



CHARTER OF THE BOARD OF DIRECTORS

1. STATEMENT OF POLICY

The Board of Directors of Cascades Inc. (the « Corporation ») is elected by the Corporation's shareholders to supervise the management of the business and affairs of the Corporation pursuant to the powers vested in its articles and by-laws, and in accordance with the obligations imposed by the *Business Corporations Act* (Québec) (BCAQ) and other applicable legislation. Senior management is responsible for the day-to-day operations of the Corporation.

The prime responsibility of the Board is to the Corporation and is to oversee its management and to preserve and enhance its viability, with due regard for the interests of all its shareholders and other stakeholders.

2. COMPOSITION

2.1 NUMBER OF DIRECTORS

The number of Directors must be established from time to time by resolution of the Board, within the limits provided by the articles of the Corporation.

The Corporate Governance and Nominating Committee of the Board maintains an overview of the desired size of the Board, the need for recruitment and the expected skill-set of new candidates. The Corporate Governance and Nominating Committee reviews and recommends to the Board candidates for nomination as Directors. The Board approves the final choice of candidates for nomination and election by the shareholders.

2.2 SELECTION OF MEMBERS

The Corporate Governance and Nominating Committee determines whether to change the size of the Board or recruit new candidates for Directors. It establishes the specific skills required of candidates, reviews nominations and recommends the selected candidates.

2.3 INDEPENDENCE

A majority of the Board shall be composed of Directors who are independent as such term is defined according to applicable securities laws and regulations.

2.4 CRITERIA FOR BOARD MEMBERSHIP

Board members are expected to possess the following characteristics and traits:

- possess relevant career experience to provide oversight and advice;
- act honestly and in good faith with a view to the best interests of the Corporation;
- devote sufficient time to the affairs of the Corporation and exercise care, diligence and skill in fulfilling their responsibilities that a reasonably prudent person would exercise in comparable circumstances;
- provide independent judgment on a broad range of issues;
- raise questions and issues to facilitate active and effective participation in the deliberation of the Board and of each Committee;



- make all reasonable efforts to attend all Board and Committee meetings;
- review the materials provided by management in advance of the Board and Committee meetings.

2.5 CHAIRMAN OF THE BOARD

The Board shall appoint its Chair and Vice-Chair (if one is to be appointed) from among the Corporation's Directors. Should the Chair be a non-independent Director, the Board shall also appoint a Lead Director from among the independent Directors.

2.6 TERM OF DIRECTORS

The Directors are elected individually by the shareholders at every annual meeting except where the Board appoints a Director to fill a vacancy until the next annual meeting. The term of office of each Director shall expire at the next annual meeting of the Corporation, or upon the election of a successor.

3. COMPENSATION

The members of the Board receive compensation for their services that the Board may establish from time to time, upon recommendation from the Human Resources Committee and the Corporate Governance and Nominating Committee, in consultation with the Lead Director.

4. DUTIES AND RESPONSIBILITIES OF THE BOARD

As part of its stewardship responsibility, the Board advises management on significant business issues and has the following responsibilities:

4.1 STRATEGIC PLANNING PROCESS

Adopt a strategic planning process, participate in the process and approve or review on at least an annual basis, a business plan and a strategic framework which take into account, among other things, the opportunities and risks of the business, and monitor the implementation and execution of the business plan by management.

4.2 FINANCIAL ISSUES, RISK MANAGEMENT AND INTERNAL CONTROLS

- a) Identify in conjunction with management, the principal risks facing the Corporation and overseeing, directly or through delegation to the Audit and Finance Committee, to whom the Board has delegated this responsibility, the implementation by management of appropriate systems to manage the principal risks associated with the commercial activities of the Corporation;
- b) In conjunction with the Audit and Finance Committee, obtain reasonable assurance that the Corporation's internal controls and management information systems are adequate;
- c) Approve annual operating and capital expenditure budgets, as well as any significant transactions outside the normal course of business, including acquisitions or dispositions of assets (including the acceptance of debt);
- d) Approve annual operating and capital expenditure budgets, as well as any significant transactions outside the normal course of business, including forms of financing;



- e) Approve the Corporation's quarterly and annual financial statements together with the accompanying notes, as well as management's discussion and analysis and press releases related thereto;
- f) Adopt and periodically review the Corporation's communications policy related to investors and the public in general.

4.3 SECURITIES AND DIVIDENDS

Approve financial prospectuses, the mode and manner of issuance of securities, the declaration of dividends, the purchase, redemption or any form of acquisition of shares, the management proxy circular and the annual information form.

4.4 HUMAN RESOURCES AND SUCCESSION PLANNING

- a) Appoint the President and Chief Executive Officer and other members of senior management;
- b) Approve the compensation and employment conditions of the President and Chief Executive Officer and other members of senior management pursuant to a recommendation by the President and Chief Executive Officer through the Human Resources Committee;
- c) Evaluate the performance of the President and Chief Executive Officer and ensure that processes are put in place by the President and Chief Executive Officer to evaluate the other members of senior management;
- d) Take steps to ensure that a process is in place for the recruitment, training, development, retention and succession of senior management.

4.5 GOVERNANCE

- a) Monitor and review, as appropriate, through the Governance and Nominating Committee, the Corporation's approach to corporate governance issues including principles and guidelines in this area;
- b) Take steps to evaluate the structures and processes in place that enable the Board to function independently of management;
- c) Take steps to ensure that the President and Chief Executive Officer and the other members of senior management, through the implementation of a code of ethics and business conduct and by other means, are working to promote a culture of integrity and accountability throughout the Corporation;
- d) See to the implementation of a program of orientation and training for Board members in order to ensure that new Directors receive adequate training and orientation and ensure that the knowledge and understanding of the Directors of the Corporation are continuously updated through a program of visits to business units, reports and presentations on topics related to business activities and informal meetings with members of senior management;
- e) Periodically review this Charter to ensure that it reflects the responsibilities of the board in terms of stewardship;
- f) Monitor the size and composition of the Board to promote effective decision making;
- g) Approve the list of nominees for election to the Board by the shareholders and fill vacancies;
- h) Establish Board committees and define their mandates to assist the Board in fulfilling its role and responsibilities;
- i) Establish the Directors responsibilities and expectations to which they are subject, including in regard to their presence and participation in the meetings of the Board and its committees;



- j) Establish and maintain a formal process to regularly assess the effectiveness of the Board, the Executive Chair of the Board, each committee, the chair of each committee and individual Directors.

4.6 HEALTH AND SAFETY, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Monitor and review, as appropriate, the Corporation's policies and practices relating to health and safety, environmental, sustainable development and climate change issues.

5. BOARD MEETINGS

The Board meets quarterly and holds additional meetings as needed to discuss specific issues. The Executive Chair establishes the agenda in consultation with the Lead Director and appropriate members of senior management which is transmitted to the members of the Board together with the minutes of previous meetings.

Information and other documents deemed relevant to the understanding of the items on the agenda are communicated to the Board members in advance of each meeting.

The Board holds an *in camera* session at each of its meetings in the absence of management to allow Directors to openly discuss issues.

6. BOARD COMMITTEES

The Board may delegate some of its powers to its committees, to the extent permitted by the laws governing the Corporation. The recommendations of the Board committees are subject to Board approval.

The Board has established the following committees to assist it in discharging its responsibilities: the Audit and Finance Committee, the Corporate Governance and Nominating Committee, the Human Resources Committee and the Health and Safety, Environment and Sustainable Development Committee.

Other committees or sub-committees may be established by the Board to address specific topics. Each committee has its own written mandate. The Board is responsible for supervising the execution of the responsibilities it has delegated to each committee.

7. COMMUNICATION WITH THE BOARD

Shareholders and other stakeholders may communicate with the Board or with individual Directors by contacting the Corporate Secretariat or by email at conseil_administration@cascades.com.

8. ADVISORS

Directors may use the services of independent counsel or other experts, as it deems appropriate at the Corporation's expense with the approval of the Corporate Governance and Nominating Committee.

Amended and approved by the Board of Directors on February 28, 2018.