



## CHARTER OF THE HUMAN RESOURCES COMMITTEE OF THE BOARD OF DIRECTORS OF CASCADES INC.

### 1. MANDATE

- 1.1 Reviews and makes recommendations to the Board of Directors (the "Board") with respect to the annual compensation for the President and Chief Executive Officer and, if applicable, his conditions of employment, all in accordance with the compensation policy.
- 1.2 Reviews and makes recommendations to the Board with respect to the annual compensation of members of senior management, taking into account the recommendations of the President and Chief Executive Officer, all in accordance with the compensation policy. For the purposes of the present document, the term "members of senior management" refers to the following positions:
  - Executive Chairman of the Board;
  - Vice-President of the Board;
  - President and Chief Executive Officer;
  - Presidents of principal subsidiaries and divisions;
  - Members of senior management of Cascades Inc., including:
    - the Vice-President and Chief Financial Officer;
    - the Chief Human Resources Officer;
    - the Vice-President, Corporate Services;
    - the Chief Information Officer;
    - the Vice-President, Communications and Public Affairs;
    - the Vice-President, Environment;
    - the Chief Legal Officer and Corporate Secretary;
    - the Assistant Corporate Secretary; and
    - any other officer of Cascades Inc.
- 1.3 Reviews and makes recommendations to the Board on the objectives to be attained in the following year by members of senior management including the President and Chief Executive Officer.
- 1.4 Reviews and makes recommendations to the Board on the attainment of the objectives in the preceding year by members of senior management including the President and Chief Executive Officer and evaluation of their performance.
- 1.5 Annually reviews and as required, the salary structure as well as the global compensation including salaries and incentive plans and, if appropriate, makes recommendations to the Board.
- 1.6 Submits recommendations to the Board with regard to new incentive plans, or any other important changes to the Corporation's short-term or long-term incentive plans.
- 1.7 Periodically follows trends and new developments in the retirement sector and makes recommendations to the Board on the Corporation's pension plans and any important changes to be made to them.

- 1.8 Approves senior management's employment contracts.
- 1.9 In consultation with the members of the Governance and Nominating Committee, annually reviews the compensation of the Board members and, if appropriate, makes recommendations to the Board for approval regarding the compensation of the Directors, the Executive Chairman the Board, the Chairs of the Committees and the Lead Director.
- 1.10 Reviews the practices put in place by the Corporation relating to recruitment, training, development and succession of senior management and submits its recommendations to the Board on the appointment of the Chief Executive Officer and other senior executives.
- 1.11 Reviews and makes recommendations to the Board on the granting and terms and conditions of exercise of stock options to those persons eligible in accordance with the Corporation's Stock Option Plan, the terms and conditions of the grant of stock options and the terms and conditions of exercising options granted, all in accordance with the terms and conditions of the Corporation's Stock Option Plan; reviews and makes recommendations to the Board for approval of the persons eligible to receive performance share units (PSUs), the terms and conditions of PSU awards, all in accordance with the terms and conditions of the Performance Share Unit Plan.
- 1.12 Annually reviews the extent to which senior management meets the minimum requirements of share ownership.
- 1.13 Annually reviews the state of labor relations.
- 1.14 Annually reviews the key performance indicators related to human resources.
- 1.15 Annually reviews, if necessary, the data reflected in the Corporation's Social Report.
- 1.16 Reviews and approves severance payments or similar indemnities that are proposed to be paid to a senior executive of the Corporation.
- 1.17 Reviews certain risks to which the Corporation is exposed with respect to compensation and human resources and oversees the implementation by management of adequate controls to manage these risks.
- 1.18 Reviews and approves the analysis on compensation and other information on the compensation of senior executives and directors which forms part of the Corporation's Management Proxy Circular, all in accordance with the requirements of applicable Canadian laws and related regulations of the Canadian Securities Administrators (CSA).
- 1.19 Annually reviews the adequacy of the Committee's mandate and recommends the appropriate changes to the Board.
- 1.20 Annually discusses the Corporation's human resources strategy.
- 1.21 Exchanges on the relative positioning of the Corporation in terms of compensation strategy.
- 1.22 Performs any other duties or responsibilities that the Board may delegate.

## **2. ORGANISATION**

- 2.1. The Committee is composed of independent members of the Board.
- 2.2. The Committee shall meet as often as necessary in order to fulfil its mandate and shall hold *in camera* sessions.
- 2.3. The Committee shall regularly report to the Board on its deliberations and make recommendations, as appropriate.
- 2.4. The Committee shall appoint one of its members (who shall not be an officer or employee of the Corporation or of its subsidiaries and divisions) to act as Chair of the Committee.
- 2.5. The Chair shall appoint a secretary who shall transcribe the minutes of all the meetings (the "Secretary"). The Secretary need not be a member of the Committee or a director and may be replaced by a simple written notice from the Chair of the Committee.
- 2.6. The Committee, acting alone, may retain, at the Corporation's expense, the services of external consultants specialized in compensation to assist the Committee in fulfilling its mandate. The Committee sets the terms and conditions of employment including the compensation of the external advisors.
- 2.7. Ensures the existence of an annual evaluation process of the Human Resources Committee.

*Revised and approved by the Board of Directors, April 2017*