



**PAPER
EXCELLENCE**

LOGISTICS

Paper Excellence is a leading manufacturer of pulp and paper products. Through our distinct approach to operational excellence, we deliver high-quality and cost-effective products to international customers. Our logistics team provides innovative solutions that meet our customers' delivery requirements. They manage the flow of goods by utilizing various modes of transport including ocean, rail, barge and truck. Annually, logistics handles over 3.1 million tonnes of pulp and paper for our customers across North America and around the world.

FLEXIBLE AND TIMELY

The success of the Paper Excellence logistics network lies with the employees. Each day, they solve challenges and make timely decisions that ensure our products are delivered in full, damage-free and on time at our customer's locations. Our commitment to customers is second to none and we are supported by a system that is operated by trained experts who network with logistic specialists at all points throughout the supply chain, starting at mill planning and production through to the product's final destination. A common approach to collaboration helps drive action on business and customer priorities. Also, we continually focus on economical and sustainable transportation modes to reduce our carbon footprint.

Note: The annual figures above are for legacy PEC North America.

GLOBAL FREIGHT SPEND

TOTAL FREIGHT SPEND

CA\$226,650,000

NUMBER OF TONNES SHIPPED BY MODE OF DISTRIBUTION



CONTAINER

691,000



TRUCK

930,000



RAIL

749,000



BREAKBULK

533,000



BARGE

194,000



INTERMODAL

48,000

TOTAL - 3,145,000



TONNES SOLD BY CONTINENT

SAFETY

Safety above all is a core belief in Paper Excellence. We integrate it into everything we do. It is the cornerstone of all our training and procedures. We continually search for root causes and propose safety procedure improvements to reduce preventable accidents. We invest in equipment and technology to prevent injuries and accidents, at the mills and at the warehouse locations. The three-tier marine security system MARSEC is employed at the Paper Excellence coastal mills.

At Paper Excellence, our standards are high and to ensure we live up to them, our safety representatives work closely with management and team members on ways to avoid injuries and accidents. They also collaborate with our logistic partners to ensure accountability for a safe work environment.

SURREY DISTRIBUTION CENTRE (SDC)

On the west coast of Canada, Paper Excellence operates a large-scale 420,000 square-foot cargo distribution centre dedicated to handling our pulp and paper products. The facility, which opened in March 22, 1999, has an annual throughput capacity of 1 million tonnes and can hold up to 40,000 tonnes of inventory.

SDC receives product by covered barge, rail and truck, most of it is brought in over a dedicated barge dock. The product is then shipped to customers in Canada, the US and export destinations. Most products ship out of the SDC by container, with the facility capable of shipping over 400 containers per week. For the export market, containers are loaded and then trucked to one of four terminals at the Port of Vancouver.

CLIMATE SMART

Paper Excellence Surrey Distribution Center is a Smartway® shipper and partners with carriers who have this designation to reduce our carbon footprint. Smartway® encourages best practices in freight supply chains focusing on reducing greenhouse gas emissions through more efficient use of equipment.



ADVANTAGES OF THE SDC

- » 28-foot ceiling
- » 2 barge berths
- » 33 truck or container loading doors
- » 2 indoor rail sidings for 13 rail cars
- » A fleet of 38 lift trucks

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ALL FIGURES ARE EXPRESSED IN CANADIAN DOLLARS



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