

## **Green Kids Teacher's Kit** **Information on Tembec's Pine Falls Operations**

Tembec is a Canadian forest products company with more than 50 manufacturing sites worldwide in Canada, USA, France and Cuba. We operate a newsprint mill and forestry operation in Pine Falls, Manitoba which is located approximately 130 km northeast of Winnipeg. Our newsprint is sold in Manitoba, western Canada and the US. The mill has been running continuously since 1927 and employs 440, with another 500 seasonal contract workers in the forest. We directly contribute \$50 million to the provincial economy each year.

We are committed to environmental excellence in all of our operations. This commitment is based on our environmental policy and through ambitious programs. We are the only forest products company in Manitoba to be certified to the international environmental management systems standard, ISO 14001.

### Commitments to Environmental Protection of the Forest

Our harvest levels are far below the level determined to be ecologically sustainable. We harvest less than 0.254% of the forested land each year. At this rate, it would take over 2050 years to harvest even 1% of the area. Trees in this part of the boreal forest typically live for 50-150 years, and therefore, our level of harvesting is much below the rate at which the forest grows back. Forest fires are the single largest disturbance agent in eastern Manitoba. On average forest fires burn an area more than 3 times larger than the area harvested each year.

We plant more than approximately 1,050,000 trees per year as part of our reforestation program

Our forest management plans account for species of concern, such as woodland caribou and moose, as well as other aspects of biodiversity, water quality, high recreation areas and cultural sites

Our partnership with Manitoba Model Forest allows us to be innovative and create new and better ways of conducting forestry. We currently have a research project that is tracking seasonal movements and habitat use of woodland caribou by use of global positioning systems (GPS) collars. Information learned from this and other biodiversity projects help us to manage the forest better.

We believe that to effectively manage the forest, all stakeholders must be involved.

We have forged partnerships with national and international environmental organizations (including World Wildlife Fund (WWF), Canadian Parks and Wilderness Society (CPAWS), Canadian Nature Federation (CNF)) to develop protected areas (areas where no resource development can occur) in most of Canada. In Manitoba, we are working closely with the WWF and CNF to establish protected areas in regions where we obtain wood.

In 2001, Tembec signed a historic agreement with the World Wildlife Fund to work together on having all of Tembec's Canadian forests certified under the Forest Stewardship Council (FSC) standards. This is one of the most stringent, independent certification systems in the world, and was developed by major international environmental organizations.

We have formed a new and historic Joint Venture Forest Stewardship Company with 11 Manitoba First Nation communities. This novel initiative makes First Nations an equal partner in the stewardship of the forest. The company, Kiiwetino Ma'ingan, means northern wolf in Ojibway.

Tembec is actively involved in a large land use planning exercise in the eastern part of the province. This type of planning exercise is a first in Manitoba and will result in an environmentally and economically sustainable plan for the east side of Lake Winnipeg.

### Enhancing Environmental Performance of Our Newsprint Mill

The Tembec newsprint mill is the only forest products manufacturing site in Manitoba to be certified to ISO 14001

Tembec has an internal environmental management program called Impact Zero, which is designed to reduce or eliminate environmental impacts of the mill. Areas of focus include air emissions and greenhouse gas emissions, energy efficiency, water use, effluent quality and waste reduction

In 1996, a new \$36 million recycling plant was built in Pine Falls. We reuse up to 150 tonnes per day of recycled magazines and newspapers, making us the largest recycler in Manitoba. Historically, this paper used to end up in landfills.

The use of recycled paper in our mill has also meant that we now harvest approximately 20-25% less trees in the forest.

In 1995, a new \$29 million wastewater treatment plant was constructed to treat the mill's effluent. This reduced discharges to the Winnipeg River by up to 99%.

In 2001, we built a new \$124 million thermomechanical pulp mill and retired our original pulping departments that were built in 1926. The new pulp mill helped reduce air emissions by 40% (particulate) to 78% (sulfur dioxide) and improved effluent quality by another 55% to 91% (effluent Biochemical Oxygen Demand, Chemical Oxygen Demand).

§ In the last year we have reduced use of coal by more than 50%. By the end of 2002, we will have reduced our greenhouse gas emissions by almost 50% below 1990 levels. In comparison, under the international Kyoto protocol, Canada is expected to reduce greenhouse gases by 6% below 1990 levels by 2012.

§ We have reduced water use in the mill by 12% between July and December 2001. We will reduce water use by more than 50% in the next 2 years.

§ We have reduced waste to our landfill by more than 75% since 1998.

§ Plans are in the works for a sawmill that will allow us to move away from using whole trees from the forest to make newsprint, and use only wood waste from the sawmill. This will allow the trees to be used for a much more value-added product. The waster material from the sawmill will then be used to make paper. Other wood waste from the sawmill will also be sold as bedding material for farm animals.

§ The new sawmill will be a joint venture company between 11 First Nation communities and Tembec. Called Gaa-bi-mookaî ang (meaning New Dawn or New Beginnings in Ojibway), the sawmill will provide much needed jobs in the sawmill and forest for First Nation communities, half of the profits will go back to the communities, as well as a portion of the lumber.

If you would like more information or have any questions, please contact Biran Kotak, Environment Director at 367-5353 (email ) or Vince Keenan, Divisonal Forester at 367-5224 (email vkeenan@pfp.mb.ca).

## **Environmental Policy**

Tembec Inc.'s corporate mission is to be a low-cost, profitable integrated forest products company converting natural resources into competitive and innovative quality products for customers while protecting the environment and creating a positive long-term social, cultural and economic benefit for the region and its people, employees and shareholders.

Tembec shares with the community important responsibilities towards the environment in which we live and work. The Company supports the responsible stewardship of resources, including forest, fish and aquatic habitat, wildlife, air, land and water. Responsible stewardship, combined with a continual improvement process, makes possible sustained economic development and an improved quality of life. In this spirit, Tembec commits to implementing and maintaining an effective environmental management program that will govern its attitude and action in environmental matters and will benefit the environment, the community, the shareholders, employees and customers. Tembec Inc. demonstrates environmental leadership through its commitment to :

Conduct its business in a responsible manner designed to protect the environment and to protect the health and safety of its employees, its customers and the public.

Assess, plan, construct and operate facilities in compliance with all applicable legislation, regulations and to all industrial codes of practice or programs to which the Company subscribes.

Set environmental objectives and targets to continually improve environmental performance and provide the management commitment and resources necessary to achieve stated objectives.

Encourage and support research to improve its ability to protect the environment and maintain public health and safety and strive for the virtual elimination of any persistent toxic emissions from its operations.

Manage and protect its forest resources to ensure sustainable forest management consistent with all applicable regulations. Beyond, or in the absence of regulatory requirements, strive to maintain biodiversity, protect wildlife habitat and ecosystems.

Promote new technologies aimed at conserving, recycling and renewing the resources utilized.

Promote environmental awareness and train its employees in their environmental responsibilities.

Work and consult with governments and the public in the development of regulations and policies based on sound, economically achievable technologies and the analysis of environmental and health impacts.

Implement programs and procedures to minimize the consequences of emergency events by ensuring prompt and effective response.

Report regularly to the Board of Directors on its environmental status and perform audits to ensure conformance with its policies and guidelines.

Frank A. Dottori  
President and Chief Executive Officer  
November 2, 2001