

## CARBON NEUTRAL PAPERS

# Embrace Your Commitment to Sustainability



If you've wondered about committing to more products that protect our environment, now is the time. Switching to more responsible products is urgently needed for our planet, and for future generations. Fortunately, it's a lot easier to make the responsible choice without compromising quality.

Our Sage products are produced using fibre from sustainably managed forests and are made with 100 percent third-party certified fibre. Sage papers are manufactured scope 1 carbon neutral, an accomplishment made possible through decades of steady reductions in direct carbon emissions at our mills.

### PROTECTING OUR CLIMATE AND FORESTS

One of the key features of our SAGE line of pulp and paper products is that they are "manufactured scope 1 carbon neutral" and independently certified to a recognized chain of custody standard. Using SAGE products allows you to show your commitment to the important global issues of climate change and mismanagement of forests.

### THE WORLD'S BIGGEST CHALLENGE

Climate change is the long-term alteration of temperatures and weather patterns caused by increasing carbon levels. We know carbon emissions come from burning fossil fuels, but carbon is also released with harvesting of the world's forests. Scientists predict that unless we take immediate action on a global scale, the Earth could warm by as much as 6 degrees F in the next 80 years, wiping out polar ice, raising sea levels and creating massive droughts and flooding.

### PAPER EXCELLENCE IS PART OF THE SOLUTION

Since 1990, we've reduced our carbon emissions by 66%. That translates to almost 1 million tonnes of carbon annually – equivalent to taking 225,000 cars on the road.



### WE HAVE REDUCED OUR GREENHOUSE GAS EMISSIONS BY 66% SINCE 1990\*

Direct/Scope 1 GHG Emissions From All Mills, 1990

Direct/Scope 1 GHG Emissions From All Mills, 2021

**1,522,697**  
T CO<sub>2</sub>e

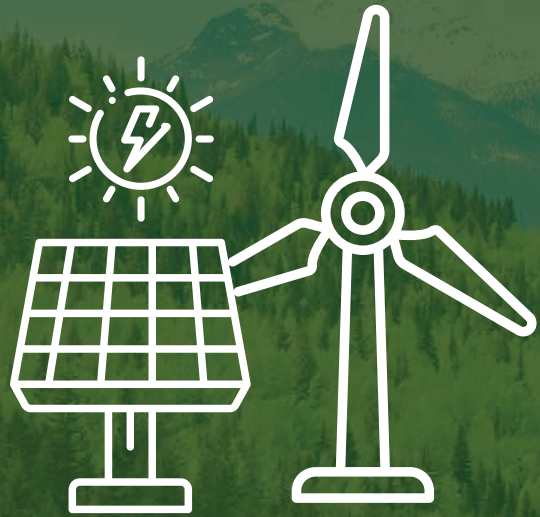
**521,810**  
T CO<sub>2</sub>e

**GREENHOUSE GAS EMISSION REDUCTION**

\* This reduction has been achieved even with the inclusion of Meadow Lake emissions (a mill not built in 1990) in current emissions totals.

# We Are Committed to Scope 1 Carbon Neutrality

Carbon emissions occur at every step of the paper supply chain from the forest floor to the customer's door. We have control over our direct fossil fuel purchases (the ones that drive scope 1 carbon emissions). We do not have much control over emissions associated with raw material sourcing and transporting to the mills, transporting products to customers or converting finished products as those scope 2 and 3 (indirect) actions are handled by other organizations. So we are dedicated to what we can control, and in doing so we can offer a competitive advantage to our SAGE partners.



## We Have a Stringent Forest Fibre Policy

We rely on professional, independent third parties to verify that the wood fibre used within our products is ...

1. Not sourced from illegally harvested wood
2. Not harvested in violation of traditional and human rights
3. Not harvested from forests where high conservation values are threatened by management activities
4. Not from plantations
5. Not from genetically modified trees
6. Not in violation of any International Labour Organization Core Conventions

Paper Excellence maintains numerous collaborative relationships with Indigenous Peoples throughout North America creating well-paid local jobs and securing fibre for our mills. Every year, we grow 6 million seedlings in our Canadian nursery for replanting of 7,500 acres of softwood forests.

We have not finished our carbon reductions project. We have additional work planned, and will share the details as we progress.

## What Are Carbon Offsets

Carbon offsets are voluntary activities that neutralize carbon emitted by one party by reducing the emissions of another. Common offset projects involve renewable energy like wind or solar power generation, energy conservation or reforestation. We select initiatives and partners carefully when choosing offsets, opting only for those able to deliver actual, permanent and verified solutions.

One hundred percent of our forest fibre comes from well-managed, renewable North American forests. We have chain of custody programs in place at all of our mills to confirm the pedigree of the fibre, its location of harvest and compliance with applicable forest legislation and third-party sustainable forest management standards. All SAGE products are available with PEFC, SFI®, or FSC® certification, and are currently assessed as low-risk under our Due Diligence Systems.

### PROJECTED ANNUAL CARBON REDUCTIONS

(reduced carbon intensity of the specific process or equipment)

Our ongoing low-carbon journey will be accelerated by financial support awarded to Paper Excellence Canada in 2021 by the CleanBC Industry Fund, a provincial government program that invests a portion of carbon tax revenues into businesses working on emission reduction projects.

Crofton	↓ 31,740 tCO <sub>2</sub> e
Port Alberni	↓ 2,450 tCO <sub>2</sub> e
Skookumchuck	↓ 6,500 tCO <sub>2</sub> e
Howe Sound (two projects)	↓ 4,380 tCO <sub>2</sub> e ↓ 5,525 tCO <sub>2</sub> e

In addition, we are also exploring opportunities to capture our biogenic CO<sub>2</sub> emissions which would allow our mills to become net carbon sinks.



# We Help Highlight Your Support of Climate and Forest Protection

Paper Excellence offers the use of our SAGE logo to highlight your commitment to climate change and use of responsible forest fibre. We'll also work with you to help customize sustainability wording and communications on your products.



## Does SAGE Work?

### WE DELIVER BEST IN CLASS SCOPE 1 CARBON EMISSIONS

Each of our mills' carbon emissions are independently verified annually and reported to provincial and federal governments.

### WE PURCHASE REPUTABLE NORTH AMERICAN CARBON OFFSETS

We select initiatives and partners carefully when choosing offsets, opting only for those able to deliver actual, permanent and verified solutions.

## Renewable Energy

Today 85% of our total energy use comes from renewable sources like hydro power and biomass fuels. Historical carbon reductions have been achieved by:

### FUEL SWITCHING

Most of the company's emissions are tied to using fossil fuels. Using clean, biomass fuel (sawmill leftovers like bark and wood shavings) and hydro power contributed significantly to our reduction. We've invested hundreds of millions of dollars to upgrade wood waste boilers to switch from fossil energy.

### ENERGY CONSUMPTION

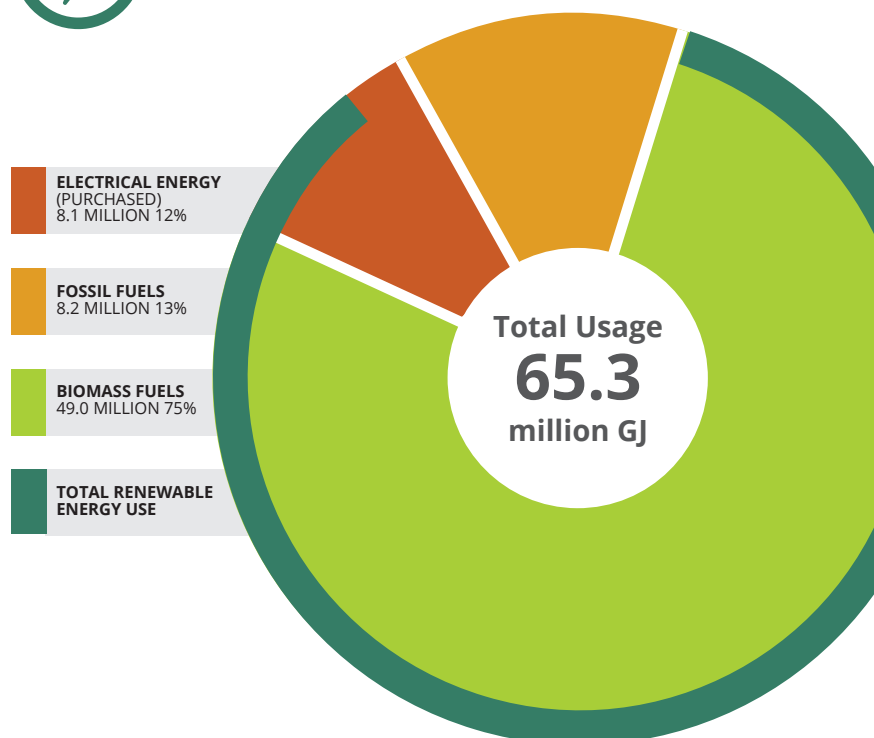
Reducing the amount of energy used to manufacture products accounts for further reductions in our carbon footprint.

### EQUIPMENT EFFICIENCY

Improving the efficiency of our equipment with capital replacement and closure of old, inefficient infrastructure.



## 85% OF OUR TOTAL ENERGY USE IN 2021 WAS RENEWABLE



Scan the code to read the full 2021 Sustainability Report

# Protecting the Great Bear Rainforest

Following controversial forest campaigns in the mid-1990s, four of Paper Excellence's coastal B.C. mills have been working to protect the Great Bear Rainforest through parks and protected areas and the forest practice of Ecosystem Based Management (EBM).

This work aims to bring the Great Bear Rainforest into low ecological risk while balancing the well-being of local communities supported by forestry employment. This has resulted in a number of successes:

- 35% drop in the annual harvesting
- 350% increase in parks and conservancies
- More protection of wildlife habitat, streams and wetlands
- Only 0.15% of the forest is harvested each year, ensuring sustainable forests and healthy ecosystems

BRITISH COLUMBIA  
CANADA

Haida Gwaii  
(Queen Charlotte Islands)

GREAT BEAR  
RAINFORREST

# Accomplishing Great Things Together

At Paper Excellence, we believe we can accomplish great things by working cooperatively, transparently and safely with others. This includes teaming up with external special interest groups that share our goals. We have been at it for more than 20 years and it's become clear that working with others not only creates good, but also changes who you are. We're proud that many of our partners have influenced and changed the way we see the world.



## Globally Recognized Forest Certification Standards

We maintain chain of custody certification with multiple, globally recognized voluntary certification schemes. These chain of custody certifications enable us to track fibre from its point of origin through to delivery to a customer. Assuming that a customer has its own validated chain-of-custody system, it can carry the certification assurance right through to end use (including on-product labels).



SFI marks are registered marks owned by the Sustainable Forestry Initiative Inc.

### RICHMOND HEAD OFFICE

2nd Floor, 3600 Lysander Lane, Richmond, British Columbia,  
Canada V7B 1C3 / 1.604.247.4400 / info@paperexcellence.com

### US SALES OFFICE

Catalyst Paper (USA) Inc. 13110 NE 177th Pl STE B101 PMB  
312 Woodinville, WA 98072 / 206.838.2070

[WWW.PAPEREXCELLENCE.COM](http://WWW.PAPEREXCELLENCE.COM)

