Cascades Inc. - Climate Change 2021



C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Founded in 1964, Cascades (TSX: CAS) offers sustainable, innovative and value-added packaging, hygiene and recovery solutions. The company employs 10,000 women and men across a network of over 80 production units located in North America. Driven by its participative management, half a century of experience in recycling, and continuous research and development efforts, Cascades continues to provide innovative products that customers have come to rely on, while contributing to the well-being of people, communities and the entire planet. The present CDP disclosure only pertains to Cascades Inc.'s consolidated activities in North America, under the Cascades Canada ULC corporation (79 units), and exclude the joint ventures.

Cascades' business model has significantly evolved over the years. From a manufacturer of primarily paper and cardboard, the Corporation has transformed into the largest collector of recycled fibre in Canada and a North American leader in containerboard packaging, tissue papers as well as food and industrial packaging. In fact, Cascades is an integrated company, both upstream and downstream, and offers its customers a full range of converted products, as well as on-site pick-up of recyclable materials. It is therefore an active participant in creating a circular economy for various types of materials.

Production plants are the major energy-consuming entities at Cascades and are also the main producers of greenhouse gases (both scope 1 and 2). Processing plants, offices and transportation activities produce a minimal amount of GHGs in comparison. Within the production plants, the biggest energy consumers are the machines (more than 90% of the total energy consumed). The types of energy consumed by Cascades' North American plants are: natural gas, electricity, steam, oil and biomass (wood residues). Cascades GHG emissions in the supply chain are also an important contributor to the company's total GHG emissions (scope 3). Its purchases of goods and services (category 1) are the largest contributor in this category, with purchases or virgin materials (wood pulp, fiber and paper) being the category with the most emissions. Please see section C6. Emissions data for more information.

Even though Cascades' energy intensity is significantly lower than industry average (2.4 times lower than the North American paper industry average, according to data from Fisher Solve), the company's GHG intensity is comparable to the average of its peers, a situation that is intrinsically linked to the company's decision to prioritize recycled fiber. Contrary to many other paper companies, Cascades doesn't produce its own virgin pulp and therefore has less wood by-products to burn as biomass. The company therefore uses a lot less biomass in its energy mix. As a result, Cascades inherently operates at a slight disadvantage in terms of GHG performance than most of its peers.

However, the Company believes that using recycled fibers in its paper production is of vital importance to protect the world's forests and reduce its footprint not only on the forest, but also in terms of the water and the energy the Company's operations use to manufacture products. As the presence of forest commodities in the Company's supply chain is modest, Cascades' GHG emissions linked to virgin inputs are also smaller compared to other paper companies who rely on them for their operations.

Cascades has been working on its new sustainability action plan for more than a year and launched it recently and climate change plays a key role in it. Cascades has chosen to contribute to global efforts to fight climate change by aligning its targets for reducing scopes 1, 2 and 3 GHG emissions based on a global warming scenario well below 2°C (ETP B2DS scenario). We therefore developed 3 targets on GHG emissions reduction using the Science Based Target initiative (SBTi) approach. Those targets are currently being reviewed by SBTi and should be approved in the coming weeks.

Please see sections C3. Business Strategy and C4. Targets and performance to find out more about the Company's strategy and actions to continuously reduce GHG emissions and improve resilience with regards to climate change.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting	Select the number of past reporting years you will be providing emissions data
			years	for
Reporting year	January 1 2020	December 31 2020	No	<not applicable=""></not>

C0.3

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response. CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory. Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	Yes [Consumption only]

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Other, please specify (Wood is sourced through an indirect chain of suppliers)

Please explain

Cascades Containerboard Packaging - Cabano (CCP-Cabano) owns 10,000 hectares of forest in the Bas St-Laurent region, Quebec, Canada. The asset is comprised of natural forest lands, poplar plantations and softwood plantations. These forestlands are certified under the FSC Forest Management Group certification of the Fédération des groupements forestiers du Bas-Saint-Laurent which is a collective enterprise that belongs to 7,300 forest owners, of which more than 3,000 have chosen to be a member of the FSC group certificate. The territory in the scope of the certificate includes private lots, large private properties of more than 1,000 hectares and intra-municipal territories. In comparison with other companies in the pulp & paper market that manage millions of hectares for their production, Cascades' timber asset is very small. Cascades does not rely on large amounts of wood fiber sources since recovered paper has been, year after year, the biggest component in our operations for all business segments. In practice, 83% of the fibre used to make our products is recycled, thus reducing the pressure on forest resources. Moreover, wood material for mill production is sourced through an indirect chain of suppliers. Wood harvested from this area is purchased by sawmills in the region to produce different wood products such as graded lumber, pre-cut pallet stock and woodchips. CCP-Cabano purchases woodchips for its paper production. For this reason, emissions from forestry activities undertaken on our woodlots are not included in the 2020 CDP climate change disclosure. GHG emissions for woodchips purchases, on the other hand, are accounted for in our annual GHG emissions in scope 3 category 1 "Purchased goods and services". Cascades firmly believes that forests have great potential to limit the harmful consequences of climate change disclosure. GHG emissions for CSR and carbon disclosure reports. With that in mind, Cascades to quantify and communicate the climate impacts of our forestry practices.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity Timber

% of revenue dependent on this agricultural commodity

10-20%

Produced or sourced Sourced

Please explain

In terms of timber products, Cascades purchases hardwood logs and wood chips for two (2) of its mills, Cabano and Trenton. Hardwood logs and wood chips comes from public lands, private owners and from the forestlands owned by Cascades. Cascades is committed to sustainable forest management and monitors the origin of wood to ensure its sustainability. All wood raw material that is purchased is either Forest Stewardship Council® (FSC®) certified or from controlled sources according to the FSC Chain of Custody certification system. Market virgin pulp for the tissue papers business segment is also part of Cascades procurement and the Corporation strongly believes that procurement practices must ensure sustainability of the world's forest resources. Therefore, procurement practices for wood raw material are extended to market pulp. In 2020, 100% of the market pulp purchased by Cascades fulfilled the stringent requirements of the Forest Stewardship Council standards.

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization? Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	Cascades' Chief Executive Officer (CEO), who is also a director on the Board, is responsible for the oversight of climate-related issues, including the company's vision, strategies, objectives and targets. For example, Cascades' CEO is responsible for the sign-off of Cascades' Sustainability Action Plans, including climate-related targets.
Director on board	The members of the Health and Safety, Environment and Sustainable Development Committee (the "HSESD Committee"), which are also Directors on the Board, review on a quarterly basis the company's sustainability strategies, targets and performance (including climate-related targets) with Cascades' Vice-President, Communications, Public Affairs and Sustainability, along with the Vice-President, Environment. The Chair of the HSESD Committee reports to the entire Board with respect to sustainability and climate issues based on information exchanged with management at the HSESD Committee meetings.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate- related issues are a scheduled agenda item	Governance mechanisms into which climate- related issues are integrated	board- level	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<not Applicabl e></not 	The Corporation's Vice-President, Communications, Public Affairs and Sustainability reports to the Board's Health and Safety, Environment and Sustainabile Development Committee (the "HSESD Committee") at four regularly scheduled meetings (once per quarter) on climate-related matters including sustainability goals and GHG reduction targets and performance. The HSESD Committee shall also be called upon to review and advise on the Corporation's climate change strategy. Climate-related issues are also periodically presented to the Corporation's Board by the Head of the HSESD Committee, as mentioned at question C1.1a above. In December 2020, a review of the new company's sustainability action plan was performed during a Board meeting to endorse the targets, governance, and action plan.

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line		responsibility	Frequency of reporting to the board on climate- related issues
Chief Executive Officer (CEO)	<not Applicable ></not 	Both assessing and managing climate-related risks and opportunities	<not Applicable></not 	Quarterly
Chief Sustainability Officer (CSO)	<not Applicable ></not 	Other, please specify (Manage the elaboration of the Corporation's sustainability vision and action plan, monitor performance indicators & targets, address material issues as they arise and report to Cascades' management and Board of Directors (HSESD committee))	<not Applicable></not 	Quarterly
Other, please specify (Health and Safety, Environment and Sustainable Development (HSESD) Committee of the Board)	<not Applicable ></not 	Other, please specify (Monitor performance indicators & targets, including climate-related targets, and approve the company's overall climate vision and strategies)	<not Applicable></not 	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climaterelated issues are monitored (do not include the names of individuals).

Cascades' Chief Executive Officer, who is also a Director on the Board, is the highest executive responsible for the company's climate-related performance, indicators and targets. He is responsible and accountable for the general oversight of the company's sustainability vision, strategies and targets. Sustainability and climate-related targets are quarterly reviewed with the three Presidents and Chief Operating Officers of the divisions, who are accountable for the monitoring and attainment of sustainability goals and the GHG reductions targets. Cascades' Chief Executive Officer also approves the company's overall climate vision and strategies. Cascades' CEO shall bring climate-related issues to the Board as important matters arise.

Cascades' Vice-President, Communications, Public Affairs and Sustainability reports to the Corporation's CEO and monthly reports on sustainability and climate-related matters, including a performance review, to Cascades' management committee and on a quarterly basis to the Health and Safety, Environment and Sustainable Development Committee of the Board (the "HSESD Committee").

At the Board level, the HSESD Committee is responsible for reviewing, making recommendations and reporting to the Board regarding policies, standards, practices and programs of the Corporation on matters relating to the occupational health and safety, environment, sustainable development and climate change. The HSESD Committee monitors the Corporation's performance in accordance with applicable industry norms and standards imposed by legislation and regulations pertaining to both the environmental concerns and occupational health and safety.

The Corporation also has a Sustainability Steering Committee composed mainly of upper management employees (vice-presidents and directors) in various fields to advise the Corporation - and align the work of the CSO and its team - on sustainability action plans and targets.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	See question C1.3a below.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Process operation manager	Non- monetary reward	Emissions reduction target	Based on performance, the Corporation recognizes plants with awards for energy efficiency and greenhouse gas emissions reduction on an annual basis.
Environment/Sustainability manager	Monetary reward	Emissions reduction target Energy reduction target	The Corporation's Sustainability, Environment and Energy leaders and teams are recognized by management for attaining certain goals or fulfilling certain projects which contribute to our Sustainable Development Plan (including our reduction goals in both energy consumption and GHG emissions). For example, this is addressed during employee evaluations and can affect remuneration.
Buyers/purchasers	Monetary reward	Emissions reduction target Supply chain engagement	The Corporation's Procurement employees are recognized by management for attaining certain goals or fulfilling certain projects which contribute to our Sustainable Development Plan (including our goal to reach 70% of purchases from suppliers that participate in the EcoVadis program, which covers climate issues, and are evaluated as responsible and our Scope 3 reduction emission target). For example, this is addressed during employee evaluations and can affect remuneration.
Process operation manager	Monetary reward	Emissions reduction target Energy reduction target	The sustainability targets comprised in Cascades' Sustainable Development Plan (including the SBTi GHG reduction targets) are integrated in the annual objectives plan of all mills' operations managers (Vice-President of Operations, General Directors and Plant Managers) in all Cascades' divisions. These objectives are reviewed during employee evaluations and can affect remuneration.
Chief Executive Officer (CEO)	Monetary reward	Emissions reduction target Energy reduction target	The sustainability targets comprised in Cascades' Sustainable Development Plan (including the SBTi GHG reduction targets) are integrated in the annual objectives plan of the President. These objectives are reviewed during employee evaluations and can affect remuneration.
Chief Operating Officer (COO)	Monetary reward	Emissions reduction target Energy reduction target	The sustainability targets comprised in Cascades' Sustainable Development Plan (including the SBTi GHG reduction targets) are integrated in the annual objectives plan of the COO of each Cascades' divisions. These objectives are reviewed during employee evaluations and can affect remuneration.
Chief Procurement Officer (CPO)	Monetary reward	Emissions reduction target Supply chain engagement	The sustainability targets comprised in Cascades' Sustainable Development Plan (including the SBTi GHG reduction targets on scope 3 and our goal to reach 70% of purchases from suppliers that participate in the EcoVadis program, which covers climate issues, and are evaluated as responsible) are integrated in the annual objectives plan of the CPO. These objectives are reviewed during employee evaluations and can affect remuneration.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities? Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	2	N/A
Medium-term	2	5	N/A
Long-term	5	10	N/A

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

At Cascades, risks with substantive impacts are defined thanks to Cascades' internal rating system. High levels of financial impacts in this internal rating system, for example, will lead to a specific risk being identified as substantive.

Substantive financial or strategic impacts are assessed through an Enterprise Risk Management (ERM) process. This evaluation is performed in its extended version once a year in collaboration with our Corporate Director, Internal Audit and our Management Committee. Cascades' Chief Financial Officer (CFO), Chief Strategy / Legal / Corporate secretary & President/CEO are responsible for reviewing this in-depth annual ERM assessment. Twice a year, this risk grid is also revised and examined by the Management Committee to track and integrate any potential changes. Finally, on a quarterly basis, Cascades' Chief Financial Officer (CFO), Chief Strategy / Legal / Corporate secretary & President/CEO receive an update on High and Medium risks from our Corporate Director, Internal Audit, to allow a review of their relevance and integrate any new changes. Cascades' Corporate Director, Internal Audit also presents the full version of the ERM grid once a year to the company's Board members represented on the Board's Audit Committee. At each quarterly Audit Committee meeting, an update of the grid is also presented.

Cascades' Enterprise Risk Management (ERM) matrix comprises two main dimensions: likelihood of occurrence and financial impact. The matrix therefore consists of a mix of quantitative and qualitative criteria.

Each dimension has two levels of importance:

- Likelihood of occurrence: unlikely or likely / very likely
- Financial impact: Significant or Not significant.

The final score obtained by this process identifies the level of inherent risks. The risks scored "likely / very likely" & "Significant" are considered the "High/Top inherent risks". For each "High/Top inherent risks", a detailed description and action plans are documented and reviewed as per the strategy detailed below. Throughout the 67 risks included in the "risk library", there are two main environmental risks are currently assessed by Cascades' ERM process:

- Damage to the company's reputation due to inadequate environmental practices and the inability to follow the expectations of stakeholders (governments, customers, etc.): harmful practices, level of Greenhouse Gas (GHG) emissions), water, energy and fiber consumption (including the practices of business partners)

- Damage to corporate reputation due to inadequate social practices: equity, diversity, inclusion, respect for labor standards (including the practices of business partners).

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered Direct operations Upstream Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment Annually

Time horizon(s) covered

Short-term Medium-term Long-term

Description of process

Climate-related risks are integrated in the company's Entreprise Risk Management (ERM) process. As mentioned at question C2.1b above, the environmental risks are currently assessed by Cascades' ERM process through the reputation risk linked to internal inadequate environmental practices and the risk of the inability to follow stakeholders (governments, customers etc.) expectations. This includes greenhouse gas emissions, water, energy and fiber consumption, and internal or business partners harmful practices. Cascades' Environment Team monitors these two categories of environmental risks and reports to the company's Board through the Health and Safety, Environment and Sustainable Development (HSESD) committee of the Board. Other climate-related risk categories are assessed on a regular basis by our internal Environment, Sustainability, Communications, Innovation and Marketing teams, as important matters or changes arise. See question C2.2a below for more information. Cascades is working for the second year with an external and independent consulting firm to perform a climate-related risk assessment supported by scenario analysis. A smentioned in section C3. Business strategy, a second and larger climate-related scenario analysis according to the IPCC RCP 8.5 methodology was performed on 12 operation sites in North America, including highly strategic assets. The impacts assessed with this assessment fell in the following 4 categories: Heat Stress, Sea Level Rise, Water stress and Extreme Weather Events. Another scenario analysis was performed to assess transition risks that Cascades is facing according to the IEA WEO Sustainable development scenario. The quantitative impacts analyzed fell into the following two categories: Impact of future carbon pricing and Impact on cost of goods and services (Scope 3 emissions). The committee involved for this exercise consists of Cascades' CFO, CSO, VP Environment, VP Finances, VP Taxation, Director Investor relations, Director of corporate treasury, Director sustainability,

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance &	Please explain	
	∝ inclusion		
Current regulation	Relevant, always included	The assessment of regulations is covered by Cascades Enterprise Risk Management (ERM) process explained above. The in-depth assessment of climate-specific regulations is performed internally by our Environment Team. For example, current regulations pertaining to the Canadian Federal Carbon Tax system are closely monitored.	
Emerging regulation	Relevant, always included	The assessment of regulations is covered by Cascades Enterprise Risk Management (ERM) process explained above. Climate-specific regulations' in-depth assessment is performed internally by our Environment Team. It is also covered by our climate-focused transition risk assessment process, through scenario analysis. For example, our teams take part in discussions with Canadian and provincial governments to be aware of potential changes in climate-related regulations.	
Technology	Relevant, always included	This assessment is performed internally by our Environment Team and our Energy Team (Cascades CS+). For example, our teams follow the emergence of new technologies, including low-emissions technologies, that could influence the current manufacturing processes used in our facilities.	
Legal	Relevant, always included	This assessment is performed internally by both Environment and Legal teams. For example, legal reporting obligations pertaining to the Carbon Tax systems present in Canada are closely monitored.	
Market	Relevant, always included	transition risk assessment process, through scenario analysis. For example, Cascades' sustainability team monitors the expectations of commercial customers with regards to prod	
Reputation	Relevant, always included	This assessment is performed internally by the Environment, and the Sustainability Teams, as well as the Communication, Innovation and Marketing Experts. For example, our Communication team closely monitors the conversations on social media about our company, which could cover climate-related topics.	
Acute physical	Relevant, always included	This assessment is performed externally by our insurance company, FM Global, with the collaboration of our internal risk experts. For example, extreme weather events like storms are covered by this assessment. Acute physical risks are also covered by our physical risk assessment process, through scenario analysis.	
Chronic physical	Relevant, always included	This assessment is performed externally by our insurance company, FM Global, with the collaboration of our internal risk experts. For example, floods are covered by this assessment. This assessment is followed internally by each operation group and supported by our internal risk experts as well as the Environment Team (ex. in the case of Flood Emergency Response Plans). Chronic physical risks are also covered by our physical risk assessment process, through scenario analysis.	

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business? Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Changes in precipitation patterns and extreme variability in weather patterns

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification <Not Applicable>

Company-specific description

As mentioned at question C2.2 above, the recent climate-related scenario analysis according to the IPCC RCP 8.5 methodology and performed on 16 operational sites in North America allowed us to identify medium to high water stress risks in a medium to long term horizon. Paper manufacturing being dependant on water intake, our manufacturing sites are often located close to a river. Changes in precipitation patterns and extreme variability in weather patterns could lead to more frequent flooding or droughts at some of our facilities, which could disrupt the normal course of their operations.

Time horizon Long-term

Likelihood More likely than not

Magnitude of impact Medium

Are you able to provide a potential financial impact figure? No, we do not have this figure

Potential financial impact figure (currency) <Not Applicable>

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

We do not currently disclose this information as our company is refining the estimate

Cost of response to risk

0

Description of response and explanation of cost calculation

Cascades already closely monitors the concerned sites and has Flood Emergency Response Plans (FERP) in place, aligned with FM Global's recommendations.

Comment

N/A

Identifier Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Rising mean temperatures

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification <Not Applicable>

Company-specific description

As mentioned at question C2.2 above, the recent climate-related scenario analysis according to the IPCC RCP 8.5 methodology and performed on 16 operation sites in North America allowed us to identify medium to high heat stress risks in a short term horizon. Increased extreme heat days at some of our locations in the summer could mean that our employees would have to work in increasingly warm temperatures. Extreme heat might also have an impact on transportation by rail, for example, which could lead to some disruptions in our supply chain.

Time horizon

Short-term

Likelihood Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure? No, we do not have this figure

Potential financial impact figure (currency) <Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

We do not currently disclose this information as our company is refining the estimate

Cost of response to risk

Description of response and explanation of cost calculation

Cascades already monitors the concerned sites and has mitigation systems in place (ex. fans, improved access to water for employees) aligned with the company's employee health and safety programs.

Comment

N/A

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification <Not Applicable>

Company-specific description

As mentioned at question C2.2 above, a recent scenario analysis was performed to assess transition risks that Cascades could be facing according to the IEA WEO

Sustainable development scenario. This transition scenario is based on heavy global decarbonization with potentially disruptive policy to limit temperature rise (net zero emissions in 2070, temperature alignment: 1.8 °C and 1.65 °C, as well as carbon price in 2030: \$100 / metric ton CO2e, and carbon price in 2040: \$140 / metric ton CO2e). With this scenario, heavy global decarbonization push and severe regulation schemes with high carbon costs both in Canada and in the United States, where Cascades Inc's consolidated North American units are located, would bring important additional direct costs to Cascades' operations if no mitigation actions are taken. There could also be an increase in indirect costs in the supply chain, with higher prices for purchased goods and services for example.

Time horizon Lona-term

Likelihood

About as likely as not

Magnitude of impact High

Are you able to provide a potential financial impact figure? No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

We do not currently disclose this information as our company is refining the estimate

Cost of response to risk

0

Description of response and explanation of cost calculation

The assessment of emerging regulations is covered by Cascades Enterprise Risk Management (ERM) process explained above. Climate-specific regulations' in-depth monitoring and their impact on Cascades' operations and costs is performed internally by our Environment Team.

Comment

N/A

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business? Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier Opp1

Where in the value chain does the opportunity occur? Direct operations

Opportunity type Resource efficiency

Primary climate-related opportunity driver Use of recycling

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Sustainable forest management is becoming increasingly important in a climate change context as forests are an important carbon sink. Maximizing packaging and tissue production made from recycled fibers is an important way to reduce the impact on forests. Cascades is recovered fiber driven as 83% of the Company's fiber supply is recycled. This mindset also applies to Cascades' plastic packaging, which can contain up to 100% recycled content. The company sees value and great opportunity in this recycled product offering, which also have a reduced carbon footprint, as more and more large customers request increased recycled content and are publicly committed to do so (e.g. Global Commitment of the Ellen MacArthur Foundation). There is a tremendous opportunity for Cascades in this global push for a more circular economy and recycled packaging.

Time horizon Short-term

Likelihood Virtually certain

Magnitude of impact Medium-high

Are you able to provide a potential financial impact figure? No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We do not currently disclose this information as our company doesn't track the financial impact of this opportunity.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Cascades is well-positioned to benefit from this opportunity in the market and extend its sales of recycled paper and packaging solutions. The company is integrated with a division called Cascades Recovery+ and owns and operates sorting facilities across North America. This advantageous position allows Cascades to secure its access to recovered materials, which can be used by its facilities to manufacture new products. With recent lifecycle assessments performed on its recycled products to compare them to virgin equivalents in the industry, the company is also well-positioned to sell the advantage of recycled content with science-based arguments.

Comment

N/A

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Returns on investment in low-emission technology

Company-specific description

With its advantageous presence in locations like Québec and Ontario, two Canadian provinces where the electricity grid has a small carbon footprint, Cascades' operations could progressively switch from natural gas-fuelled equipment (e.g. boilers) to electricity-fuelled equivalents. This transition to low-emission equipment could significantly reduce the GHG emissions of its paper mills. As mentioned in section C3. Business strategy, Cascades is already conducting a trial of this transition at one of its facilities in Quebec, Canada. Cascades is also committed through its new sustainability action plan launched in 2021 to achieve 100% renewable electricity by 2030.

Time horizon

Medium-term

Likelihood Very likely

Magnitude of impact Medium-high

Are you able to provide a potential financial impact figure? No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

We do not currently disclose this information as our company is refining the estimate

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

With costs of natural gas being currently generally lower than those of electricity, Cascades must carefully plan a transition to electricity-fuelled equipment in its facilities. Our Energy Team (Cascades CS+) is currently evaluating options and costs. With regulation schemes becoming stricter and increasing carbon costs, this transition will probably become more and more conceivable in the future.

Comment N/A

Identifier

Орр3

Where in the value chain does the opportunity occur? Downstream

Opportunity type Products and services

Primary climate-related opportunity driver Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

In its Specialty Products Group, Cascades provides packaging solutions to its customers in the food sector that combine recycled content, reduced weight and volume while extending their products' shelf life. Food waste being an important contributor to its customers' GHG emissions, from the food processors all the way to the retailers, Cascades supports their reduction goals by providing them with innovative packaging designed to tackle this waste.

Time horizon

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency) <Not Applicable>

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

We do not currently disclose this information as our company doesn't track the financial impact of this opportunity.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

As mentioned in section C3. Business Strategy, Cascades is supported by Marketing and Innovation specialists that collaborate with our Technical Experts and Research and Development Center to develop packaging solutions that extend products' shelf life. Many new innovations are currently being developed and underway to support our customers in tackling the food waste problem. For more information, please see: https://www.cascades.com/en/products-services/packaging/food-packaging

Comment

N/A

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning? Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	publish a low- carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
1	No, we do not intend to publish a low-carbon transition plan in the next two years		Cascades has been working on its new sustainability action plan for more than a year and launched it recently and climate change plays a key role in it. Cascades has chosen to contribute to global efforts to fight climate change by aligning its targets for reducing scopes 1, 2 and 3 GHG emissions based on a global warming scenario well below 2°C (ETP B2DS scenario). We therefore developed 3 targets on GHG emissions reduction using the Science Based Target initiative (SBT) approach. Those targets are currently being reviewed by SBTi and should be approved in the coming weeks. We will work on achieving those targets on a short term period.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate- related scenarios and models applied	Details
RCP 8.5	- Scenario selection, inputs, assumptions and methodology: The Intergovernmental Panel on Climate Change's (IPCC) Representative Concentration Pathway (RCP) 8.5 was selected to evaluate our exposure to physical risks based on an analysis of publicly available scenarios. This high emissions scenario of warming over 4°C by the end of the century enabled us to evaluate the extreme physical climate risks of unmitigated emissions reductions. Our physical risk analysis utilized a variety of datasets including IPCC, World Resource Institute, EPA; supplemented with proprietary analysis. Our physical climate risk assessment mapped the hazard exposure of 16 key sites against acute risk of severe weather events, and chronic impacts of sea-level rise, temperature and precipitation changes. The modelling took input of the precise geographic location of each site. Assumptions to the model included various historical and projected data on physical climate impacts and the key scenario elements defined in the IPCC model Time horizon and relevance: Physical risks were assessed against a short, medium and long-term timeframe consistent with our existing defined timeframes for business strategy and risk assessments Business area coverage: At the moment, 16 sites have been evaluated in terms of physical risk exposure to an emissions pathway consistent with RCP 8.5. In future years we intend to expand our analysis across our value chain.
IEA Sustainable development scenario	- Scenario selection, inputs, assumptions and methodology: Our transition scenario analysis was assessed using The International Energy Agency World Energy Outlook Sustainable Development Scenario, a low emissions scenario (below 2° C of warming). As per our physical scenario selection, a benchmark study of publicly available transition scenarios meeting the TCFD guidelines of applying a lower than 2°C scenario. IEA SDS was selected due to its attainment of selected UN Sustainable Development Goals and due to its high price on carbon. In addition to the assumptions described within IEA SDS, our analysis used the input of our greenhouse gas inventory across all emission scopes and applied the carbon prices at the defined timescales. Transition risks were evaluated across the categories of policy and legal, market, and reputational aspects. Qualitative methods were applied, combining both internal and external expertise and a quantitative model was produced to explore the impact of carbon pricing on our direct operations and of our supply chain Time horizon and relevance: Our transitional analysis matched the timeframes considered in our physical risk assessment looking at short, medium and long-term which is also consistent with our defined timeframes for business strategy and risk assessments Business area coverage: Our transition risk assessment covered our direct operations with our carbon price modelling extended across our supply chain.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate- related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	In 2019, Cascades' Innovation and Marketing Teams performed new life-cycle assessments, with the support of Ageco - an independent third party - and the Sustainability Team. The goal of this exercise was to better understand the environmental impacts of many of its packaging solutions (focus on packaging solutions for fresh protein and on recycled linerboard used in our containerboard division). These assessments, all of which are peer reviewed according to the ISO 14044 standard, confirmed Cascades' decision to favour recycled content. Whether in plastic or fiber-based packaging, recycled intake significantly reduces the GHG emissions associated with Cascades products' whole lifecycle. This finding will help Cascades' innovation and product development teams focus on recycled content going forward. Many Cascades products launched in the last year are aligned with this vision. For example, Cascades' cardboard food tray, that is 100% recycled and recyclable, is aligned with this mindset. Read more here: https://www.cascades.com/en/news/cascades-launches-cardboard-food-tray-made-100-recycled-encyclable-material. Cascades blieves this climate-related opportunity will remain material for the five coming years minimum. That's why one of its targets in the new sustainability action plan is to reach by 2030, 100% of the packaging manufactured and sold to be recyclable, compostable or reusable.
Supply chain and/or value chain	Yes	At Cascades, greenhouse gas emissions related to our transportation and the purchase of goods and services are significant, which is why reducing them is one of our priorities. The scope 3 emissions reduction is one of its new sustainability action plan and based on the Science Based Targets initiative (SBT) approach, the goal is to reduce its scope 3 emissions by 2030 of 22% (kg of CO2 eq./MT). To achieve this, we rely on the commitment of our suppliers and the optimization of our supply chain. Logistics optimization therefore plays a key role in reducing greenhouse gas emissions through our supply chain, which is why Cascades created a specific department to optimize its transport, whether to reduce empty runs, use rail when possible or optimize loads. We also officially favour partnerships with SmartWay certified carriers, who share our values of respect for the environment.
Investment in R&D	Yes	Innovation being so essential to Cascades, it is an important component of the company's mission statement: to improve the well-being of people, communities and the planet by providing sustainable and innovative solutions that create value. Aligned with what is mentioned in the "Products and Services" section above, our Innovation teams work on developing innovative packaging that integrate recycled content from existing or new sources, a focus that brings important reductions in products' lifecycle carbon footprint. Our Innovation teams also worked on facilitating the integration of alternative materials in our packaging and paper products, an integration that only makes sense if the new fiber brings a reduction in environmental impacts. An Open Innovation Challenge was organized to invite startups to pitch their innovations in alternative fibers to Cascades. See here for more information: https://osmoinovation.org/cascades-innovation We also firmly believe in packaging as a tool to reduce food waste, an important contributor to global GHG emissions. Our innovation teams working tirelessly to extend further the shelve life of products Cascades believes this climate-related opportunity will remain material for the five coming years minimum. That's why one of its targets in the new sustainability action plan is to reach by 2030, 100% of the packaging manufactured and sold to be recyclable, compostable or reusable.
Operations	Yes	Our operations being a main contributor to Cascades' greenhouse gas emissions, many of the company's actions and projects to reduce GHG emissions take place in our facilities (see section C4. Targets and performance for more information). Our facilities relying a lot on natural gas for steam production, our Energy Experts are currently evaluating a progressive switch to more electricity-based technologies, including electric boilers. This transition is even more relevant in a context as many of our facilities are based in Quebec or Ontario, where the electricity grid has a small carbon footprint. A first important electrification project is currently taking place at our Cabano mill in Québec, Canada. Please see section C4 for more information. The project has been temporarily slowed down because of the Covid-19 pandemic, as the required installation teams cannot cross the borders to finalize the start-up. Roll- out should resume once borders open. This work is in line with new Cascades' targets based on the Science Based Targets initiative (SBT) approach, to reduce, by 9230, by 38.7% of scopes 1 and 2 (kg of CO2eq)/MT), in our paper manufacturing plants and by 27.5% of scopes 1 and 2 (kg of CO2 eq) of its other emissions sources (including our converting plants). See section C4. Targets and Performance for more information.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital expenditures	As mentioned above in C3.1d and in C.4 Targets and performance, some recent capital expenditures have been influenced by climate-related risks and opportunities and with Cascades new sustainability action plan and the new targets (currently being reviewed by SBTi, pending approval), new detailed action plans have been developed and approved for the next 5 years, including planification of capital expenditures for new projects supporting the achievement of those goals. A good example is the recent installation of an electric boiler at our Cabano mill in Québec, Canada, with other similar expenses being currently evaluated. Our new target on products will also drive product developments, and required capital expenditures to integrate as much recycled content as possible (see Products and Services above). As identified by our life-cycle assessments, recycled content brings a major advantage when it comes to reducing product-related GHG emissions.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

N/A

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year? Intensity target

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set 2016

Target coverage Business activity

Scope(s) (or Scope 3 category)

Scope 1

For the active SD period (2016-2020), only SCOPE 1 emissions from Cascades' North American Pulp and Paper Mills are considered in the Intensity Reduction Target.

Intensity metric

Metric tons CO2e per metric ton of product

Base year 2015

Intensity figure in base year (metric tons CO2e per unit of activity) 0.224

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure 83.2

Target year 2020

Targeted reduction from base year (%)

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.20832

% change anticipated in absolute Scope 1+2 emissions -20.4

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity) 0.219

% of target achieved [auto-calculated] 31.8877551020408

Target status in reporting year Expired

Is this a science-based target? No, but we anticipate setting one in the next 2 years

Target ambition <Not Applicable>

Please explain (including target coverage)

At Cascades (North America), the GHG reduction target is part of our 2016-2020 Sustainable Development Plan. The GHG intensity reduction target of 7% in 2020 (vs 2015) takes into account Scope 1 emissions for Pulp & Paper MilLs only. On June1st 2021, Cascades launched it's latest SD Plan (2021-2025) which includes 15 defined targets for 2025 and 2030, and based on four main pillars: Respectful of the Planet, Solutions Driven, Community Minded, and People Focused. This Plan is aligned with the Sustainable Development Goals of the United Nations and with the recommendations of the Science Based Targets initiative (SBTi). Cascades has committed to setting SBTs and the target approval process is underway. Scope 3 will be addressed through those targets and we plan on working with suppliers to help us reduce our supply chain related emissions.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year? No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	1	60000
To be implemented*	33	29505
Implementation commenced*	0	0
Implemented*	29	7968
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes	Waste heat recovery

Estimated annual CO2e savings (metric tonnes CO2e) 7968

Scope(s) Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4) 1614368

Investment required (unit currency – as specified in C0.4) 3395544

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Reductions in this category are the results of a variety of projects (Process optimization, Waste Heat recovery, Steam recovery, Steam networks optimization, Compressed air, LED upgrades, etc). In most of Cascades' Pulp & Paper Mills, an EMS (Energy Management System) has been implemented which is key to maintaining energy reductions through appropriate KPIs.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Cascades' innovative Energy Efficiency Fund is a dedicated budget for EE projects. Larger projects require Capex investments.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions? Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

In 2019, Cascades released an updated lifecycle assessment performed on its food tray solutions. This lifecycle assessment, performed by third party firm Ageco according to the ISO 14044 standard, concluded that all the Cascades food trays studied (Cascades Fresh Performa and Xtend brands) have a reduced impact on climate change (ranging from 40% to 69% less impact) compared to virgin equivalents, thanks to their recycled content. See here for more information : https://www.cascades.com/sites/default/files/brochure/fresh/Packaging-Protein-Cascades-Fresh.pdf. These packaging solutions therefore support our customers in meeting their scope 3 reduction targets, when they switch from virgin packaging in the industry to the Cascades trays integrating up to 100% recycled content.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions Other, please specify (Lifecycle Assessment performed according to the ISO 14044 standard)

% revenue from low carbon product(s) in the reporting year

3

% of total portfolio value <Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

In 2020, sales of Cascades Fresh Performa and Xtend trays represented 3% of Cascades' North American consolidated units' total revenues.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e) 527078

Comment

Includes Scope 1 Emissions, from Pulp & Paper Mills and Conversion facilities across US and Canada for Cascades' 3 product groups (Tissue, Carboard Packaging, Specialized Products). In the case Scope 1 Emissions other than Direct Emissions from manufacturing facilities could not be calulated (due to lack of data) for the Base Year, we therefore considered the same level of emissions as 2019.

Scope 2 (location-based)

Base year start January 1 2015

Base vear end

December 31 2015

Base year emissions (metric tons CO2e) 584557

Comment

Regarding the Electricity purchased for Mills and Conversion facilities in North America, we used « Location based Emission Factors », ref. EPA e-grid 2014. As for the steam purchased from local incinerators (Covanta, NY and Emerald, ON), we used the EF provided by the suppliers.

Scope 2 (market-based)

Base year start January 1 2015

Base year end December 31 2015

Base year emissions (metric tons CO2e) 0

Comment

Cascades purchased a small amount of Green-e Certificates (13 901) mainly for a set of Cascades PRO® products.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

US EPA Mandatory Greenhouse Gas Reporting Rule

US EPA Emissions & Generation Resource Integrated Database (eGRID)

Other, please specify (US EPA e-CFR (Subpart C, Subpart AA), Quebec Regulations, Ontario Regulations, Environment Canada's Extended Reporting Regulations.)

C5.2a

(C5.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

For emitters in the province of Quebec, we use the « Quebec's Regulation respecting Mandatory Reporting of Certain Emissions of Contaminants into the Atmosphere ».

For emitters in the province of Ontario, we use the « Ontario Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions » which is harmonized with « Environment Canada's GHG Mandatory Reporting ».

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

521401 Start date

<Not Applicable>

End date

<Not Applicable>

Comment

These emissions include the following : 1. Emissions from Cascades' manufacturing facilities (Pulp & Paper Mills, Conversion Facilities) 2. Emissions from Cascades Recovery Centers 3. Emissions from Cascades Transport (truck fleet) 4. Emissions from Air Cascades (airplanes and helicopters) 5. Company vehicles

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

GHG Emissions from electricity purchases in the US were calculated using EPA e-GRID 2019. GHG Emissions from electricity purchases in the US were calculated using EPA e-GRID 2019. GHG Emissions from electricity purchases in Canada were calculated using the 2018 Emissions Factors available by provinces/territories in the latest National Inventory Report 2020 (UNFCCC). GHG Emissions from steam purchases were calculated using Emission Factors directly provided by steam suppliers.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based 362972

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date <Not Applicable>

(itor / ppilota)

Comment

GHG Emissions from 2020 electricity purchases were 259 362 t CO2e. GHG Emissions from 2020 steam purchases were 103 611 t CO2e.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Warehouses across North America (when not within a manufacturing facility)

Relevance of Scope 1 emissions from this source Emissions are not evaluated

Relevance of location-based Scope 2 emissions from this source

Emissions are not evaluated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not evaluated

Explain why this source is excluded

The data is difficult to effectively and accurately track down, and would require significant effort and time for what is a limited amount of emissions. Therefore, Cascades has chosen to focus efforts on representative categories.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status Relevant, calculated

Relevant, calculateu

Metric tonnes CO2e 891359

Emissions calculation methodology

Standard used to calculate Scope 3 emissions: GHV Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WRI & WBSCD, 2013). Data used: Expenses used for the year 2020 were provided by Cascades' Procurement team. Expenses as provided were divided in 271 categories. Expenses were classified into 102 broad categories to link them to relevant emission factors. For unclassified expenses, which represented less than 1% of the total expenses, an extrapolation was performed based on unclassified expenses contributing to less than 1% of this category. Emission Factors used: For Pulp & Paper products, the emission factors (kg CO2 eq./kg product) were calculated using the ecoinvent database version v3.6. For all the other goods and services, the emission factors (kg CO2 eq./\$ spent) were extracted from the economic input-output LCA database (Carnegie Mellon University Green Design Institute, 2008). These factors were converted to Canadian dollars for the year 2020.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

At the moment, Cascades does not have access to this level of data. We plan to collect data within the next years.

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Cascades' high-level evaluation of this category shows it represents less than 5% of overall Scope 3 emissions. At this time, Cascades has chosen to put all the efforts on representative categories.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status Relevant, calculated

Metric tonnes CO2e

628198

Emissions calculation methodology

Standard used to calculate Scope 3 emissions : GHV Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WRI & WBSCD, 2013). Data used : Quantities of electricity and fuel consumed by all manufacturing facilities were used. Emission factors used : The emission factors per kilowatt-hour related to the activities required to produce electricity were calculated using data reported in National Inventory Reports (Environment and Climate Change Canada, 2021; US EPA, 2021) and the ecoinvent database v3.6.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

0

At the moment, Cascades does not have access to this level of data.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

140898

Emissions calculation methodology

Standard used to calculate Scope 3 emissions : GHV Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WRI & WBSCD, 2013) Data used : The inventory of all transports (i.e. distances and weight transported) paid by Cascades was used, Information on the type of vehicles was also provided in order to model emissions based on the type of vehicle and payload when possible. Emissions factors used : The emissions factors for truck transportation were calculated using a model built by Groupe AGECO with the ecoinvent database v3.6, this model allows to adjust the average payload of a 53' truck to better represent the fuel consumption. The emission factor for rail transportation was calculated from the ecoinvent database v3.6.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

At the moment, Cascades does not have access to this level of data.

Waste generated in operations

Evaluation status Relevant, calculated

Metric tonnes CO2e

65688

Emissions calculation methodology

Standard used to calculate Scope 3 emissions : GHV Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WRI & WBSCD, 2013) Data used : The quantities of waste generated at all facilities were used. Data on the treatment type for each type of waste was also provided. Emissions factors used : The emissions factors related to the treatment and transportation of waste were calculated from the ecoinvent database v3.6.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

At the moment, Cascades does not have access to this level of data.

Business travel

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e <Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Cascades' high-level evaluation of this category shows it it represents less than 0,5% of overall Scope 3 emissions. At this time, Cascades has chosen to put all the efforts on representative categories.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

9537

Emissions calculation methodology

Standard used to calculate Scope 3 emissions : GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WRI & WBSCD, 2013) Data used : The total number of employees for the year 2020 was provided per facility. The average number of working days per year per employee was calculated using the number of hours worked by all employees, considering that employees work 40 hours on average per week. The average distance travelled per employee per day and the distribution of employees per mode of transportation used were based on provincial statistics (Statistics Canada, 2017). Also based on the location of the facility, the percentage of employees using public transit was adjusted to represent the reality as much as possible (e.g. a facility in a remote area will most likely not have access to public transportation while statistics at the provincial scale may show the use of public transit). Emissions factors used : The total distance travelled (in kilometers) for each mode of transportation was multiplied by the corresponding emissions factor (i.e. specific to the mode of transportation). These factors were provided by the GHG Protocol Emission Factors for Cross-Sector Tools, 2017).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain N/A

Upstream leased assets

Evaluation status Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology <Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable>

Please explain

N/A - Does not apply in the case of Cascades

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e <Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Materiality for this category still has to be determined, it will be adressed in a second phase.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e <Not Applicable>

Emissions calculation methodology <Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable>

Please explain

N/A - There are few products sold by Cascades being transformed by manufacturing customers at the moment.

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e <Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Very few products require energy consumption therfore emissions related to this category are not considered material.

End of life treatment of sold products

Evaluation status Relevant, calculated

Metric tonnes CO2e 9389

Emissions calculation methodology

Standard used to calculate Scope 3 emissions: GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WRI & WBSCD, 2013) Data used: The quantities of products for the 7 main product categories were used. Assumptions on the recycling, landfilling and incineration rate were made based on average values (Recyc-Québec, 2019; US EPA, 2021). Emissions Factors used : The emissions factors related to the treatment and transport of waste were calculated from the ecoinvent database v3.6.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain N/A

Downstream leased assets

Evaluation status Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology <Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable>

Please explain

N/A - Does not apply in the case of Cascades

Franchises

Evaluation status

Metric tonnes CO2e <Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable>

Please explain N/A - Does not apply in the case of Cascades

Investments

Evaluation status Not evaluated

Metric tonnes CO2e <Not Applicable>

(Not Applicable)

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The analysis of Cascades Equity Investments has not been done yet. The materiality of this category is not known at the moment.

Other (upstream)

Evaluation status Not evaluated

Metric tonnes CO2e <Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

N/A

Other (downstream)

Evaluation status Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable>

Please explain

N/A

C-AC6.6/C-FB6.6/C-PF6.6

(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area? No

C-AC6.6b/C-FB6.6b/C-PF6.6b

(C-AC6.6b/C-FB6.6b/C-PF6.6b) Why can you not report your Scope 3 emissions by business activity area?

Row 1

Primary reason

We are planning to include in the next two years

Please explain

This level of reporting involves much more data, and we are looking at eventually including this level of detail in the next two years but our systems are not set-up for this purpose.

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure? Yes

C-AC6.8a/C-FB6.8a/C-PF6.8a

(C-AC6.8a/C-FB6.8a/C-PF6.8a) Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.

CO2 emissions from biofuel combustion (processing/manufacturing machinery)

Emissions (metric tons CO2) 236979

Methodology

Region-specific emissions factors

Please explain

We use the « Quebec's Regulation respecting Mandatory Reporting of Certain Emissions of Contaminants into the Atmosphere », Table 1-1 and Table 1-3.

CO2 emissions from biofuel combustion (other)

Emissions (metric tons CO2)

7958

Methodology Default emissions factors

Please explain

US EPA e-CFR (Subpart C, Subpart AA), Table C-1

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Timber

Do you collect or calculate GHG emissions for this commodity? Yes

Please explain

Reported under Scope 3, Category 1 (emissions calculated using ecoinvent v3.6 emissions factors based on tonnage and origin). Please also refer to Cascades' Forest CDP Disclosure

C-AC6.9a/C-FB6.9a/C-PF6.9a

(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.

Timber

Reporting emissions by Total

Emissions (metric tons CO2e) 370972

Denominator: unit of production <Not Applicable>

Change from last reporting year Higher

Please explain

In 2020 there has been a greater demand for Carboard Packaging products translating in a increased purchase of Virgin Fibers.

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.288

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e) 884133

Metric denominator metric ton of product

Metric denominator: Unit total 3068585

Scope 2 figure used Location-based

% change from previous year 1.7

Direction of change Decreased

Reason for change

This slight decrease in intensity results from a combination of factors as described in C.7.9

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type? Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	513299	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	43.68	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	18.22	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	281127
United States of America	240274

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By facility

By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)	
Cascades Containerboard Packaging	177364	
Cascades Tissue Group	268666	
Cascades Specialty Products Group	43572	
Cascades Transport	26838	
Air Cascades	229	
Cascades Recovery	2690	
Company Vehicles	2043	

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Scope 1 Emissions by facility available in the attachment provided. Please see file « Cascades 2020 - SCOPE 1 by Facility_for CDP »			
Cascades 2020 - SCOPE 2 by Facility_for CDP.xlsx			
Cascades 2020 - SCOPE 1 by Facility_for CDP.xlsx			

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Pulp & Paper Production Activity	445616
Conversion Activity	43986
Other (Air Cascades, Cascades Transport, Cascades Recovery, Company vehicles)	31800

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity

Processing/Manufacturing

Emissions category <Not Applicable>

Emissions (metric tons CO2e) 492292

Methodology

Region-specific emissions factors

Please explain

These emissions are the result of Recovering activities (old papers) and Manufacturing activities (Pulp & Paper Mills and Conversion facilities) in North America.

Activity

Distribution

Emissions category

<Not Applicable>

Emissions (metric tons CO2e) 26760

Methodology

Region-specific emissions factors

Please explain

These emissions are included in Scope 1 emissions since Cascades Transport is under the control of Cascades. The truck fleet is part of Cascades Transport's activities.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

			1	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Canada	79869	0	1030780	0
United States of America	283090	0	1523676	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By facility

By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Cascades Containerboard Packaging	177965	0
Cascades Tissue Group	160035	0
Cascades Specialized Products	21679	0
Cascades Recovery	3279	0

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Please see file « Cascades 2020 - SCOPE 2_by facility » downloaded at question C7.2b since the option is not available at C7.6b		

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Pulp & Paper Production Activity	321947	0
Conversion Activity	37733	0
Other (Cascades Recovery, Offices)	3292	0

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year? Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	2482	Decreased	0.3	More biomass was used to produce steam at our Cabano facility located in Quebec, (in replacement of large volumes of Heavy oil)
Other emissions reduction activities	7968	Decreased	0.9	Mainly the result of Energy Efficiency projects implemented in 2020.
Divestment	5711	Decreased	0.6	In 2019, Cascades announced the closure of two Toronto based Cascades Tissue Group mills as well as one Specialized Products mill located in Quebec, and one converting facility located in Ontario. These facilties ceased operations in 2020 (no GHG were emitted).
Acquisitions	0	No change	0	n/a
Mergers	0	No change	0	n/a
Change in output	196	Increased	0.02	In 2020, there was 0.02% increase in production output overall. Some facilities were slowed down in the Tissue group mainly due to less demand for « Away from home » porducts while facilities in the Containerboard Packaging group increased following the market demand.
Change in methodology	0	No change	0	n/a
Change in boundary	0	No change	0	n/a
Change in physical operating conditions	0	No change	0	n/a
Unidentified	320	Increased	0.03	Information difficult to trace back
Other	0	No change	0	n/a

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy? More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	685219	2475793	3161012
Consumption of purchased or acquired electricity	<not applicable=""></not>	556325	1072445	1628770
Consumption of purchased or acquired heat	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of purchased or acquired steam	<not applicable=""></not>	371436	537940	909376
Consumption of purchased or acquired cooling	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of self-generated non-fuel renewable energy	<not applicable=""></not>	0	<not applicable=""></not>	0
Total energy consumption	<not applicable=""></not>	1612980	4086178	5699158

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks) Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization 2401182

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 1003835

MWh fuel consumed for self-generation of steam 1397347

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration <Not Applicable>

Emission factor 0.0181

Unit

metric tons CO2e per m3

Emissions factor source

Quebec = Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere; CANADA (except Quebec) = Greenhouse Gas Reporting Program (GHGRP); US = EPA e-CFR Table C-1 and Table C-2 to Subpart C of Part 98

Comment

Cascades operates 79 facilities across North America (including all Recovery Centers), therefore appropriate GHG Factors are applied according to location and reporting

guidance. The value for the Emission Factor above is therefore an average, but the calculations take into account the specific Emission Factor and are accurate.

Fuels (excluding feedstocks) Biogas

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 44563

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 44563

MWh fuel consumed for self-generation of steam 0

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration <Not Applicable>

Emission factor 0.05234

Unit metric tons CO2 per million Btu

Emissions factor source

EPA e-CFR Table C-1 and C-2 to Subpart C of Part 98

Comment

This biogas is « Landfill Biogas » produced by a local producer.

Fuels (excluding feedstocks) Heavy Gas Oil

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization

74531

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 0

MWh fuel consumed for self-generation of steam 74531

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration <Not Applicable>

Emission factor 0.00314

Unit metric tons CO2 per liter

Emissions factor source

Quebec's Regulation respecting Mandatory Reporting of Certain Emissions of Contaminants into the Atmosphere (Table 1-1, Tabble 1-3)

Comment

CCP - Cabano Mill uses Heavy Oil for the production of steam. This facility is located in the province of QC where Natural Gas is not available, however only a small proportion of team is generated from oil, the rest being produced by biomass boilers (2) and a recently installed electric boiler.

Fuels (excluding feedstocks) Light Distillate

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization 80

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam 80

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration <Not Applicable>

Emission factor 0.0027

Unit metric tons CO2 per liter

Emissions factor source

EPA Table C-1 and Table C-2 to Subpart C of Part 98 (Title 40)

Comment

CCP - Newton uses Light Fuel Oil to produce Steam, but the use of Oil is being phased-out

Fuels (excluding feedstocks) Solid Biomass Waste

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 640657

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam 640657

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration <Not Applicable>

Emission factor

Unit

metric tons CO2 per metric ton

Emissions factor source

The Emissions Factor's Units are « Metric tons of CO2e per Dry Metric Tons ». Quebec's Regulation respecting Mandatory Reporting of Certain Emissions of Contaminants into the Atmosphere (Table 1-1, Table 1-3)

Comment

Our CCP - Cabano Pulp & Paper Mill located in the province of QC uses biomass to produce part of the steam required by the process.

Fuels (excluding feedstocks) Propane Liquid

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 598

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam 598

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration <Not Applicable>

Emission factor 5.74165

Unit kg CO2e per gallon

Emissions factor source EPA Table C-1 and Table C-2 to Subpart C of Part 98 (Title 40)

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	-		, e	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	0	0	0	0
Heat	1048397	1048397	44563	44563
Steam	2127637	2127637	655081	655081
Cooling	0	0	0	0

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

Metric numerator 492,159 MT of residuals diverted from landfill

Metric denominator (intensity metric only)

613,031 MT of total residuals generated

% change from previous year

0

Direction of change

No change

Please explain

Once again this year, Cascades' residual materials recovery rate is approximately 80%. It may seem like not much has changed, but this figure is the result of significant improvements implemented by our team in the face of major challenges in 2020. The best performances are in our Containerboard division with a recovery increase of 7 points. The Niagara Falls, NY plant is continuing its remarkable increase reaching now 82% of recovery rate, by funnelling its rejects to Covanta, an energy-from-waste company, instead of diverting them to landfills. The plant worked also on making an agreement with a new supplier, which is recovering more rejects, helping them also in the increase of recovery rate. Our Greenpac plant, using the same method than Niagara Falls with Covanta, is reaching 88% of recovery rate.

Description

Other, please specify (Water)

Metric value 19903937

Metric numerator 19,903,937 cubic meters of waste water

Metric denominator (intensity metric only) 2,035,607 metric tonnes of net saleable production

% change from previous year

8

Direction of change

Increased

Please explain

Even though we have had a lot of good practices put in place and allowing improvements in some of our plants, such as Papier Kingsey Falls in Quebec, we have suffered from some issues, taking away those benefits. In Trenton more water was needed for the cooling system of the plant, in Wisconsin one of the pumps had a motor issue and was not working for a while and in Oregon issues rose and were preventing water recirculating.

Description

Energy usage

Metric value 6.71

Metric numerator

GJ of energy purchased (all facilities)

Metric denominator (intensity metric only) Metric tons of net saleable production

% change from previous year

0.69

Direction of change Increased

Please explain

Slight increase in 2020 vs 2019, mainly attributed to an increase in biomass usage (replacing heavy oil at our Cabano facility).

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place Annual process

Status in the current reporting year Complete

Type of verification or assurance Reasonable assurance

Attach the statement

6

CDP_Verification_Template_Year_2020_Lachute.pdf CDP_Verification_Template_Year_2020_Trenton.pdf CDP_Verification_Template_Year_2020_Candiac.pdf CDP_Verification_Template_Year_2020_CPKF.pdf CDP_Verification_Template_Year_2020_CTKF.pdf CDP_Verification_Template_Year_2020_Cabano.pdf

Page/ section reference

For all 6 documents attached, our auditor (Ernst & Young) used the CDP template and information is available on pages 1 and 2.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%) 39

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5? No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)? Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations. Canada federal fuel charge Canada federal Output Based Pricing System (OBPS) - ETS Québec CaT - ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

Canada federal OBPS - ETS

% of Scope 1 emissions covered by the ETS

11.4

0

% of Scope 2 emissions covered by the ETS

Period start date January 1 2020

Period end date December 31 2020

Allowances allocated 26593

Allowances purchased 37762

.

Verified Scope 1 emissions in metric tons CO2e 59355

Verified Scope 2 emissions in metric tons CO2e 0

Details of ownership Facilities we own and operate

Comment

The Output Based Pricing System applies to our CCP - Trenton facility located in the province of Ontario. The Canadian federal back-stop is in force since Jan 1st, 2019 for large emitters located in provinces where there are no carbon pricing systems in place. The OBPS is a sector-based approach and the CCP - Trenton facility does not compare well with the national benchmark established. In fact, the steam production at Trenton is entirely based on natural gas; since 70% of the corrugated paper produced is from recycled materials, there are no biomass by-products available for steam production through biomass boilers. Therefore the difference between the national benchmark and the GHG intensity at Trenton is significant.

Québec CaT

% of Scope 1 emissions covered by the ETS

28.2

% of Scope 2 emissions covered by the ETS $_{0}^{} \label{eq:scope}$

Period start date January 1 2020

Period end date December 31 2020

Allowances allocated 153434

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e 145297

Verified Scope 2 emissions in metric tons CO2e

Details of ownership

Facilities we own and operate

Comment

The Quebec Cap & Trade system implemented on January 1st, 2013 is essentially based on historical GHG performance for the period ending December 31st, 2020. Cascades owns and operates 3 facilities emitting more the 25 000 tCO2e/yr (Cabano, Candiac and Papier Kingsey Falls) which fall automatically under the WCI Cap & Trade Regulations. Two other facilities owned and operated by Cascades have benefited from the « Opt-In » provision (CTG - Kingsey Falls and CTG - Lachute, both in Quebec) and receive free allowances as of January 1st, 2019. Since the exact number of free allowances available for 2020 will be confirmed by the government in September 2021, we estimated the number provided above based on the verified emissions and production outputs. Since Cascades has a single CITSS account encompassing all 5 facilities falling under the WCI C&T, the overall compliance obligation for 2020 will be fully covered by the free allowances expected for the year. The 3rd compliance period covering 2018, 2019 and 2020 also shows that Cascades will not have the obligation to purchase permits.

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Canada federal fuel charge

Period start date January 1 2020

Period end date December 31 2020

% of total Scope 1 emissions covered by tax

4

Total cost of tax paid 560230

Comment

The Canadian Fuel Charge applie to Cascades conversion facilities and recovery centers located in Ontario and Alberta. The figure provided above accounts for natural gas usage only.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

As seen above, Cascades' activities in North America (particularly in Quebec and Ontario) must take into account a price on carbon.

Cascades' strategy for complying with these different systems is a multi-level approach:

1. Measure and report to the steering committee on a quarterly basis (Energy, GHG) in order to appreciate the progress towards internal KPIs and take action with facilities showing lower performance

2. On an annual basis, select reduction projects to be implemented. These projects vary from Energy Efficiency measures to larger CAPEX projects (ex. Electric boiler in the province of Quebec where electricity is hydro-based)

3. Regularly update GHG projections and complying obligations in order to optimize all carbon costs.

CASE STUDY : even if Cascades' position is long for CP3 (Compliance Period 3 in QC), Cascades is committed to reducing GHG emissions to reach the 2020 internal GHG target. Our CPP - Cabano Mill located in the province of Quebec historically produced steam from heavy oil since natural gas was not (still isn't) accessible in the Témiscouta region. A lot of effort has been done to reduce GHG emissions at the mill, by installing biomass boilers and recently increasing the capacity of the largest biomass boiler. In 2019, Cascades invested in a large electric boiler project. Commissioning originally sceduled Mid-2020 has been delayed due to Covid-19 and occurred during Q4-2020 showing great results.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period? No

C11.3

(C11.3) Does your organization use an internal price on carbon? No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues? Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism Climate change is integrated into supplier evaluation processes

% of suppliers by number

34

% total procurement spend (direct and indirect)

60

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

One of the KPIs in our 2016-2020 Sustainable Development Plan was to reach 60%, which target we achieved, of purchases from our total spend from sustainable suppliers, assessed by a third party expert EcoVadis. All our corporate suppliers are requested to fulfill the EcoVadis assessment every 3 years, evaluating their sustainability performance (on the following pillars: environment, labour & human rights, ethics and sustainable procurement). The environment pillar includes climate change and GHG emissions. We can therefore track which suppliers have GHG emissions reporting and which ones are reporting on CDP.

Impact of engagement, including measures of success

Evaluating our suppliers is part of all procurement processes across the organisation, so this means that all suppliers are requested to fulfill the assessment and their response is taken into account in our supplier evaluation process and supplier selection. Points are given on this topic in our selection matrix.

Comment

Suppliers included are the ones in the following categories: energy, virgin fibers and pulp, recycled fibers and goods & services.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

72

% total procurement spend (direct and indirect)

98

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

We ask our virgin pulp suppliers and external jumbo roll suppliers for our Tissue division for their GHG emissions on an annual basis. On a combined basis, we collected 98% of the suppliers' emissions for this purchasing category in 2020.

Impact of engagement, including measures of success

More and more stakeholders have questions on our scope 3 emissions, which is one of the reasons we have been calculating them since 2018. Transparency through our supply chain is important and is increasingly requested and expected from companies. By having direct contact with our suppliers, we have a better visibility and understanding of their situation and performance.

Comment

We started this exercise with our main purchase categories where the risk is higher. Other categories will be addressed in the near future, as we have a new target on scope 3 and will be working with our top suppliers in the next months.

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-FF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Other, please specify (FSC Certification)

Description of management practice

In 2020, Cascades manufactured its paper and packaging products with 83% recycled fiber, with the remaining 17% being virgin pulp that is sourced exclusively from FSCcertified suppliers. The company opted for the Forest Stewardship Council (FSC) certification to ensure that its fiber supply is socially and environmentally responsible. FSC standards are recognized as the most stringent and globally renowned third-party forest certification in our industry. For more information about our sustainable procurement practices, please see: https://www.cascades.com/en/sustainable-development/planet/sustainably-managed-forests

Your role in the implementation

Procurement

Explanation of how you encourage implementation

As mentioned above, Cascades only works with pulp suppliers holding a valid FSC certification. Cascades believes that the FSC certification is the best tool for sourcing materials that have a minimum impact on forests and that help address international deforestation issues. Not only does FSC prohibit deforestation, it also helps reduce GHG emissions linked to land use.

Climate change related benefit

Emissions reductions (mitigation) Increase carbon sink (mitigation)

Comment

We currently do not track the benefits of the FSC certification on climate change issues, but we can conclude that by prohibiting deforestation, FSC helps reduce GHG emissions in our supply chain while helping to increase carbon sinks.

Management practice reference number Please select

Management practice Please select

Description of management practice

Your role in the implementation Please select

Explanation of how you encourage implementation

Climate change related benefit

Please select

Comment

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

No

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following? Direct engagement with policy makers

Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Details of engagement	Proposed legislative solution
Cap and trade	new rules strengthen in order to stimulate GHG reductions. Cascades actively participated in the discussion and embrassed the new set of rules. Furthermore, Cascades is working closely with different Ministries to promote the implementation of electric boilers (running on green energy) to reduce GHG Emissions. A financial modelwas developped by both parties to highlight extra operational cost and eventually help government find ways to reduce	None since Cascades agrees with the set of new rules for 2024-2030 designed to reach the ambitious Quebec 2030 GHG reduction target.

C12.3b

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

CPEQ - Conseil Patronal de l'Environnement du Québec (Quebec Business Council on the Environment) : Member and Cascades Environmental Vice-President on the Board CPQ - Conseil Patronal du Québec : Member CIFQ - Conseil de l'Industrie Forestière du Québec (Quebec Council of the Forest Industry) : Member MEQ -Manufacturiers et Exportateurs du Québec (Canadian Manufacturers & Exporters) : Member OFIA - Ontario Forest Industry Association) : Member AMPCO : Association of Major Power Consumers of Ontario : Member

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

In every association, we work toward building a common message that encompasses both Environment and Economics. The key-message is « Industry in general and the Pulp and Paper industry in particular is part of the solution in transitioning to a low carbon economy ».

How have you influenced, or are you attempting to influence their position?

Through Trade Associations, members mainly work together commenting / proposing changes to draft bills and regulations and conveying a common message. Members may also be proactive and make suggestions to different levels of government.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

As prescribed by law in Canada, all people engaging with elected officials and wishing to influence public policy must be officially registered as lobbyists. At Cascades, the person responsible for coordinating interactions with government representatives is Hugo D'Amours, Vice-President, Communications, Public Affairs and Sustainability. Mr. D'Amours is also the executive responsible for Cascades' Sustainability Program and Strategy, which encompasses the company's climate change strategy. This double role for Mr. D'Amours ensures that all of Cascades' direct and indirect activities that influence policy are consistent with our overall climate change program.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status Complete

Attach the document

Х

 $Cascades\text{-}Sustainability\text{-}Action\text{-}Plan_0.pdf$

Page/Section reference

Attached is a PDF of our new sustainability action plan 2021-2025. For the full report, please see attached.

Content elements Governance Strategy Emission targets

Comment N/A

IN/A

Publication In mainstream reports

Status Complete

Attach the document

Cascades Annual Raport 2020 english.pdf

Page/Section reference

Update on GHG emissions decrease: see p. 2 Explanation of Cascades' main climate risk drivers: see p.65-66

Content elements

Strategy Risks & opportunities Emissions figures

Comment

N/A

Publication

In voluntary sustainability report

Status

Complete

Attach the document

х

Cascades _ Metrio-GHG-KPI-Extract.pdf

Page/Section reference

Attached is a PDF extract of our online report from our 2016-2020 Sustainable Development Plan. For the full report, please see here: https://cascades.metrio.net/

Content elements

Emissions figures Emission targets Other, please specify (Explanation of climate-related projects that took place in 2020)

Comment

N/A

C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation? No

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Vice-President, Communications, Public Affairs and Sustainability	Chief Sustainability Officer (CSO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

N/A

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

An	nnual Revenue
Row 1 515	15700000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP? No

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

GHG Emissions were calculated at a facility level for products manufactured in 2020 sold in 2020 (and also for products manufactured in 2019 and sold in 2020) to Walmart (US and Canada). In 2020, a total of 10 Conversion facilities and 9 Mills produced for Walmart. In 2019, 7 Conversion facilities and 8 Pulp and Paper Mills produced for Walmart.

Emissions in metric tonnes of CO2e

52898

Uncertainty (±%)

4.7

Major sources of emissions

In the manufacturing of Tissue products, the main emission sources are found at the Pulp & Paper mill level where a large proportion of the energy is required for drying the tissue paper. Steam production by Cascades Tisssue Group is entirely natural gas fired, and steam production is the largest source of GHG Scope 1 emissions.

Verified

No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

For each SKU number we have traced down the Conversion facility where the product was manufactured and all Jumbo Rolls (JR) involved in the manufacturing process.

For each JR, we identified where it was produced (Pulp & Paper mill). and the quantities used. We started extracting data from SAP's Sales Cube and then refining the search through Production Orders. No assumptions were made, but information on 4.7% of total tons sold could not be traced down, so the GHG Emissions reported correspond to 95.3% of the tons sold to Walmart in 2020.

Requesting member Signify NV

Scope of emissions

Scope 1

Allocation level Facility

Allocation level detail

GHG Emissions were calculated at a facility level for products sold in 2020 to Signify NV (based on tonnages sold). These products have been manufactured at our Victoriaville facility, located in QC, Canada.

Emissions in metric tonnes of CO2e 61.7

Uncertainty (±%)

2.5

Major sources of emissions

Production of Jumbo Rolls necessary for the manufacturing of the products sold to Signify NV.

Verified No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Energy consumption (all souces) is measured at a facility level at Cascades. Therefore Scope 1 intensity (kgCO2e/mt) is known and applied to the Carbon Footprint calculation. However, the GHG Emissions Intensity of the external provider was estimated.

Requesting member

Signify NV

Scope of emissions Scope 2

Allocation level Facility

Allocation level detail

GHG Emissions were calculated at a facility level for products sold in 2020 to Signify NV (based on tonnages sold). These products have been manufactured at our Victoriaville facility, located in QC, Canada.

Emissions in metric tonnes of CO2e

7.5

Uncertainty (±%)

2.5

Major sources of emissions

Production of Jumbo Rolls necessary for the manufacturing of the products sold to Signify NV.

Verified No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Energy consumption (all souces) is measured at a facility level at Cascades. Therefore Scope 2 intensity (kgCO2e/mt) is known and applied to the Carbon Footprint calculation. However, the GHG Emissions Intensity of the external provider was estimated.

Requesting member

International Paper Company

Scope of emissions

Allocation level Facility

Allocation level detail

GHG Emissions were calculated at a facility level for products sold in 2020 to International Paper Company (based on tonnages sold). These products have been manufactured in 5 different Cascades' Pulp & Paper Mills located in Quebec (Canada), Ontario (Canada) and New York (USA).

Emissions in metric tonnes of CO2e

6645

Uncertainty (±%)

1.5

Major sources of emissions

Most mills produce their own steam for paper-drying purposes. At Cascades, Natural Gas is the main fuel for steam production although there is some Oil being used and

phased-out (at our Cabano, QC facility). 2 Mills have a semi-chemical treatment (Na2CO3) for virgin fibers therefore there is a small amount of Fixed Process Emissions.

Verified

No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Energy consumption (all souces) is measured at a facility level at Cascades. Therefore Scope 1 intensity (kgCO2e/mt) is known and applied to the Carbon Footprint calculation. No assumptions were made, however we did not have adequate information for 1.5% of the tonnage sold.

Requesting member

International Paper Company

Scope of emissions

Scope 2

Allocation level Facility

Allocation level detail

GHG Emissions were calculated at a facility level for products sold in 2020 to International Paper Company (based on tonnages sold). These products have been manufactured in 5 different Cascades' Pulp & Paper Mills located in Quebec (Canada), Ontario (Canada) and New York (USA).

Emissions in metric tonnes of CO2e

5748

Uncertainty (±%)

1.5

Major sources of emissions

Steam purchased for our mills in NY State (2). Electricity purchased.

Verified

No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Energy consumption (all souces) is measured at a facility level at Cascades. Therefore Scope 2 intensity (kgCO2e/mt) is known and applied to the Carbon Footprint calculation. For the steam purchased, we used the GHG Emission Factor provided by the supplier. No assumptions were made, however we did not have adequate information for 1.5% of the tonnage sold

Requesting member

Walmart, Inc.

Scope of emissions Scope 2

Allocation leve Facility

Allocation level detail

GHG Emissions were calculated at a facility level for products manufactured in 2020 sold in 2020 (and also for products manufactured in 2019 ans sold in 2020) to Walmart (US and Canada), In 2020, a total of 10 Conversion facilities and 9 Mills produced for Walmart. In 2019, 7 Conversion facilities ans 8 Pulp and Paper Mills produced for Walmart

Emissions in metric tonnes of CO2e 48137

Uncertainty (±%)

4.7

Major sources of emissions

Electricity purchased by our Pulp and Paper Mills where Jumbo Rolls were produced, and then used in the manufacturing of the products sold to Walmart in 2020. Electricity used by the Conversion facilities located in the US

Verified

No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The same process was applied for Scope 2 calculations as for Scope 1 calculations (please see explanations provided above). Energy consumption of all souces is measured at a facility level at Cascades. Therefore Scope 2 intensity (kgCO2e/mt) is known and applied to the Carbon Footprint calculation. No assumptions were made, but information on 4.7% of total tons sold could not be traced down, so the GHG Emissions reported correspond to 95.3% of the tons sold to Walmart in 2020.

Requesting member

Grupo Bimbo, S.A.B. de C.V.

Scope of emissions Scope 1

Allocation level

Facility

Allocation level detail

GHG Emissions were calculated at a facility level for each product sold in 2020 to Boulangerie Vachon and to Canada Bread Company Limited. However, GHG data was not available for 42.3% of the tonnage sold. This is due to the fact that suppliers did not share the GHG data corresponding to the material purchased.

Emissions in metric tonnes of CO2e

258

Uncertainty (±%)

42.3

Major sources of emissions

In the manufacturing of Carboard Packaging products, the main emission sources are found at the Pulp & Paper mill level where a large proportion of the energy is required for drying the paper. At our Trenton (ON) mill, steam is produced by natural gas boilers, while steam is produced in part from biomass and heavy oil at the Cabano (QC) mill. At our Greenpac (NY) Mill, steam is purchased from Covanta (local incinerator).

Verified

No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

For each SKU number we traced down the Conversion facility where the product was manufactured as well as the Pulp and Paper Mills where the Liner and Medium were produced and the quantities used. For internal supplies, the detailed energy information at the facility level is available but as explained above, unfortunaltely we could not get the appropriate GHG data from External suppliers on time.

Requesting member

Grupo Bimbo, S.A.B. de C.V.

Scope of emissions

Scope 2

Allocation level Facility

Facility

Allocation level detail

GHG Emissions were calculated at a facility level for each product sold in 2020 to Boulangerie Vachon and to Canada Bread Company Limited. However, GHG data was not available for 42.3% of the tonnage sold. This is due to the fact that suppliers did not share the data corresponding to the material purchased.

Emissions in metric tonnes of CO2e

65

Uncertainty (±%)

42.3

Major sources of emissions

The main sources of Scope 2 Emissions for manufacturing and internal suppliers (Carboard Mills), comes from the Steam purchased and the electricity usage.

Verified

No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

For each SKU number we traced down the Conversion facility where the product was manufactured as well as the Pulp and Paper Mills where the Liner and Medium were produced and the quantities used. For internal supplies, the detailed energy information at the facility level is available but as explained above, unfortunaltely we could not get the appropriate GHG data from External suppliers on time.

Requesting member

The Coca-Cola Company

Scope of emissions Scope 1

Allocation level Facility

acility

Allocation level detail

GHG Emissions were calculated at a facility level for products sold in 2020 to The Coca-Cola Company (based on tonnages sold). These products have been manufactured in 7 different Cascades' Conversion facilities located in Canada.

Emissions in metric tonnes of CO2e

Uncertainty (±%)

27.6

1959

Major sources of emissions

The major sources of Scope 1 Emissions come from the Steam produced for paper-drying purposes. At Cascades, Natural Gas is the main fuel for steam production although there is some Oil being used and phased-out (at our Cabano, QC facility). 2 Pupl & Paper Mills have semi-chemical treatment (Na2CO3) for virgin fibers therefore there is a small amount of Fixed Process Emissions.

Verified

No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Energy consumption (all souces) is measured at a facility level at Cascades. Therefore Scope 1 intensity (kgCO2e/mt) is known and applied to the Carbon Footprint calculation. No assumptions were made, however as explained above, we were not able to get the appropriate GHG data on time from our suppiers.

Requesting member

The Coca-Cola Company

Scope of emissions Scope 2

Allocation level Facility

Allocation level detail

GHG Emissions were calculated at a facility level for products sold in 2020 toThe Coca-Cola Company (based on tonnages sold). These products have been manufactured in 7 different Cascades' Conversion facilities located in Canada.

Emissions in metric tonnes of CO2e

1404.4

Uncertainty (±%)

27.6

Major sources of emissions

Steam purchased for our mills in NY State (2). Electricity purchased.

Verified No

Allocation method Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Energy consumption (all souces) is measured at a facility level at Cascades. Therefore Scope 2 intensity (kgCO2e/mt) is known and applied to the Carbon Footprint calculation. For the steam purchased, we used the GHG Emission Factor provided by the supplier. No assumptions were made, however we did not have adequate information for 27.6% of the tonnage sold (related to material purchased through external sources).

Requesting member

Please select

Scope of emissions Scope 1

Allocation level Facility

Allocation level detail

Please note that Emissions under this section are the combination of SCOPE 1 + SCOPE 2 Emissions, the reason being we did not have separate information for external suppliers. GHG Emissions were calculated at a facility level for products sold in 2020 to Keurig Dr Peppper (based on tonnages sold). These products have been manufactured in 2 different Cascades' Conversion facilities located in OC, Canada.

Emissions in metric tonnes of CO2e

2660

Uncertainty (±%) 8.4

0...

Major sources of emissions

There are a few sources of GHG Emissions : Natural Gas boilers (Steam required for paper-drying purposes), and Oil boilers (being phased-out at our Cabano Mill). Another source GHG Emissions comes from the Steam purchased by our 2 Pulp and Paper Mills located in NY, Steam is purchased from a local incinerator. Electricity purchases are also a source of GHG Emissions (except in QC, Canada where the electricity is hydro-based)

Verified

No

Allocation method

Allocation based on mass of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

At Cascades, the Energy consumption of all souces is measured at a facility level. Therefore Scope 1 and Scope 2 intensities (kgCO2e/mt) are known and applied to the Carbon Footprint calculation. There was 1 assumption made regarding the boxboard brought from external sources. We used the 2019 FPAC average since we could not get the appropriate GHG data from the external supplier.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Specific information 9 facility level) used for the calculations has not been published.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation	Please explain what would help you overcome these challenges		
challenges			
Other, please	The challenge is about getting appropriate information from external suppliers / traders. When the quantities purchased outside Cascades are large, it becomes a problem in terms of accuracy.		
specify	Otherwise, within Cascades, as explained to each customer (see above), we have all the data nedded.		

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future? Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

Cascades will develop capabilities going forward which will also answer our scope 3 emissions data gathering .

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives? No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services? No, I am not providing data

Submit your response

In which language are you submitting your response? English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms