

PAPER PRODUCTS FOR TODAY AND TOMORROW



CORPORATE OVERVIEW

A leading North American manufacturer of diverse **printing and writing papers, specialty papers** (industrial packaging, tissue & towel, food service), and **pulp**, Catalyst is well regarded as a competitive and innovative business, and a leader in providing superior customer service

We serve a **global customer base** that includes retailers, publishers and commercial printers for paper needs, and manufacturers who require pulp

We have over \$1 billion in sales, and production capacity of 1.3 million tonnes of paper and 336 thousand tonnes of pulp

We are headquartered in Richmond, British Columbia (BC), Canada and have three mills located in western Canada and a distribution facility in Surrey, BC.

We have a workforce of **1,500 employees** across North America

“Catalyst generates an overall impact of \$2 billion annually in the communities that we operate in...”

ECONOMIC IMPACT

Catalyst Paper has a significant North American presence with operations on the west coast of British Columbia. The company is an economic engine driving regional prosperity through the provision of skilled jobs, facility investments, tax payments, and the purchase of goods and services from local suppliers. Through our operations, Catalyst generates **an overall impact of over \$2 billion annually in the communities where we operate.**

In British Columbia, Catalyst generates **over 1,500 direct and 4,700 indirect jobs and \$2 billion** in annual economic impact. Catalyst spent more than **\$611 million** on BC-based vendors, with 33 communities home to and/or deriving economic benefits from mill operations in Crofton, Port Alberni and Powell River (plus our Surrey distribution office and Richmond head office).

CATALYST PRODUCTS

We manufacture diverse printing and writing papers, specialty papers and pulp for converters, retailers, publishers and commercial printers.

SPECIALTY PAPERS

Product	Brand	End Use
FOOD	Bistro Wax, Foil, Bag	Food wrappers, basket liners, sub wrap, deli paper, bakery tissue, sandwich wraps, pinch/flat bottom bags
TISSUE & TOWEL	Breakwater AfH towel	Commercial and industrial setting

PRINTING & WRITING PAPERS

Product	Brand	End Use
COATED GROUNDWOOD	Advance, Ascent, Pacificote, Electracote Brite, Electracote	Catalogues, commercial print applications, magazines, retail inserts, direct mail
SUPERCALENDERED	Electraprime, Electracal	Catalogues, magazines, retail inserts and flyers, newspapers
MACHINE FINISHED UNCOATED	Electrastar, Electrabrite, Electrabite Book	Retail inserts, books, workbooks and tablets, brochures, comics, newspapers
DIRECTORY	Catalyst	Telephone books, catalogues
NEWSPRINT	Marathon, Marathon Lite	Newspapers, retail inserts and flyers, supplements, directories

MARKET PULP

Product	Brand	End Use
KRAFT PULP-CROFTON	Crofton NBSK	Printing and writing papers, office papers, photocopy papers, converting papers Tissue, towel, hygienic grades A wide range of specialty paper and non-paper products

FACILITIES

- MILLS
- CORPORATE OFFICE
- DISTRIBUTION CENTER



PRODUCTION CAPACITY

CANADIAN MILLS		
Port Alberni, BC	Crofton, BC	Powell River, BC
<p>339,000</p> <p>metric tonnes of coated and specialty (food) papers, directory and newsprint</p>	<p>334,000</p> <p>metric tonnes of newsprint and specialty (packaging) papers</p> <p>336,000</p> <p>metric tonnes of pulp</p>	<p>334,000</p> <p>metric tonnes of MF and soft calendered uncoated papers, specialty (food, tissue & towel, industrial) papers and newsprint</p>

COMMITMENT TO SAFETY AND THE ENVIRONMENT

We are committed to world-class safety standards. Our workforce holds itself accountable to the highest level of safety and environmental compliance. Catalyst has earned an international reputation for environmental stewardship by embedding social responsibility into our Operating Philosophy and keeping it as a tenet of our business proposition. We have pursued globally-recognized environmental partnerships and certifications to confirm our commitment to sustainability. For 11 consecutive years, Catalyst has been named by *Corporate Knights Magazine* as one of the **Best 50 Corporate Citizens in Canada**.

Key facts:

- » Catalyst is committed to environmental stewardship demonstrated through certified fibre sourcing, manufacturing efficiency and environmentally responsible paper operations to reduce our impact on the environment.
- » All of our mills in Canada are chain-of-custody certified to **Programme for the Endorsement of Forest Certification, Sustainable Forestry Initiative** and **Forest Stewardship Council** standards.
- » Catalyst is a leader in corporate social responsibility having strong working relationships with WWF, GreenBlue, Corporate Knights, Green Peace, Forest Ethics (now STAND) and Sierra Club.
- » Catalyst's Sage product line is recognized by North American customers as an innovative and best in class example of a low carbon footprint, mechanical-based printing paper offering.

OUR HERITAGE, OUR YEARS OF EXPERIENCE

Port Alberni Mill, BC	Crofton Mill, BC	Powell River Mill, BC
EST 1946	EST 1957	EST 1912

“We believe in an ‘ownership model’ where employees act like owners, and share in the success of the business.”



OUR PEOPLE MAKE THE DIFFERENCE

At Catalyst, we believe that every employee plays a vital role in the success of our company and is personally accountable to help achieve our business objectives.

We believe that the most successful business model is one where employees act like owners. In support of these beliefs, Catalyst Paper operates under the following key principles:

- » **Authority and accountability.** People are given, and accept the authority and accountability to take action and make a difference. We believe in pushing down decision-making authority and encouraging people to challenge the status quo.
- » **Respectful treatment.** This means listening more than talking and asking questions as opposed to making statements.
- » **Access to information.** People must be given all the relevant information to allow them to make good, informed decisions. As an example, Catalyst operates its mills as profit centers to allow operations’ management to optimize the overall profitability of their grade mix in conjunction with sales and marketing, not to just optimize costs and productivity.
- » **Alignment.** We believe in joint goals and decision making to ensure the best decision is made for the overall benefit of the company. As an example, our sales and operations teams have a number of shared goals, meet regularly to monitor progress, and take corrective action as needed to ensure we are continually improving performance.
- » **Sharing in success.** Catalyst firmly believes in creating a true ownership culture among all employees. Catalyst’s Opportunities for Improvement (OFI) Program gives employees the opportunity to earn Incentive Pay in addition to their annual wage.

The OFI Program encourages employees to identify improvements to the business that deliver measurable and sustainable results. What is most exciting about the OFI Program is that it focuses upon those things that people can control – such as customer and product mix, productivity and costs.