federal Recovery Strategy remained the primary recovery document available for the species in 2025. It partially identifies critical habitat in Canada; however, the critical-habitat units identified in the strategy for the Maritimes are located in New Brunswick, not Nova Scotia. • The ACCDC dataset, updated in spring 2025, does not contain location occurrences in PHP's Crown license area. • Operational audits confirmed that applicable riparian buffers, wildlife-tree retention and stand-structure requirements were implemented. • Research led by Dalhousie University continued to evaluate beneficial management practices for Olive-sided Flycatcher and other landbirds at risk in working forests. • No treatments were deferred or modified because of Eastern Whip-poor-will occurrences. • No active nests were encountered during 2025 operations.
Population and Habitat Status	Eastern Whip-poor-will remains listed as Threatened under the Nova Scotia Endangered Species Act and Schedule 1 of the federal Species at Risk Act. COSEWIC subsequently reassessed the species as Special Concern, but its federal legal listing remains Threatened. The species has always been a rare and unpredictable breeder in Nova Scotia, near the northern limit of its range. Its long-term recovery objective is to achieve a positive 10-year population trend beginning after 2025 and support recolonization within the southern part of its Canadian breeding range.
Overall Assessment	Available occurrence information and recovery direction were reviewed during 2025. No recent occurrences overlapped planned forest management activities, and no occurrences were identified within PHP's licence area. Existing forest management practices continue to provide a changing mixture of forest cover, regeneration and openings.

HCV – Eastern Wood-pewee Habitat

Management Approach	Eastern Wood-pewee habitat considerations are incorporated into landscape and operational forest planning by maintaining mature and intermediate-age deciduous and mixedwood forests, large residual trees, forest edges and openings, and a range of forest age classes. Partial and shelterwood treatments can retain suitable canopy structure and create short-term foraging opportunities when sufficient mature trees and adjoining forest cover remain. If an active nest is identified, work in the immediate area is stopped and DNR is contacted for direction. 
Monitoring Approach	Current ACCDC occurrence records are reviewed against planned forest management activities. Operational audits monitor implementation of approved retention and stand-structure requirements. Federal and provincial management direction and emerging habitat research are reviewed annually to determine whether additional beneficial management practices should be incorporated into forest planning.
2025 Monitoring Results	• During 2025, the proposed federal Management Plan remained the most recent national management document. The final Management Plan was subsequently published in May 2026. • The ACCDC sensitive-species dataset, updated spring 2025 contains 67 Eastern Wood-pewee occurrence locations within PHP's Crown licence area. Observations range from 1986 to 2024. • No treatments were deferred or modified because of Eastern Wood-pewee occurrences. • No active nests were encountered during 2025 operations.
Population and Habitat Status	Eastern Wood-pewee is listed as Vulnerable under the Nova Scotia Endangered Species Act and Special Concern under Schedule 1 of the federal Species at Risk Act. The final federal Management Plan establishes objectives to achieve a stable or increasing population trend by 2032, maintain at least a stable trend over the longer term, and maintain or increase the species' Canadian distribution. In Nova Scotia, mature upland forests and, to a lesser extent, treed swamps are considered important breeding habitat.
Overall Assessment	Eastern Wood-pewee habitat was considered through maintenance of mature deciduous and mixed-wood forest, residual trees, forest edges and landscape-level age-class diversity.

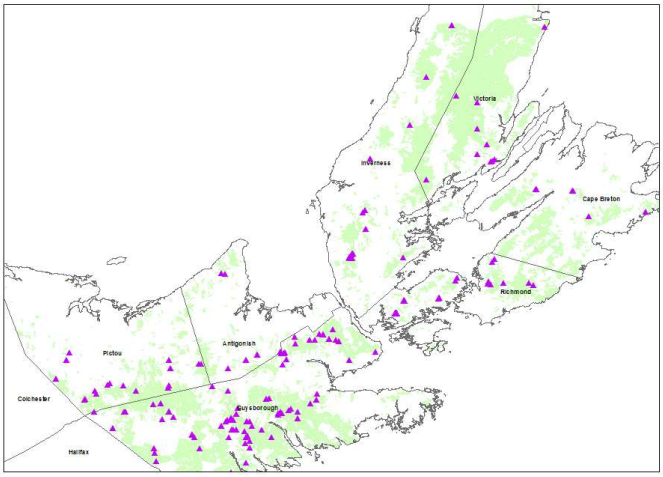
Eastern Wood Peewee Locations (ACCDC Data, April 2025)



HCV – Canada Warbler Habitat

Management Approach	Canada Warbler habitat considerations are incorporated into forest management by maintaining mature and regenerating mixedwood forest, dense deciduous shrub layers, wet forest conditions, residual overstory trees and structural features such as hummocks and downed wood. Landscape planning maintains a range of forest ages and treatment types. If an active nest is identified, work in the immediate area is stopped and DNR is contacted for direction. 
Monitoring Approach	Current ACCDC occurrence records are reviewed against planned forest management activities. Operational field audits assess implementation of approved stand-retention, wetland and riparian protection requirements. Federal and provincial recovery direction and emerging habitat research are reviewed annually to determine whether additional beneficial management practices should be incorporated into planning.
2025 Monitoring Results	• The 2016 federal Recovery Strategy remained the primary national recovery document for Canada Warbler in 2025. Critical habitat has not yet been identified because sufficient landscape-level information is unavailable. • The ACCDC sensitive-species dataset, updated in spring 2025, contains 299 occurrence locations. Observations range from 1987 to 2024. • No treatments were deferred or modified because of Canada Warbler occurrences. • No active nests were encountered during 2025 operations.
Population and Habitat Status	Canada Warbler remains listed as Endangered under the Nova Scotia Endangered Species Act and Threatened under Schedule 1 of the federal Species at Risk Act. COSEWIC reassessed the species as Special Concern in 2020, but its federal legal listing remains Threatened. In Nova Scotia, the species is associated with moist forest sites containing dense deciduous shrubs, cinnamon fern, speckled alder, sphagnum, uneven ground and nearby wetlands. The long-term federal objective is to achieve a positive 10-year population trend after 2025 while maintaining its Canadian breeding distribution.
Overall Assessment	Canada Warbler habitat features were considered through wetland and riparian protection, stand retention and landscape-level maintenance of mature, regenerating and structurally complex mixedwood forest.

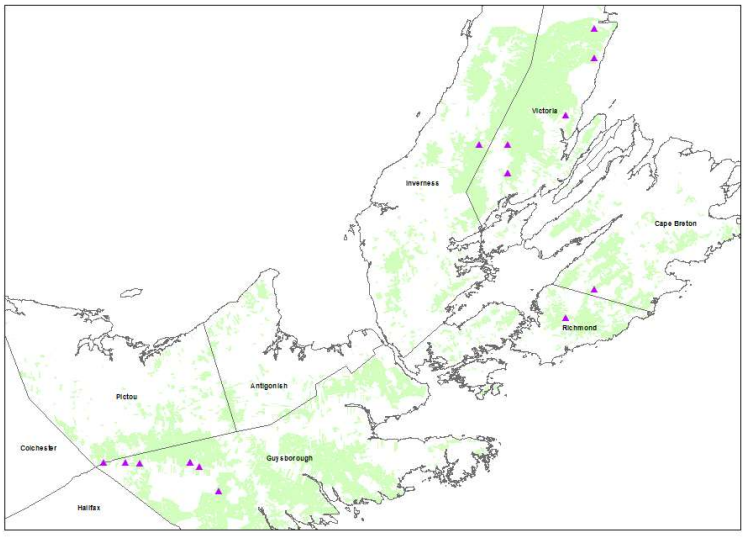
Canada Warbler Locations (ACCDC Data, April 2025)



HCV – Chimney Swift Habitat

Management Approach	Management focuses on maintaining known nesting and roosting sites and retaining potential natural habitat, including large hollow trees. Suspected nesting or roosting sites encountered during operations are protected from disturbance while advice is sought from DNR. 
Monitoring Approach	ACCDC occurrence records and available critical-habitat information are assessed against planned activities. Any site-specific protection measures, operational changes and relevant field observations are documented. Federal and provincial recovery guidance for changes affecting forest operations are monitored.
2025 Monitoring Results	• The ACCDC sensitive-species dataset, updated in spring 2025, contains 16 occurrence locations. Observations range from 1986 to 2011. • No treatments were deferred or modified because of Chimney Swift occurrences. • No active nests were encountered during 2025 operations.
Population and Habitat Status	Chimney Swift is listed as Endangered in Nova Scotia and Threatened federally. It uses human-made structures and large hollow trees for nesting and roosting. The 2023 federal Recovery Strategy partially identifies critical habitat, including 39 human-made nesting or roosting structures in Nova Scotia. These are habitat units, not a population estimate. Identification of natural nesting and roosting habitat remains a research priority.
Overall Assessment	PHP's contribution focuses on avoiding disturbance to known nesting and roosting sites and retaining potential natural habitat.

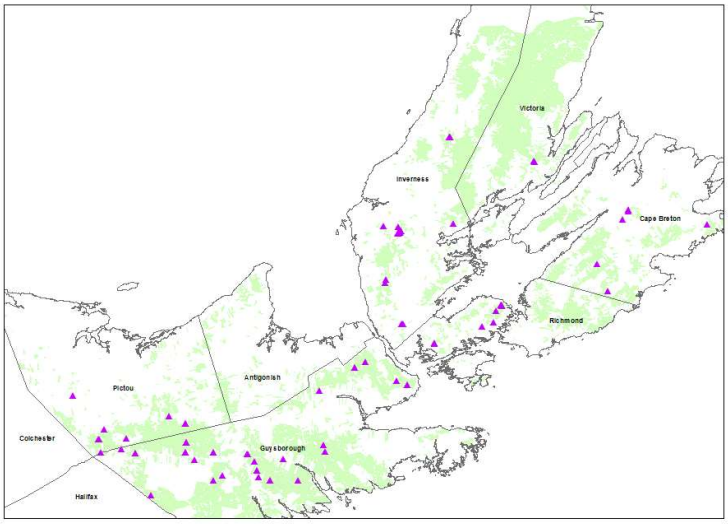
Chimney Swift Locations (ACCDC Data, April 2025)



HCV – Common Nighthawk Habitat

Management Approach	 Common Nighthawk uses open and semi-open areas, including forest clearings, barrens, burns and some regenerating stands. Forest management can create temporarily suitable habitat, but harvesting, site preparation and road activities may disturb ground nests. Management should consider known breeding locations and avoid disturbance to active nests. If an active nest or dependent young are encountered, potentially disturbing work should stop while DNR provides direction on appropriate protection measures.
Monitoring Approach	Annually review current ACCDC occurrence records against planned forest management activities. Distinguish general sightings from evidence of breeding, and document any surveys, operational changes or nest-protection measures. Review federal and provincial conservation guidance and relevant research findings for changes affecting operational planning.
2025 Monitoring Results	• The ACCDC sensitive-species dataset, updated in spring 2025, contains 105 occurrence locations. Observations range from 2006 to 2024. • No treatments were deferred or modified because of Common Nighthawk occurrences. • No active nests were encountered during 2025 operations.
Population and Habitat Status	Common Nighthawk is listed as Threatened in Nova Scotia and Special Concern federally. These designations differ from the federal Threatened listing described in the older 2016 Recovery Strategy. The species nests directly on the ground in suitable open areas and feeds on flying insects.
Overall Assessment	PHP's management approach is provide both the availability of suitable open habitat and avoidance of disturbance to breeding birds.

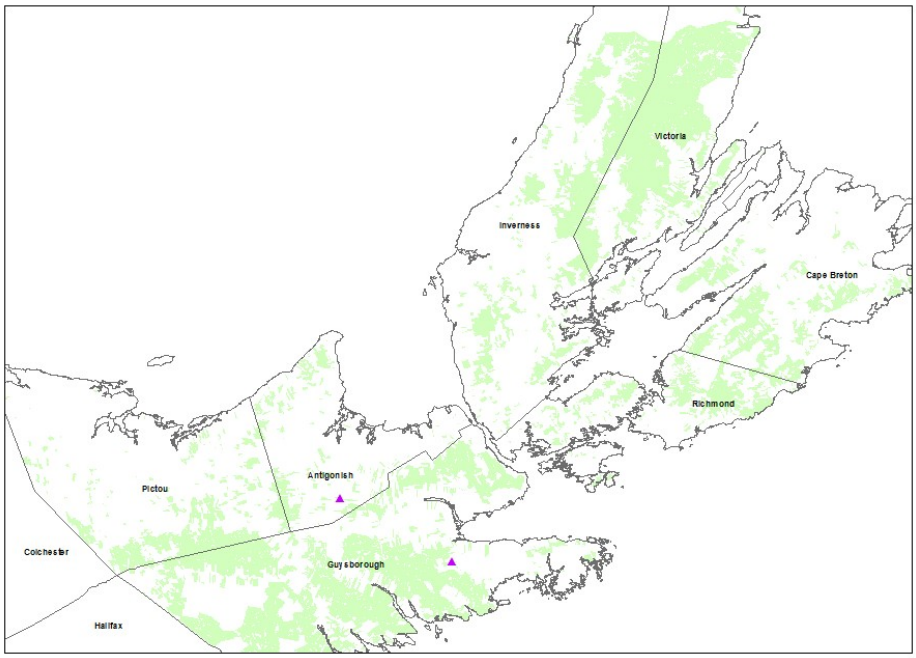
Common Nighthawk Locations (ACCDC Data, April 2025)



HCV – Wood Thrush Habitat

Management Approach	Maintain mature and intermediate-aged deciduous and mixed forest, including large trees, closed canopy, and understory structure. Stop work and notify DNR if an active nest is found. 
Monitoring Approach	Annually review current recovery guidance and overlay updated ACCDC occurrences with planned and completed harvest treatments. Verify habitat-retention measures through planning review and field audits.
2025 Monitoring Results	• ACCDC data updated in 2025 identified 2 locations on PHP's Crown licence area, with observations from 2008-09. • No treatments were deferred or modified because of Wood Thrush occurrences. • No active nests were encountered during 2025 operations.
Population and Habitat Status	Wood Thrush remains federally listed as Threatened, although COSEWIC reassessed it as Special Concern in 2022. Suitable mature deciduous and mixed forest remains important breeding habitat.
Overall Assessment	Continue retaining mature forest structure and screening proposed operations against current occurrence data.

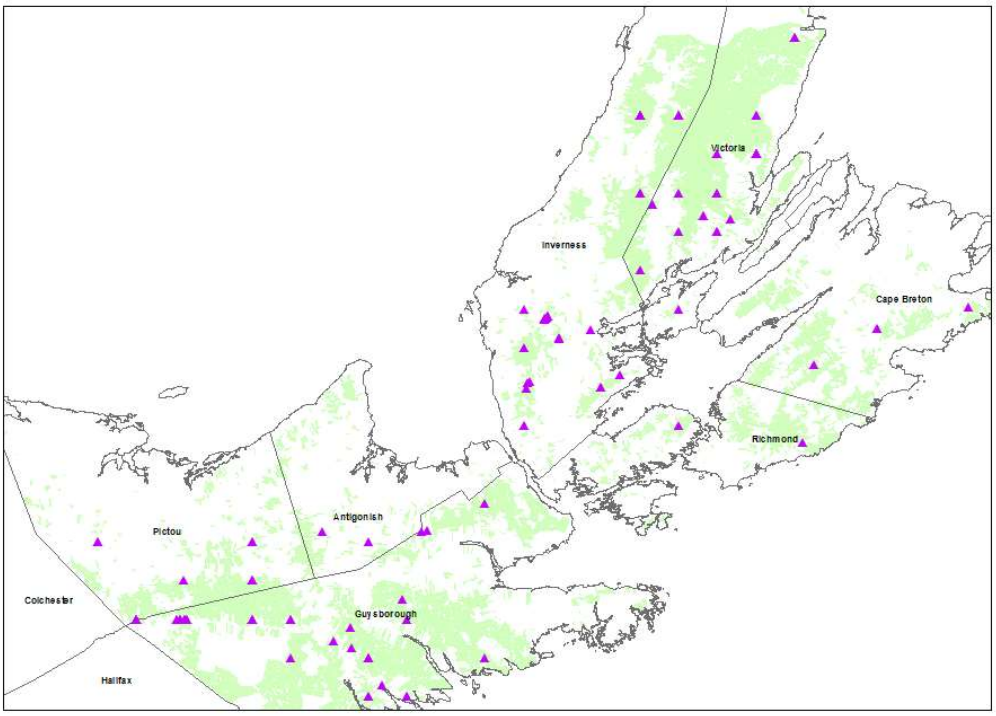
Wood Thrush Locations (ACCDC Data, April 2025)



HCV – Evening Grosbeak Habitat

Management Approach	Maintain a landscape-level supply of mature mixedwood and softwood forest, particularly stands containing fir and spruce. Retain structural diversity and implement any future provincial requirements. 
Monitoring Approach	Annually review ACCDC occurrences, species-status information, recovery documents, and planned harvest overlap.
2025 Monitoring Results	• ACCDC data updated in 2025 identified 115 locations, with observations from 1986 to 2024. • No treatments were deferred or modified because of Evening Grosbeak occurrences. • No active nests were encountered during 2025 operations.
Population and Habitat Status	Evening Grosbeak is listed as Special Concern in Nova Scotia and federally. Its preferred breeding habitat includes open, mature mixedwood forest dominated by fir or spruce. A proposed federal management plan was published in 2022.
Overall Assessment	Continue maintaining mature mixedwood habitat and monitoring changes in management guidance.

Evening Grosbeak Locations (ACCDC Data, April 2025)



HCV – Black-Foam Lichen Habitat

Management Approach	Protect all known occurrences and associated habitat. Conduct surveys where proposed operations overlap modelled at-risk lichen habitat and establish species-specific protection zones around new occurrences. 
Monitoring Approach	Screen proposed operations against current DNR Significant Habitat, ACCDC records, modelled lichen habitat, and identified critical/core habitat. Confirm 100 metre protection-zone implementation through GIS review and field audits.
2025 Monitoring Results	In 2025, approximately 100 hectares were surveyed for lichens. No new occurrences were identified for Black-Foam Lichen in 2025. The known total protected area in Nova Scotia are 3 sites (300 hectares protected).
Population and Habitat Status	Black-Foam Lichen is Threatened federally and provincially. A federal recovery strategy was finalized in 2023, and Nova Scotia adopted it—including identified critical habitat as provincial core habitat—on February 5, 2024.
Overall Assessment	Known habitat remains protected on Crown license area. PHP continues to update operational GIS layers to include provincial core habitat and all current occurrence records.

HCV – Little Brown Myotis Habitat

Management Approach	Maintain mature forest, large trees and snags suitable for roosting, and riparian travel and foraging habitat. Screen activities near known bat occurrences, roosts, and hibernacula. 
Monitoring Approach	Annually review ACCDC/DNR data and the federal recovery strategy. Where suitable maternity-roost habitat may be affected, consult DNR regarding acoustic surveys or other required assessment. DNR may impose certain restrictions if a harvest is planned within 1 km of a cave to minimize noise disruption.
2025 Monitoring Results	ACCDC data updated in 2025 identified 9 locations for Little Brown Myotis. No operations were deferred or altered in 2025 due to bat cave adjacency. Bat populations are beginning to stabilize following declines due to white-nose syndrome but remain listed as endangered.
Population and Habitat Status	Little Brown Myotis remains Endangered federally and in Nova Scotia, primarily because of white-nose syndrome. The 2018 federal recovery strategy identifies critical habitat associated with known hibernacula.
Overall Assessment	No known disturbance of roosts or hibernacula occurred. PHP continues to retain potential roost trees and screening operations against bat data.

HCV – Tri-Colored Bat Habitat

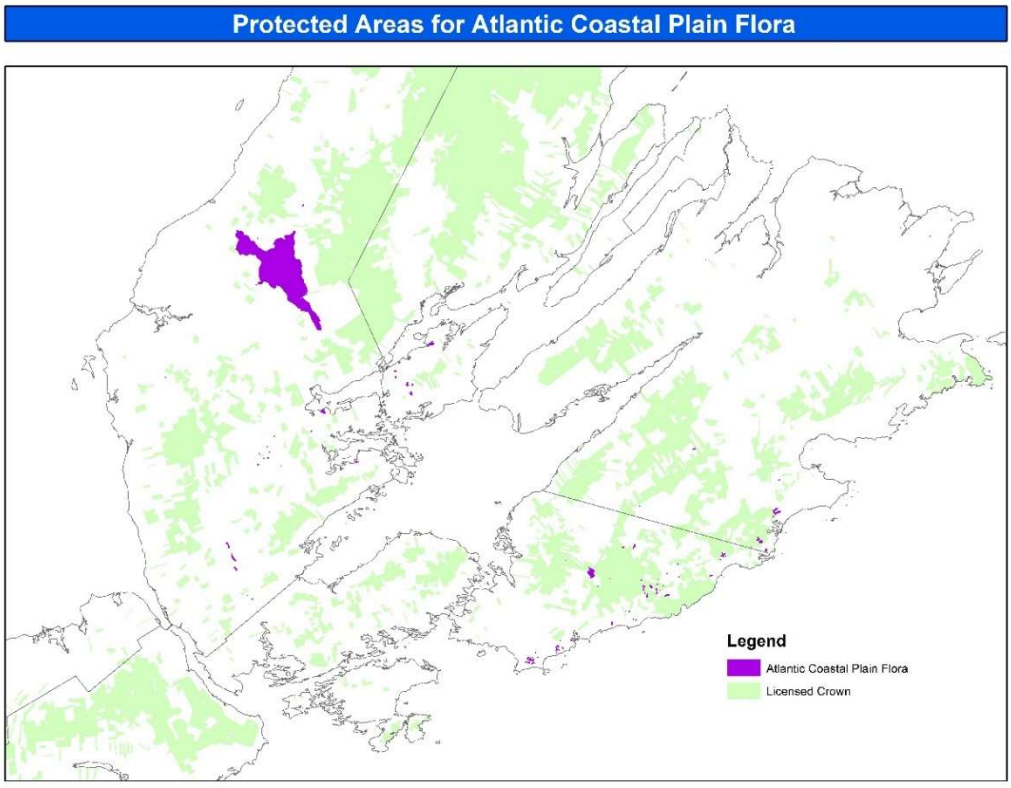
Management Approach	Maintain mature forest and riparian habitat, including trees and foliage suitable for roosting. Avoid disturbance to known roosts and hibernacula. 
Monitoring Approach	Screen ACCDC and DNR records against planned operations and consult DNR where suitable summer habitat or known critical habitat may be affected. DNR may impose certain restrictions if a harvest is planned within 1 km of a cave to minimize noise disruption.
2025 Monitoring Results	ACCDC data updated in 2025 identified 1 location. No operations were deferred or altered in 2025 due to bat cave adjacency. Bat populations are beginning to stabilize following declines due to white-nose syndrome but remain listed as endangered.
Population and Habitat Status	Tri-Colored Bat remains Endangered federally and provincially. The 2018 federal multi-species recovery strategy identifies critical habitat associated with known hibernacula.
Overall Assessment	No known disturbance of roosts or hibernacula occurred. PHP continues to retain potential roost trees and screening operations against bat data.

HCV – Northern Myotis Habitat

Management Approach	Retain mature forest, large trees, snags, and riparian habitat that provide roosting, travel, and foraging opportunities. Avoid impacts to known roosts and hibernacula. 
Monitoring Approach	Annually review ACCDC/DNR records, critical-habitat information, and planned operations. Undertake additional assessment where suitable maternity-roost habitat may be affected. DNR may impose certain restrictions if a harvest is planned within 1 km of a cave to minimize noise disruption.
2025 Monitoring Results	ACCDC data updated in 2025 identified 1 location. No operations were deferred or altered in 2025 due to bat cave adjacency. Bat populations are beginning to stabilize following declines due to white-nose syndrome but remain listed as endangered.
Population and Habitat Status	Northern Myotis remains Endangered federally and provincially. White-nose syndrome remains the principal population-level threat.
Overall Assessment	No known disturbance of roosts or hibernacula occurred. PHP continues to retain potential roost trees and screening operations against bat data.

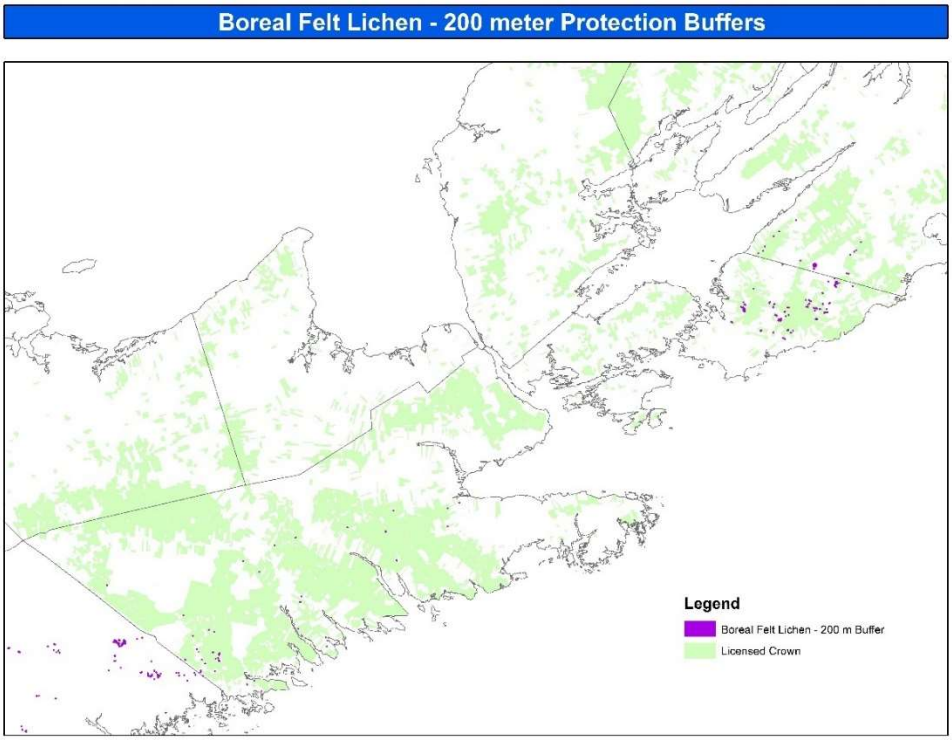
HCV – New Jersey Rush Habitat

Management Approach	Exclude known occurrences and their supporting wetland habitat from forest-management disturbance. Maintain site hydrology and avoid rutting, road construction, sedimentation, or other alteration of bog and fen habitat. 
Monitoring Approach	Annually screen ACCDC and DNR data against planned and completed activities and confirm that identified habitat remains outside operational treatment areas.
2025 Monitoring Results	ACCDC/DNR data updated in 2025 identified 71 known locations on or near the licence area. No forest-management activities affected known habitat.
Population and Habitat Status	New Jersey Rush is federally listed as Special Concern and provincially listed as Vulnerable. It is addressed through the federal multi-species recovery strategy and management plan for Atlantic Coastal Plain Flora.
Overall Assessment	Known habitat remained fully protected. Continue protecting occurrences and their hydrological setting.



HCV – Boreal Felt Lichen Habitat

Management Approach	Survey suitable modelled habitat before disturbance and establish required protection zones around all occurrences. Retain host trees and the surrounding humid forest microclimate. 
Monitoring Approach	Overlay proposed operations with current occurrence, modelled-habitat, and critical-habitat layers. Track survey area, detections, protected occurrences, and any operational changes annually.
2025 Monitoring Results	Approximately 100 hectares were surveyed in 2025 for lichens. No new occurrences were found in 2025 on PHP's Crown license area. PHP currently protects 2,351 hectares of Boreal Felt Lichen habitat (214 known occurrences). No incursions into protection zones occurred.
Population and Habitat Status	The Atlantic population remains Endangered. The federal recovery strategy was amended in 2020 to update and refine critical habitat, and a joint action plan with Vole Ears Lichen was finalized in 2020.
Overall Assessment	Known occurrences were fully protected. Continue pre-treatment surveys and verification of protection zones.



HCV – Vole Ears Lichen Habitat

Management Approach	Protect all known occurrences, host trees, and surrounding habitat required to maintain suitable moisture and microclimate conditions. Survey modelled habitat before disturbance. 
Monitoring Approach	Screen proposed treatments against ACCDC/DNR occurrences and suitable-habitat models; document surveys, detections, protection zones, and operational changes.
2025 Monitoring Results	There are two known locations (year 2010 and 2015) of vole ears lichen in PHP's forest management area that are buffered with a 200-metre protection zone. Lichen surveys completed in 2025 resulted in no new locations of vole ears lichen.
Population and Habitat Status	Vole Ears Lichen remains Endangered. A federal recovery strategy was finalized in 2014, and the species is included in the 2020 joint action plan with Boreal Felt Lichen.
Overall Assessment	Known occurrences remained protected. Continue applying the provincial At-Risk Lichen SMP and current federal recovery direction.

HCV – Blue Felt Lichen Habitat

Management Approach	Protect known occurrences and retain host trees and surrounding forest conditions. Survey suitable habitat where proposed operations trigger the provincial At-Risk Lichen SMP. 
Monitoring Approach	Annually review ACCDC/DNR data and planned-treatment overlap. Track surveyed hectares, detections, protected occurrences, and field-audit results.
2025 Monitoring Results	Approximately 100 hectares were surveyed in 2025 for lichens. Eight new occurrences were found in 2025 on PHP's Crown license area and buffered with the required 100 metre protection zone. No incursions into protection zones occurred.
Population and Habitat Status	Blue Felt Lichen is federally listed as Special Concern and provincially listed as Vulnerable. Its finalized 2022 federal management plan establishes an objective of maintaining a stable population within its known Canadian range.
Overall Assessment	Known occurrences are fully protected. Continue surveys, host-tree retention, protection-zone implementation, and monitoring for updated guidance.

HCV – Eastern White Cedar

Management Approach	Protect all known Eastern White Cedar occurrences and exclude the species and its supporting habitat from harvesting and silviculture activities. Flag new occurrences in LRM. 
Monitoring Approach	Annually review DNR forest inventory, Significant Habitat, ACCDC, and PHP field information. Overlay known occurrences with planned and completed treatments.
2025 Monitoring Results	There continues to be no known occurrences of Eastern White Cedar on PHP's Crown license area as confirmed by queries of ACCDC and DNR available datasets.
Population and Habitat Status	Eastern White Cedar remains Vulnerable under the Nova Scotia Endangered Species Act. Nova Scotia reports approximately 32 identified stands, most on private land, and describes the provincial population as fragmented.
Overall Assessment	Known occurrences will be fully protected. PHP will continue annual database screening and field identification.

HCV – Black Ash

Management Approach	Exclude Black Ash trees and supporting wetland or riparian habitat from forest-management disturbance. Incorporate Mi'kmaq knowledge and current recovery direction into management decisions. 
Monitoring Approach	Annually review ACCDC, DNR, and PHP records and screen planned operations for potential occurrences. Coordinate with DNR and Mi'kmaq conservation organizations where known stands could be affected.
2025 Monitoring Results	The 2025 review identified three Black Ash occurrences within PHP's management area. These sites were not impacted by forest management operations in 2025. Any future operations that may overlap will initiate the recommended 150 metre protection zone.
Population and Habitat Status	Black Ash is Threatened federally and provincially. Nova Scotia's Recovery and Action Plan was developed with early and continuing involvement from the Mi'kmaq of Nova Scotia.
Overall Assessment	Known Black Ash habitat continues to be fully protected. PHP will continue coordination with Mi'kmaq partners and incorporate updated occurrence information into LRM.

HCV – Frosted Glass-Whiskers Habitat

Management Approach	Protect all known occurrences using the provincial At-Risk Lichen Special Management Practices. Establish a 100 m protection zone and retain old trees, exposed heartwood, and surrounding microclimate conditions. 
Monitoring Approach	Screen proposed treatments against current ACCDC/DNR records and modelled at-risk lichen habitat. Complete pre-treatment surveys where triggered and verify protection zones through GIS and field audits.
2025 Monitoring Results	In 2025, approximately 100 hectares were surveyed for lichens. Two new occurrences of Frosted Glass-Whiskers were identified and protected with the required 100 metre buffer zone. occurrences were identified. PHP currently protects 15 known. No incursions into protection zones occurred.
Population and Habitat Status	The Nova Scotia population is federally listed as Special Concern. The federal management objective is to maintain known occurrences and any additional occurrences that are discovered. The species is associated with old trees and old-growth microhabitat.
Overall Assessment	Known occurrences remain fully protected. PHP continues pre-treatment surveys and protection-zone verification.

HCV – Wrinkled Shingle Lichen Habitat

Management Approach	Protect all known occurrences with a 100 m protection zone under the provincial At-Risk Lichen SMP. Retain host trees and the surrounding forest conditions necessary to maintain humidity and habitat continuity. 
Monitoring Approach	Screen proposed operations against ACCDC, DNR, and PHP survey records. Conduct surveys where required and track detections, protection zones, and operational changes.
2025 Monitoring Results	In 2025, approximately 100 hectares were surveyed for lichens. No new occurrences of Wrinkled Shingle Lichen were identified. PHP currently protects one known site of this lichen.
Population and Habitat Status	Wrinkled Shingle Lichen is Threatened in Nova Scotia and was assessed as Threatened by COSEWIC. It usually occurs on mature deciduous trees, especially Red Maple near treed swamps and floodplains.
Overall Assessment	Known occurrences remain fully protected. PHP continues applying the provincial SMP and updating operational GIS layers.

HCV – Cold-Water Refugia Sub-Watersheds

Management Approach	Maintain thermal cover for Atlantic Salmon and Brook Trout by retaining at least 50% stand-level crown closure wherever operationally feasible. Intensive forest management, including FSC-defined plantations, is excluded from these HCV areas. 
Monitoring Approach	Annually overlay completed treatments with the current cold-water refugia layer. Review prescriptions, retained crown closure, riparian protection, and any departures related to windthrow risk.
2025 Monitoring Results	In 2025, 86 hectares across 25 sites were treated within cold-water refugia sub-watersheds. These treatments were within the Ecological Matrix zone where different levels of retention are required as partial overstory removals. PHP is also currently reviewing the cold-water refugia areas with the Margaree Salmon Association to revise and update the data using recent research.
Hydrologic and Habitat Status	The current HCV layer contains approximately 30,015 hectares. Maintaining shade, riparian vegetation, and hydrologic function helps reduce stream warming and supports cold-water fish habitat.
Overall Assessment	Varying retention levels are left in cold-water refugia areas. Cold water refugia areas are managed to maintain as much thermal cover as possible by leaving a minimum 50% crown closure wherever possible at the stand level following harvest treatments. The only exception is in stands containing a high proportion of non-wind firm trees, such as balsam fir, black spruce, or white spruce that are vulnerable to blowdown.

HCV – Important Bird Areas

Management Approach	Exclude forest-management activities from protected or inaccessible Important Bird Areas and apply species-specific HCV measures where an IBA overlaps PHP's operating area. 
Monitoring Approach	Annually overlay planned and completed treatments with current bird-conservation boundaries. Review the status of Cape North, Central Cape Breton Highlands, Scaterie Island, and other relevant sites.
2025 Monitoring Results	A GIS review confirmed that no forest-management activities occurred within identified Important Bird Areas during 2025.
Population and Habitat Status	The former Important Bird and Biodiversity Areas program is transitioning to Canada's Key Biodiversity Areas program, and the IBA Canada website is no longer being updated. Future annual reviews should use the current KBA Canada dataset while retaining applicable historical IBA designations.
Overall Assessment	Identified bird-conservation areas were not affected by 2025 operations.

HCV – Natural Red Spruce Stands

Management Approach	Manage natural Red Spruce stands toward two- or three-cohort conditions, promote natural Red Spruce regeneration, and retain overstory trees, snags, future snags, tolerant associates, and residual Red Spruce. 
Monitoring Approach	Annually compare completed treatments with mapped natural Red Spruce stands and verify conformity with PHP's Red Spruce Work Instruction through prescription review, GIS analysis, and field audits.
2025 Monitoring Results	There were no natural Red Spruce stands managed in 2025. PHP still implements the Red Spruce Work Instruction as needed.
Forest Condition Status	Treatment should gradually increase structural diversity and establish or maintain natural Red Spruce regeneration. Monitoring should distinguish immature wind-firm stands from stands requiring staged overstory removal because of windthrow risk.
Overall Assessment	Past treatments are consistent with PHP's Red Spruce Work Instruction.

HCV – Protected Areas

Management Approach	All legal, pending, and administratively protected areas in LRM are excluded from harvesting, silviculture, road construction, and other forest-management activities. 
Monitoring Approach	Current provincial protected-area boundaries overlaid with planned and completed treatments, roads, and other operational activity. Monitor for any infractions.
2025 Monitoring Results	A GIS overlay of 2025 completed treatments found no forest-management activities within legal, pending, or administratively protected areas.
Protected Area Status	Nova Scotia is implementing a Collaborative Protected Areas Strategy, with an interim goal of protecting 15% of provincial land and water by 2026 and at least 20% by 2030. PHP will continue monitoring new candidate, pending, and legally designated areas.
Overall Assessment	Protected areas are fully excluded from all forest management activities. Continue annual boundary updates and pre-operational GIS screening.

Legally Protected Areas

Category	# Sites	Total Hectares
New Provincial Protected Area	89	98,184
Provincial Parks and Reserves	21	1,492
Provincial Nature Reserves	7	1,868
Provincial Wilderness Areas	19	106,526
National Migratory Bird Sanctuaries	1	392
National Parks	1	94,870
TOTAL HECTARES		303,332

Administratively Protected Areas

Category	# Sites	Total Hectares
Old Forest Areas	N/A	61,126
PHP Protected Area	8	6,147
IBP Sites & Sites of Ecological Significance	12	3,107
TOTAL HECTARES		70,380

HCV – Special Management Zone Adjacent to Protected Areas

Management Approach	Maintain a special management zone adjacent to protected-area boundaries to minimize new access. Avoid new road construction wherever practicable. Where a road is necessary, locate it parallel to the protected-area boundary where feasible and minimize the number of access points entering or approaching the protected area.
Monitoring Approach	Annually overlay newly constructed and upgraded roads with current legal, pending, and administratively protected-area boundaries and the applicable special management zone. Confirm road locations through LRM records and field verification where necessary.
2025 Monitoring Results	A GIS review of 2025 road-construction data identified no new roads within the special management zone adjacent to protected areas. No new access points into protected areas were created.
Protected Area Access Status	No new access into protected areas was created.
Overall Assessment	The objective of minimizing road construction and access adjacent to protected areas was fully met in 2025. Continue annual GIS monitoring and require documented justification and mitigation for any new road proposed within the special management zone.

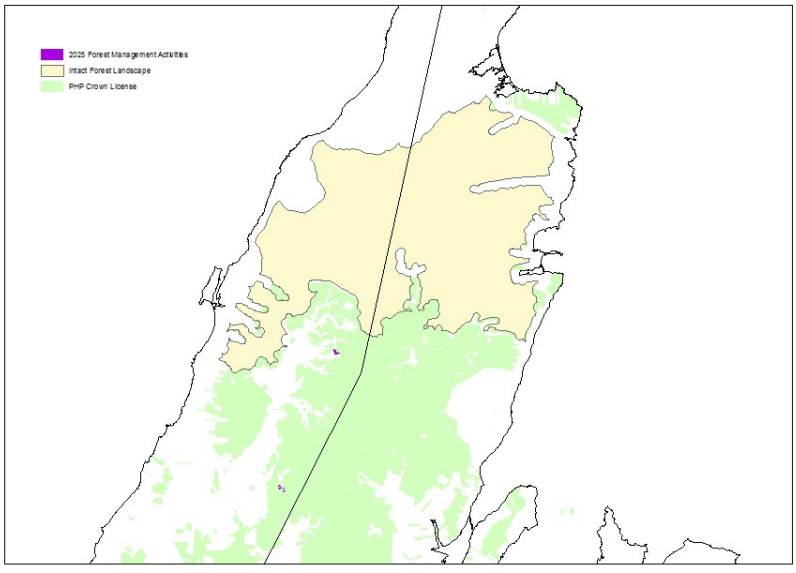
HCVF Category 2 – Large Landscape Level Forests

HCV – Intact Forest Landscapes

Management Approach	Manage the Intact Forest Landscape in accordance with applicable FSC Canada requirements and FSC advice notes. Maintain its ecological integrity, prevent unnecessary fragmentation, and ensure cumulative management impacts remain within permitted limits.
Monitoring Approach	Annually overlay completed harvesting, silviculture, road construction, and other infrastructure with the approved IFL baseline. Calculate the cumulative affected area and percentage and confirm that the remaining IFL area has not fallen below 50,000 ha.
2025 Monitoring Results	In 2025, zero hectares of harvesting, zero hectares of silviculture, and zero km of road construction occurred within the IFL.
IFL Status	The identified IFL has a baseline area of approximately 103,849 ha, including Cape Breton Highlands National Park. Approximately 20,402 ha of Crown land managed by PHP occurs within the mapped IFL. Of this area, approximately 10,000 ha is identified for pending protection and approximately 1,260 ha is established as Crown Wilderness Area. There has been minimal forest management activity within the IFL as shown in the table below.
Overall Assessment	The 2025 review determined that cumulative impacts remained below the applicable 20% limit and that the IFL remained above 50,000 ha. No material fragmentation was identified. PHP will continue annual cumulative-impact and road-fragmentation monitoring.

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Harvest (ha)	0	0	0	23.7	0	0	0	0	0
Total Silviculture (ha)	0	0	0	0	0	0	0	0	0
Total Roads Built (km)	0	0	0	0	0	0	0	0	0

Intact Forest Landscape, Northern Cape Breton



HCV – Large Landscape-Level Forests

Management Approach	Maintain biodiversity, landscape connectivity, and forest intactness through protection of core roadless areas, limits on road density, retention of older forest conditions, ecologically appropriate prescriptions, and implementation of Species at Risk requirements.
Monitoring Approach	Annually overlay completed harvest, silviculture, and road-construction data with large landscape-level forest boundaries, core roadless areas, protected areas, and special management areas. Calculate road density and the proportion of each HCV remaining in non-clearcut condition.
2025 Monitoring Results	Within these HCV areas, PHP did not use full-tree logging, exotic tree species, herbicides, or FSC-defined plantations or intensive forest management. In 2025, zero km of new road was constructed within large landscape-level forests. No harvesting was completed in these areas. Approximately 164 hectares was planted or weeded.
Landscape Condition Status	The table below summarizes the current road index and the percentage of each large landscape-level forest in non-clearcut condition. All HCV areas remained below the road-index limit of 0.58 km/km^2, and all maintain at least 60% in stands more than 10 years old.
Overall Assessment	The biodiversity and intactness objective was met in 2025. No new roads occurred in core roadless areas and all landscape thresholds were maintained. PHP will **c**ontinue annual cumulative monitoring of roads, forest condition, and landscape fragmentation.

HCVF LLLF Name	Total HA	2025 Road Index	Future Road Index	2025 Total Area Treated	Non-clearcut Condition 2025
Barren Hill	1,318	0.08 km/km2	0.20 km/km2	0	99%
Boisdale Hills	5,630	0.40 km/km2	0.52 km/km2	0	100%
Bornish Hill (fully protected)	2,106	0 km/km2	0 km/km2	0	100%
Country Harbour	8,202	0.03 km/km2	0.03 km/km2	0	100%
East Bay Hills	1,865	0.23 km/km2	0.31 km/km2	0	98%
French River	25,226	0 km/km2	0 km/km2	0	100%
Hill Lake	877	0.55 km/km2	0.65 km/km2	0	100%
Ingonish River	15,210	0.01 km/km2	0.01 km/km2	0	100%
Isaacs Harbour River	6,157	0.25 km/km2	0.42 km/km2	0	98%
Jim Campbells Barren (fully protected)	4,586	0.21 km/km2	0.21 km/km2	0	100%
Masons Mountain (fully protected)	1,022	0.06 km/km2	0.06 km/km2	0	100%
North River	6,328	0.20 km/km2	0.20 km/km2	0	100%
Oban	1,618	0.57 km/km2	0.78 km/km2	0	89%
Petit Lake Ruiss Noir (fully protected)	1,612	0 km/km2	0 km/km2	0	100%
Salmon Gaspereaux	2,357	0.30 km/km2	0.61 km/km2	0	94%
Upper Liscomb River	7,398	0.07 km/km2	0.07 km/km2	0	100%
TOTAL HECTARES	91,512				

HCVF Category 3 – Rare, Threatened or Endangered Ecosystems

HCV – Significant Ecosites

Management Approach	Administratively protect mapped rare, threatened, or endangered ecosystems from forest-management activities. Previously managed karst conifer, karst hardwood, calcareous, and hemlock forests may receive carefully designed restoration treatments intended to maintain or restore mature, late-successional ecosystem conditions.
Monitoring Approach	Annually overlay planned and completed forest-management activities with the current provincial Significant Ecosite layer. Where mapped ecosite conditions are uncertain, complete field verification by qualified personnel before approving an activity and document the results in LRM.
2025 Monitoring Results	A GIS review identified no completed treatments affecting 73,356 hectares of mapped significant ecosites in 2025. No activities occurred in these areas.
Ecosystem Status	All confirmed significant ecosites remained administratively protected. Restoration treatments in previously managed karst, calcareous, or hemlock forests will continue to be consistent with the objective of restoring mature ecosystem composition and structure.
Overall Assessment	The objective of maintaining rare, threatened, or endangered ecosystems was fully met in 2025. PHP will continue annual GIS screening, field verification, and tracking of restoration outcomes.

HCV – Old Growth Forests

Management Approach	Protect all Crown-land forest identified under Nova Scotia's Old-Growth Forest Policy and any additional legally or administratively protected old-forest areas. Exclude harvesting, silviculture, road construction, and other forest-management activities from these areas.
Monitoring Approach	Annually update the provincial Old-Growth Forest Policy GIS layer in LRM and overlay it with planned and completed harvest, silviculture, and road data. Investigate and document any apparent overlap before determining compliance.
2025 Monitoring Results	A GIS overlay of 2025 completed treatments identified no forest-management activities within mapped old-growth forest. Approximately 61,126 hectares of old-growth forest and restoration opportunities were identified and protected within PHP's Crown licence area. Two new sites of old-growth were added or reclassified during 2025.
Old Growth Forest Status	Nova Scotia's updated Old-Growth Forest Policy took effect on August 18, 2022, and applies to qualifying old-growth forest on Crown land, including qualifying stands not previously mapped. The provincial policy layer is therefore an important screening tool but should not be treated as a complete inventory of every qualifying stand.
Overall Assessment	Old-growth and designated old-forest areas were fully protected from PHP forest-management activities in 2025. PHP will continue annual GIS updates and pre-treatment screening for unmapped stands that may meet provincial old-growth criteria.

HCV – Poorly Represented Ecosystems

Management Approach	Maintain administrative protection of ecosystems identified through PHP's ecological gap analysis as poorly represented in the existing protected-area network. Exclude harvesting, silviculture, road construction, and other forest-management activities from these areas.
Monitoring Approach	Annually overlay planned and completed harvest treatments, silviculture, and road activities with the poorly represented ecosystem boundaries in LRM. Confirm that boundaries and area calculations remain consistent with the current PHP Gap Analysis.
2025 Monitoring Results	A GIS review of 2025 completed treatments confirmed that no forest-management activities occurred within PHP's administratively protected poorly represented ecosystems. No boundaries or protection designations changed.
Ecosystem Protection Status	PHP currently administratively protects eight poorly represented ecosystem areas totalling approximately 6,147 ha. All areas remained fully protected during 2025.
Overall Assessment	The objective of maintaining protection for poorly represented ecosystems was fully met in 2025. PHP will continue annual GIS screening and document any boundary, ownership, designation, or ecological-information changes.

Protected ecosystem areas

Area	Protected area (ha)	2025 Management Activity
Masons Mountain	197	None identified
Jim Campbells Barren	2,844	None identified
Boisdale Hills	1,727	None identified
Country Harbour	829	None identified
North River	27	None identified
Oban	170	None identified
Hill Lake	113	None identified
Salmon Gaspereaux	240	None identified
Total	**6,147**	**No activity confirmed**

HCVF Category 4 – Basic Services of Nature

HCV – Connectivity Management Zones

Management Approach	Maintain functional forest connectivity between protected areas and old-forest areas through static 500 m-wide Connectivity Management Zones. Within each CMZ, maintain a continuous core corridor at least 100 m wide with a minimum 30% crown closure. Harvesting may occur outside the core corridor provided the CMZ is not severed.
Monitoring Approach	Annually overlay completed harvest, silviculture, and road activities with CMZ boundaries. Map the location of the retained 100 m core corridor and verify that it remains continuous, meets the minimum crown-closure requirement, and connects the intended habitat areas.
2025 Monitoring Results	46 CMZs assessed for 100 m solid cover with minimum 30% crown closure met the connectivity guidelines, achieving 100% compliance.
Connectivity Status	All CMZs meet both the 100 m minimum-width and 30% minimum-crown-closure requirements. The location of the movable core corridor was updated in LRM for CMZs following 2025 activities.
Overall Assessment	The objective of maintaining continuous canopy connectivity was fully met in 2025. PHP will continue annual spatial monitoring and ensure the retained core corridor is identified before approving treatments within a CMZ.

HCV – Margaree & St. Mary's River Watershed

Management Approach	Maintain at least 80% of PHP-managed land in each watershed in closed-forest condition and at least 90% in natural or restoration-oriented management. Maintain 200 m forest-restoration zones along designated main watercourses.
Monitoring Approach	Annually calculate closed-forest condition, natural/restoration area, and FSC-defined plantation area separately for each watershed. Overlay completed treatments with the 200 m restoration zones.
2025 Monitoring Results	In 2025, closed-forest condition was 90% in the Margaree watershed and 93% in the St. Mary's watershed. Natural or restoration-oriented management represented 100%. No intensive treatments occurred within the 200 m restoration zones.
Watershed Status	Both watersheds have remained above the 80% closed-forest threshold since 2008. In 2025, both watersheds continue to meet the 80% target and the requirement to limit FSC-defined plantation area to no more than 10%.
Overall Assessment	The watershed-condition objectives were fully met in 2025. PHP will continue annual monitoring of forest age, treatment intensity, watercourse restoration zones, and cumulative watershed condition.

HCVF Category 4 Continued – Basic Services of Nature (Water)

HCV – Legally Protected Municipal Water-Supply Areas

Management Approach	Exclude PHP forest-management activities from legally protected municipal water-supply areas unless specifically authorized by the Province and municipality and conducted in accordance with the applicable source-water protection plan or watershed requirements.
Monitoring Approach	Annually update municipal water-supply area boundaries and overlay them with planned and completed harvesting, silviculture, and road activities. Review any overlap against municipal and provincial approvals.
2025 Monitoring Results	A GIS review found no completed activities within legally protected municipal water-supply areas in 2025.
Water Supply Status	No forest-management effects on legally protected municipal water supplies have been identified.
Overall Assessment	The water-health objective was fully met in 2025. PHP will continue annual boundary updates and pre-operational screening.

HCV – Water-Supply Intake Areas

Management Approach	Protect community water supplies by applying watercourse buffers, closed-forest targets, steep-slope restrictions, aquatic watershed requirements, and controls on rutting, sedimentation, and ground disturbance.
Monitoring Approach	Annually overlay completed harvest, silviculture, and road activities with mapped intake and contributing catchment areas. Review prescriptions, watercourse crossings, soil disturbance, and applicable source-water protection requirements.
2025 Monitoring Results	A GIS overlay of completed harvest treatments and water supply intake areas shows no hectares were managed within the intake areas.
Water Supply Status	Operational monitoring has not identified water-quality or sedimentation concerns.
Overall Assessment	Required water-protection measures were fully implemented in 2025. Continue monitoring activities throughout the contributing watershed rather than only immediately around the intake point.

HCV – Steep Slopes

Management Approach	Conventional ground-based harvesting is excluded from areas with an average slope of 30% or greater. Alternative systems may only be considered following site-specific assessment and approval. PHP did not use cable-logging systems in 2025 [confirm].
Monitoring Approach	Annually overlay completed harvest and road activities with the steep-slope layer. Review apparent intersections using operational boundaries, higher-resolution terrain information, and field verification where necessary.
2025 Monitoring Results	A GIS overlay of steep slope areas with 2025 harvest areas shows 0 hectares harvested.
Soil & Community Status	No slope instability, excessive erosion, sedimentation, or related community concerns were reported.
Overall Assessment	The steep-slope requirement was fully met in 2025. PHP will continue distinguishing GIS artefacts from confirmed ground disturbance and will document any deficiencies.

HCVF Category 5 – Basic Needs of Local Communities

HCV – Cattle Grazing on the Cape Breton Highlands

Management Approach	Recognize the historical use of Crown land in the Cape Breton Highlands for seasonal cattle grazing and coordinate forest operations to avoid unnecessary conflict with authorized grazing activities.
Monitoring Approach	Annually review reported grazing locations, access requirements, operational conflicts, safety concerns, fencing issues, and complaints received from farmers or other land users.
2025 Monitoring Results	In 2025, PHP received no concerns relating to cattle grazing in the Cape Breton Highlands.
Community Use Status	Seasonal cattle grazing continued without identified conflict during the reporting period.
Overall Assessment	The objective of supporting this community use was fully met in 2025. Continue coordinating road use and forest operations with authorized grazing activities.

HCV – Viewshed Areas

Management Approach	Minimize visual effects from harvesting and roads by applying PHP's *Harvest View from Roadside* Work Instruction according to each site's low, medium, or high visibility classification.
Monitoring Approach	Annually overlay completed treatments with the LRM viewshed layer. Verify that applicable landscape-, stand-, and road-level design measures were included in prescriptions and implemented in the field.
2025 Monitoring Results	In 2025,302 hectares of completed treatments overlapped mapped viewsheds: 292 ha low, 10 ha medium, and zero ha high visibility. Required visual-management measures were [implemented at all applicable sites.
Viewshed Status	PHP received no public concerns about visual effects from 2025 forest operations.
Overall Assessment	The objective of minimizing visual effects was fully met. Continue prescription review, post-treatment field verification, and monitoring of public feedback.

HCVF Category 6 – Traditional Cultural Identity

HCV – Mi'kmaq Forest Values and Uses

Management Approach	Identify and avoid or minimize effects on Mi'kmaq forest values and uses through information sharing, engagement, spatial review, and implementation of PHP's work instruction for suspending operations.
Monitoring Approach	Review operating plans with the appropriate Mi'kmaq organizations and communities and track questions, concerns, identified values, responses, commitments, and operational changes. The public inquiry database may supplement—but does not replace—direct engagement. Where an operation may adversely affect an identified Mi'kmaq value or use, work within the potentially affected area will be paused while PHP engages with the appropriate Mi'kmaq representatives and determines suitable avoidance, mitigation, or other agreed measures.
2025 Monitoring Results	In 2025, PHP shared the 5-year operational plan with Mi'kmaq organizations for assessment related to potential effects on Mi'kmaq forest values or uses. No feedback was received regarding the operational plan. In early 2026, a Black Ash tree was found by PHP staff during routine field assessment. A 150-metre protection zone was applied around the tree as required in the Black Ash Recovery Strategy. In the fall of 2025, a blockade was established at the main entrance of the Cape Breton Highlands/Hunters Mountain road system by Mi'kmaq community members. PHP halted all forest management activities and removed all contractors working in the area. The blockade remained until mid-December. PHP management has had significant discussions and sharing of information with Mi'kmaq organization representatives and community members throughout 2026 to address concerns.
Values and Uses Status	Identified concerns remain under discussion through site visits, information sharing, and other measures. Efforts have continued into 2026 with positive discussions and developing a shared path regarding forest management in the Highlands/Hunters Mountain area.
Overall Assessment	PHP will continue early engagement and maintain a documented record of commitments and follow-up. Information sharing on Mi'kmaq values and uses is a top priority for both PHP and Mi'kmaq organizations. Efforts will continue into 2026 and 2027 to develop a process for learning and information sharing.

HCV – Mi'kmaq Traditional Cultural Identity

Management Approach	Respect Mi'kmaq rights, values, and traditional cultural identity through ongoing engagement and implementation of applicable FSC Free, Prior and Informed Consent requirements.
Monitoring Approach	Annually document engagement activities, information shared, matters raised, PHP responses, agreed measures, unresolved issues, and progress toward an FPIC framework or other mutually supported process.
2025 Monitoring Results	In 2025, PHP shared the 5-year operational plan with Mi'kmaq organizations for assessment related to potential effects on Mi'kmaq forest values or uses. No feedback was received regarding the operational plan. In early 2026, a Black Ash tree was found by PHP staff during routine field assessment. A 150-metre protection zone was applied around the tree as required in the Black Ash Recovery Strategy. In the fall of 2025, a blockade was established at the main entrance of the Cape Breton Highlands/Hunters Mountain road system by Mi'kmaq community members. PHP halted all forest management activities and removed all contractors working in the area. The blockade remained until mid-December. PHP management has had significant discussions and sharing of information with Mi'kmaq organization representatives and community members throughout 2026 to address concerns.
Relationship and Process Status	Identified concerns remain under discussion through site visits, information sharing, and other measures. Efforts have continued into 2026 with positive discussions and developing a shared path regarding forest management in the Highlands/Hunters Mountain area.
Overall Assessment	PHP will continue early engagement and maintain a documented record of commitments and follow-up. Information sharing on Mi'kmaq values and uses is a top priority for both PHP and Mi'kmaq organizations. Efforts will continue into 2026 and 2027 to develop a process for learning and information sharing. Effectiveness monitoring will provide continual improvement opportunities to ensure Mi'kmaq values and uses are incorporated into forest management.

2025 Forest Management Performance Dashboard

SFM Indicators | FSC Monitoring | High Conservation Value Forests

This dashboard summarizes performance against the targets and management objectives reported in PHP's 2025 Annual Monitoring Report. Overall, ecological protection and operational compliance were strong. The clearest gaps were the annual harvest level and volume harvested under First Nation agreements.

Rating Legend

Target or management objective was met	On-going to achieve target or management objective	Failed to achieve target or management objective

Overall results

68	6	2
GREEN · 89%	YELLOW · 8%	RED · 3%

Section	Green	Yellow	Red	Overall interpretation
SFM indicators	17	2	2	Most biodiversity, soil, water, carbon-stock and engagement results were green; two quantitative targets were materially below target.
FSC monitoring	9	0	0	All nine FSC monitoring topics met the dashboard's green criteria.
HCVF values	42	4	0	Direct protection and landscape thresholds were maintained; four values need stronger effectiveness evidence or follow-up.

Sustainable Forest Management Indicators

17	2	2
GREEN · 81%	YELLOW · 10%	RED · 10%

ID	Indicator or value	2025 performance evidence	Status
1.1	Significant species	Annual data review completed and management information updated.	GREEN
1.2	Connectivity management zones	46 of 46 CMZs met the 100 m and 30% crown-closure requirements (100%).	GREEN
1.3	Protected-area strategy	16% of PHP-managed Crown land is legally or pending protection, above the 12% target.	GREEN
1.4	Old forest	12% of Crown FULA forest is reserved as old forest, above the 8% target.	GREEN
2.1	Natural regeneration	69% of even-aged area regenerated naturally, above the 50% target.	GREEN
2.2	Harvest treatments	63% of harvested area used higher-retention non-clearcut treatments, above the 50% target.	GREEN
2.3	Forest health	Fire mortality was only 23.78 ha, but disease-affected area was not known.	YELLOW
2.4	Spruce budworm hazard	Zero hectares killed by spruce budworm in 2025; defoliation and future mortality remain under watch.	GREEN
3.1	Steep slopes	GIS review found zero hectares of regular harvest on slopes greater than 30%.	GREEN
3.2	Watershed condition	All 15 monitored watersheds remained at or above 80% closed-forest condition.	GREEN
3.3	Riparian management	No Wildlife Habitat and Watercourse Protection Regulation infractions were reported.	GREEN
3.4	Roads and stream crossings	No road-construction or stream-crossing incidents were reported.	GREEN
4.1	Harvest volume per hectare	87 t/ha versus a 96 t/ha target; the result is about 91% of target and therefore green under the dashboard scoring rule.	GREEN
4.2	Total growing stock	Estimated softwood and hardwood growing stock totals about 32.9 million m3, above the 21.2 million m3 target.	GREEN
4.3	New road construction	Only 0.359 km of new road was built, well below the 5 km annual limit.	GREEN
5.1	Sustainable harvest level	131,633 t harvested, only 48% of the 275,000 t annual target.	RED

ID	Indicator or value	2025 performance evidence	Status
5.2	**Third-party requests**	7 of 10 requests were approved; the report does not confirm whether the 3 declined requests were unreasonable.	YELLOW
5.3	**Sales to other mills**	37% of annual harvest was sold to other buyers versus the 40% target, achieving 92.5% of target.	GREEN
6.1	**Mi'kmaq engagement**	At least six engagement opportunities occurred, meeting the annual target.	GREEN
6.2	**First Nation agreements**	About 4,532 t harvested under agreements versus the 30,000 t target.	RED
6.3	**Education and extension**	$1.31/t contributed versus the $0.03/t target.	GREEN

FSC Canada Specific Monitoring

9	0	0
GREEN · 100%	YELLOW · 0%	RED · 0%

ID	Indicator or value	2025 performance evidence	Status
4.1	**Poor regeneration**	1,972 ha were planted and the report confirms that planted and natural regeneration were successful.	GREEN
4.2	**Alien species**	Two Norway spruce stands assessed; no regeneration found inside or outside planted areas.	GREEN
4.3	**Fertilizers**	No direct forest fertilization by PHP; monitoring requirement not applicable.	GREEN
4.4	**Pesticides**	No PHP herbicide use since 1997 and no other FSC-allowed pesticides applied by PHP.	GREEN
4.5	**Biological control agents**	PHP did not use biological control agents.	GREEN
4.6	**Soil and productive area**	Audits reported 100% compliance for ground disturbance and machine rutting.	GREEN
4.7	**Increased access**	No known adverse effects were reported; waste sites are tracked and cleaned over time as feasible.	GREEN
4.8	**Residual trees and environmental values**	Strong audit results, including 97% DNR riparian-zone compliance; reported scores were above 80%.	GREEN
4.9	**Waste storage and disposal**	Most controls were strong; waste-oil systems and tank labelling were 93%, with some fuel requirements at 87%.	GREEN

High Conservation Value Forest Performance

Direct protection, operational implementation and landscape thresholds were maintained across the HCVF program. Four yellow ratings reflect limits in effectiveness evidence or unresolved follow-up rather than a reported breach of a protection measure.

42	4	0
GREEN · 91%	YELLOW · 9%	RED · 0%

Category	HCV focus	Green	Yellow	Red	Total	2025 conclusion
Category 1	Biodiversity and species at risk	30	2	0	32	Habitat protections were implemented; two values need stronger effectiveness evidence (see next table).
Category 2	Large landscape-level forests	2	0	0	2	IFL cumulative impacts remained below 20%; landscape thresholds and core roadless areas were maintained.
Category 3	Rare threatened or endangered ecosystems	3	0	0	3	Significant ecosites, old forest and poorly represented ecosystems remained protected.
Category 4	Basic services of nature	5	0	0	5	Connectivity, watershed condition, water-supply protection and steep-slope requirements were met.
Category 5	Basic needs of local communities	2	0	0	2	Cattle-grazing access and viewshed objectives were met.
Category 6	Traditional cultural identity	0	2	0	2	Engagement and information sharing occurred, but the report does not demonstrate whether identified Mi'kmaq values and cultural objectives were effectively maintained.

HCV value	Why it is yellow	Status
Bicknell's Thrush	Operational controls were applied, but 2025 ARU data were not collected until spring 2026 and analysis remains ongoing.	YELLOW
Cold-water refugia	A minimum 50% crown closure is retained wherever possible, with windfirmness exceptions; effectiveness would benefit from outcome-based temperature monitoring.	YELLOW
Mi'kmaq forest values and uses	Engagement occurred and no feedback was received; unknown whether values and uses were maintained or enhanced.	YELLOW
Mi'kmaq traditional cultural identity	Engagement and follow-up are documented, and a Highlands engagement path remains in development.	YELLOW

HCVF Green Results by Category

Category	Values assessed as meeting 2025 objectives	Status
Category 1	American Marten; Mainland Moose; Canada Lynx; Wood Turtle; Rusty Blackbird; Roseate Tern; Olive-sided Flycatcher; Eastern Whip-poor-will; Eastern Wood-pewee; Canada Warbler; Chimney Swift; Common Nighthawk; Wood Thrush; Evening Grosbeak; Black-Foam Lichen; Little Brown Myotis; Tri-Colored Bat; Northern Myotis; New Jersey Rush; Boreal Felt Lichen; Vole Ears Lichen; Blue Felt Lichen; Eastern White Cedar; Black Ash; Frosted Glass-Whiskers; Wrinkled Shingle Lichen; Important Bird Areas; Natural Red Spruce; Protected Areas; Special Management Zone adjacent to Protected Areas	**GREEN**
Category 2	Intact Forest Landscapes; Large Landscape-Level Forests	**GREEN**
Category 3	Significant Ecosites; Old Growth Forests; Poorly Represented Ecosystems	**GREEN**
Category 4	Connectivity Management Zones; Margaree and St. Mary's River Watersheds; Legally Protected Municipal Water-Supply Areas; Water-Supply Intake Areas; Steep Slopes	**GREEN**
Category 5	Cattle Grazing on the Cape Breton Highlands; Viewshed Areas	**GREEN**