



## **CHARTER OF THE GOVERNANCE AND NOMINATING COMMITTEE OF THE BOARD OF DIRECTORS OF CASCADES INC.**

### **Policy Statement**

The Governance and Nominating Committee (the "Committee") has the overall responsibility for reviewing and developing governance principles and practices applicable to the Corporation including the practices and performance of the Board, its committees, the Chair of each committee, all members of the Board, including the Executive Chairman. The Committee is also responsible for recommending candidates to serve as directors on the Board.

### **Composition, quorum and organization**

- The Committee is composed of at least three (3) independent directors. Committee members are appointed by the Board on the recommendation of the Committee. The Board may remove or replace a director at any time and fill any vacancy. The Board shall appoint the Chair of the Committee from one of its members;
- The quorum consists of the majority of the members;
- The Committee meets at least three (3) times a year and as needed;
- The Committee may invite management or external consultants to attend its meetings, as it deems necessary or appropriate;
- The Committee may retain the services of external advisors to help fulfill its responsibilities. It can determine the terms of this appointment and fix their remuneration;
- The Committee reports to the Board after each meeting;
- Unless the members of the Committee waive it, the Committee holds an *In camera* session at each of its meetings in the absence of members of management;
- The Secretary or the Assistant Secretary acts as secretary of the Committee meetings.

### **Duties and responsibilities of the Committee**

(a) with respect to the composition and performance of the Board and its committees

- Examines the size and composition of the board and its committees to promote effective decision-making;
- Discusses with the Board the skills and competencies that the entire Board and each director should have considering the Corporation's activities and its particular needs and establish the skills, abilities, professional quality, availability, geographic representation, professional background and diversity of experience expected of the Corporation's director nominees and establish a skills matrix;

- Identifies and evaluate nominees for the position of director and makes a recommendation to the Board;
- In collaboration with the Executive Chairman of the Board and the Lead Director, recommends individuals to the Board of Directors who shall act as chairs and members of the Board committees;
- Oversees the development and administration of any Board Diversity Policy and reviews initiatives implemented by the Corporation to promote board diversity, including statistics relating to female representation on the Board;
- Develops and implements a succession planning process for the Board, including a succession planning process for the Chairman of the Board;
- In consultation with the Executive Chairman of the Board, annually reviews the effectiveness and performance of the Board and its committees, including input from each Board member or committee member, committee chairs, the Lead Director and the Executive Chairman of the Board;
- Evaluates the quality and effectiveness of the board's relationship with management.

b) with regards to the oversight of governance issues

- Examines the adequacy and effectiveness of the governance practices of the Board considering regulatory developments, considering all the Corporation's activities and making relevant recommendations to the Board;
- Provides advice as to the merits of the resignation that a director could offer in accordance with the majority voting policy;
- Reviews and revises, if necessary, the policy on insider trading and disclosure of privileged information, considering the regulations and any amendments thereto, and recommends them to the Board;
- Reviews the Statement of Corporate Governance Practices in the Corporation's Management Proxy Circular;
- Makes recommendations to the Board on directors' compensation and director stock ownership guidelines;
- Regularly reviews the indemnification procedure regarding directors' liability and directors' liability insurance coverage;
- Reviews and revises, as appropriate, the Corporation's orientation and training programs for directors;
- Provides guidance in respect of potential conflicts of interest and will make recommendations to the Board as to the actions to be taken, if necessary, with respect to any situation giving rise to a conflict of interest;
- Ensures that the Shareholder Engagement Policy is updated and that it is properly communicated to the public;
- Examines any proposal submitted by shareholders to the Board and recommends to the Board the actions to be taken in this respect;
- Ensures the existence of an annual committee performance review process;

- Revises annually the relevance of its charter and recommends the necessary modifications to the Board;
- Performs all other duties that the Board may delegate.

*Approved by the Board of Directors on November 11, 2020.*