

OUR PERFORMANCE: PRODUCTS

With its acquisition of Catalyst Paper, Paper Excellence's product line extended to encompass a diverse range of specialty, printing and packaging papers, along with high strength kraft mechanical pulps. Our customers are in North America, Latin America, the Pacific Rim and Europe. They include converters, retailers, commercial printers, publishers and distributors.



SPECIALTY PAPERS

Our specialty line of papers includes industrial, packaging and our trademarked Bistro™ brand of FDA-compliant food-grade papers. Bistro™ products are used in multiple applications such as bags, basket liners, deli papers, base papers, interleaving, lightweight packaging and more. Unique among food papers, they are also certified by the Biodegradable Products Institute.



PULPS

Products include high-strength hardwood and softwood Kraft Pulps as well as Chemi-Thermal Mechanical Pulp – key materials used in the manufacture of paper, hygiene, packaging and innumerable other applications.



PRINTING PAPERS

We offer five legacy brands of Coated Mechanical Papers:

Advance (#3), Ascent® (#4), Pacificote® (#4), Electrocoate® Brite (#4.5) and Electracote® (#5). Coated paper is used in magazines, catalogs, inserts, and promotional marketing materials. We also produce our house-branded Catalyst® Directory Paper.

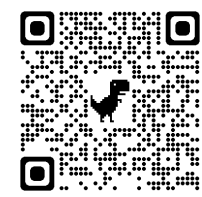
PRODUCT TRANSFORMATION

While most of us encounter hard-copy newspapers much less frequently than we used to, paper-based products are highly diverse and play an important part in everyday life. Our vision has led us to diversify our product offering to ensure our long term sustainable growth. Paper Excellence's product transformation has allowed for agility in fast changing markets and is designed to anticipate and support our customers' evolving needs.

One major focal point is an ongoing shift towards growing specialized food grade and lightweight packaging papers. Paper Excellence also remains well-positioned and committed to coated printing paper in the geographic markets we serve.

GETTING PRODUCTS TO CUSTOMERS

We use an optimized mix of rail, trucking and marine shipping modes, and are committed to in-full, on-time and damage-free arrival. Our Surrey Distribution Centre, with a 1MT/year capacity, is a SmartWay® shipper and partners with carriers who share this verified commitment to reducing transportation-related carbon emissions.



SCAN THE QR CODE TO VIEW THE ENTIRE SUSTAINABILITY REPORT
paperexcellence.com/sustainability-report

2019-2020 SUSTAINABILITY REPORT SUMMARY



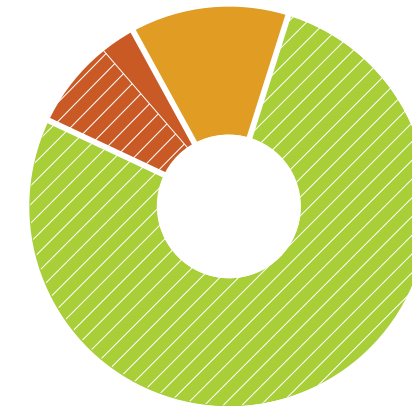
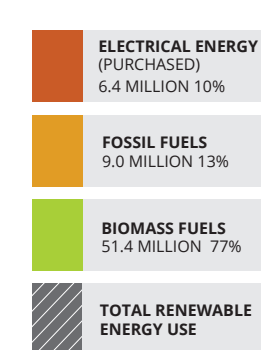
PROVEN RESILIENCE

In 2020, we faced unprecedented challenges including a major malware attack, a global pandemic, and difficult market conditions. While this tested our resilience, we were able to draw on deep reservoirs of organizational adaptability, strength and sustainability.

Multiple mill curtailments were a difficult but unavoidable reality in 2020. But we believe a corner has been turned in 2021, and this reinforces our strong beliefs in our industry's future and in our company's competitive position.

OUR PERFORMANCE: ENVIRONMENTAL

84% OF OUR TOTAL ENERGY USE IN 2020 WAS RENEWABLE



Total Usage = 66.8 million GJ

GREENHOUSE GAS EMISSIONS FROM PAPER EXCELLENCE MILLS ARE DOWN 60% SINCE 1990*

Direct/Scope 1 GHG Emissions From All Mills, 1990

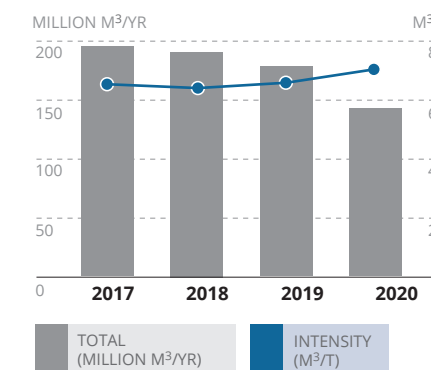
1,522,697 T CO₂e

Direct/Scope 1 GHG Emissions From All Mills, 2020

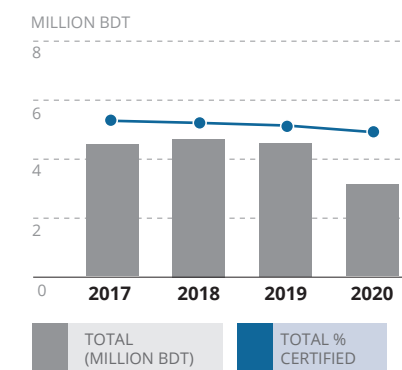
612,745 T CO₂e

GREENHOUSE GAS EMISSION REDUCTION

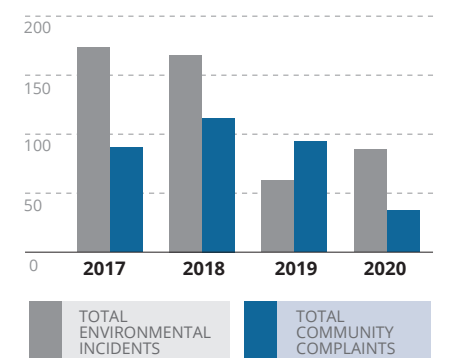
WATER USE (PROCESS WATER DISCHARGES)



WOOD FIBRE USE & CERTIFICATION



ENVIRONMENTAL INCIDENTS & COMMUNITY COMPLAINTS



OUR PERFORMANCE: RELATIONSHIPS

Our success is the sum of the quality of various key relationships, including those with our workforce, our mill communities, and many of the Indigenous Nations in whose traditional territory we operate.

DIRECT ECONOMIC CONTRIBUTION – 2020

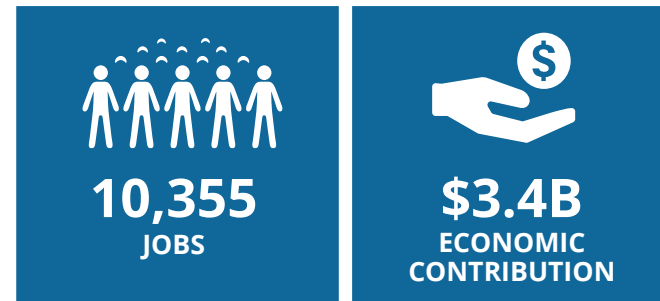
	OPERATIONAL SPENDING	\$1,396.6 M
	SALARIES, WAGES & BENEFITS*	\$274.4 M
	TAXES (INCOME & PROPERTY TAXES)	\$23.2 M
	CAPITAL EXPENDITURES	\$22.4 M
	TOTAL	\$1,717.6 M

*INCLUDES SEVERANCE COSTS, AS APPLICABLE

DIRECT JOBS

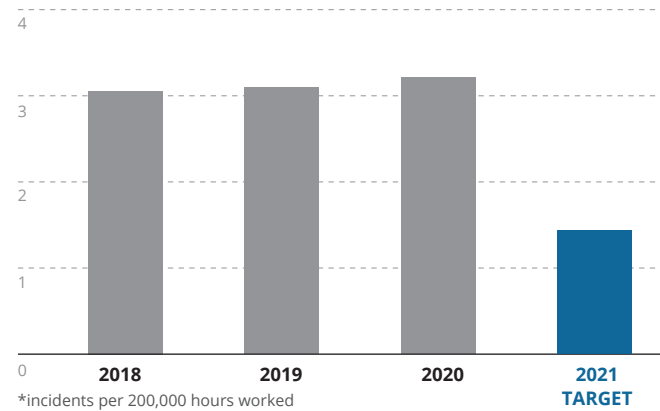
	TOTAL EMPLOYEES (AT DEC. 31, 2020)	2,395
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TOTAL ECONOMIC BENEFITS (DIRECT, INDIRECT AND INDUCED)



EMPLOYEE SAFETY

MEDICAL INCIDENT RATE*



INDIGENOUS RELATIONSHIPS

As we work to strengthen our Indigenous relationships, we have recent momentum to build on:

- A formalized statement of Our Commitment to Indigenous Peoples
- Signed letters of intent with two Saskatchewan First Nations
- Ongoing work towards wood-fibre supply and other potential business partnerships

CONNECT WITH US

www.linkedin.com/company/paper-excellence
www.facebook.com/paperexcellence

OUR PERFORMANCE: OPERATIONS

We are investing to position our operations to compete for decades to come. Through major capital projects, supply-chain and product development, and stakeholder engagement, we are working to create re-start opportunities where needed, and resilient futures for all our mills. Read more in our full report about what the future may hold at our Port Alberni, Prince Albert and Northern Pulp operations.

PRACTICES AND PERSPECTIVES



FEELING FORWARD MOVEMENT

MAYOR SHARIE MINIONS, CITY OF PORT ALBERNI

Traditional industry investments fit well within a diversifying local economy.



CIRCULARITY AT ITS BEST

ROBERT FOLLETT, GENERAL MANAGER, MISTIK MANAGEMENT LTD.

Though a unique Indigenous partnership and forest management approach.

Please visit the sustainability section on our website to download our full 2019-2020 sustainability report, including mill-specific performance data, and for a range of additional stories and stakeholder perspectives:

www.paperexcellence.com/sustainability-report



PROUD TO BE NAMED ONE OF
CANADA'S BEST CORPORATE CITIZENS
BY CORPORATE KNIGHTS MAGAZINE