

Driving Positive Change

# 2023 Sustainability Report





## Company

05

- 07 Message from our CEO
- 08 Our Business Model
- 12 ESG Approach and Materiality
- 21 Innovation and Research

## Environment

28

- 29 Greenhouse Gas Emissions
- 42 Energy Consumption
- 50 Water Consumption
- 53 Eco-designed Products
- 60 Responsible Procurement
- 67 Residual Materials
- 72 Biodiversity
- 75 Chemical Management

## Social

77

- 78 Sustainable Cities and Communities
- 83 Community Involvement
- 89 Health, Safety and Well-being
- 97 Equity, Diversity and Inclusion
- 102 Workforce Profile

## Governance

105

- 106 Governance at Cascades
- 107 Principles of Sustainability Governance at Cascades
- 110 Cybersecurity
- 111 Policies and Commitments

## ESG Disclosures

112

- 113 CDP
- 113 SASB
- 113 TCFD
- 114 Contribution to the United Nations' Sustainable Development Goals



# Our results at a glance





Respectful of  
the planet



Solutions  
driven



Community  
minded



People  
focused

GOAL	2023 RESULTS	Y/Y (2023/2022)	TREND	SDG	SASB
→ <b>-38.7%</b> scopes 1 and 2 for the mills (kg of CO <sub>2</sub> eq./MT) by 2030	-19.3%	+4.5%	⬆️ Improving	13	RT-CP-110a.1 RT-CP-110a.2
→ <b>-27.5%</b> scopes 1 and 2 for the converting plants and other facilities (kg of CO <sub>2</sub> eq.) by 2030	-19.3%	+2.6%	⬆️ Improving	13	RT-CP-110a.1 RT-CP-110a.2
→ <b>-22%</b> scope 3 (kg of CO <sub>2</sub> eq./MT) by 2030	+26%	+7.3%	⊗ Is not improving as planned	13	
→ <b>Increase</b> the share of renewable electricity in our supply in order to use 100% renewable electricity by 2030	54%	-6.9%	⊗ Is not improving as planned	7	RT-CP-130a.1
→ <b>Reduce</b> energy consumption at our plants by 6% by 2025, compared to 2019	-9.6%	-0.2%	★ Achieved	7	RT-CP-130a.1
→ <b>Decrease</b> effluents from our manufacturing plants by 15% (M <sup>3</sup> /MT) by 2025 vs. 2019	-26.1%	-6.2%	★ Achieved	6	
→ <b>100%</b> of the packaging we manufacture and sell be reusable, recyclable or compostable by 2030	97%	—	🕒 Stable	12	RT-CP-410a.3
→ <b>100%</b> of our fibre and paper come from recycled sources or meet FSC® certification standards by 2025	99.83%	-0.17	🕒 Stable	15	RT-CP-430a.1
→ <b>Double</b> our supply of FSC® Mix fibre by 2025 (39%) vs. 2019	38%	-9.5%	⬆️ Improving	15	RT-CP-410a.3
→ <b>70%</b> of our purchases are sourced from responsible suppliers by 2025	62%	+1.6%	🕒 Stable	12	RT-CP-410a.3
→ <b>Allocating at least 50%</b> of our donation and sponsorship budget to causes in line with the UN's Sustainable Development Goals by 2025	74%	+48%	★ Achieved	11	
→ <b>15,000 hours</b> of community involvement completed by employees annually	24,887 hours	+24.3%	★ Achieved	17	
→ <b>Reduce by 50%</b> the number of days lost from work accidents by 2025 compared to 2019	-33%	-18.9%	⬆️ Improving	3	
→ <b>100%</b> of employees committed to a preventive health and wellness approach by 2025	53%	+43%	⬆️ Improving	3	
→ <b>100%</b> of employees receiving training on unconscious biases related to equity, diversity and inclusion (EDI)	50%	+29%	⬆️ Improving	5	



# Company





# Mission

To improve the well-being of people, communities and the planet by providing sustainable and innovative solutions that create value.

# Vision

To be a key contributor to our customers' success by leading the way for sustainable packaging, hygiene and recovery solutions.



# Values

- Naturally respectful
- Stronger together
- Fierce determination
- Speak truthfully



# Message from our CEO

In many respects, 2023 was a landmark year. Despite all the challenges and obstacles caused by the pandemic and other global events beyond our control during the construction period, we successfully started up our Bear Island plant in Virginia. This state-of-the-art plant manufactures lightweight linerboard and corrugated medium made from 100% recycled fibres.

The sheer size of the site, the number of workers involved and the sums invested in this project made it undeniably one of the largest work sites in Cascades' history. We were excited and proud to witness the production of the plant's first roll of paper on May 2, 2023.

Of course, this addition to our group of plants impacts all the indicators in our Sustainability Action Plan. We established our Action Plan accordingly, and our teams are now working with this new reality in mind, focusing on the objectives to be achieved.

Our results also reflect the impact of plant closures and the shutdown of a certain number of less environmentally efficient machines. While these decisions are never easy, they do have a positive impact on Cascades' overall financial and environmental balance sheet.

Lastly, 2023 was another significant year in terms of the interest shown by all our stakeholders in sustainability. We received a record number of customer requests on subjects as varied as fibre traceability, product carbon footprints, biodiversity and human rights. Given this ever-growing interest, we have also pursued our information, awareness and education initiatives, both internally and externally.

Cascades will continue to draw on its know-how to further reduce the impact of its products and operations. We will also continue to support our customers in their choices to help them reduce their own footprint.

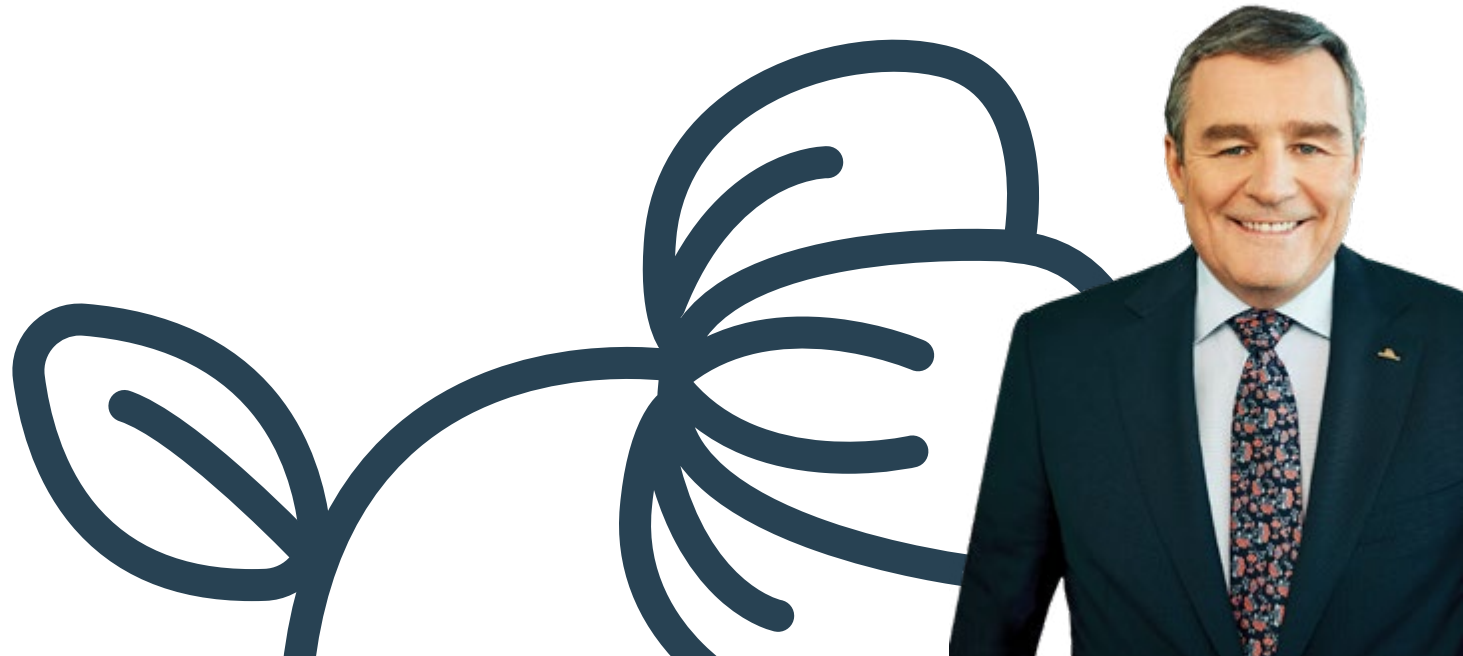
I am also pleased to confirm that Cascades is reaffirming its support for the Ten Principles of the United Nations Global Compact in the areas of human rights, labour, the environment and anti-corruption.

2024 will mark a major milestone in our company's history. Sixty years ago, the bold idea of giving materials a second life led to the creation of a company that respects nature: Cascades.

Throughout 2024, we will be celebrating six decades of rich history and the thousands of Cascaders who have shaped it and built a company that respects people, communities and the planet.



**Mario Plourde**  
President and Chief  
Executive Officer





# Our Business Model: Bringing Materials to Life

**1,99 M**

tonnes of production

**\$4.638**

million in annual revenue

**1.84**

million short tonnes of recycled paper and cardboard in our products

## The circular economy

According to Québec Circulaire, an organization with which we collaborate, the circular economy is a “system aiming to optimize resource use in every stage in the life cycle of a product or service through a circular approach, reduce the environmental footprint and contribute to the well-being of individuals and communities.”

***“We need to collectively aim for greater circularity”***

Organizations working to implement an effective circular economy, such as the [Ellen MacArthur Foundation](#), [Québec Circulaire](#) and [Circle Economy](#), all agree: we’re putting too much pressure on our natural resources. We need to collectively aim for greater circularity, mainly by prioritizing recovered and recycled inputs over virgin inputs.

These organizations present alarming data: the latest estimated results published in the [Circularity Gap Report](#) from the Circularity Gap Reporting Initiative indicate that the global circularity rate was 7.2% in 2023—a 1.9% decrease from the figure in 2018, the year this data was first published. The reason why more than 92% of our resources are not being recovered is because most of our consumer goods are not designed to be reused, recycled or repurposed. The situation is even worse in Québec where the circularity rate is an estimated 3.5%<sup>1</sup>.

However, for our resources to have time to replenish, experts believe that this rate needs to increase to at least 17%. This massive gap shows us the scope and urgency of the work we must accomplish collectively.

In addition to resource depletion, the [Circularity Gap Report](#) raises another issue arising from the lack of circularity: greenhouse gas emissions from resource exploitation and extraction—two stages of a product’s life cycle that generally have the greatest impact on climate change.

These reports confirm that we made the right choice in 1964 by favouring recovered and recycled fibre over virgin fibre. Since our beginnings, we have given new life to millions of tonnes of paper and cardboard. In 2023 alone, Cascades purchased 1.84 million short tonnes of various grades of paper and cardboard for reintroduction into our products, bringing our recycled material up to 82%. The life cycle analyses (LCA) show that choosing recycled inputs has guaranteed benefits in terms of reducing greenhouse gas emissions. This is what the LCAs that we’ve carried out over the last few years on various products in our portfolio have revealed.

<sup>1</sup> [The Circularity Gap Report 2023](#)



### Circularity at Cascades

Our business model is based on recycling paper and cardboard.

There are a wide range of grades of recovered paper on the market. Paper grades are classified by the [Institute of Scrap Recycling Industries \(ISRI\)](#), an organization dedicated to standardizing specifications in order to help its members purchase and sell scrap material. These specifications are internationally accepted and used worldwide in the trade of various products. To source recovered fibre, we rely on a team of some 1,000 people working in our 18 sorting centres across Canada and the northeastern United States, as well as an amazing procurement team sourcing from external supplies, such as other recovery centres, institutions, businesses and industries. That's why we say our forest is urban at Cascades!



# Recycled Fibers at Cascades

There are several grades of recycled fibres on the market and Cascades consumes most of these grades, some more than others. All grades are either classified as post-industrial (PI) or post-consumer (PC), depending on their source.

The different grades are sent to our various manufacturing plants depending on their needs.

## 2 MANUFACTURING

Cascades has about twenty manufacturing mills in North America. These are the factories that transform fibres to give them a second life. Taken in a similar manufacturing context, using recovered fibres as a raw material makes it possible to use less water and energy. Our statistics to this effect are impressive.

A few plastic processing plants are added to the portfolio of plants, mainly using recovered resin.

## 1 RECYCLING

Cascades owns **18 Recovery Facilities** in North America and has a partnership with many other Material Recovery Facilities (MRF) and suppliers to collect fibres. These fibres are sorted into different grades.

In 2023, 1.84 million short tons of fiber were introduced into our mills, the equivalent of saving 30.5 million trees from being cut.

 **30.5 million trees**

## USE 4

Most of the packaging products we create (97%) can be recovered to be recycled and have a second life. However, this is not the case for hygiene products due to their function. Some can be composted, such as napkins and hand towels that have been certified by a third party.

## 3 CONVERTING

Over 40 conversion plants complete the transformation of fibres into various finished products.



**Our forest is  
URBAN**



it comes from  
**Homes  
Industries-Businesses  
Institutions**



Although we mainly manufacture fibre-based products, our company is also active in polymer packaging. For over 10 years, we've been introducing more and more recycled plastics into our products. Unlike the fibres that we process directly in our manufacturing plants, we secure these plastics from co-packers who have already shredded, washed or pelletized them.

All of our food trays contain at least 50% recycled material, while our RPET plastic trays are made from 100% recycled resins. In 2023, thanks to our procurement teams' efforts, we reintroduced 11 863 tonnes of recovered plastic into our products.

Working with recycled material brings its own set of challenges. We've accumulated over six decades of experience with recycled fibres, making us experts in the field. Although plastics recycling is a younger market with completely different challenges, we're now ahead of the game because we boldly decided how to deal with this material a few years ago.



# ESG Approach and KPIs

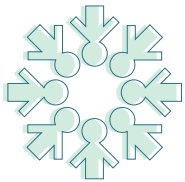
## Our ambitions



- Drive positive change by supporting the circular economy through our commitments that are respectful of the planet.



- Remain solutions driven, backed by our R&D and innovation experience, which enables our customers to reduce their footprint through our value-added eco-friendly products and services.



- Make progress while remaining community minded and maintaining positive interactions.



- Stay people focused and concerned about the well-being of others through a culture of health, safety, equity, diversity and inclusion for all our employees.



## Our approach

Our fourth action plan was prepared in three phases:

- Phase 1**
  - Market and peer analysis.
  - Preparation of the stakeholder consultation.
- Phase 2**
  - Consultation through surveys, focus groups and interviews.
  - Results gathering and materiality analysis.
- Phase 3**
  - Definition of long-term vision and objectives.
  - Final approval.

### Phase 1

This first phase required a significant amount of research time to validate the industry's maturity in terms of sustainability, as well as those of other players in our activity sector. We also analyzed the standards and indicators proposed by ESG rating or reporting firms. The gathered information enabled us to focus on issues relevant to our operational reality and laid the groundwork for a broad consultation.



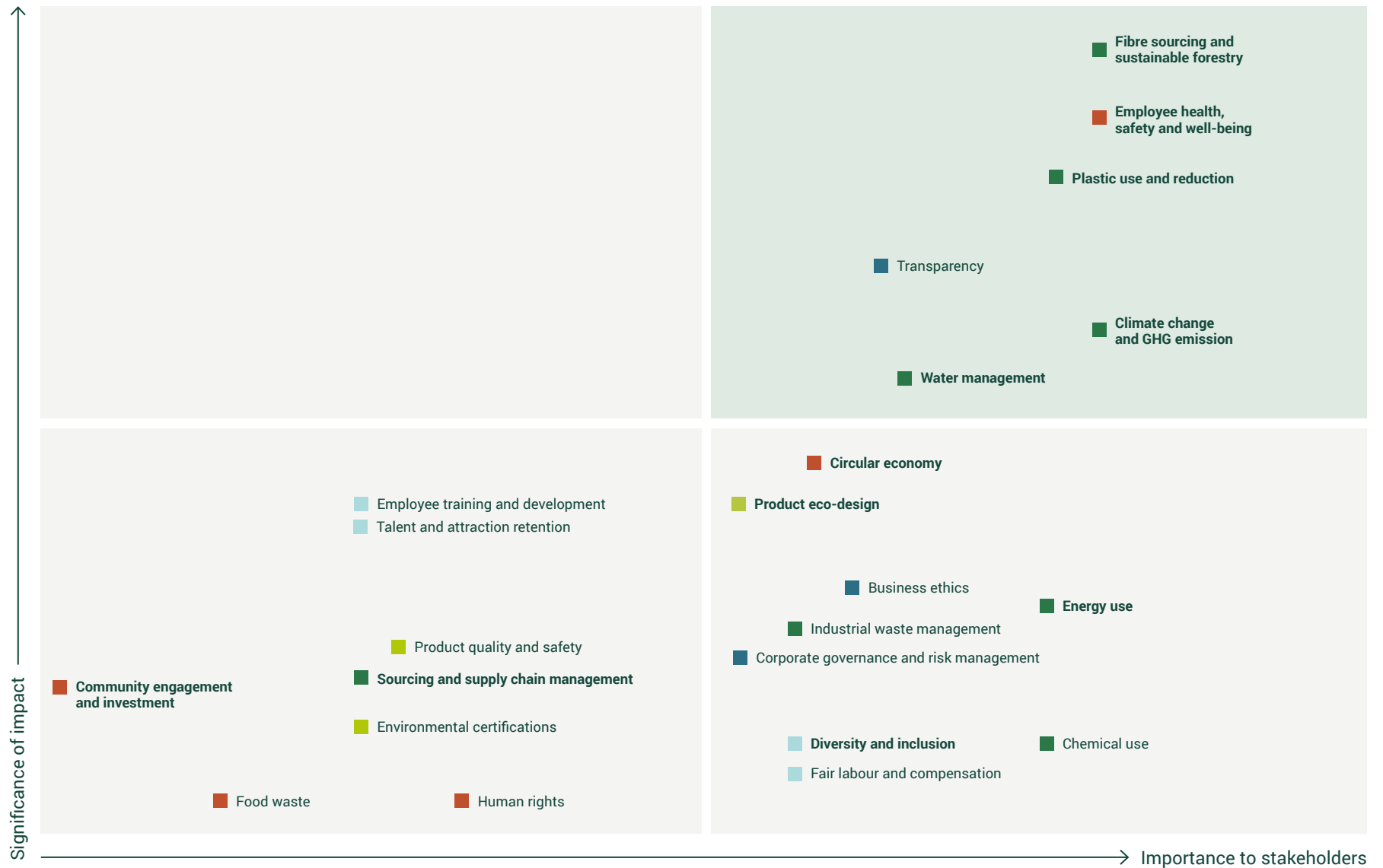
### Phase 2

When identifying our sustainability strategy's core priorities, it was important for us to take our partners' views and concerns into consideration. To that end, we hired an independent external firm to carry out a broad consultation process with our stakeholders. This consultation process took place in the summer of 2020 through an online survey, group discussions and one-on-one interviews. The results of this exercise, in which 850 people from all walks of life took part, helped us identify and position priority issues based on their importance to stakeholders and the impact we can have on them.





# Materiality Matrix



### Phase 3

Our target dates were some of the first things we considered in the vision. In the past, we had established three- or five-year action plans. The analysis of the consultation results and desired scope for certain goals led us to adopt hybrid timelines, with the majority of targets being set for 2025 and some for 2030.

Our consultation results and materiality analysis enabled us to formulate 15 goals.

### These objectives are further divided into eight themes:



**Climate  
change**



**Water  
consumption**



**Eco-designed  
products**



**Responsible  
procurement**



**Sustainable cities  
and communities**



**Community  
involvement**



**Health, safety  
and well-being**



**Equity, diversity  
and inclusion**

In building this new plan, we aligned ourselves with the [UN's Sustainable Development goals](#). For this reason, the targets chosen each contribute to this universal agenda that brings together governments, businesses and organizations of all kinds.

### Our KPIs

Since 1996, we have been publishing data on our management of environmental, social and governance issues. These reports have taken different forms over the years. In 2010, we drew up our first Sustainability Action Plan, the main themes of which were selected after extensive consultation with our stakeholders. We have pursued this exercise and we're now on our fourth Action Plan.





# Our 2021–2025 Sustainability Action Plan at a glance



## Respectful of the planet

Cascades wishes to work in partnership to find regenerative and eco-friendly ways for us to reduce our environmental footprint.

The greenhouse gas emission reduction targets in this pillar are aligned with the Science Based Targets initiative (SBTi), an organization resulting from a partnership between several internationally renowned organizations, including the United Nations. The SBTi drives ambitious climate action by encouraging companies to set science-based GHG emission reduction targets. We are therefore joining the global movement of companies committed to climate action. As required by the SBTi, our targets include goals from each of the three greenhouse gas emissions categories, i.e. Scopes 1, 2 and 3. It was this particular exercise with SBTi that pushed us toward adopting targets with hybrid timelines.



### Climate change

▼ **38,7%** 2030 vs 2019

scopes 1 + 2, paper manufacturing plants (kg of CO<sub>2</sub> eq./MT)

▼ **27,5%** 2030 vs 2019

scopes 1 + 2, other emissions sources (kg of CO<sub>2</sub> eq.)

▼ **22%** 2030 vs 2019

scope 3 (kg of CO<sub>2</sub> eq./MT)



### Climate change

▼ **100%** 2030

renewable electricity

▼ **6%** 2025 vs 2019

(GJ/MT)



### Water consumption

▼ **15%** 2025 vs 2019

(M<sup>3</sup>/MT)

## Solutions driven

We want to work with our employees, customers and supply chain partners to develop environmentally friendly and sustainable solutions that create value and help build a better world for everyone.



### Eco-designed products

▼ **100%** 2030

of the packaging we manufacture and sell is recyclable, compostable or reusable



### Responsible procurement

▼ **100%** 2025

of the fibre and paper we use is recycled or certified

× **2** 2025 vs 2019

our FSC® Mix supply

**70%** 2025

of our purchases are sourced from responsible suppliers

## Community minded

We want to make decisions based on our positive contribution to the health and well-being of our communities in which we operate, and guide people to make responsible daily choices.



### Sustainable cities and communities

**Allocate at least 50%** **2025**

of our annual donation and sponsorship budget to causes that support the UN's Sustainable Development Goals



### Community involvement

**15,000 hours** **PER YEAR**

of community involvement completed by employees

## People focused

We want to foster a healthy, safe and stimulating work environment for all of our employees so that each one can reach their full potential and feel a sense of accomplishment by helping to achieve the company's mission.



### Health, safety and well-being

**50%** **2025 vs 2019**

the number of days lost due to workplace accidents

**100%** **2025**

of employees are committed to a positive health and wellness approach



### Equity, diversity and inclusion

**100%** **2025**

of employees are trained on unconscious biases related to equity, diversity and inclusion



### Our reference year

#### January 1 to December 31, 2019

In line with the Science Based Targets initiative, we have taken the most complete reference year when preparing our greenhouse gas emission reduction targets, which is 2019. One major change in our business portfolio – considered material – occurred during this period: the acquisition of a newsprint plant owned by White Birch Paper in Bear Island, Virginia, with the objective of converting it into a linerboard plant.

### Data scope

For the targeted performance indicators, the data scope was based on the scope of our financial data, i.e. it covers plants and entities under our operational control and consolidated in financial statements. Joint ventures were excluded.

### Recalculation of the reference year data and/or targets

**For the duration of this action plan, it has been determined that the reference year data may be recalculated in the following contexts:**

- Structural changes (acquisition, merger, divestiture, internationalization or outsourcing, change in the product or service offering) when these have an impact that exceeds the materiality threshold on the data we report. This threshold has been set at 5%. This may include taking into account the cumulative effects of a number of small divestitures or acquisitions in the same year (acquisitions of operations already active in the reference year).
- Significant errors (plus or minus 5%) in the data.
- External regulatory changes with an impact on results that exceeds the materiality threshold. For example, changes in the FSC® standard, new laws on product recyclability, or major changes in emission factors.

The same rules will be applied if the targets are recalculated. Any changes will be clearly identified and explained.

The majority of the objectives in our Plan have a five-year timeframe, i.e. to 2025, except the greenhouse gas and renewable electricity objectives, which are spread over a ten-year period and aimed at 2030, as recommended by the Science Based Targets initiative.



## About this report

### About this report

This report contains the highlights of our sustainability strategy and performance for the period from January 1 to December 31, 2023. This report was published on June 28, 2024.

It contains the results of the performance indicators identified in our 2021–2025 Sustainability Action Plan, as well as additional indicators aligned with various requirements and standards. This includes producing our report in line with the Sustainability Accounting Standards Board (SASB), which provides a recommended list of indicators to be disclosed by sector of activity (we use the Containers and Packaging sector), and with the United Nations Sustainable Development Goals (SDGs), since certain performance indicators are linked to areas of intervention established within this framework. Some of the metrics presented in this report are not drawn from requirements or standards, but instead have been selected to provide information on elements that represent added value for our stakeholders. At the same time, we are developing a roadmap to align our disclosure efforts with the guidelines provided by the International Sustainability Standards Board (ISSB) through the International Sustainability Disclosure Standards, namely IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures). These two standards mark the beginning of a new era in the obligations of companies like Cascades to provide sustainability data. We are monitoring the release of the Canadian Sustainability Disclosure Standards (CSDS) by the Canadian Sustainability Standards Board (CSSB), which will dictate specific requirements for Canadian companies. As part of our ongoing commitment to transparency, we provide clarifications on disclosed results whenever necessary.



### Clarification regarding 2023

2023 was marked by the launch of our new 100% recycled linerboard plant in Bear Island, Virginia (USA), one of the largest investments in our history. Given that the plant was started up in May and is still in the testing and adjustment stage, we don't yet have the full picture of an actual year.

### Format

The report is available in English and French via a microsite ([cascades.metro.net](https://cascades.metro.net)) and in PDF. It can be viewed on a mobile device.

# Innovation and Research

Our investments reflect our commitment to developing innovative products and processes that meet our customers' needs while preserving the environment and contributing to the well-being of individuals and communities. To find out more, please consult our [2023 Annual Report](#).

## **We have the largest private research and development centre in the Canadian pulp and paper industry.**

About fifty specialists work here, such as chemists, microbiologists, microscopists and technicians. Founded in 1985, this centre continues to be a source of pride for our organization, demonstrating the importance it places on research, innovation and supporting science in decision making. In 2023, we were once again among [Canada's Top 100 Corporate R&D Spenders](#).

Since 2017, we can also rely on our corporate team to support all groups in implementing promising projects, making our business a forward-looking company.



**We also have  
teams dedicated to  
innovation in each of  
our business sectors.**



# ESG Acknowledgments

In 2023, Cascades received several ESG acknowledgments, including:



## **Baromètre de la consommation responsable**

Once again in 2023, Cascades was ranked among the top in most responsible companies according to the Baromètre de la consommation responsable, a report published by the Observatoire de la consommation responsable of UQAM's École des sciences de la gestion. This report examines developments and emerging trends in responsible consumption. This ranking is not based on a quantitative assessment of performance indicators, but rather on a survey using a random sample of Quebecers. Since these studies were first published in 2011, Cascades has been in the lead.



## **14<sup>th</sup> Envirolys Gala**

At the 14<sup>th</sup> Envirolys Gala, we were awarded the Prix Engagement communautaire by the Conseil des entreprises en technologies environnementales du Québec (CETEQQ) for our employees' involvement in numerous organizations and our commitment to environmental awareness and education.



## **Giga Guru – Walmart**

Since 2017, we have been recognized as a Giga-Guru supplier by Walmart for our leadership in reducing greenhouse gas emissions. Walmart, one of our largest customers, set itself the challenge of reducing its greenhouse gas emissions from its supply chain by one billion metric tons (one gigaton) by 2030. The company named this initiative Project Gigaton. With more than 6,000 Walmart suppliers spanning 40 countries taking part in the initiative, it is one of the largest private-sector consortiums supporting climate action. Walmart recognizes suppliers who meet its most stringent requirements by awarding them the title of Giga-Guru.



## **Global100**

For the fourth year in a row, we have been recognized as one of the world's 100 most sustainable corporations, according to the prestigious Global 100 index, produced by the media, research and financial information products company Corporate Knights. We rank 38<sup>th</sup> among the 6,733 public companies analyzed worldwide, with more than \$1 billion in revenues, and hold the top position among organizations in the Containers & Packaging sector.

It should be noted that the Global 100 and Best 50 rankings use different methodologies, weightings for performance indicators and pools of analyzed companies.



### Women in Governance

In 2023, Cascades moved from Bronze to Silver Parity Certification from Women in Governance, an organization dedicated to supporting women in their career advancement and leadership development.



### Best50 Corporate Citizens in Canada

Ranked 18<sup>th</sup> in Corporate Knight magazine's Best 50 Corporate Citizens in Canada, we stood out again this year with our strong percentage of revenue generated by sales of products made with fibre that is either recycled or meet the FSC standards, our gender-diverse board and our occupational health and safety performance. We're all the more proud to have earned a place in this list since 2007.



### Ranked among Canada's Top 100 Employers

Our company ranked among Canada's top 100 employers in 2023. Different actions led to this recognition, established by The Globe and Mail. These include: our work environment, our training and skills development programs, and our community involvement initiatives.



### Prix Prospère Employeur Innovant

We received the Prix Prospère Employeur Innovant, awarded by the Conseil du patronat du Québec, for our culture and inspiring human resources management practices, including recognition of our new flexible and innovative benefits program.



### MSCI

For the 2023 period, Cascades received an A rating according to the MSCI ESG rating.

MSCI ESG Research provides in-depth research, ratings and analysis of the environmental, social and governance-related business practices of thousands of companies worldwide. Their research is designed to provide critical insights that can help institutional investors identify risks and opportunities that traditional investment research may overlook. The MSCI ESG Ratings are also used in the construction of the MSCI ESG Indexes, produced by MSCI, Inc.

### Disclaimer Statement

The use by Cascades of any MSCI ESG research LLC of its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Cascades by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

# Here are the awards won in 2023

**We have also been recognized for our leadership in developing environmentally friendly and innovative products.**



## **Our 100% recycled white linerboard took top honours**

We won first place in the competition held by AICC, The Independent Packaging Association, for our EnviroWhite™ product, a 100% recycled white linerboard, an alternative to the 100% virgin market equivalent. The Innovator of the Year competition enables industry leaders to showcase their revolutionary solutions.



## **Three awards for our closed basket for fresh fruit and vegetables**

Newly launched, our new basket is already making its mark in the industry with three awards to its credit: an Award of Distinction in the Sustainable Package Design category at the PAC Global Awards 2023; the Coup de cœur du public award at the Grands Prix DUX; and the Innovative Packaging Award at the Canadian Produce Marketing Association Convention & Trade Show.



## **Our food trays are recognized by the U.S. Plastic Pact**

For a second year, we were nominated by the U.S. Plastics Pact for the Sustainable Packaging Innovation Awards. After an honourable mention in the “Compostability” category in 2022, the FreshFibres tray was a finalist in the “Recyclability” category in 2023. This competition is an initiative launched by Walmart in the context of its Circular Connector platform, which aims to identify packaging designed to limit plastic.



## Associations

Our company is a member of several dozen sectoral, territorial and industrial organizations, some of which focus specifically on sustainability issues. Here are a few:



### Association of Major Power Consumers in Ontario (AMPCO)

[AMPCO](#) represents Ontario's largest industrial companies and provides these industries with effective advocacy on critical electricity policies, timely market analysis and expertise on regulatory matters. Traditionally focused on affordability, reliability and sustainability, the Association is also interested in decarbonization and actively participates in stakeholder activities on behalf of its members.



### Association québécoise des consommateurs industriels d'électricité (AQCIÉ)

[L'AQCIÉ](#) represents Québec's largest consumers of electricity for industrial purposes. It provides these companies, which operate in several sectors of the Québec economy, the opportunity to speak with one voice before the government, the sole supplier of electrical energy and, for regulatory matters, before the Régie de l'énergie. The AQCIÉ plans to work towards achieving the conditions that will enable the major industrial players active in Québec to contribute to the province's economic prosperity as part of the energy transition and the fight against climate change.



### Conseil des entreprises en technologies environnementales du Québec (CPEQ)

The CETEQ is the employers' association that brings together private companies in the main sectors of Québec's green economy. The Conseil promotes private sector expertise in the green economy, based on the principles of sustainability and the circular economy, in order to position Québec as a global environmental leader.



### Conseil patronal de l'environnement du Québec (CPEQ)

The [CPEQ](#) represents the concerns and contributions of Québec businesses among governments and various stakeholders with regard to the environment and sustainable development through: lobbying, monitoring and information, collaboration with stakeholders, the development of decision-making tools, training and awareness-raising. The CPEQ recently published a guide entitled "[Décarbonation et atteinte de la neutralité carbone en entreprise](#)" (in French only), which presents best practices to help companies decarbonize their operations and achieve carbon neutrality. Other guides on topics of interest, such as biodiversity and value chain optimization, are available [here](#).



### Circular Plastics Taskforce

Cascades is one of the founding members of [Circular Plastics Taskforce \(CPT\)](#), an organization created through an unprecedented collaboration between consumer product companies, packaging producers and an industry association. The CPT is working to build a circular plastics economy in Canada by focusing on improving the alignment between recovery and recycling actors and end markets.



### United Nations Global Compact

In 2022, we joined the UN Global Compact, the largest corporate sustainability initiative in the world with more than 15,000 companies and 3,000 non-business signatories based in over 160 countries. We join thousands of organizations around the world that are committed to responsible and transparent business practices to create a better world.

The Global Compact calls for companies to align their strategies with the UN's Ten Principles in the areas of human rights, international labour standards, the environment and anticorruption. It also requires organizations to take concrete steps to advance the 2030 Global Agenda, which encompasses 17 sustainable development goals (SDGs).



### Paper & Paperboard Packaging Environmental Council

The [Paper & Paperboard Packaging Environmental Council](#) (PPEC) represents the environmental interests of the Canadian corrugated and containerboard industry.

Established in 1990, the council's membership includes both the packaging mills that make containerboard, boxboard and Kraft paper packaging material, and the converters who turn this into boxes, bags and cartons. Cascades is pleased to be an active member of PPEC, who work to promote the environmental sustainability and circular economy of our industry.



### Sustainable and Alternative Fibers Initiative

Along with some 20 other global organizations, Cascades is a member of the [SAFI Consortium](#), a group created in the summer of 2021 to study, develop knowledge and foster technological developments for the production, supply, conversion and use of alternative fibres in various applications, including packaging, hygiene and textile products. Researchers affiliated with the University of North Carolina's Department of Forest Biomaterials lead this group.



### Sustainable Packaging Coalition

The [Sustainable Packaging Coalition](#) is an industry membership association that works to make packaging more sustainable. SPC is a sub-brand of GreenBlue, an environmental non-profit dedicated to the sustainable use of materials in society. Founded in 2005, SPC carved out a prominent position in the industry over the past few years, making it one of the leading voices on sustainable packaging in North America.

In 2012, the SPC created the [How2Recycle](#) label, a standardized labelling system that clearly communicates recycling instructions to consumers. Behind this initiative, we once again find a group of forward-thinking companies and brands that eco-design their products and provide consistent, transparent information to consumers so that they recycle their packaging. emballages soient recyclés.

### Other associations:

[Circular Economy Leadership Canada](#)  
[National Zero Waste Council \(NZWC\)](#)  
[Recycling Council of Alberta \(RCA\)](#)

[Recycling Council of British Columbia \(RCBC\)](#)  
[Recycled Paperboard Technical Association \(RPTA\)](#)

## Certifications

Because we believe in the importance of third-party mechanisms, we have worked with recognized certification programs for many years to validate our supply sources and manufacturing processes and methods. At Cascades, we always prioritize recycling. However, when recycling isn't possible, we opt for composting. Items eligible for compostability certification are used products and packaging that have come into contact with greasy, sticky or moist foods, aren't recyclable and are a significant source of organic matter, such as our napkins and paper towels. We work with two compostability certification programs: the Biodegradable Products Institute (BPI) and the Compost Manufacturing Alliance (CMA)



### BPI

[BPI](#) is an American non-profit association with over 20 years of experience. All BPI-certified products meet the rigorous compostability standards established by the American Society for Testing Materials (ASTM), comply with total fluorine limits (PFAs) and must display the BPI certification logo. The BPI certification program also helps raise awareness regarding the need to keep food scraps and other organic matter out of landfills.



### CMA

[CMA](#) is an American organization with over 15 years of experience that is managed by a group of six industrial composting facilities. All CMA-certified products meet ASTM compostability standards, comply with total fluorine limits (PFAs) and undergo disintegration tests under real-life conditions to ensure that they decompose properly when delivered to industrial composting facilities.



### Forest Stewardship Council

The Forest Stewardship Council® (FSC®) recognizes companies whose practices meet the most stringent requirements for sustainable forest management. Compliance with their requirements is assessed annually by a third-party organization. Not only does the FSC® ensure the protection of rare or endangered forest ecosystems and wildlife species, but it also enforces respect for the rights of Indigenous peoples, communities and workers. This ensures the traceability and legality of our sources of supply of virgin and recycled fibre. It also allows us to meet our customers' objectives of responsible sourcing of forest resources. For more information, see our FAQ section on FSC certification on our [website](#).



### Green Seal

For 30 years, Green Seal® has set rigorous standards for health, environmental and product/service performance. The presence of these standards on the market has brought about positive changes in consumers, encouraging them to make better purchasing decisions. With thousands of products, services and spaces certified by the world's leading companies, the Green Seal certification label is recognition that a product or service meets the highest health and environmental standards. At Cascades, the Tissue Group's products for away-from-home (institutional, commercial and industrial) markets are Green Seal-certified.



### UL ECOLOGO

UL ECOLOGO certification (UL standing for Underwriters Laboratories, one of the oldest safety certification firms) is based on multiattribute, life cycle—based sustainability standards. All products certified according to an ECOLOGO standard must meet or exceed each of the established criteria. ECOLOGO certification is classified as a Type 1 ecolabel under the International Organization for Standardization (ISO) and has been successfully assessed by the Global Ecolabelling Network, demonstrating its credibility. At Cascades, the Tissue division (hygiene products) is involved in this certification process, for both its away-from-home and domestic products. It follows the guidelines endorsed by the UL 175 Standard for Sanitary Paper Products.



# Environment



# Greenhouse Gas Emissions

**Among the risks the planet is facing, climate change is undoubtedly a growing concern year after year.**

Recognizing that all players, at all levels and from all walks of life—governments, industry and individuals—must contribute to global efforts to fight climate change, we are committed to taking action by adopting an ambitious strategy to reduce our greenhouse gas emissions, and by setting targets based on the recommendations of the Science Based Targets initiative (SBTi). **The SBTi approved these targets in July 2021:**

- **-38,7%**  
our Scope 1 and 2 for our Mills (kg of CO<sub>2</sub> eq./MT) by 2030
- **-27,5%**  
scopes 1 and 2 for the converting plants and other facilities (kg of CO<sub>2</sub> eq.) by 2030
- **-22%**  
scope 3 (kg of CO<sub>2</sub> eq./MT) by 2030

## -19%

scope 1 and 2 for mills  
(kg of CO<sub>2</sub> eq./MT) 2023  
vs 2019

## -19%

scope 1 and 2 for the converting  
plants and other facilities  
(kg of CO<sub>2</sub> eq.) 2023 vs 2019

## +26%

scope 3 (kg of CO<sub>2</sub> eq./MT)  
vs 2019

We understand the challenge this commitment represents, and we are confident that our action plan will allow us to gradually decarbonize our activities. In addition to disclosing our progress towards our targets, we also participate in the disclosure programs of CDP, Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosure (TCFD) ([see ESG Disclosure section](#)).

### A business model that reduces our emissions

Our business model, based on recycling paper and cardboard to manufacture our products, is one of the main factors that allow us to emit 41%<sup>1</sup> less GHGs than the North American papermaking industry average (including pulp, paper, cardboard and tissue).

Using recycled fibre to make paper emits less greenhouse gas (GHG) than virgin fibre, mainly because it avoids emissions associated with the extraction and processing of natural resources, such as forest harvesting and chip pulping.

By buying and using recycled fibre rather than virgin fibre, we significantly reduce our GHG emissions. Replacing one ton of virgin fibre with one ton of recycled fibre reduces our CO<sub>2</sub> emissions by 68%<sup>2</sup>.

Reducing our impact does not stop at our business model. We are implementing several initiatives across our value chain to reduce our GHG emissions.

<sup>1</sup> FisherSolve®, ©2023 Fisher International, a ResourceWise company

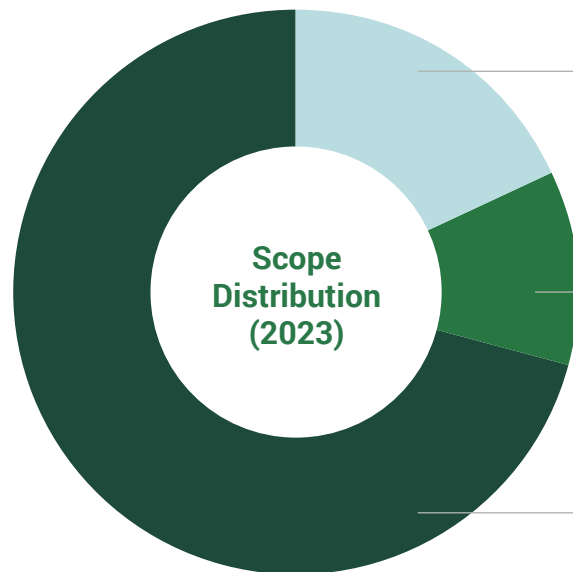
<sup>2</sup> Comparison based on emission factors of 0.204 kg CO<sub>2</sub> eq./kg for virgin pulp manufactured in North America (source: ecoinvent, v 3.6, GWP IPCC 2007, 4<sup>th</sup> report) and of 0.065 kg CO<sub>2</sub> eq./kg for recovered and sorted paper in North America (source: ecoinvent v.3.6 GWP IPCC 2007, 4<sup>th</sup> report)



## Our emissions distribution

Our greenhouse gas emissions for 2023 break down as follows:

- **17%**  
for scope 1 (direct emissions)
- **11%**  
for scope 2 (indirect emissions associated with electricity and steam)
- **72%**  
for scope 3 (indirect emissions associated with activities upstream and downstream of Cascades' operations).



### Scope 1

17.09% (492,124 t CO<sub>2</sub> eq.)

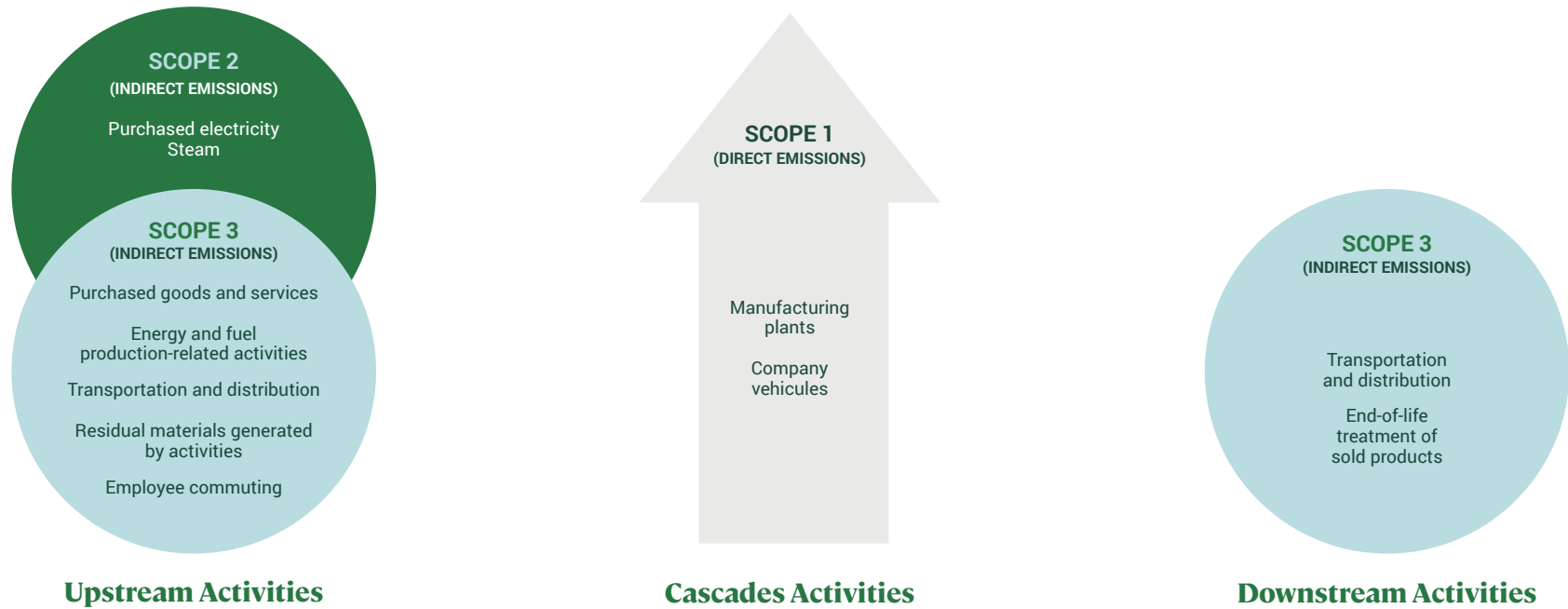
### Scope 2

10.73% (309,006 t CO<sub>2</sub> eq.)

### Scope 3

72.17% (2,077,662 t CO<sub>2</sub> eq.)





## Scope 1 and 2 emissions

Scope 1 and 2 emissions come from our paper manufacturing plants (mills) (86%), our converting plants (8%) and our other activities (6%, including our Cascades Transport division, recovery centres, buildings and offices).

**Our manufacturing and converting facilities operate in very different ways.**

**To better measure the reduction of scope 1 and 2 emissions, we have adopted two separate targets:**

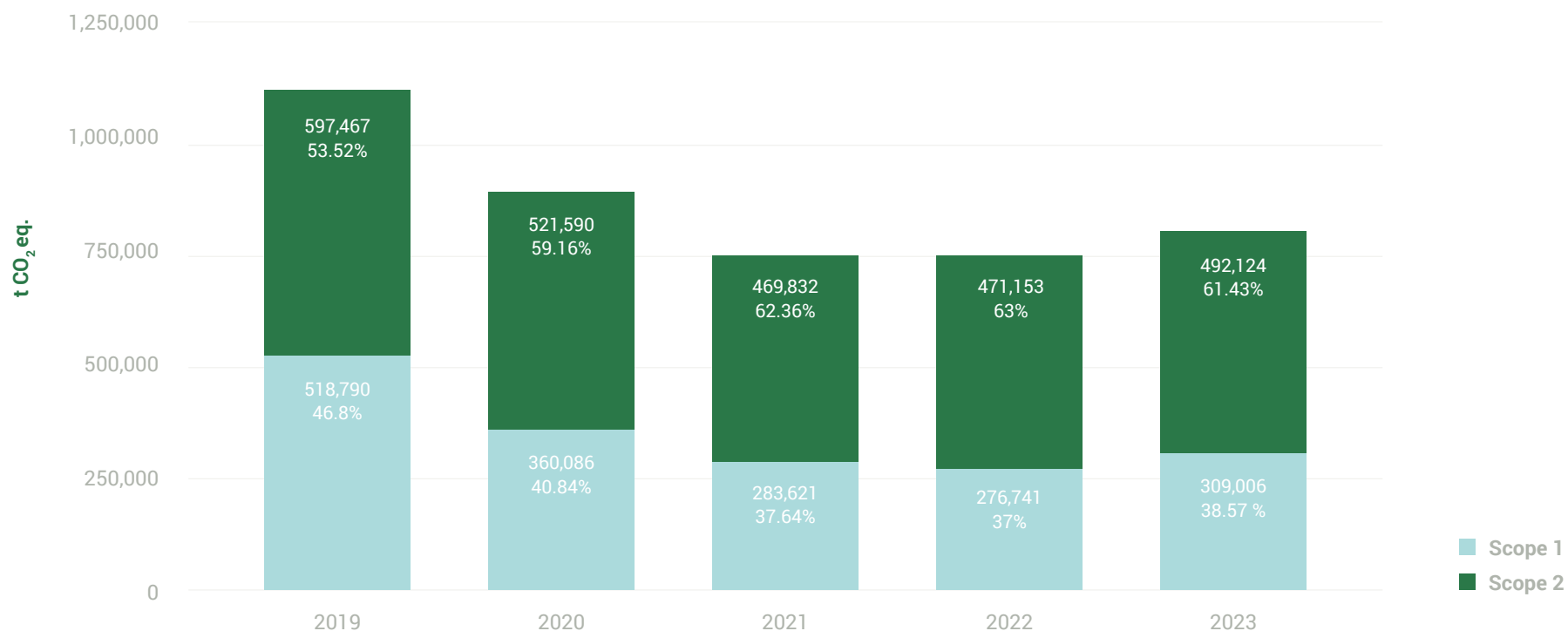
**01** for the paper manufacturing plants (21 mills), we want to reduce the intensity of scope 1 and 2 emissions by 38.7% by 2030 (compared to 2019).

**02** for the converting plants (34) and other facilities (Transport, offices, warehouses, Cascades Recovery), we want to reduce the quantity of scope 1 and 2 emissions by 27.5% by 2030 (compared to 2019).

This approach allows us to better monitor the evolution of our emissions in a manufacturing context that must necessarily align with variations in production.



## GHG Emission Overview: Scope 1 and 2



### Our mills

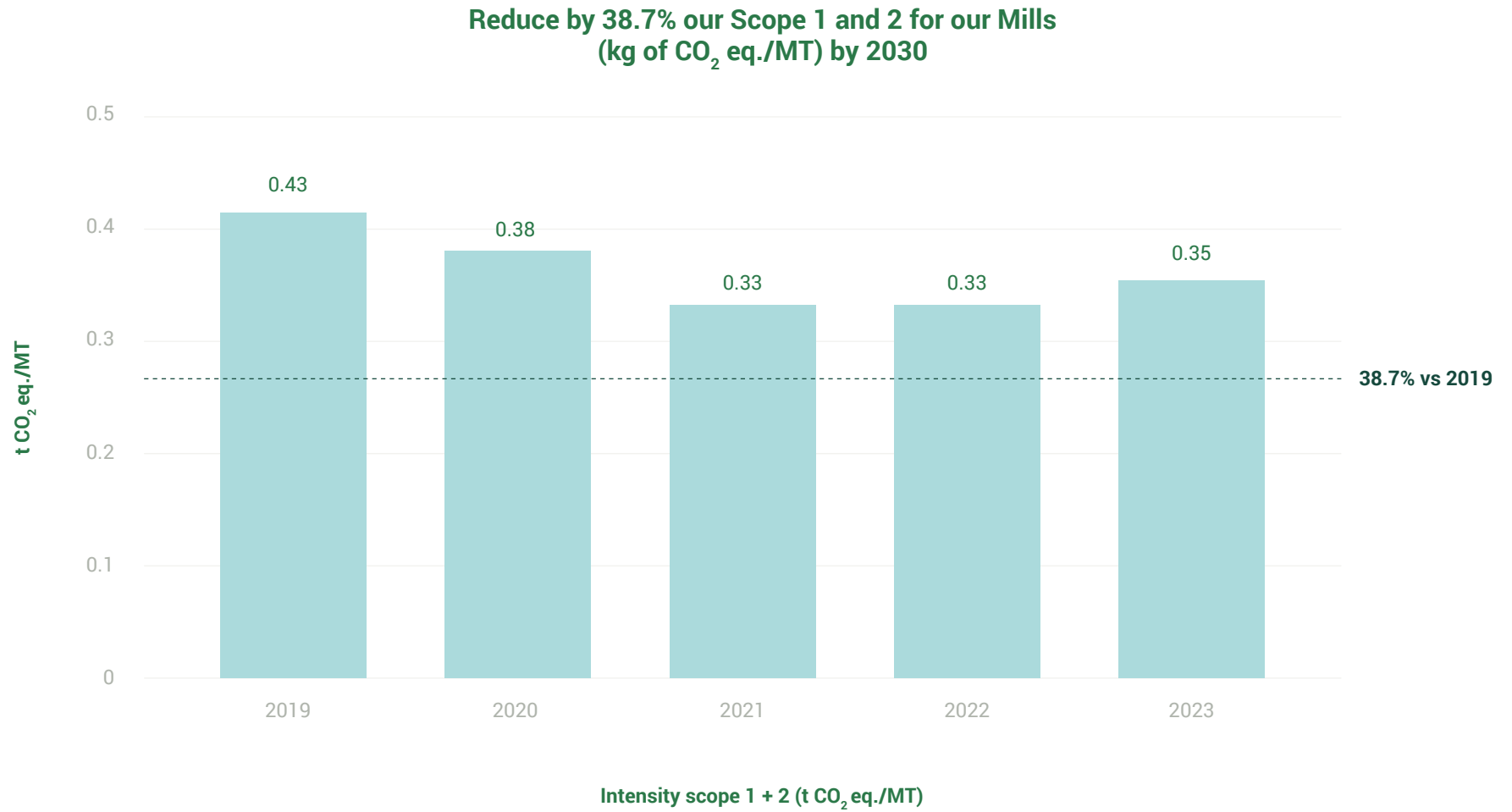
Our Scope 1 and 2 greenhouse gas emissions have increased in quantity by some 45,000 tons of CO<sub>2</sub> eq. in 2023 compared to 2022. This increase is mainly due to the start-up of our containerboard plant in Ashland, Virginia (USA), which adds around 100,000 tons of CO<sub>2</sub> eq. to our balance sheet. A start-up of this magnitude always requires adjustments, and therefore higher energy consumption. We also know that the plant's geographical location will pose a number of challenges in terms of accessible energy sources. On the one hand, we're getting closer to a market and making gains on logistics-related GHGs, but on the other hand, we have to deal with an energy mix that is mainly made up of non-renewable sources. These are all variables we were aware of when we conceived the project. In 2023, our efforts were focused on getting things off to a good start, and at the same time, our teams are already hard at work finding solutions to improve our GHG balance.

While the addition of a plant to our portfolio resulted in an increase in the quantity of GHGs emitted, the decision to close plants had the opposite effect. The closure of our tissue plants in St. Helens, Oregon (USA) and Barnwell, South Carolina (USA) resulted in saving some 48,000 tons of CO<sub>2</sub> eq.

### Emissions covered by regulations and audits

Because their 2023 emissions are above the identified thresholds (25,000 tons), some Cascades mills are subject to regulatory reporting of their greenhouse gas emissions. Among these mills, those located in Quebec also participate in the Quebec Cap-and-Trade System (SPEDE). We have also voluntarily included plants that emit more than 10,000 tonnes in the process. In all, 12 of our 21 mills are concerned by regulations and/or audits, covering 70% of our Scope 1 emissions.





## Mills' GHG Emissions

GHG Emissions	Unit	2019	2020	2021	2022	2023
Scope 1	Metric tonnes CO <sub>2</sub> eq./MT	503,726	445,724	394,733	397,427	413,337
CO <sub>2</sub> emissions	Metric tonnes	-	-	-	-	408,301
CH <sub>4</sub> emissions	Metric tonnes	-	-	-	-	60
N <sub>2</sub> O emissions	Metric tonnes	-	-	-	-	12
PFC emissions	Metric tonnes	-	-	-	-	0
SF <sub>6</sub> emissions	Metric tonnes	-	-	-	-	0
Scope 2	Metric tonnes CO <sub>2</sub> eq./MT	477,868	319,169	250,353	244,584	279,137
Total scope 1 + 2	Metric tonnes CO <sub>2</sub> eq./MT	981,594	764 893	645 086	642,011	692,474
Scope 1 + 2 (variation versus 2019)	%	0.0%	-22.1%	-34.3%	-34.6%	-29.5%
Scope 1 + 2 intensity	Metric tonnes CO <sub>2</sub> eq./MT	0.431	0.376	0.327	0.333	0.348
Scope 1 + 2 intensity (variation versus 2019)	%	0.0%	-12.8%	-24.1%	-22.8%	-19.3%

## Mill's Air Pollutant Emissions

Air Pollutant Emissions	Unit	2019	2020	2021	2022	2023
Nitrogen oxides (NOx) (excluding N <sub>2</sub> O)	Metric tonnes	603	596	574	597	646
Sulfur oxide (SOx)	Metric tonnes	405	375	290	380	644
Particulate matter (PM)	Metric tonnes	53	49	35	51	69
Volatile organic compounds (VOCs)	Metric tonnes	1,449	1,426	1,252	1,208	1,194

Our operations also emit certain air pollutants into the environment, such as nitrogen oxide, sulfur oxide, particulate matter, and volatile organic compounds. The thresholds for these emissions are governed by environmental standards and requirements that we adhere to.

### Converting plants and other activities

A slight decrease of GHG emissions was seen in this category that encompasses our converting plants (60% of total emissions) and our other activities (Cascades Transport, recovery centres, building and offices: 40% of total emissions).

### Emissions from converting plants are broken down as follows:

41%

of emissions are attributable to our 19 packaging plants in the Containerboard Packaging division

12%

for our 6 Tissue Group converting plants

7%

for our 9 processing plants of the Specialty Products Group

### Managing our truck fleet

Most of our scope 1 emissions classified under “other activities” relate to the management of our truck fleet under the aegis of Cascades Transport inc. Our teams have always been committed to tight, optimal travel management, and for years they have been innovating by implementing a series of energy efficient measures.

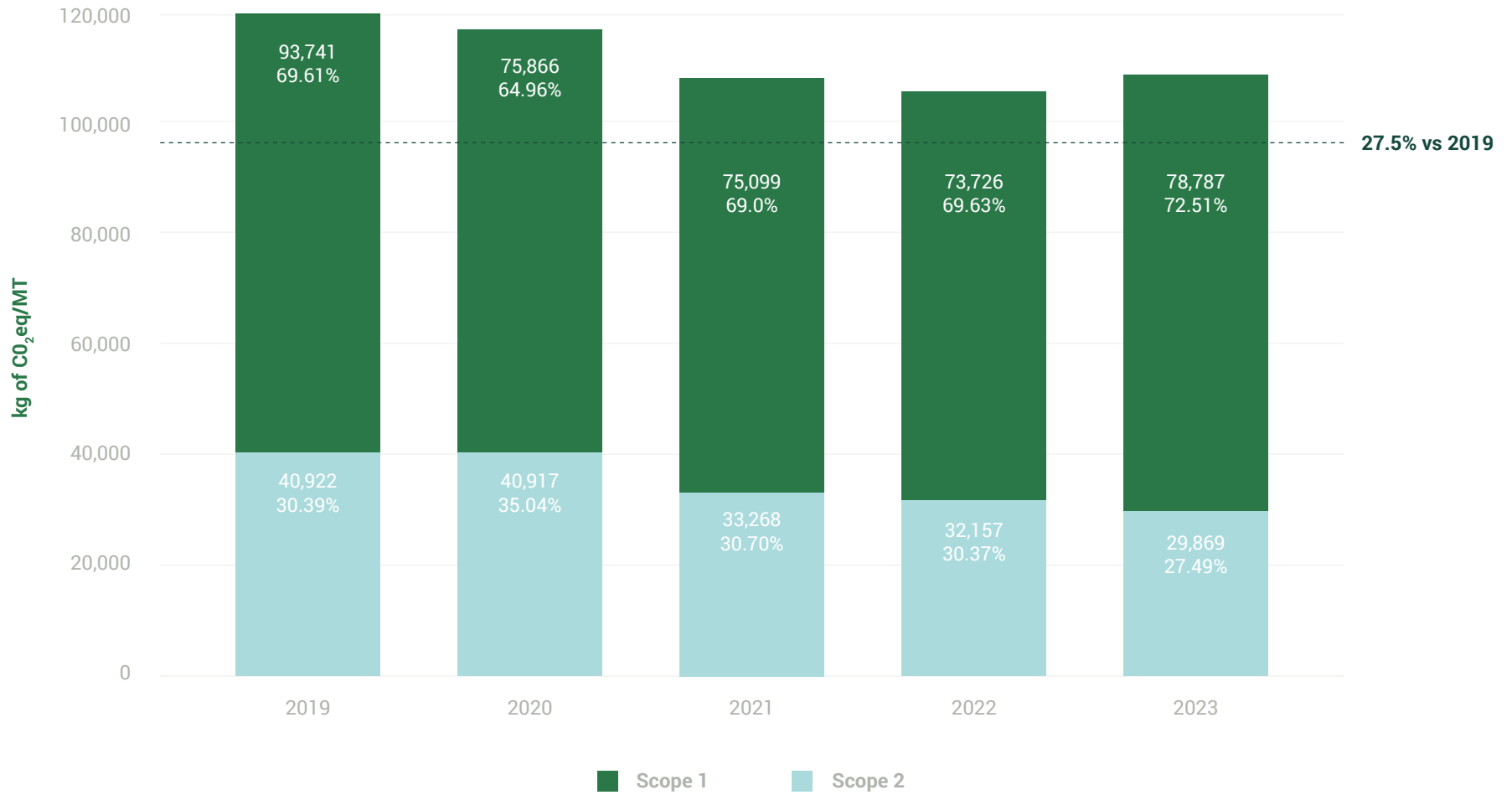
In addition to equipping trucks with devices such as side skirts, speed limiters and other tools made to increase efficiency and reduce fuel consumption, truckers are coached and trained to adopt good driving habits. Performance reports, evaluation meetings, training and performance bonuses are just some of the practices introduced to help us travel more efficiently.

The teams are also looking into the electrification of their fleet. To this end, in the fall of 2023, they took part in testing a Peterbilt 579 EV truck as part of the *Institut du véhicule innovant*’s Plug-in Fleet - Heavy Duty Trucks program. Exercises such as this provide a wealth of valuable data for future decision-making.





**Reduce by 27.5% our Scope 1 and 2 for our Conversion Plants and Other Facilities  
(kg of CO<sub>2</sub> eq.) by 2030**



## GHG Emissions for Our Conversion Plants and Others

GHG Emissions	Unit	2019	2020	2021	2022	2023
<b>Scope 1</b>	Metric tonnes CO <sub>2</sub> eq./MT	93,741	75,866	75,099	73,726	78,787
<b>CO<sub>2</sub> emissions</b>	Metric tonnes	-	-	-	-	77,145
<b>CH<sub>4</sub> emissions</b>	Metric tonnes	-	-	-	-	8
<b>N<sub>2</sub>O emissions</b>	Metric tonnes	-	-	-	-	5
<b>PFC emissions</b>	Metric tonnes	-	-	-	-	0
<b>SF<sub>6</sub> emissions</b>	Metric tonnes	-	-	-	-	0
<b>Scope 2</b>	Metric tonnes CO <sub>2</sub> eq./MT	40,922	40,917	33,268	32,157	29,869
<b>Total scope 1 + 2</b>	Metric tonnes CO <sub>2</sub> eq./MT	134,663	116,783	108,367	105,883	108,656
<b>Scope 1 + 2 (variation versus 2019)</b>	%	0.0%	-13.3%	-19.5%	-21.4%	-19.3%

### Conclusion: Scope 1 and 2 emissions

Scope 1 and 2 GHG emissions come from a wide range of sources. Year after year, our teams work to gather the missing data, with the aim of refining the results.



## Scope 3 emissions

We conducted our first scope 3 measurement in 2018, based on the guidelines specified in Greenhouse Gas Protocol's Corporate Value Chain (scope 3) Accounting and Reporting Standard (WRI & WBCSD, 2013). The data was provided by our Enterprise Resource Planning and was compiled by a third party that specializes in assessing greenhouse gas emissions using variables from various data sources and databases. As we do for the emissions associated with our mills, we measure our performance based on intensity, with total sales as the denominator. Any decision related to these emission calculations is made in partnership with the firm assisting us.

Our scope 3 emissions for 2023 have been processed following a change to the calculation method. Some of the emission factors previously used for the calculation—since we began measuring scope 3 emissions—were taken from the emission factors in the Carnegie Mellon University database (EIO-LCA – Economic Input Output Life Cycle Assessment) based on expenditure. We decided to transfer to the U.S. Environmental Protection Agency's database. These changes only affect category 1 of scope 3 emissions. Data from previous years has not been recalculated, since a summary exercise showed that the difference between the two calculation methodologies was immaterial (less than 5%). Consistent with the quantification of direct (scope 1) and indirect (scope 2) emissions, scope 3 indirect emissions arise from activities under Cascades' operational control.

## Emission Categories

Consistent with the quantification of direct (scope 1) and indirect (scope 2) emissions, scope 3 indirect emissions arise from activities under Cascades' operational control. Among all the categories of emissions related to our upstream and downstream operations, we identified the following categories as most materially relevant for our organization:

- **Category 1: Purchased goods and services**
- **Category 3: Energy and fuel production-related activities**
- **Category 4: Transportation and distribution (managed by Cascades) upstream and downstream of production**
- **Category 5: Residual materials generated by production**
- **Category 7: Employee commuting**
- **Category 12: End-of-life treatment of sold products**

The following non-priority but relevant categories were excluded from the study: capital assets (category 2), business travel (category 6), transportation and distribution of merchandise sold (not paid for by Cascades) (category 9), processing of products sold (category 10) and investments (category 15).

According to SBTi methodology, the target set for scope 3 represents a 22% reduction by 2030, compared to 2019.



## GHG Emissions: Scope 3

GHG Emissions	Unit	2019	2020	2021	2022	2023
<b>Scope 3</b>	Metric tonnes CO <sub>2</sub> eq.	1,782,597.0	1,808,700.0	1,730,476.0	1,935,890.0	2,077,662.0
<b>Category 1: Purchased goods and services</b>	%	51	49	51	54	54
<b>Category 3: Energy and fuel production-related activities</b>	%	36	35	32	29	34
<b>Category 4: Transportation and distribution (managed by Cascades) upstream and downstream of production</b>	%	8	8	8	8	7
<b>Category 5: Residual materials generated by production</b>	%	3	3	3	4	3
<b>Category 7: Employee commuting</b>	%	0.74	0.53	0.60	0.52	0.22
<b>Category 12: End-of-life treatment of sold products</b>	%	1	5	5	5	1
<b>Intensity scope 3</b>	Metric tonnes CO <sub>2</sub> eq./MT	0.770	0.876	0.923	1.061	0.972
<b>Intensity scope 3 (variation versus 2019)</b>	%	0.0	13.7	19.8	37.7	26.1

Cascades ended 2023 with stable performance compared to 2022.

## Category 1

### Purchase of goods and services

Expenditure on goods and services for 2023 has been classified into six main categories. Only emissions linked to the production of goods and services are calculated in this category. Emissions associated with the transportation of these goods and services are not included.

1. Paper, cardboard, fibre and pulp
2. Chemicals, adhesives and inks
3. Production supplies (e.g. wires and pallets) boxes and polyfilms
4. Plastics
5. Services (e.g. professional and technical)
6. Equipment rental

The “Purchased goods and services” category—representing more than half of the emissions (54%)—saw a decrease in emissions of approximately 78,000 tons compared to 2022. There are a number of reasons for these variations, the main ones being reduced supply of cardboard and tissue parent rolls made from virgin fibre in favour of parent rolls made from recycled fibre.

## Category 3

### Fuel and energy-related activities

This category includes emissions from the extraction, production and distribution of energy and fuel purchased or acquired. Emissions already accounted for under scope 1 and 2 are excluded. Results for 2023 show an increase over 2022, mainly due to the start-up of our Bear Island plant in Virginia. As electricity is mainly produced from non-renewable sources there (91%), electricity consumed for production needs alone accounts for 14% of emissions in this category.

## Category 4

### Transport and distribution (managed by Cascades) upstream and downstream of production

Emissions in this category remained stable between 2022 and 2023.

## Category 12

### Managing sold product end of life

Data from this category takes into account the hypotheses about recycling, disposal and incineration rates based on the average market valuation (e.g. Recyc-Québec, 2019, US EPA, 2021), and the emission factors related to the treatment or transportation of waste from the ecoinvent v3.6 database. For the 2023 fiscal year, we refined the transportation distances for residual materials between our plants and certain recovery and landfill sites. These new variables had a positive impact on our results.

### Conclusion – Scope 3 emissions

Scope 3 data management is definitely the most complex. It is based on a large amount of data drawn from different systems, which serve as the basis for emissions calculations. The data are then multiplied by emission factors from a variety of sub-categories, themselves drawn from different databases. Year after year, we refine our source data, mandate our various supply chain teams to study and find opportunities to reduce our emissions, and continue the dialogue with our supply chain players for them to do the same. We are confident that our strategy will take shape over the years, thanks to the greater granularity of our source data, and the growing maturity of the organizations in our value chain, which will generally lead us to access specific rather than generic data. The aim is to capture the performance of our suppliers.

# Energy Consumption

## Energy consumption and greenhouse gas emissions are closely linked.

By continuing to improve our plants' energy efficiency and by working on a renewable electricity procurement plan, our teams will help Cascades to become more resilient and to reduce the carbon footprint of its operating activities.

**Cascades has therefore set two energy objectives:**

- **Increase**  
the share of renewable electricity in our supply in order to use 100% renewable electricity by 2030.
- **Reduce**  
energy consumption at our plants by 6% by 2025, compared to 2019.

**54%**  
renewable electricity

**2,3 ×**  
less energy consumed  
than the industry average<sup>1</sup>

**1**  
new reverse osmosis  
water treatment system

<sup>1</sup> Pulp and paper industry in North America. Source: FisherSolve™ Next, ©2023 Fisher International a ResourceWise company.

<sup>2</sup> United States Environmental Protection Agency (EPA), eGRID Data, 2022.

<sup>3</sup> Government of Canada, Environment and Climate Change Canada Data Catalogue, Appendix 13, Electricity in Canada: summary and intensity table, 2021.

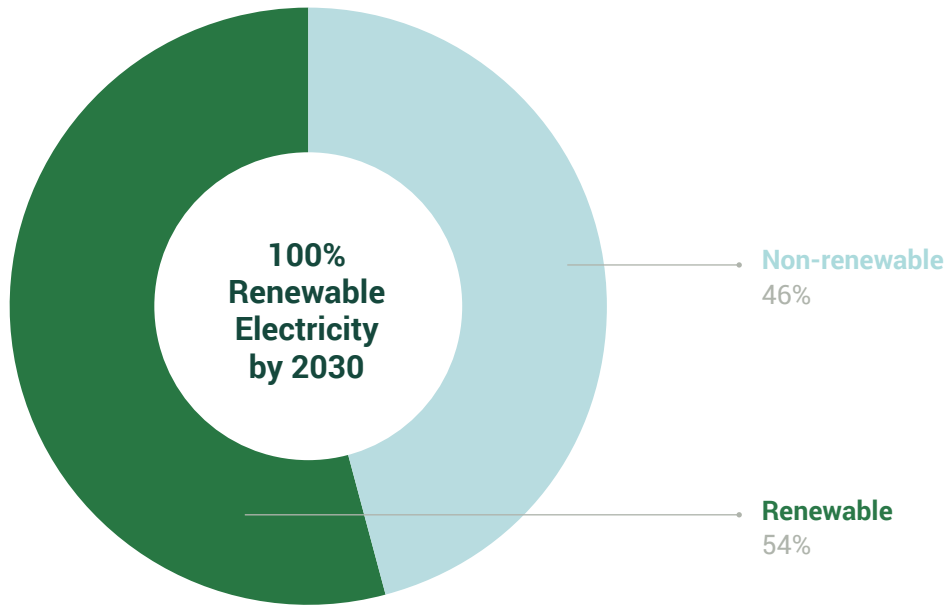
## Our renewable electricity profile in 2023

According to the location-based calculation method, the networks that supply Cascades operations with its electricity are currently comprised of 54% renewable sources. However, this rate varies from region to region, depending on how the energy is produced in the electrical grids. Some US states such as New Jersey have only 3%<sup>2</sup> of their grid coming from renewable energy, while states such as Iowa have 65%<sup>2</sup> of their grid coming from renewable energy. Similar variations can be observed in Canada, where the share of renewable energy is 15%<sup>3</sup> in Alberta and 99%<sup>3</sup> in Québec.

Our overall consumption of renewable energy has decreased slightly in the last year, from 58% in 2022 to 54% in 2023. This fluctuation is due in part to the start-up of our Bear Island plant in Virginia, U.S.A., where the grid is only 9%<sup>2</sup> renewable energy, and to the shutdown of our Oregon operations, where the grid was 69%<sup>2</sup> renewable energy. In any case, our strong presence in Québec has a positive impact on our overall results. In fact, the consumption of our operations in this market represents 37% of all electricity consumed by Cascades.





**Renewable electricity**

Renewable energy refers to a variety of means used to produce energy from theoretically unlimited sources. These non-combustible energy sources include the sun, wind, moving water, and the earth's heat (geothermal). They can also include materials that are limited but often in abundance, such as organic waste (biomass).



# Classification of Electricity Supply

## CONVENTIONAL POWER



Coal



Nuclear



Oil



Natural gas

## RENEWABLE ENERGY



Large hydropower



Municipal  
solid waste

## GREEN POWER



Wind



Solar



Biomass



Geothermal



Biogas



Low-impact  
hydropower

**Least Beneficial**

**Beneficial**

**Most Beneficial**

According to the U.S. Environmental Protection Agency's categorization of energy sources.

Each region uses different proportions of the energy sources available to it to produce its electricity. This is called the energy mix. In the world, this mix is still strongly dominated by non-renewable sources (69%), 4 which are large emitters of CO<sub>2</sub>, whereas renewable energy sources are sometimes recognized as carbon neutral, if not low-carbon.

Electricity represents about one third of the energy consumed in the world. This is the same proportion as at Cascades, where electricity represented 30% of the energy consumed in 2023.

**With the growing pressure to address climate change, it is expected that electrical grids will become greener due to a combination of increased demand for renewable energy and restrictive fossil fuel policies. Cascades, like other businesses, could benefit from this shift.**

### Next steps toward our goal of achieving 100% renewable electricity by 2030

We are working on obtaining all the data needed for dual reporting: location-based method and market-based method. The location-based method takes into account the average composition of a given region's electrical grid.

The market-based method models the electricity purchased from a specific supplier. Dual reporting also applies to greenhouse gas emissions. Data for the location-based method is already available (both for calculating renewable electricity and the associated greenhouse gases), while data for the market-based method requires further research and collaboration with electricity suppliers. Publicly available information is not comprehensive. For the time being, only partial market-based data is available to us, meaning that dual reporting is not yet possible for us.

Based on this data-collection stage, we are targeting various mechanisms that will enable us to increase the quantity of renewable MWh making up our energy portfolio: for example, Renewable Energy Certificates (RECs), Power Purchase Agreements (PPAs) and Virtual Power Purchase Agreements (VPPAs).

To meet certain market demands, in 2023, Cascades purchased the equivalent of 23 707 MWh in Renewable Energy Certificates. For the location-based method, these certificates cannot be added to our total renewable electricity supply.





## Energy consumption

Cascades recognizes that increasing the total share of electricity from renewable sources is not enough to reduce our environmental impact and help our customers achieve their sustainability goals. That is why we also strive to reduce the total energy consumption necessary for manufacturing and transforming our products.

**Cascades' internal energy optimization team, CS+ Energy Division, established a two-pronged action plan:**

- 01 Development and implementation of energy projects
- 02 Operational control to ensure better day-to-day monitoring of key performance indicators and the sustainability of the facilities

## Energy projects

In 2023, we carried out an energy reduction project at our Containerboard Packaging plant in St. Marys, Ontario, of which we are particularly proud. Following the recommendations of an energy study, we installed a reverse osmosis water treatment system downstream of the existing water softeners to supply the plant's boilers

In a containerboard packaging plant, steam is needed for conditioning and gluing the paper. This steam is generated by boilers fuelled by natural gas. The reverse osmosis water treatment system purifies the water before it enters the boiler, considerably improving the concentration cycle and reducing boiler purges. Using less water means using less natural gas to produce steam.

The environmental benefits of this technology have far exceeded our expectations. At the St. Marys plant, water consumption has in fact been cut by almost half, and energy and gas consumption has been substantially reduced. In concrete terms, this represents annual savings of 356,858 gallons of water and 1,844 GJ, or 120 tonnes of CO<sub>2</sub> eq. On the strength of this success, we are now evaluating the possibility of replicating this initiative in other plants.

## Operational control

Since creating our group of energy efficiency experts in the late 90s, we have always relied on implementing projects to optimize our methods. Over the years, operational control—a key strategy of Cascades' new Sustainability Action Plan—has been incorporated into these projects. All plants are expected to maintain the efficiency of existing processes on a daily basis in addition to improving or strengthening their level of maturity with a view to continuous improvement.

In 2023, we undertook a major hood optimization project at our Tissue plant in Eau Claire, Wisconsin. Installed in 2019, this hood was not operating at full capacity. An in-depth analysis enabled us to identify why it was underperforming and to take the necessary corrective action. The solutions implemented (installation of new liners, thicker insulation and upgrading of the wet end combustion fan) considerably optimized the hood's efficiency, resulting in a 7.4% increase in machine speed and a 5.3% increase in production, while the plant's energy intensity decreased by 2.4%. For 2023 alone, this represents a total savings of 9,075 GJ, or 457 tonnes of CO<sub>2</sub> eq.

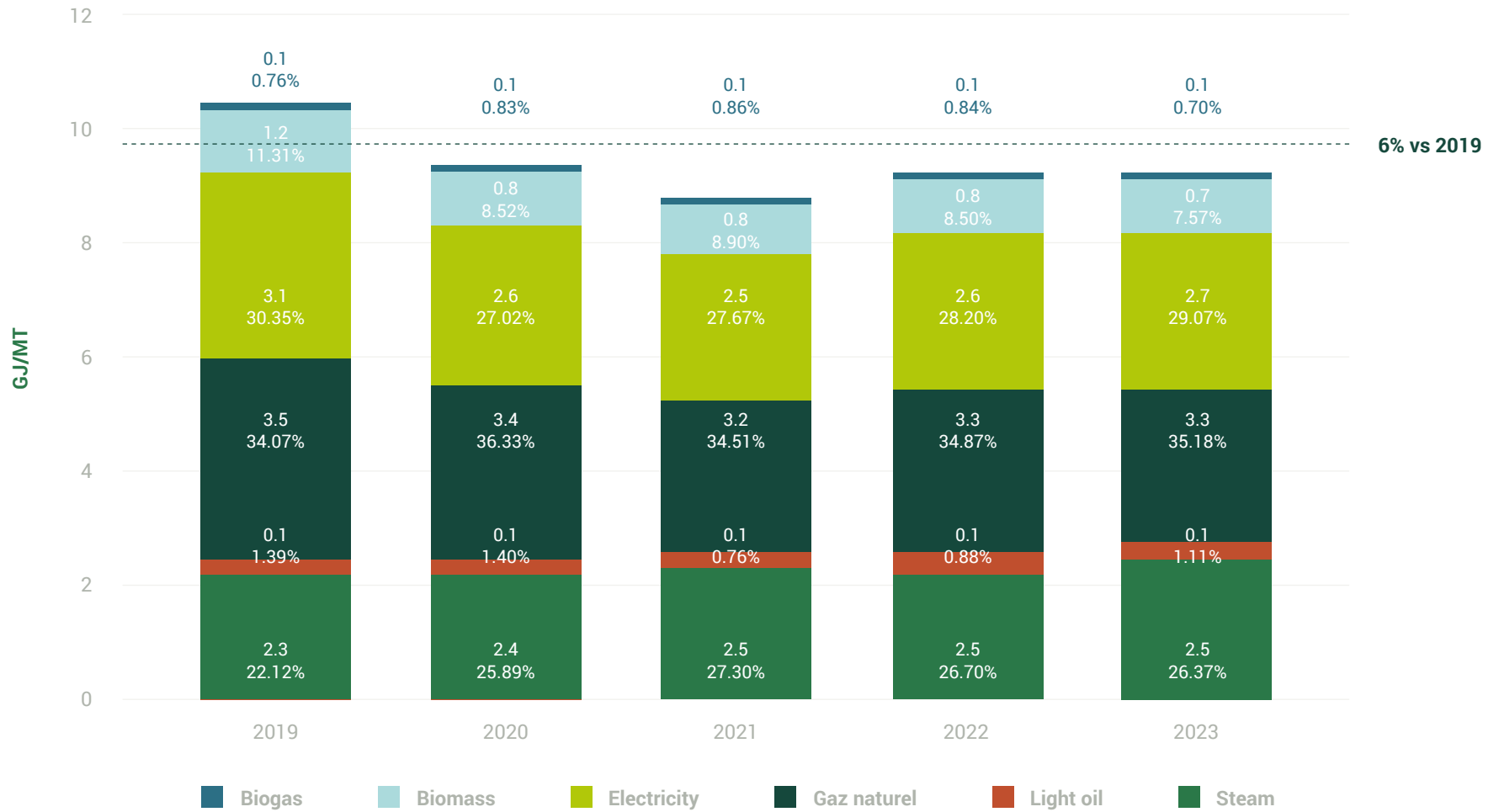
## PerformEx

In 2023, we launched PerformEx, our new operational excellence model based on five guiding principles:

- **Executive leadership and commitment**
- **Individual empowerment and development**
- **Continuous improvement process loop**
- **Robust ecosystems**
- **Customer-centric approach**

This new model represents the natural and structured evolution of our previous continuous improvement projects and programs, and reflects our determination to instill a culture of excellence in all our operations.

## Reduce the Energy Consumption at our Mills by 6% (GJ/MT) by 2025



## Energy Consumption of Our Mills

Description	Unit	2019	2020	2021	2022	2023
Biogas	GJ	178,529	160,549	156,924	152,211	129,312
Biomass	GJ	2,663,075	1,640,980	1,614,141	1,534,640	1,408,212
Natural gas	GJ	8,023,623	6,996,272	6,260,764	6,294,716	6,544,150
Light oil	GJ	326,972	270,142	138,219	158,868	206,739
Steam	GJ	5,209,439	4,986,501	4,952,520	4,820,907	4,905,183
Electricity	GJ	7,147,343	5,203,554	5,020,689	5,063,786	5,408,385
<b>TOTAL ENERGY CONSUMED</b>	GJ	23,548,981	19,257,998	18,143,257	18,025,128	18,601,981
<b>Energy intensity (target -6%)</b>	GJ/MT	10.336	9.461	9.201	9.344	9.339
<b>Energy intensity (variation versus 2019)</b>	%	0.0%	-8,5%	-11,0%	-9,5%	-9,6%

Cascades ended 2023 with stable performance compared to 2022.

### Clarification on self-generated energy

Self-generated energy is included in our total energy consumption balance. It includes energy derived from two on-site sources (black liquor and mixed sludge) used at our Cascades Containerboard Packaging plant in Cabano. However, this energy source is not considered in our energy consumption reduction targets, which only include the portion of energy purchased for our mill operations (representing 90% of our total energy consumption).

## Energy Consumption of Our Conversion Plants

Description	Unit	2019	2020	2021	2022	2023
Natural gas	GJ	914,388	864,674	835,584	791,423	773,506
Light oil	GJ	5,745	264	0	0	
Propane	GJ	0	4,852	7,722	6,697	8,084
Electricity	GJ	802,613	785,494	749,146	672,330	666,187
<b>TOTAL ENERGY CONSUMED</b>	GJ	1,722,746	1,655,284	1,592,452	1,470,450	1,447,777



## Energy Consumption: All Cascades

Description	Unit	2019	2020	2021	2022	2023
Natural gas	GJ	8,938,011	7,860,946	7,096,348	7,086,139	7,317,656
Light oil	GJ	332,717	270,406	138,219	158,868	206,739
Propane	GJ	0	4,852	7,722	6,697	8,084
Steam	GJ	5,209,439	4,986,501	4,952,520	4,820,907	4,905,183
Non-renewable electricity	GJ	4,610,974	2,814,853	2,423,331	2,420,933	2,794,303
<b>Non-renewable energy</b>	GJ	19,091,141	15,937,558	14,618,140	14,493,544	15,231,965
Biogas	GJ	178,529	160,549	156,924	152,211	129,312
Biomass	GJ	2,663,075	1,640,980	1,614,141	1,534,640	1,408,212
Renewable electricity	GJ	3,338,982	3,174,195	3,346,504	3,343,193	3,280,269
Renewable electricity (target 100%)	%	42	53	58	58	54
Self-generated energy	GJ	424,311	628,858	653,242	611,099	536,177
<b>Renewable energy</b>	GJ		5,604,582	5,770,811	5,641,143	5,353,970
<b>TOTAL ENERGY CONSUMED</b>	GJ	25,696,038	21,542,140	20,388,951	20,134,686	20,585,935

# Water Consumption

**Cascades is aware of water's vital role and importance in manufacturing our products and operating our plants, and we treat this resource with all the respect it deserves.**

The company implements projects and action plans and establishes monitoring and operational controls in its plants to limit its use. Year after year, Cascades sets itself the goal of reducing effluents from its manufacturing plants. **The target for 2025:**

→ **Decrease**  
effluents from our manufacturing plants by 15% (M<sup>3</sup>/MT)  
by 2025 vs. 2019

**570k M<sup>3</sup>**

less water discharged compared to last year  
thanks to our conscientious employees

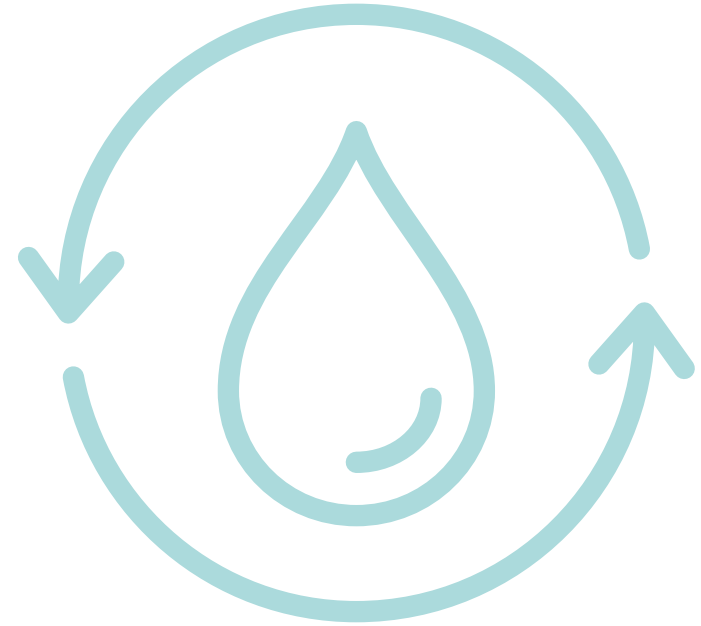
**4,7 ×**

less water discharged than the industry average<sup>1</sup>

**25 854**

Equivalent of 25 854 Olympic-size pools  
saved compared to the industry average\*

<sup>1</sup> Based on the average for the North American pulp and paper industry.  
Source: FisherSolve™ Next, ©2023 Fisher International



**For the third consecutive year, we met and even surpassed our effluent reduction target for 2025.**

In setting this target, we had anticipated the impact of the start-up of a new Cascades Containerboard Packaging plant in Virginia, USA. This plant began operations in May 2023, generating an increase in our effluents, as expected. Our results also reflect the impact of plant closures and the shutdown of a certain number of less environmentally efficient machines. While these decisions are never easy to make, we have to acknowledge that they had a positive impact on our 2023 effluents.

**Decrease Effluents in our Manufacturing Plants by 15%  
(M<sup>3</sup>/MT) by 2025**





## Effluents

Description	Unit	2019	2020	2021	2022	2023
Effluents	M <sup>3</sup>	26,853,818.95	19,903,935.46	18,620,768.49	17,935,032.00	17,361,607.00
Effluents/Production	M <sup>3</sup> /MT	11.79	9.78	9.44	9.30	8.72
Effluents/Production (variation versus 2019)	%	0.0%	-17.1%	-19.9%	-21.1%	-26.1%
Suspended solids returned to effluent	kg/metric tonnes	0.35	0.28	0.31	0.24	0.24
Biochemical oxygen demand (BOD) after five days in effluent	kg/metric tonnes	0.22	0.17	0.19	0.14	0.13

We ended 2023 with results similar to 2022, even recording a slight reduction in our effluents, due not only to plant closures, but also to employee-initiated improvement projects. Over the next few years, we will continue to carry out different water-saving projects in targeted facilities, while maintaining our performance and helping with the ramp-up of our new linerboard plant in Bear Island, Virginia.

### Philippe Angers



#### When an employee drives positive change

We would like to highlight the remarkable initiative of one of our employees, Philippe Angers, Maintenance Lead, at our Kingsey Falls containerboard plant. In 2023, thanks to his ingenuity, Philippe was able to substantially reduce his plant's effluents. Already concerned about its water management, the plant had an enviable performance record, but this didn't stop Philippe from identifying concrete avenues for improvement.

True to Cascades' values, he implemented three simple and inexpensive solutions to save this precious resource:

**01** Recover small quantities of water at different production points and reuse them for other applications.

**02** Review water management programming and controls to limit losses due to poorly calibrated instruments.

**03** Substitute recovered water for fresh water wherever possible.

**The success of these measures is indisputable:** in 2023, effluents from the plant decreased by 40% to 50%, reaching the plant's lowest recorded level of effluents, 2.73 cubic metres per tonne. What's more, given the nature of the measures put in place, they could potentially be replicated and implemented at other plants in the Containerboard group. We are grateful to all our employees who, like Philippe, help us to improve our practices and enable us to better embody our values.

# Eco-designed Products

**Proud of our commitment to leading the way in eco-friendly hygiene and packaging solutions, we have adopted guiding principles for developing new products.**

These principles cover every stage in the life of the products we manufacture and sell, from their design to their end of life. By regularly reviewing our principles, we are able to make significant improvements to our products in order to minimize their environmental impacts. **Consequently, our goal is to have:**

→ **100%**  
of the packaging we manufacture and sell be reusable, recyclable or compostable by 2030.

## 97%

of the packaging we manufacture and sell is recyclable, compostable or reusable

## 1

Rollout of a new cardboard tray as an alternative to plastic

## 2

awards for our packaging solution for fresh produce

## Our eco-design principles:



### Informed decisions

about the design and development of products in order to limit their environmental footprint.



### Optimized design

that maximizes the use of raw materials in order to limit resource consumption and prevent overpackaging.



### Carefully considered materials and inputs,

prioritizing recycled content in the manufacture of our products and the use of certified, responsibly sourced virgin fibres when necessary.



### Minimized footprint

by operating our production facilities in a way to manufacture and market products with a reduced footprint in terms of water and energy consumption and greenhouse gas emissions.



### Customer and end-user engagement

by raising customers' and end-users' awareness and educating them on topics related to our expertise in eco-design.



### Smart value chain

by considering the efficiency of our products across the supply chain and looking for opportunities to design or use reusable packaging, especially in an e-commerce context.



### Responsible end of life

by designing our packaging to promote the best possible means of disposal. To that end, we follow the 3R-RD hierarchy.

**For more information on the subject, please consult our guide on our [eco-design principles](#).**

**Recyclable**  
96.99%  
(676,022,639)

**Non-recyclable**  
3.01%  
(21,007,631)

**100% of the  
Packaging we  
Manufacture and  
Sell is Reusable,  
Recyclable or  
Compostable  
by 2030**

In 2023, the percentage of our reusable, recyclable or compostable packaging products stayed at the 97% mark. Some challenging packaging has not yet been recognized as recyclable. These are mainly made of plastic resins. It's important to note, however, that there are regions where these products can be recovered and recycled.

Unfortunately, this practice is not widespread enough for them to be considered "Widely Recyclable" according to How2Recycle's standards. Waxed cardboard is the other main challenging packaging solution and is mainly used in market garden applications. During pulping, the first stage of production from recycled material, the paper and cardboard bales are mixed with water in a large tank.

Since waxed cardboard is wrapped in wax on all sides for waterproofing, it's difficult for water to penetrate inside the material to allow the fibres to release. This material often ends up in manufacturing rejects and is therefore not considered recyclable. Using the eco-design guide, our teams are working on an alternative packaging solution.



GreenBlue is a not-for-profit environmental organization dedicated to enabling a diverse range of stakeholders to promote an economy with more sustainable materials, and is also the driving force behind the Sustainable Packaging Coalition.



Recyclability and How2Recycle®

***“Packaging is recyclable if it can be collected, sorted, reprocessed, and ultimately reused in manufacturing or making another item.”***

- How2Recycle

For a product to be recyclable, it must comply with the rules set out in ISO 14021, Environmental labels and declarations - Self-declared environmental claims (Type II environmental labelling), adopted and adapted by the Competition Bureau in Canada and the Federal Trade Commission in the United States. In summary, these rules state that a product or packaging cannot be declared recyclable unless it can be collected, separated or recovered from the waste stream by an established recycling program that reuses it in the manufacture or assembly of another item.

The Canadian and American guidelines, currently being revised, specify that the presence of municipal or industrial collection networks in the area where the product is sold is not sufficient to declare a product “recyclable”; facilities to process the collected materials and reuse them as raw materials must also exist. At least 50% of the population in Canada and 60% in the United States must be served by a curb site material program, recycling program or store drop-off. Below these thresholds, a product cannot be identified as recyclable. In short, if you want to put a Möbius strip on a container or packaging, a series of criteria must be met: there should be no collection, sorting, processing or market issues.

To meet these requirements and verify the recyclability of our packaging sold in Canada and the United States, we work with How2Recycle. This organization, created under the aegis of GreenBlue, proposes a standardized labelling system that provides consumers with information about how to properly dispose of their containers and packaging after use. How2Recycle evaluates packaging based on several specific criteria, assigning it a recyclability status and a label with recovery instructions. The list of criteria is long and includes: the applicable national laws, the population’s rate of access to a recovery program, the packaging’s acceptance in a sorting centre, its composition and ease of transformation, and the existence of a market for the recovered material. The details are available in How2Recycle’s [Recyclability Guide](#).



# When is a Container/Packaging Considered Recyclable?



Depending on the outcome of the evaluation and the market the packaging will end up in, How2Recycle assigns it one of four recyclability categories:

→ **WIDELY RECYCLABLE**

→ **CHECK LOCALLY**

→ **NOT YET RECYCLABLE**

→ **STORE DROP-OFF**



***At Cascades, our products are only considered recyclable if they qualify as “Widely Recyclable”.***

These independent third-party assessments ensure that we have a recognized standard for our declarations. At the same time, we have developed recognized expertise in recyclability: our research and development teams carry out various laboratory tests to evaluate the repulpability of fibre products, among other things; our sorting centre teams can assess what happens to a material, regardless of its composition, when it reaches the sorting lines; and our recycling plants can field test how fibre products behave in the pulping process. These are the great advantages of being an integrated company.

### A cardboard tray to replace plastic

To meet the growing demand from our food industry customers to move away from traditional plastic packaging, our teams have developed an innovative, high-performance cardboard tray, which complies with eco-design and circular economy principles.

Our tray is composed of 100% recycled fibres, mainly from post-consumer sources, certified "Recycled" under the Forest Stewardship Council® (FSC®) standard. Its design incorporates a patented SurfSHIELD® water-based coating that protects it from moisture while maintaining the cardboard's recyclability. This tray therefore preserves the food's integrity and freshness, and can be put in the recycling bin after use, since it has been pre-qualified as "largely recyclable" by How2Recycle, provided it is clean and dry.

Additionally, our life cycle analyses show that our tray has a low environmental impact compared to other virgin fibre-based packaging solutions.

**In 2023, our cardboard tray was recognized by the U.S. Plastics Pact and named a finalist in the Sustainable Packaging Innovation Awards in the "recyclable packaging" category. This competition, initiated by Walmart in the context of its Circular Connector platform, aims to identify packaging designed to limit plastic use.**







### Ingeniously designed new baskets!

In 2023, we unveiled our new produce baskets, designed according to recognized eco-design and circular economy principles. Made from recycled corrugated board, these baskets meet growing consumer demand for sustainable packaging, while helping to reduce the environmental impact of the food supply chain.

The innovative design of these baskets minimizes the handling of produce, preserving their integrity throughout the logistics chain. Equipped with a secure closure system, they prevent products from falling without compromising their visibility inside the packaging. This design guarantees optimum protection of fresh produce, reducing food loss and waste.

**These baskets have already made a name for themselves in the food and packaging industries. They won the Innovation of the Year award in the packaging category at the Conseil de la transformation alimentaire du Québec's annual gala. They also received the Distinction award in the sustainable design category at the 2023 PAC Global Awards.**



# Responsible Procurement

**In 2012, we launched a major initiative aimed at better understanding the social and environmental practices in our supply chain.**

We became one of the first companies in Canada to take this direction. A recognized independent third party has assisted us in this process and, by the same token, helps our suppliers better understand the strengths and weaknesses in their environmental, social and governance (ESG) practices. This is a win-win approach for all parties and will continue in the coming years.

To reduce our impact on the planet and amplify our positive social impacts, we favour collaboration with suppliers who share our values.

This motivation to reduce the upstream impacts of our activities has led us to set three related objectives:

- **100%**  
of our fibre and paper come from recycled sources or meet FSC® certification standards by 2025
- **Double**  
our supply of FSC® Mix fibre by 2025 vs. 2019
- **70%**  
of our purchases are sourced from responsible suppliers by 2025

## 82%

of the fibre purchased to manufacture our products is recycled

## 99.8%

of our fibres and paper come from recycled sources or meet FSC® standards

## 62%

of our purchases come from responsible suppliers







### Respect for the forests at heart

Cascades was born of fibre recycling. We have always favoured the use of recycled fibre in our products and we will continue to do so. However, depending on the availability of recycled fibre and the characteristics required for certain products, we sometimes need to use virgin fibre and paper. In such cases, we source from suppliers whose forest management standards are endorsed by an independent third party.

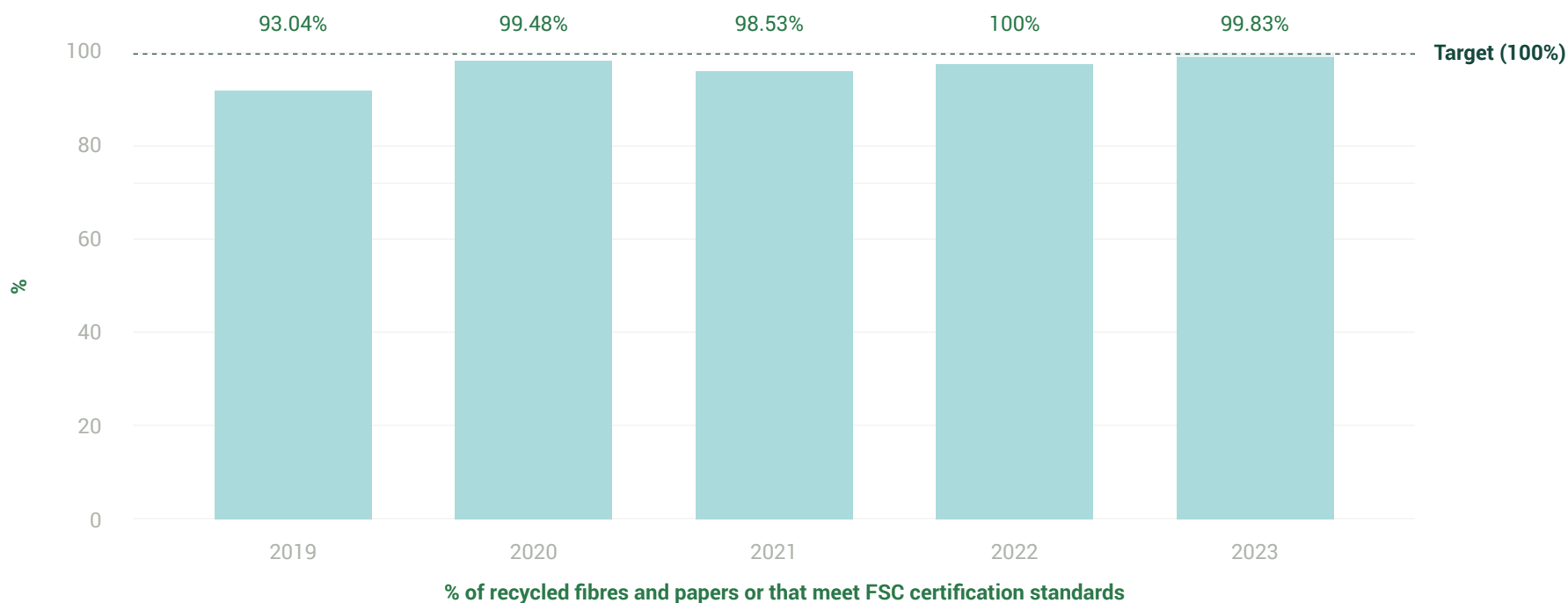
There are several forest certification systems. Each certification system has its particularities, but they all share the same objective: sustainable forest management. As a traceability system for our forestry inputs, we have chosen to adopt the internationally recognized Forest Stewardship Council (FSC) standard, which recognizes companies whose practices meet the most stringent requirements for sustainable forest management. Not only does the FSC ensure the protection of rare or endangered forest ecosystems and wildlife species, but it also enforces respect for the rights of Indigenous peoples, communities and workers. FSC certification includes several levels, including Mix certification.

In 2022, in response to requests from certain customers, we also decided to have two of our plants, Greenpac and Cascades Containerboard Packaging – Niagara Falls, certified by the Sustainable Forestry Initiative (SFI), an independent non-profit organization founded in 1994 by the American Forest and Paper Association and dedicated to promoting the sustainable management of North America's forests. Although these plants manufacture 100% recycled products, and it may seem counter-intuitive to have such products certified by a forest management entity, certification is necessary for fibre traceability and end-product identification. All our plants are covered by one of the three FSC certificates, and two also hold SFI certification.

### Cascades fibre and paper profile

Since fibre and paper are our main raw materials, we wanted to demonstrate that traceability is a priority issue for our organization by including this objective in our Sustainability Action Plan. We have also chosen to raise our standards with our virgin fibre suppliers, by aiming to double our procurement of FSC® Mix certified fibre, a level that guarantees sourcing from audited forests. We aim to ensure that the fibres we purchase, that is, waste paper and boxboard, pulp and woodchips, are either recycled or meet FSC® certification standards.

## 100% of the Fibre and Paper we Use is Recycled or Meets the FSC Standards by 2025

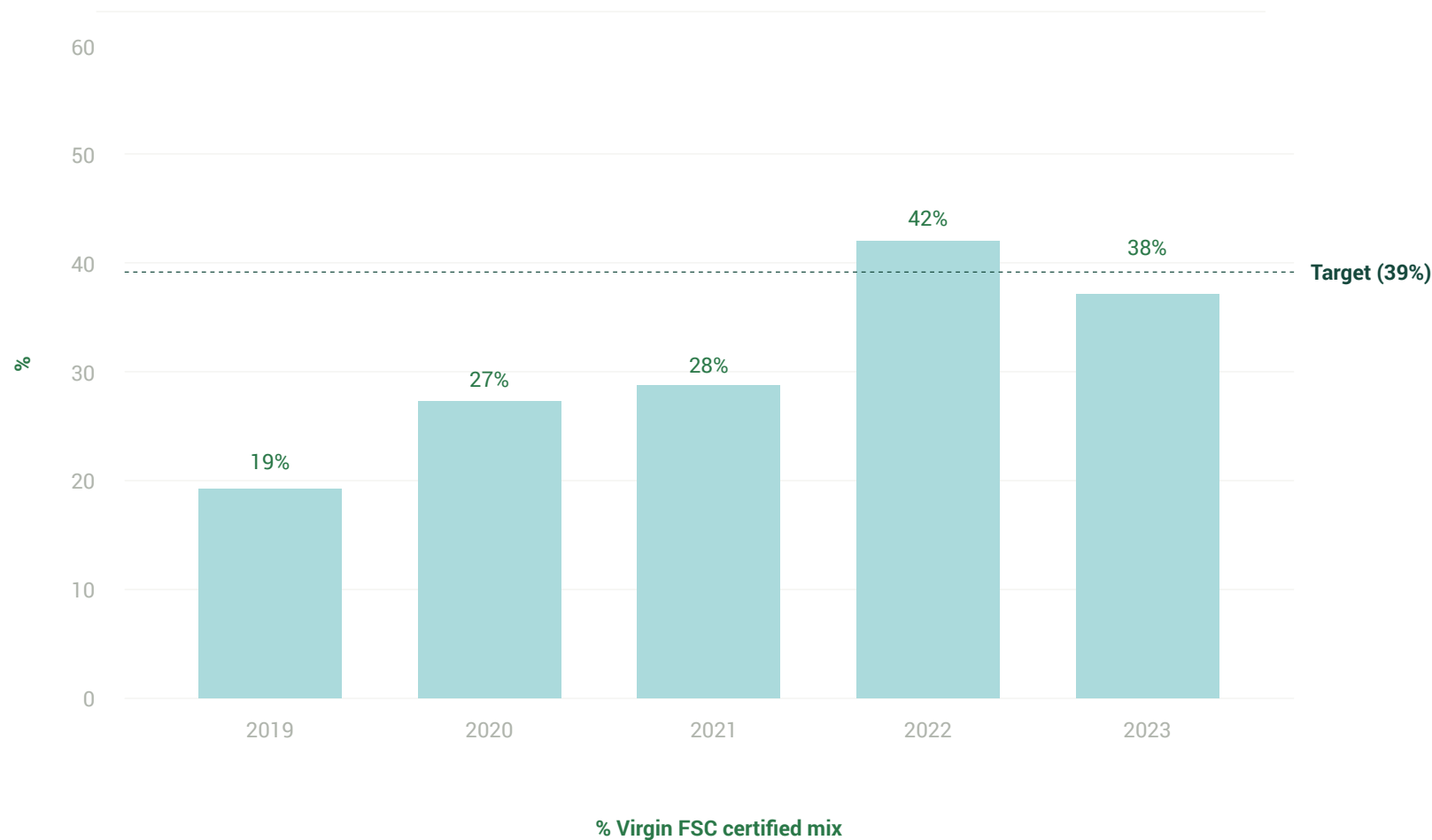


In 2023, 99.8% of our fibre and paper supplies were recycled or met FSC-certification standards. Although our fibre and paper procurement teams worked with our suppliers to ensure that all our virgin inputs were FSC traceable, the deviation of only 0.2% from our target was due to the fact that one supplier was in the process of FSC certification at the time of the transaction.

### Recycled and Virgin Fibre Procured

Description	Unit	2019	2020	2021	2022	2023
Recycled fibre procured	Metric tonnes	2,165,957	2,142,251	1,896,288	1,840,506	1,842,761
Recycled pulp procured	Metric tonnes	29,093	20,690	16,967	16,441	17,494
Virgin fibre (wood) procured	Metric tonnes	359,262	220,167	191,280	254,116	248,711
Virgin fibre (pulp) procured	Metric tonnes	169,539	183,709	153,454	220,416	165,221
<b>TOTAL RECYCLED AND VIRGIN FIBER PROCURED</b>	Metric tonnes	<b>2,723,851</b>	<b>2,566,817</b>	<b>2,257,989</b>	<b>2,331,479</b>	<b>2,274,187</b>

## Double our FSC Mix Supply by 2025



As for the objective of doubling our supply of FSC Mix-certified virgin fibre, we also came very close to achieving our target, with 38% of our supply FSC Mix-certified. The challenge for this objective lies above all in the exchange of parent rolls, a common practice in the industry. Although the suppliers with whom we exchange products are certified, the availability of Mix credits always needs to be validated. The procurement teams will continue their efforts over the next year to improve this percentage, depending on market conditions and the availability of credits.

### Plastic at Cascades

Plastic is also a raw material used in the manufacture of some of our food packaging solutions. Plastic accounts for just over 1% of the total metric tons of raw materials purchased to manufacture our products. The table on the next page details the proportions of recycled and virgin plastic procurement.



## Recycled and Virgin Plastic Procured

Description	Unit	2019	2020	2021	2022	2023
Recycled fibre procured	Metric tonnes	7,352	12,167	12,887	11,747	11,863
Virgin plastic procured	Metric tonnes	6,908	8,923	8,510	14,993	11,147
<b>TOTAL RECYCLED AND VIRGIN PLASTIC PROCURED</b>	Metric tonnes	<b>14,260</b>	<b>21,090</b>	<b>21,397</b>	<b>26,740</b>	<b>23,010</b>

### Responsible suppliers

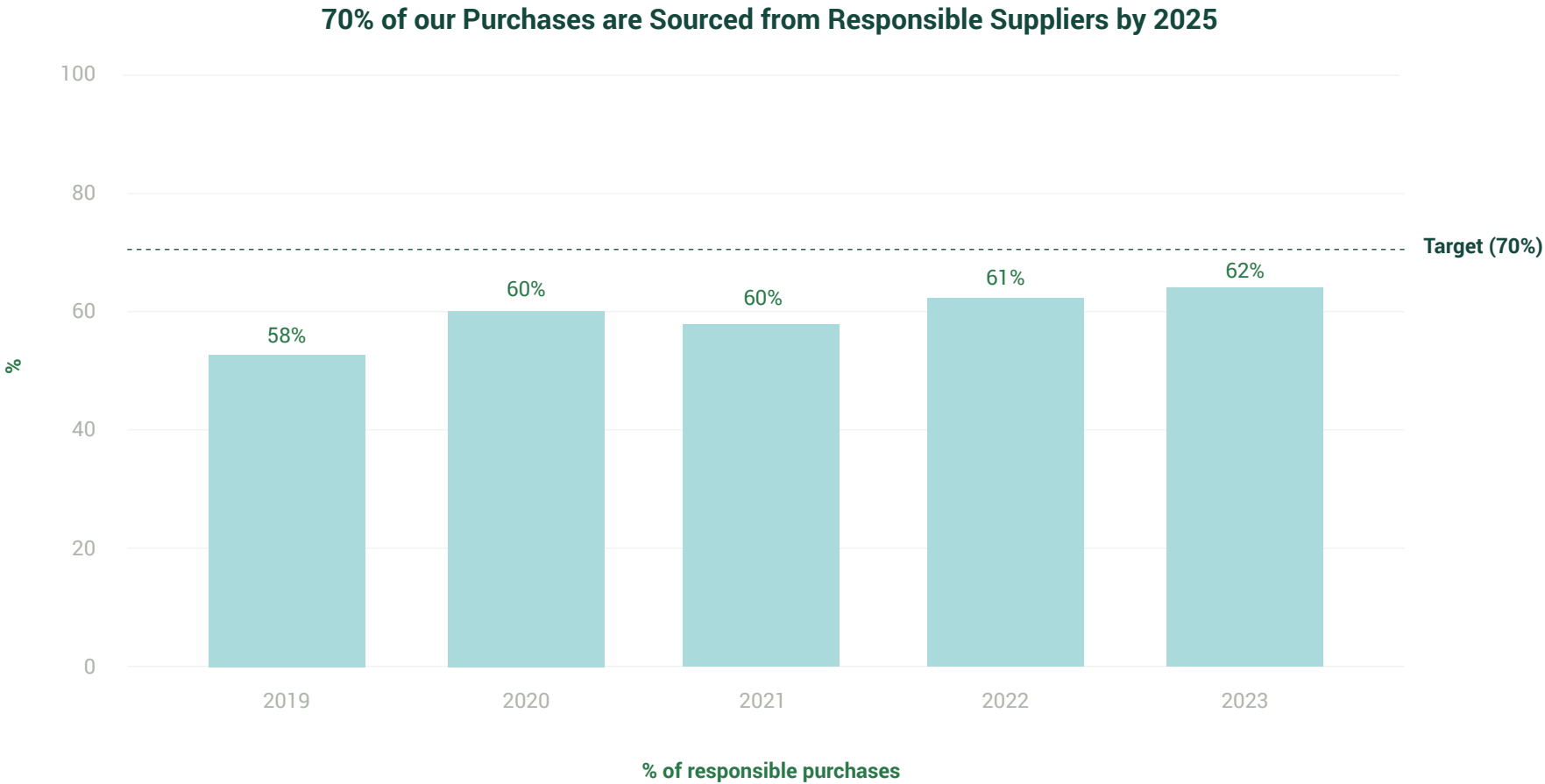
We have been committed to working with partners who share our values since 2010. Our objective is still the same: source from suppliers whose sustainable development practices have been evaluated and deemed responsible. We are aiming for 70% of our procurement (in dollars) to be from responsible suppliers by 2025.

**This is an ambitious objective, given the size of our organization, the number of suppliers involved and the time required to update supplier scorecards.**

**We are convinced of the positive spin-offs of this approach, which enables our partners to move towards greater maturity in their ESG practices, and in turn allows us to get to better know these valued partners in our value chain.**



To ensure transparency and impartiality, we work with EcoVadis, an outside firm that specializes in analyzing ESG practices. The thorough assessment is based on 21 criteria grouped into four main themes: environment, social and human rights, ethics, and responsible purchasing. If the supplier achieves the passing grade set by Cascades, the assessments are valid for three years. After this time, suppliers are invited to update their assessment. If they do not get a passing grade, they must implement their correctional action plan and provide us with a new assessment within two years.



In 2023, 62% of our purchases in the identified categories came from suppliers deemed responsible, a 1% improvement from 2022. Since this is a lengthy process, requiring several stages and the involvement of several people, both from us and from our suppliers, the pool of assessed suppliers is defined by category. The categories currently under scrutiny are: goods and services, recycled fibres, virgin pulp and energy. We intend to develop our methodology in the future to increase the number of suppliers we assess.

The slight improvement from 2022 to 2023 is due in particular to improved internal methodology. The improvement is also due to our suppliers performing better: in fact, 58% of them have improved since their first assessment.



## In 2023, 155 suppliers had a valid socrecard. Many of them share our values.

### Here are a few facts:

- The average result for assessed suppliers was 59
- 42% have signed the United Nations Global Compact
- 30% have GHG reduction targets approved by the Science Based Targets initiative
- 51% disclose through CDP
- 73% have diversity promotion actions in place
- 71% have a responsible purchasing policy
- 86% of our suppliers have an ESG performance rated as adequate, advanced or excellent by EcoVadis



# Residual Materials

**At Cascades, we currently recover 68% of the residual materials we generate.**

Despite this good performance, we know that there is still room for improvement, particularly in terms of recovering certain materials generated on site that do not have other prospects yet. With the growing proportion of contaminants in waste paper bales, it is clear that maintaining our performance will be the challenge in the coming years.

**68%**

of waste diverted  
from landfill

**3**

of waste diverted  
from landfill

**1**

new solution implemented  
by our employees

## The challenges of recycled fibre

Using recycled fibre as a raw material means that we have to deal with a lot of contaminants, namely the “other” materials contained in the bales of waste paper and cardboard we buy. Depending on the grade, certain bales can contain up to 12%. For each ton purchased, as much as 120 kg of contaminants should be expected. Given that we buy some two million tons of fibre per year, that is a significant amount of waste. All of these contaminants are separated from the fibre during the pulping process.





## Recovery of our own waste

There are three types of residue from the recycled fibre pulping process:

We have three main ways of recovering deinking sludge and mixed sludge:

### Deinking sludge

This comes from the manufacturing process at tissue plants. Deinking sludge is generated when ink is removed from the raw material (recycled fibres) to make a white product such as toilet paper and paper towels.

### Mixed sludge

This is a product of treatment of process water used in the manufacture of our products. Before returning to the environment, wastewater undergoes a series of operations involving physical, chemical and biological processes. Suspended matter is mainly composed of fibres and clay, which is eliminated via decantation during primary treatment, resulting in primary sludge. Secondary treatment removes the remaining dissolved organic matter by injecting air, which encourages the growth of micro-organisms; the solids generated by this process form secondary sludge. Mixed sludge is the combination of primary and secondary sludge. Finally, the sludge is pressed to extract excess water.

### Pulper rejects

These are composed of plastics, various metals and other contaminants that come from the paper bales purchased to manufacture our products. When recycled fibres are fed into the pulper to form a pulp, contaminants are extracted from it. All plants that use recycled fibres in their manufacturing process generate pulper rejects.

### Composting

sludge is sent to companies specializing in industrial composting.

### Combustion with heat recovery (energy recovery)

Sludge is burned with the aim of recovering the heat produced during combustion to power plant equipment.

### Ground application

Sludge is used as a fertilizer or liming agent in agriculture. They can be used to amend the soil by regulating its pH or adding nutrients.

Since pulper rejects are a mixture of hundreds of different, often very small, materials, it is impossible to sort them and find a location that will recycle them. Sadly, there is no way of recovering this residue at present. Although we work with our recycled fibre suppliers to reduce the number of contaminants in the bales we buy, we have little control over the amount of residue that enters our plants.

## Recovered Waste vs. Waste Sent to Landfill (mills)

Description	Unit	2019	2020	2021	2022	2023
Waste recovered	Metric tonnes	406,030	492,159	452,260	429,451	334,404
Waste sent to landfill	Metric tonnes	121,282	123,040	95,748	124,327	157,639
Total waste	Metric tonnes	527,312	615,199	548,008	553,778	492,043
Percentage of waste diverted from landfill	%	77	80	83	78	68

In 2023, we recovered 68% of our production residue, a 10% dip compared to 2022. This decline is due to the start-up of our Bear Island plant in particular. The start-up tests generated more residual materials than a regular operation, while the recovery plan had not been implemented yet. The drop in recovery is also explained by the loss of a partner responsible for recovering deinking sludge from our Tissue Group – Oklahoma plant in 2022. Although we have sought solutions and collaborations, we have not found any prospects for this residue in 2023.



**Success stories from our supply customers:**

We work with Chep, a company that offers a wooden pallet rental service. Pallets generally have a linear lifecycle, meaning that they are discarded after a few uses. Instead, rental pallets fit into a circular economy model, where they are reused and repaired over and over again, considerably reducing their environmental impact.

In 2023,  
our partnership  
with Chep  
helped us to:

→ Reduce our GHG emissions by

**5,606,904 kg**

the equivalent of sequestering  
carbon from 6,837 acres of forest.

→ Reduce our consumption of wood planks by

**1,103,223 feet**

the equivalent of 2,513 trees.

→ Reduce our waste by

**536,675 pounds**

equal to the annual  
waste of 662 people.



### Employee success stories

Improving the environmental performance of our plants also depends on the ingenuity of our employees. In 2023, an initiative by the technical team at our Containerboard Packaging plant in Cabano, Québec, enabled us to recover a residue specific to this plant: sodium carbonate, also known as soda liquor.

Cabano is one of our two woodchip pulp plants.\* Soda is used to cook the woodchips. Although the Cabano plant already recovers and reuses a large proportion of its soda, a small quantity occasionally has to be purged and sent to landfill. However, there are known prospects for this material.

Several years ago, we developed a partnership with Terrapure, a company that recycles batteries. Terrapure uses used soda to neutralize battery acid. Unfortunately, operational constraints on both sides meant that this residue could not always be transported.

To simplify the logistics of transporting this material, the team at our Cabano plant worked with the Terrapure team to draw up a list of qualified transporters, resulting in an almost fivefold increase in the quantity of soda recovered.

In concrete terms, 947 metric tonnes of used soda was recovered at Terrapure in 2023, compared with 201 metric tonnes in 2022. As a result, only 177 metric tonnes of used soda went to landfill in 2023, compared with 664 metric tonnes in 2022.

\* Although 82% of our raw material is recycled fibre, the remaining 18% is virgin fibre.





# Biodiversity

*« Biodiversity is interconnected, intertwined, and indivisible with human life on Earth. Our societies and our economies depend on healthy and functioning ecosystems. There is no sustainable development without biodiversity. There can be no stable climate without biodiversity. »*

- Achim Steiner, United Nations Development Programme (UNDP) Administrator



The decline in biodiversity is accelerating at an alarming rate. Experts estimate that the loss of living species is currently 100 to 1,000 times the natural rate of extinction. The causes of this environmental catastrophe are numerous and essentially related to human activity: climate change, changes in land use, water, soil and air pollution... At Cascades, we want to do our part to maintain the balance of the ecosystems.

## Responsible forest management

Our greatest commitment to protecting biodiversity is our business model based on recycling paper and cardboard and responsibly managing the natural resources required for our activities. Whether tropical, Mediterranean, temperate or boreal, forests are the habitat of 80% of land animals and plants. Over-exploitation or mismanagement of our forests can represent a threat to biodiversity. We are reducing the pressure on this precious resource by using 82% recycled fibre in the manufacture of our products. When the use of virgin fibres and papers is necessary, we source as much as possible from suppliers certified by the Forest Stewardship Council® (FSC).

An FSC-certified supplier must meet some of the highest environmental, social and economic standards. This implies preserving the biodiversity, productivity and ecological balances of the forest. In Canada, FSC certificate holders must comply with the FSC National Forest Stewardship Standard of Canada.

## Partnerships for the conservation of natural environments

To take our approach even further, we have also chosen to partner with several organizations whose mission is to protect biodiversity. Given the urgency of the situation, these organizations are more important than ever. To boost our impact, we organize initiatives to make our employees aware of the importance of biodiversity, and provide activities they can easily take part in to help protect it.



### **Nature Conservancy of Canada**

The Nature Conservancy of Canada (NCC) is one of the country's leading unifying forces for nature conservation. Through permanent and extensive land conservation, this organization provides solutions to two crises: dramatic biodiversity loss and climate change.

In 2023, thanks to our partnership with the NCC, we had the opportunity to contribute to the protection of Lac du Portage and to archaeological digs conducted in collaboration with the W8banaki Nation.

The First Nations have lived on and protected the land since time immemorial. When it comes to preserving nature, their vision and knowledge are essential and must be taken into account.





### **David Suzuki Foundation and pollinator gardens**

We support several David Suzuki Foundation projects, including the Butterflyway Project, which has become a flagship project for our employees.

The Butterflyway Project began in five communities in 2017 and today represents the David Suzuki Foundation's largest and most active public engagement project. Each year, volunteers are recruited and trained to create gardens in their respective communities that are filled with native plants that support pollinating insects. Featured in hundreds of media articles, the Butterflyway Project has won local, national and international awards for its innovative approach and for helping to build communities.

In the spring of 2023, the David Suzuki Foundation recruited 750 Rangers, including several Cascades employees, bringing the total to 1,450 active volunteers. Thanks to them, thousands of native wildflowers were planted in hundreds of new gardens. We now have 13 plants with pollinator gardens on their grounds. The Butterflyway Project enables us to involve our employees in a broader approach to environmental protection, by encouraging them to take concrete action to support biodiversity.

***By supporting The Butterflyway Project, Healing Forests and Rewilding Lawns, you amplified the voices and actions of more than 2,000 volunteers in communities throughout the country, and hundreds of community groups, municipalities, First Nations, artists and scientists. Their activities are making our communities greener, healthier and more equitable. So much has been accomplished within these programs. None of it would have been possible without you. Thank you for being an important part of our community. Your support made all the difference!***

-Severn Cullis-Suzuki, Executive Director, David Suzuki Foundation

# Chemical Management

## Chemical compliance

All the chemicals we use in our operations are assessed to ensure they comply with regulatory requirements and are safe to use.

We pay particular attention to potentially hazardous chemicals. Our corporate science team systematically examines all substances entering our units to make sure they comply with UL Ecologo and Greenseal environmental standards, or are approved by the U.S. Food and Drug Administration (FDA), the highest authority in terms of protecting public health and safety. When the use of a chemical is no longer permitted under these entities, we replace it with an authorized alternative.

## Safe chemical management

We make sure that all our chemicals are stored safely to protect the health of workers and avoid any possibility of spills into the environment. Environmental emergency measures are in place at all our plants, and we carry out environmental audits at determined intervals in all our units to validate the safe storage of chemicals and promote good management practices.

Our employees must follow the chemical labelling rules of the Workplace Hazardous Materials Information System (WHMIS 2015). Some on-site employees are also trained in the safe handling and management of hazardous substances.

## Hazardous materials treatment

In 2023, the management of our hazardous waste has been entrusted to Veolia and Safety-Kleen, two companies specialized in residual materials management. They are responsible for packaging, collecting, transporting, treating, recycling and disposing of hazardous waste, providing documentation on final destinations. For geographical reasons, other authorized companies also service our facilities to meet the same needs.





## Initiatives to reduce the environmental impact of our chemical consumption

Every year, we implement strategies to reduce, restrict or eliminate concerning chemicals, and promote safer, greener alternatives. These initiatives enable us to reduce the impact that the use of these products has on the environment and workers' health. **Here is an overview of the initiatives undertaken in 2023:**

### **More rigorous assessment of chemicals entering the supply chain.**

Each of our chemical suppliers complete a regulatory certification form to ensure that the inputs used in the manufacture of our products meet our requirements.

**Reduce raw material consumption by optimizing processes.** The optimal use of starch in papermaking reduces the amount of pulp required, as starch improves paper strength and quality. As a result, we require less pulp to reach the desired properties. In general, one tonne of starch saves between four and five tonnes of fibre, increasing the sustainability of the production process.

Cellulose microfibrils is a very special additive that helps optimize glue consumption in some of our corrugators. This fibrous material, extracted from wood pulp, has unique viscosity properties. Added to the glue formulation, it enables the corrugator to consume much less glue without compromising the properties and quality of its output.

**Product recycling and recovery.** We use recycled solvent in several of our plants, particularly for applications such as cleaning greasy parts. We also recycle expired inks, converting them to black or base colours to avoid throwing them away. In addition, excess sodium carbonate recovered from the process at our Cabano plant is recycled by a third party. This company uses Cabano's product to neutralize acid in their battery recycling process.

**Use of bio-based substances.** Although the majority of our inputs, such as fibre and starch, are bio-based, some of the additives such as the inks and glues used in the manufacture of our products come from petrochemical sources. In such cases, we work with our suppliers to identify bio-based alternatives and/or those with a smaller environmental footprint. Last year, our Cabano containerboard plant took the initiative of replacing its synthetic organic solvent-based cleaning products with water-based enzymatic cleaners. They are of organic origin, and they are less harmful to humans and the environment.

**Environmentally friendly bleaching.** At Cascades, we use a chlorine-free bleaching process that relies instead on a mixture of sodium dithionite and steam. This treatment whitens the pulp without using or releasing toxic chlorinated substances into the environment.

**Use of less hazardous alternative substances in operations.** Sodium hydroxide, used to control pH and alkalinity in the pre-acidification stage of the anaerobic reactor for biological wastewater treatment at our Niagara Falls plant, has been replaced by magnesium hydroxide, a much safer alternative.



# Social



# Sustainable Cities and Communities

**The communities in which we are established are central to our social commitment.**

Year after year, our company fulfils its role as a responsible corporate citizen by supporting environmental and social causes and by contributing to the development of communities. In addition to investing some \$4.2 million annually in our communities through donations and sponsorships, we encourage our business units and employees to invest in the causes they care about. To recognize the extraordinary efforts of the most involved employees, we implemented an annual recognition program to highlight their dedication.

We are committed to over 400 causes and organizations, and have established sustainable and innovative partnerships in various sectors. To invest in and support organizations that have a positive social or environmental impact, we have decided to align our efforts with the UN's Sustainable Development Goals. These globally agreed-upon goals are a response to the social, environmental and economic challenges facing our society. **That's why we set ourselves the objective of:**

→ **Allocating at least 50%**

of our donation and sponsorship budget to causes in line with the UN's Sustainable Development Goals (SDGs) by 2025

**4.2 M\$**

Invested in donations and sponsorships

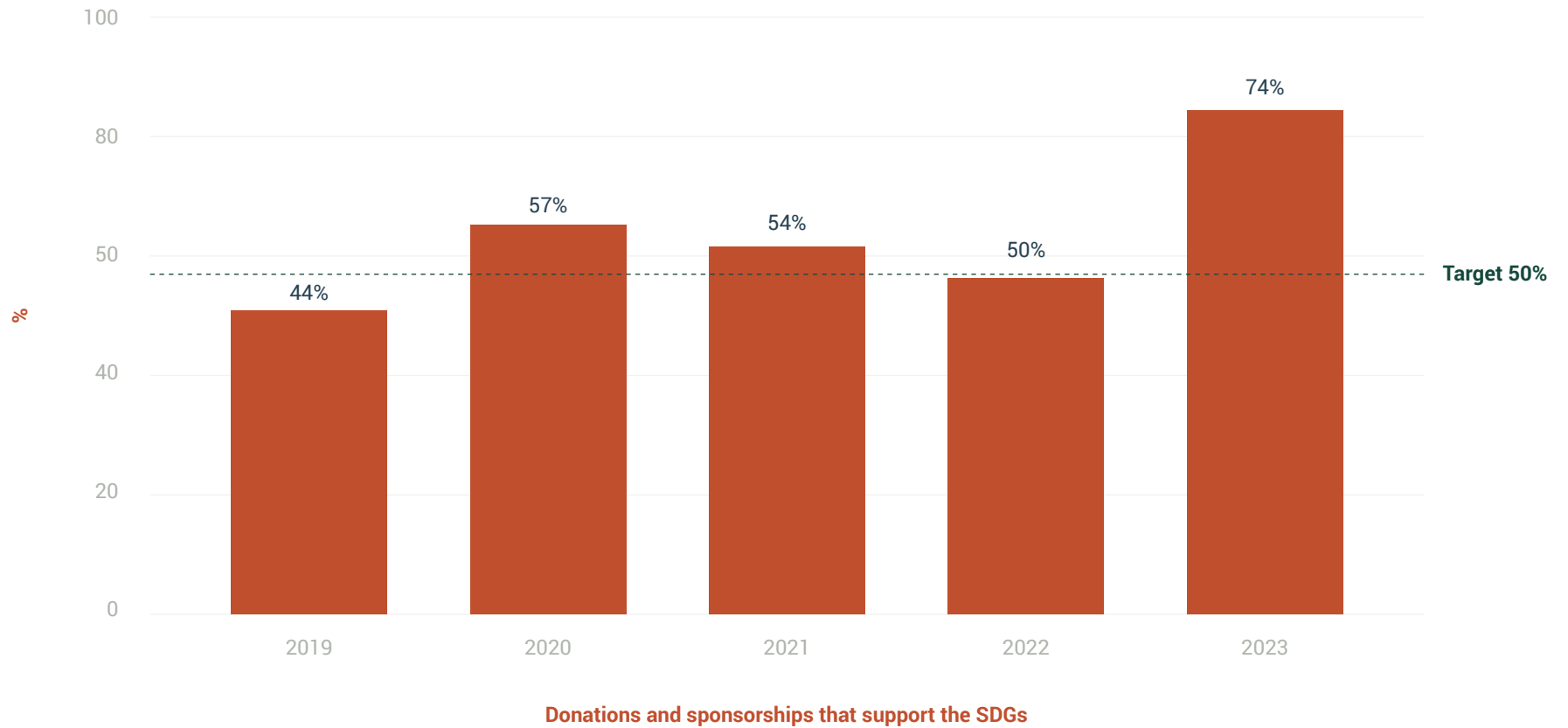
**74%**

Of our donations and sponsorships budget allocated to causes in line with the SDGs

**1** Awareness event organized in partnership with the David Suzuki Foundation



## Donation and Sponsorship to Causes that Support the UN's Sustainable Development Goals (SDGs)



In 2023, we allocated almost three quarters of our donations and sponsorships to causes in line with the United Nations Sustainable Development Goals (SDGs), exceeding our target by a record margin. This remarkable performance is attributable in particular to the Donations and Sponsorships Committee's improved decision-making process, and to new partnerships.

**The Donations and Sponsorships Committee, comprised of management team members and employees, meets once a month to analyze partnership requests. The committee has established a series of criteria to guide its decisions:**



## 01 Does the request come from one of our four preferred sectors:

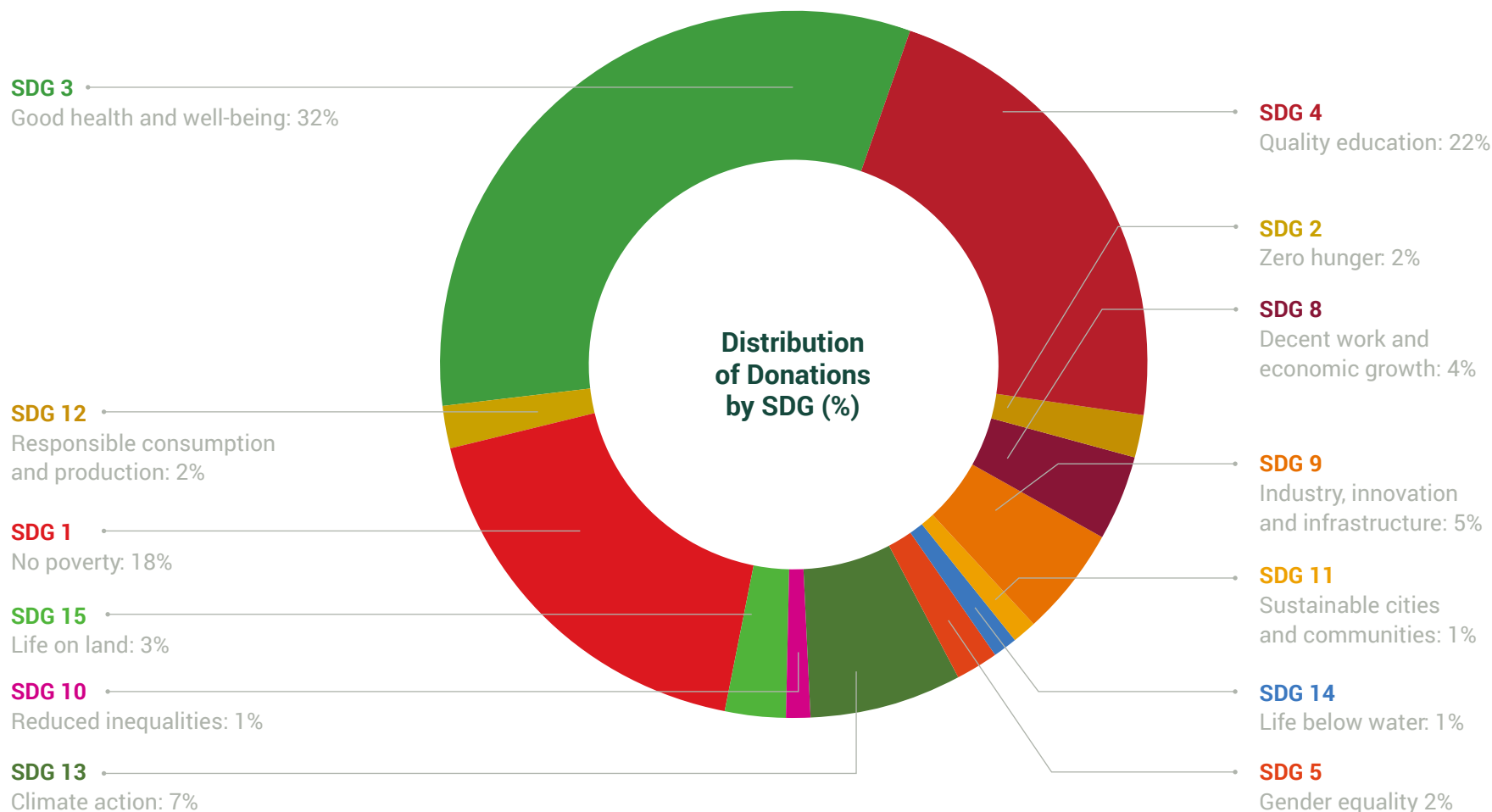
- Sustainability?
- Education and entrepreneurship?
- Amateur sport and physical activity?
- Community organizations?

## 02 Does the request come from a community where Cascades is present?

## 03 Does the request support one of the SDGs?

In 2023, we made commitments with several new partners that support causes linked to the SDGs, such as La Transformerie, an organization that fights food waste (Goal 2). We are also delighted to have renewed our partnership with the David Suzuki Foundation. This science-based organization encourages citizens to take action in their communities to meet the environmental challenges we face. As such, the David Suzuki Foundation contributes to a number of causes supported by the United Nations Sustainable Development Goals, in particular Goal 13: Climate Action.





In analyzing the breakdown of our donations and sponsorships among the various UN Sustainable Development Goals, we see that for the second year running, the goal we support most is “Good Health and Well-being” (32%), followed by “Quality Education” (22%) and “No Poverty” (18%).

In line with Goal 3, “Good Health and Well-being,” we support the Fondation Charles-Bruneau, whose mission is to give all children with cancer the best chances of recovery by funding research and supporting the development of projects in pediatric hematology and oncology. In 2023, many Cascaders supported the Fondation Charles-Bruneau by taking part in a number of initiatives, including the 18<sup>th</sup> Tour CIBC Charles-Bruneau, the 10<sup>th</sup> edition of the Circuit bleu Charles-Bruneau and the sale of Cascades products. Thanks to the tremendous involvement of our employees, more than \$600,000 in additional funding was donated to the Foundation.

We also award scholarships and partner with several colleges and universities to contribute to Goal 4, “Quality Education.” In line with Goal 1, “No Poverty,” we support the United Way and the Red Cross, as well as a number of local organizations working to reduce the proportion of men, women and children living in need.

For more details on our donation and sponsorship program, [click here](#).

### Awareness event with our partner the David Suzuki Foundation

On September 27, 2023, our Cascades Tissue Group – Candiatic (Québec) plant hosted a conference on the circular economy. Several of our environmental partners took part in the event, including the David Suzuki Foundation, the Fondation Monique-Fitz-Back and EcoSchools Canada.

After a plant tour, our distinguished guests—Severn Cullis-Suzuki, Executive Director of the David Suzuki Foundation; Emma Yiran Zhao, student at Collège Jean-de-Brébeuf and Young Minister of Environment for the Montréal region; and Mario Plourde, President and CEO of Cascades—met in a panel format to discuss environmental issues such as responsible consumption, the efforts needed to achieve greater circularity, civic engagement and various initiatives to support biodiversity, including pollinator gardens on the grounds of several of our plants. Hundreds of employees attended the conference, in person or virtually.

Since change is also brought about through awareness, two young environmental journalists (a program run by the Fondation Monique-Fitz-Back) and students from Edinburgh School (a member of the EcoSchools Canada network) had the chance to attend the conference and ask questions. It was a great opportunity for different generations to exchange views on subjects that affect us all!





# Community Involvement

**Our employees contribute to their community's development by volunteering in causes that matter to them.**

**The environment, helping those most in need, amateur sports: their involvement is as varied as it is generous.** At Cascades, we are proud to recognize and encourage our employees' community involvement. Since 2016, employees have been asked to record their volunteer hours using a digital platform. We compile this data annually and award monetary grants to the employees and units that have accumulated the most hours, to be redistributed to the organizations of their choice. This approach, which is greatly appreciated, will continue in the coming years. In addition, we give our employees the option of volunteering on two work days per year (up to 16 hours) for causes important to them. Our vision for sustainability and our plan's objectives include improving individual and community well-being. **That's why we are aiming for:**

→ **15,000 hours**  
of community involvement completed by employees annually



**166%**

Target exceeded by 166%

**Winner**

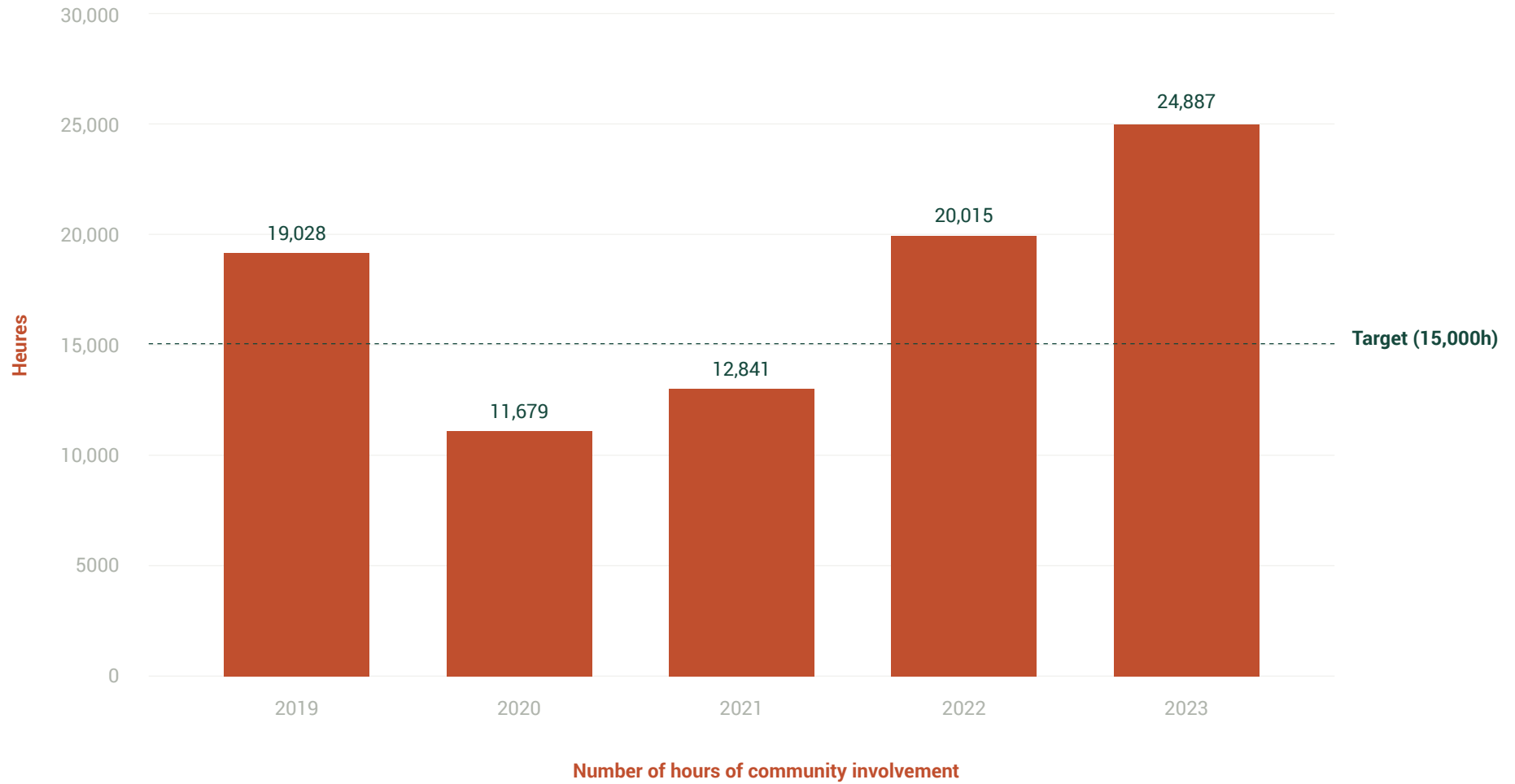
of the 2023 EnviroLys  
Community Involvement Award

**+100**

bags of waste removed from nature  
by our employees to mark Earth Day



### Employee Hours of Community Involvement per Year



## In 2023, our employees achieved a record number of hours of community involvement, with a total of 24,887 hours, almost 10,000 hours more than our initial target.

This success can be attributed in particular to our program of paid community-involvement hours—which a growing number of Cascaders are participating in—as well as to the many activities we have organized to facilitate employee involvement.

### Our social and environmental commitment rewarded at the 2023 EnviroLys Gala

Cascades is very proud to have won the EnviroLys Community Involvement Award. This award recognizes our teams' extraordinary involvement with numerous organizations, as well as our commitment to environmental awareness and education. The EnviroLys Gala is an annual event organized by the Conseil des entreprises en technologies environnementales du Québec (CETEQ). For the past 14 years, this event has recognized the outstanding contributions of individuals and private businesses in Québec, in various fields related to the environment. This is our fourth EnviroLys award. In 2018, we earned a mention from the jury for our transportation electrification project.

CETEQ's mission is to promote sustainability and private sector expertise in the environmental industry. CETEQ also supports high performance standards and a competitive business environment conducive to innovation and the development of new environmentally friendly technologies.







### Cascades celebrates Earth Day with clean-ups

To mark Earth Day, employees from our plants and offices in Ontario and Québec rallied to remove waste from nature. Some clean-ups took place in the community, but many were organized around our facilities, enabling a larger number of employees from all shifts to take part.

During the week of April 24, 2023, teams from our plants in Scarborough, Vaughan and Rexdale (Ontario) organized clean-ups around their respective facilities. Employees from the South Shore of Montréal (Québec) chose instead to get together in the community of Delson, to clean up the roadsides and riverbanks.

All in all, over 100 bags of waste were removed from nature. In addition to the usual objects often found on the ground (receipts, plastic bags, cans, etc.), our teams found some surprising items which should have ended up at the ecocentre, such as a sink, a toilet, carpeting and even a stove!



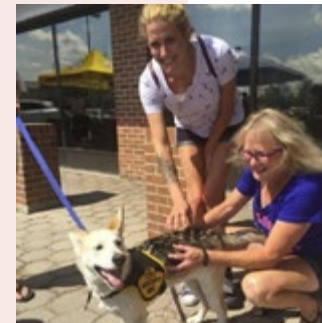
**Here are the four employees who stood out for their significant commitment in 2023.**

They won a \$1,000 grant to be donated to the organization of their choice.

**“It’s so easy to find negativity in this world, but we need to strive to cultivate positivity and reflect it in everything we do.”**



**Susan Seib**  
Senior Customer  
Service Representative,  
Cascades  
Containerboard  
Packaging  
Winnipeg



**Cindy Dudeck**  
Senior Customer  
Service Representative,  
Cascades  
Containerboard  
Packaging  
Winnipeg

**“If you’re able to get involved in any way, go for it! It’s the most rewarding activity there is.”**



**“By contributing and getting involved, I feel more connected to the people around me, and I can see the positive impact of my actions.”**



**Mélodie Adam**  
Human  
Resources Advisor,  
Cascades Inopak

**“You spend too much time in front of your screens! Why not get involved in a cause that matters to you? It’s so gratifying!”**



**Deven Rioux**  
Operator A, Cascades  
Tissue Group  
Lachute

# Health, Safety and Well-being

**Bernard Lemaire, co-founder of Cascades, said it loud and clear: Cascades' strength is its people.**

In this same spirit, today we affirm that our employees are our most precious resource. Even our corporate mission eloquently refers to this: "To improve the well-being of people, communities and the planet by providing sustainable and innovative solutions that create value." This is why the "social" aspect is such an important part of our sustainability actions, and why we have set ourselves two objectives related to the health, safety and well-being of our employees:

→ **Reduce by 50%**

the number of days lost from work accidents  
by 2025 compared to 2019

→ **100%**

of employees committed to a preventive  
health and wellness approach by 2025

**0**

**fatalities**

**1**

**health profile  
self-assessment tool**

**5<sup>th</sup>**

**cohort for The GO Effect, promoted  
across all our units**



## Achieving an accident-free work environment

We believe that health, safety and well-being must be based on a culture of prevention that promotes the accountability of all employees. We use awareness-raising and training to foster this culture and incorporate safety into our individual and collective efforts. In addition to actions taken to secure our plants and improve our methods, we strive daily to develop an organizational culture of accident prevention among all our work teams. In this way, we aim to boost individual accountability and promote leadership among supervisors.

### Changing the unit of measurement

Health and safety performance is measured using various indicators. In our previous plans, our teams mainly focused on the OSHA frequency rate.<sup>1</sup> As part of the new Sustainability Action Plan, our internal safety teams have decided to focus on the OSHA severity rate.<sup>2</sup> Even though we will continue tracking and disclosing OSHA frequency rates, the OSHA severity rate will be our main priority. As an organization, we ultimately aim for zero accidents, but more importantly, zero serious accidents. Our top priority remains reducing the number of serious accidents and its direct impact on our employees' health and on the number of lost work days.

## Health, Safety and Well-being Data

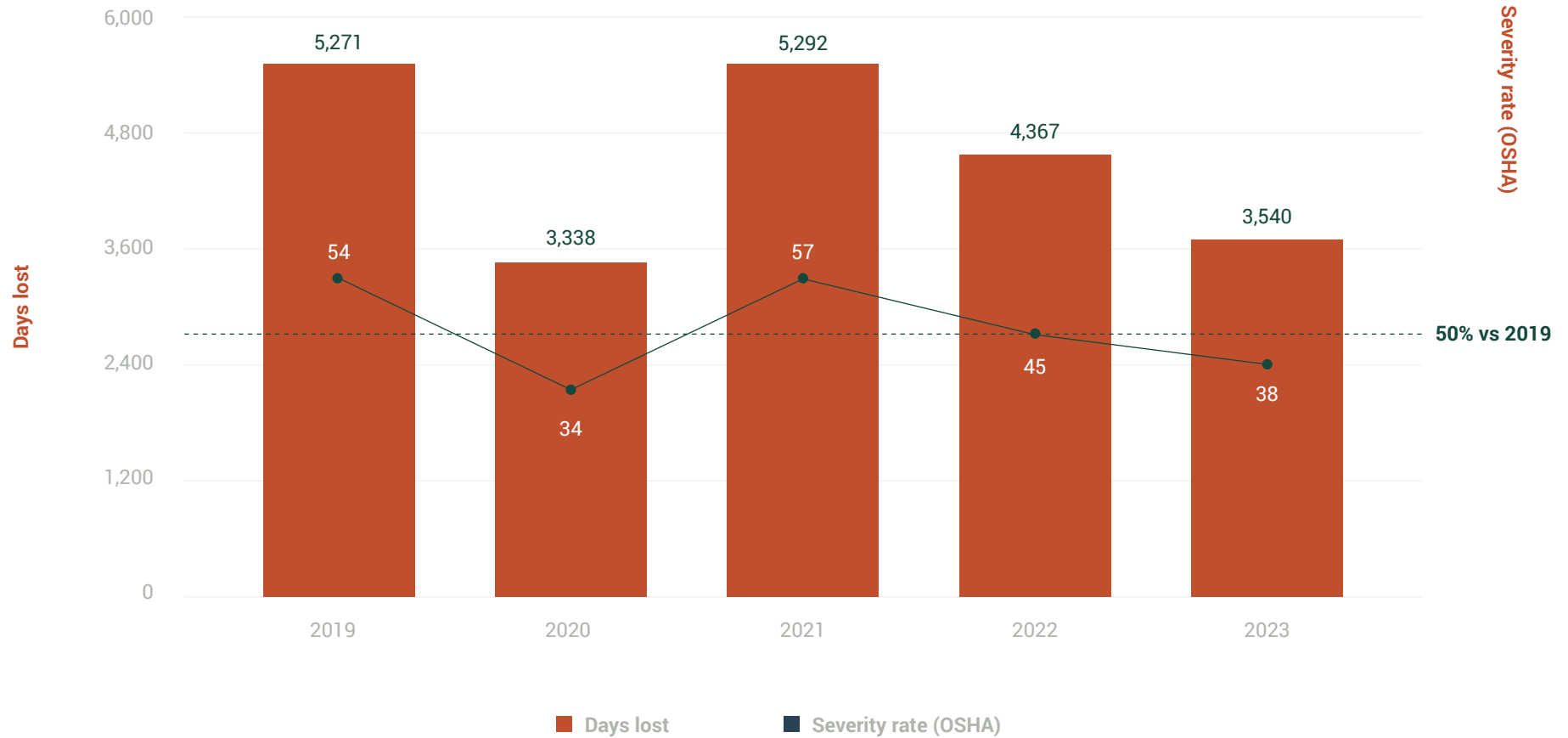
Description	Unit	2019	2020	2021	2022	2023
Total number of hours worked	Hours	19,520,967.2	19,844,026.5	19,844,026.5	19,293,895.5	18,602,036.0
Number of recordable injuries	Injuries	170.0	131.0	115.0	129.0	117.0
Frequency rate (OSHA)	Number of Accidents with Lost Time/ Number of Hours Worked x 200,000	1.7	1.3	1.2	1.3	1.3
Number of days lost	Days	5,271	3,338	5,292	4,367	3,540
Variation of number of days lost (versus 2019)	%	0.0%	-36.7%	0.4%	-17.2%	-32.8%

<sup>1</sup> OSHA frequency rate calculation: (Number of accidents with Lost time, Modified work and Medical treatment) x 200 000 hours / number of worked hours

<sup>2</sup> Severity rate calculation: (Number of lost and modified work days) x 200 000 hours / number of worked hours



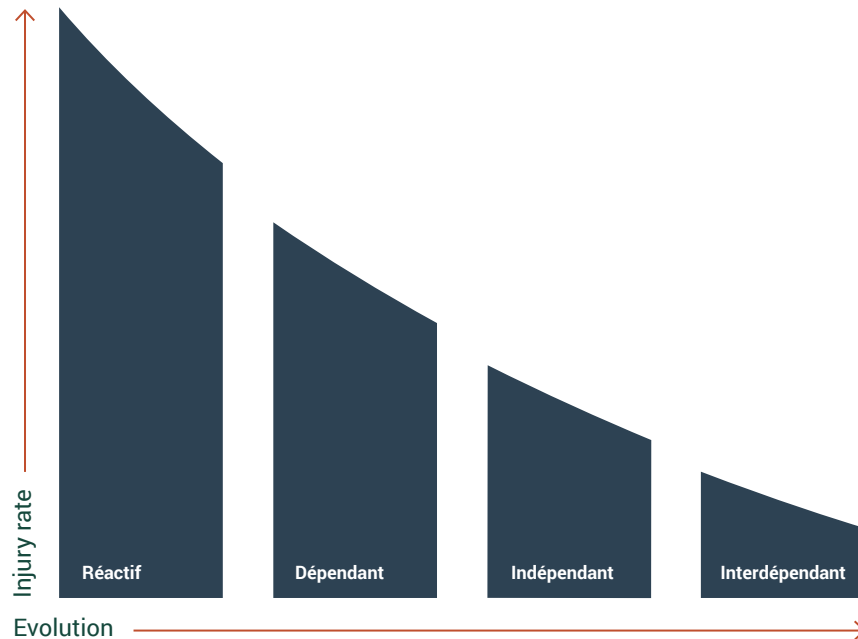
## Reduce by 50% the Number of Days Lost Due to Workplace Accidents by 2025



Overall, workplace accidents are on a downward trend. Despite a slight uptick in serious accidents in 2022 (compared to 2020), the severity rate is lower than in 2021, since fewer workdays were lost.

### Moving toward interdependence on the Bradley Curve

For the past ten years, we have been assessing the maturity of our plants' health and safety culture with the Safety Empowerment Matrix tool, designed by Cascades, that enables our managers and employees to discuss safety issues in their plant. After this exercise, the results are entered into a table, which outputs a score and matrix position (Bradley Curve). The matrix results can then be used to guide our behavioural action plan.



All of our plants share the goal of progressively moving toward interdependence, i.e. the phase where each employee shares responsibility for everyone's safety. Interactions are an effective way to achieve this goal. Interaction serves as a tool for interdependence that helps people learn how to intervene and receive corrective actions regarding their work practices. In several plants, implementing interactions was the starting point for significantly improving employee health and safety.

### Training

Since training is an important part of our information and awareness work, our health and safety team regularly adds content adapted to the realities of our industry to the ZoneSST+ online training platform. The platform also enables us to track the training levels of the contractual people we work with.

### Implementation of occupational health and safety management software

Among the improvements on the corporate OHS team's agenda is the continued integration of OHS management software to centralize data and facilitate decision making. The first module of the software is dedicated to incident management and has been implemented in all our units. Implementation of the second module, slated for early 2024, will make it possible to conduct risk assessments in the plants, providing on-site teams with the tools they need to ensure active prevention. A third module is also planned for 2024, dedicated to audits and inspections.

**All of these measures have the same objective:** to keep our facilities and our methods secure. We believe the best way to accomplish this is by making health and safety a collective responsibility.

#### Reactive

- Safety by natural instinct
- Compliance
- Delegated to safety manager
- Lack of management involvement
- Zero accidents = unthinkable

#### Dependant

- Management commitment
- Supervisor control
- Training
- Fear/discipline
- Condition of employment
- Zero accidents = a dream

#### Independent

- Personal commitment and standards
- Personal value
- Individual recognition
- Care of self
- Zero accidents = a choice

#### Interdependent

- Team spirit
- Collective responsibility
- Organizational pride
- Zero accidents = a choice

## Promoting health and well-being

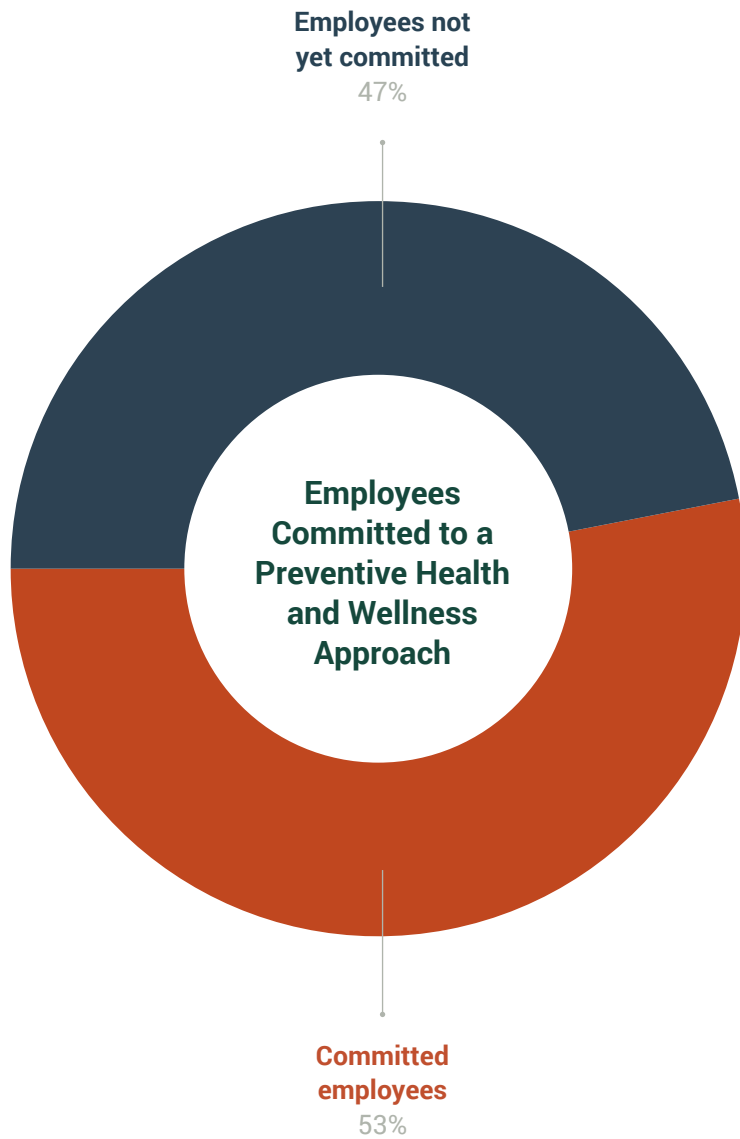
Cascades has a long tradition of innovative social practices, particularly in health and well-being. As a good corporate citizen, our company is proud to invest in prevention and awareness-raising to encourage employees to adopt healthy lifestyles and promote sustainable improvement in their health and well-being.

## The 4 Pillars of our Human Resources Management Approach



In examining the factors that contribute to longevity, we see that they also promote overall health: the quality of a person's social, physical and economic environment, their lifestyle, available health care and genetics. The good news is that we can have an influence on several of these factors. That's why, in terms of managing our employees' physical, mental and financial health, we have switched from a traditional group insurance approach to a holistic health approach. We want to provide our employees with all the tools they need to develop a healthy lifestyle and take charge of their physical and mental health. As the saying goes: An ounce of prevention is worth a pound of cure!





We regularly promote health and well-being among our employees and every year we measure the number of employees reached by our initiatives. Our objective, between now and 2025 is to reach 100% of employees through our various initiatives. Here are the resources and tools we made available in 2023 to help them take responsibility for their health:



### Extraflex

Recognizing that our employees have diverse health and well-being needs, in 2023 we introduced flexible benefits that can be personalized. All our employees in Canada and the United States can now freely use their well-being allowance in three main categories: wellness (fitness memberships, vision care, etc.), engagement (meal boxes, cleaning service, etc.) and growth (training courses). This individualized approach enables each employee to make healthy choices that meet their specific priorities and needs.

### Health profile

Since 2021, our US employees have been invited to complete a voluntary and confidential self-assessment on their health characteristics, family history and lifestyle. In 2023, this platform was made available to Canadian employees. The data entered by employees is entrusted directly to our group insurance manager, so it remains strictly confidential. Participants receive a personalized health report, including relevant recommendations for their health profile. Employees also have access to health advisors to answer their questions or guide them in choosing which actions to take. In 2023, communication campaigns were conducted to encourage employees in all our units to complete their health profile.

### Wellness platform

In addition to the health profile, since 2023 we have also been offering a health and wellness platform to our Canadian hourly and salaried employees. This platform provides personalized tools based on their health profile results to support them in terms of their physical, mental and financial health.

### Annual medical exam

For several years now, an annual medical exam has been included in the range of benefits offered to our American employees and their families. There are many benefits to these examinations, including the detection and rapid treatment of health issues or illnesses that are sometimes asymptomatic. In 2023, a series of communications was issued to encourage our employees to undergo this medical exam. This campaign resulted in a record level of participation, with 53% of US members undergoing the examination.

### Effet GO

Since 2021, we have launched several cohorts each year to participate in The Go Effect, a sports challenge to help employees incorporate better lifestyle choices into their day-to-day routine. In 2023, we recorded a record number of participants because, for the first time, the challenge was deployed outside Québec, in all our units in Canada and the United States.

Over nine weeks (the estimated amount of time to change a habit), employee volunteers were asked to form teams of seven and pledge to walk at least 7,000 steps per day. To help keep them motivated, several initiatives were implemented, including the President's Challenge, sponsored by our President, Mario Plourde. This challenge involved getting participants together to do a physical activity and then post a photo of the group in action on our internal platform. In addition, throughout the challenge, 15-minute virtual active breaks were organized twice a week to encourage participants to get moving together.

## 2044

participating  
employees

## 126

days of  
activities

## 656 048

steps per team  
on average







# Equity, Diversity and Inclusion

**We are convinced that a diverse workforce is an asset that helps our company succeed.**

Because we believe that diversity is a strength, we want to create a space in which each person can flourish and have their true value recognized. To ensure that everyone can develop in a professional environment that fosters growth, we've set the goal of:

→ 100%

of employees receiving training on unconscious biases related to equity, diversity and inclusion (EDI).

**50%**

of employees  
trained

**1**

Silver parity certification  
from women in governance

**185**

Cascades  
Pride t-shirts

To achieve our goal we have implemented training on the unconscious biases we might have toward those around us and on ways to overcome these biases in a professional context. To start, a 210-minute workshop was offered to supervisors and led by a specialized firm. The supervisors were asked first to share their experiences and then relay this information to their teams in order to foster discussions among colleagues. The purpose of this exercise was to make people aware of behaviours that could significantly impact employee integration. This was followed by three virtual training courses in the form of short modules aimed at all employees.

The result of our objective corresponds to the number of employees who have taken one of the training courses, divided by the total number of employees.

### Employees Trained on Unconscious Biases Related to Equity, Diversity and Inclusion

Description	2021	2022	2023
Employees trained on equity, diversity and inclusion	295	2,158	4,946
Total number of employees	9,673	10,176	9,970
%	3	21	50

In 2023, half the employees were trained on unconscious biases, a significant increase since 2022, due in particular to a number of initiatives put in place by human resources managers for each group. The training has been successfully added to the onboarding process for new employees. Certain groups' large quarterly team meetings have also been used as a platform to remind employees of the importance of completing their training. Several plants took advantage of the holiday shutdowns to run workshops and training sessions with their hourly employees. Efforts will continue in 2024, with the aim of having 80% of employees trained by the end of next year, to be on track to meet our 2025 target.

## Inclusive interviews for promoting equal opportunities

In a competitive and ever-changing job market, we take a proactive approach to creating a welcoming and inclusive environment starting with the recruitment process. First, to improve the candidate experience and personalize their pathway, at some of our plants we have introduced face-to-face interviews with no resumé required. This approach focuses on the candidates' skills and qualifications, reducing the potential biases associated with academic or professional backgrounds. It also removes the barrier that some people face in accessing a computer and using Word processing software. We started this initiative in a very local way, at our open-house days where candidates were invited to meet the team, visit the plant and receive a job offer on the spot.

We also realized that it was important to adapt our communications to reach people from different communities. To this end, during the open house at our Enviropac plant in York (PA), we sent out information in English, Spanish and French to reach the Hispanic and Haitian communities. Throughout the hiring process, people speaking these three languages were on hand to support the candidates. Much appreciated by the applicants, this approach enabled us to better understand their specific needs and offer them more stimulating and inclusive professional opportunities. With the theme "No resumé, no worries", "Pas de CV, pas de problème" in French, and "¿Sin currículum? ¡No hay problema!" in Spanish, this initiative reflects our commitment to rethinking traditional recruitment norms in order to promote equality.

**Cascades Hiring Event**  
We are seeking General Labor and Machine Operators

**Evento de Contratación de Cascades**  
Estamos buscando trabajadores generales y operadores de máquinas.

**Événement de Recrutement**  
Nous recherchons des journaliers et des opérateurs de production

Enviropac – York, PA

**Date:** Friday, November 10th, 2023  
**Time:** From 12:00 P.M. to 6:00 P.M.  
**Location:** At Cascades Enviropac plant  
223 Morgan Ln, York, PA 17406

**Vendredi, 10 novembre, 2023**  
De 12 h à 18 h

**À l'usine de Cascades Enviropac**  
223 Morgan Ln, York, PA 17406

**¡Únase a nosotros en nuestro evento de contratación en Cascades!**  
Enviropac – York, PA

¡Nuestra planta Cascades en York está organizando un evento de contratación para funciones de mano de obra general y mantenimiento! Si estás listo para trabajar, lleno de energía y con ganas de aprender, ¡esta es tu oportunidad de conocernos!

**¡No pierdas esta oportunidad: muestra tus habilidades y experiencia!**  
Buscamos activamente personas talentosas y apasionadas como usted para unirse a nuestro dedicado equipo.

¡Traiga su currículum y aproveche esta oportunidad para una entrevista in situ!

¡Estamos ansiosos por saber más sobre usted! ¿Estas ansiosos por saber más sobre usted? ¿Estas ansiosos por saber más sobre usted?

**¿Por qué Cascades?**  
Por valores fuertes que perduran y definidos.

Excelentes prestaciones, salario competitivo. Subsidio de EPP (Equipo de protección personal) ¡Y más!

**Esto es lo que debe hacer para participar:**  
Regístrate en este evento haciendo "I PARTICIPATE" llenando el siguiente formulario.

Traiga su currículum actualizado con usted. ¿Sin currículum? ¡No hay problema! Si no tienes un currículum a mano, todavía te animamos para participar en el evento.

Ven y visítanos en Cascades Enviropac mientras disfruta de un refrigerio.

**For more information, scan the QR code and pre-register now.**  
Para obtener más información, escanea el código QR y preinscríbete ahora.

Pour plus d'informations, scannez le code QR et préinscrivez-vous dès maintenant.

**During the event, you will get the chance to:**  
Learn about Cascades, its mission, values and the exciting projects we are working on.

Join our dedicated team and participate in on-site interviews.

If your qualifications align with the criteria we are seeking, you will have the opportunity to proceed to the second phase of the Cascades hiring process, which includes a plant tour scheduled for November 10th, an on-the-spot offer, as well as engagements for medical tests and a background check.

**What you need to do to participate:**  
Register for this event by clicking on "I PARTICIPATE" and filling out the following form.

Bring your updated resume with you. No worries! If you don't have one on hand, we still encourage you to participate in the event.

**Come and visit us at Cascades Enviropac – York while enjoying a snack.**

### Silver Parity Certification from Women in Governance

In 2023, our commitment to equity, diversity and inclusion was recognized once again by Women in Governance, which awarded us Silver Parity Certification for the very first time. This certification is based on a detailed assessment of our organization's position in terms of gender parity, according to an analysis of our strategies, actions and results. A customized report is then drawn up outlining best practices and key factors enabling our company to build its roadmap for achieving gender parity and promoting inclusion.

### Cascades' five EDI sub-committees

To further promote equity, diversity and inclusion (EDI), we formed a steering committee in 2020 made up of a dozen Cascaders with unique and diverse experiences. The committee's mission is to bring to life our commitment to equity, diversity, inclusion and belonging, in collaboration with our employees, potential candidates, customers, partners, investors and various ESG analysis firms. The committee meets at least four times a year.

Supporting the steering committee are five sub-committees tasked with implementing our EDI policy through concrete, unifying activities. Their role is also to encourage employees to work toward creating a professional and social environment where people feel good.

**The respective objectives of these sub-committees are set out in an annual action plan, along with international recruitment and communications initiatives.**

**This structure's success relies on cooperation between the steering committee members and sub-committee members, as well as on the participation and openness of all Cascaders. To this end, we consult all our employees during our biannual engagement survey, which enables us to validate our main orientations.**



**Gender**



**Multicultural**



**Intergenerational**



**LGBTQ2S+**



**Well-being**



The sub-committee teams organized a multitude of activities over the course of 2023. Here are just a few examples:

### Employees have their say

In line with its objective of fostering dialogue on equity, diversity and inclusion throughout the organization, Cascades launched an initiative in 2023: open sessions encouraging interaction on the various aspects of diversity. These moments are intended to provide opportunities for friendly, interactive and constructive exchanges between colleagues. Two initial sessions were held on cultural diversity in 2023, and further events on gender diversity, intergenerational diversity, LGBTQ2S+ and physical and mental well-being are planned for next year.

### Respect your nature: a t-shirt to celebrate LGBTQ2S+ Pride

For Pride month, celebrated in June 2023, our LGBTQ2S+ committee proposed a brand-new shirt that will become the symbol of sexual and gender diversity within our company. To illustrate this shirt, there was no more powerful message than that of our own employer brand, Respect your nature, combined with the Pride flag recognized around the world. This initiative was a great success and even exceeded the organizing committee's expectations, with 185 t-shirts sold in June. What's more, for each shirt sold, Cascades donated \$3 to Rainbow Railroad, an organization that helps gay, bisexual, transgender, queer and intersex people escape violence and persecution in their home countries. Given the success of this activity, it will certainly be repeated in the years to come.

### Webinars to highlight the importance of mental health

The more we talk about mental health, the better we live. That's why two interviews were conducted in fall 2023 as part of Healthy Workplace Month. Promoting mental health is part of our corporate culture, and this means it must be made a priority throughout the entire organization, including the president! As such, the first interview featured Mario Plourde, President and CEO, and Jean-David Tardif, President and Chief Operating Officer of Cascades Tissue Group, who discussed their strategies for maintaining a balance that promotes physical and mental health. In the second interview, Jean-David Tardif and Margaret Barberis, Vice-President, Health Management, discussed their experience with getting back in shape.





# Workforce Profile

**Cascades is first and foremost a story about family: one we have been writing with our nearly 10,000 Cascaders in production units across Canada and the United States.**

Cascades' organizational cultures places each employee at the heart of its success. By participating in the company's success, employees receive some of the profits through profit sharing.

**Cascades considers training its staff to be an essential investment in its strategic development.** Every employee plays a key role in the organization. That's why Cascades wants to provide them with the means to improve their knowledge and learn new skills in order for them to pursue their career in our company.



In the tables below, you will find more information about the profile and distribution of employees. Please note that starting in 2023, the total number of employees does not include interns and students. This decision was made because these temporary employees are not required to complete all internal training, making it impossible to achieve our target of “100% of employees are trained on unconscious biases related to equity, diversity and inclusion” if they are included in the equation. You will also find more information on the training hours attended and the dollars we have invested in training. Additionally, for the first time, we are disclosing the number of employees who have completed ESG-related training. The sustainability training was launched in June 2022. This is an interactive online training of 45 minutes divided into four mandatory modules for all new salaried employees, and it is also available to everyone.

## Workforce Profile

Description	Unit	2019	2020	2021	2022	2023
Percentage of women	%	21.58	20.73	20.98	22.32	22.01
Percentage of men	%	78.42	79.27	79.02	77.68	77.99
Total Number of Employees	-	10,339.00	9,762.00	9,673.00	10,176.00	9,970.00
Average seniority	years	9.00	10.00	9.00	11.00	9.20
Average age	years	44.00	44.00	42.00	42.00	45.00
Engagement rate	%	-	61.00	-	55.00	-
Average North America industry engagement rate	%	-	-	-	56.00	-
Voluntary turnover rate	%	12.40	11.50	16.18	15.64	12.70
Total new employee hires	-	2,618.00	2,198.00	2,592.00	3,373.00	2,281.00

## Geographic Distribution of Employees

Description	2019	2020	2021	2022	2023
Number of business units	80	81	80	76	76
Number of employees in Canada (%)	70	72	74	74	76
Number of employees in United States (%)	30	28	26	26	24



## Training

Description	2019	2020	2021	2022	2023
Number of employees trained	9,530	6,429	5,875	6,754	9,503
Number of hours spent on training	358,000	395,000	177,000	140,000	149,055
Amount invested in training (millions of \$)	11	12	12	13	17,888,999

## ESG Training

Description	2021	2022	2023
Number of employees trained on sustainability	-	352	918
Number of employees trained on the code of conduct	1,436	1,638	2,466





# Governance

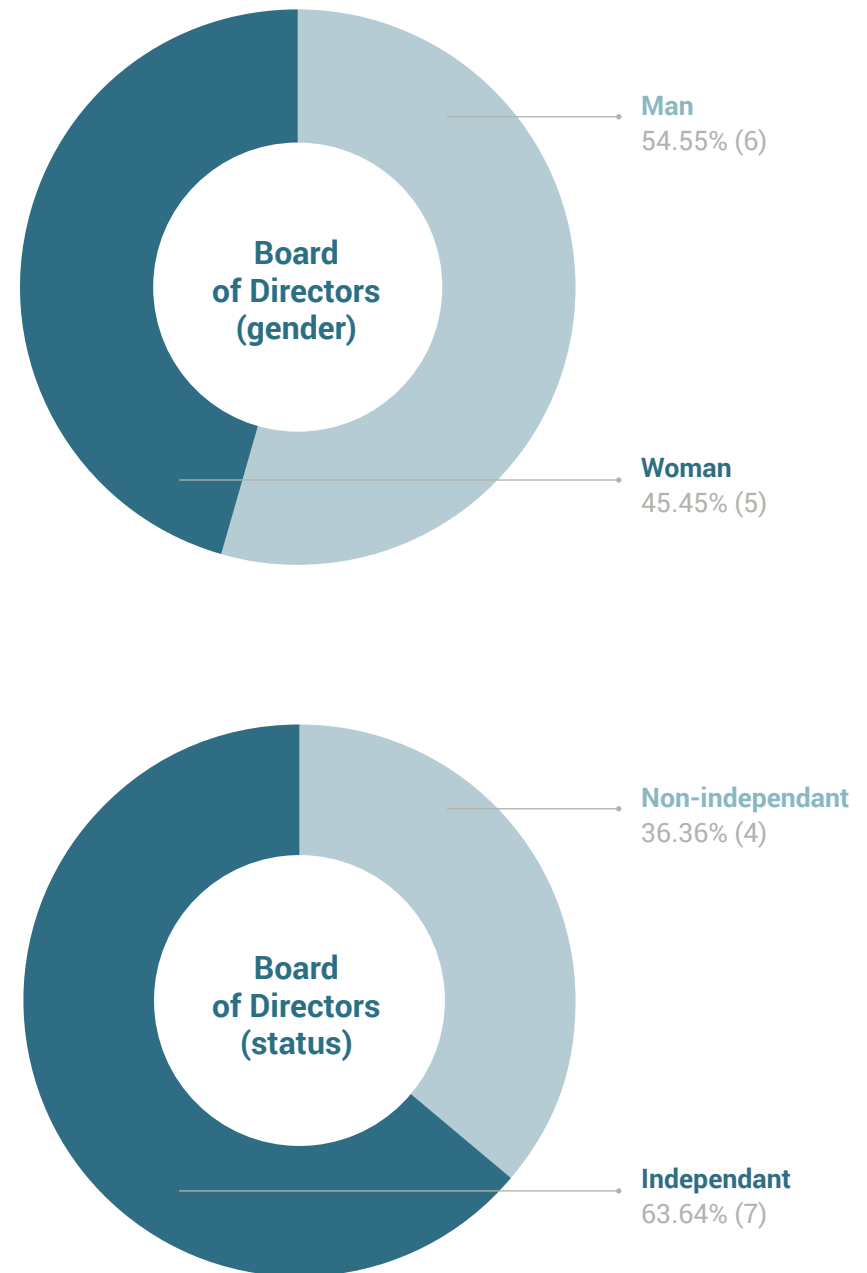
# Governance at Cascades

**Cascades has integrated transparency and accountability into every level of its organization through a comprehensive code of ethics.**

Our governance structure encourages ethical actions, effective decision making and appropriate monitoring of our compliance.

The board of directors is responsible for the administration of the Corporation and must supervise the management of the business and affairs of the Corporation. The primary responsibility of the board is to oversee the management of the Corporation and to preserve and enhance its viability, with due regard for the interests of all its shareholders and other stakeholders. For more information regarding the current directors in office, the maximum term of office, as well as various policies and guidelines applicable to the Board of Directors of Cascades, please see Cascades' most recent Management Proxy Circular.

For more information, please visit [our website](#).



# Principles of Sustainability Governance at Cascades



## The following principles demonstrate Cascades' commitment to sustainability.

These describe the conditions for successfully implementing Cascades' vision and Sustainability Action Plan, achieving its targets and maintaining the company's leadership in the field.







## Sustainability: everyone's business

Sustainability is practised at every level and requires commitment from all employees. The company educates its employees on sustainability issues and encourages individual and collective actions that help accomplish its activities, while respecting the well-being of people, communities and the planet. Cascades also encourages its various stakeholders to implement an organizational culture that embraces sustainability principles.



## A clear vision and priorities

Sustainability is an integral part of our company's business strategy. The Sustainability Action Plan defines our vision, directions and priorities. Senior management fully assume their leadership and employ a consistent organizational structure to achieve goals.



## Structured processes and transparent communications

Cascades has implemented data collection processes based on established performance indicators. Results are disclosed in a way that is contextualized, effective and transparent, and reaches all target audiences, both internally and externally. An update on results is provided through various defined platforms.



## Sustainability at the heart of business decisions

Sustainability is an integral part of the company's decision-making and business processes. For major projects or decisions, the impact on achieving Sustainability Action Plan targets is measured and taken into consideration.



## An organizational structure that supports action and achieving targets

Cascades ensures that its structure and key teams support operationalization of the company's vision and Sustainability Action Plan. The results from monitoring targets and associated action plans are incorporated into employees' annual objectives as well as their performance evaluations.

**The Board of Directors and the Health and Safety, Environment and Sustainability Committee** provide high-level governance on sustainability issues, most notably on the Sustainability Action Plan, and monitor progress.

**The company's Management Committee** approves the vision, Sustainability Action Plan and Cascades' directions in sustainability. It is also responsible for monitoring the action plans for all defined goals and targets. Progress reviews are performed every quarter or more frequently if needed.

**The group management committees** are responsible for implementing operations-related projects and action plans. They are therefore expected to monitor their group's performance against targets and ensure alignment with priorities. The process committee meetings on identified issues also integrate and follow up on sustainability targets affecting operations.

The sustainability team coordinates all of the Sustainability Action Plan and supports various teams in moving major projects forward in this area.

**These governance principles have been defined as conditions for success and are subject to change based on the company's development and needs.**



## Pillars of our 2021-2025 Sustainable Development Plan



### Respectful of the planet

#### Accountable individuals

- Division Presidents
- Chief Financial Officer
- Chief Supply Chain and Information Officer



### Solutions driven

#### Accountable individuals

- Division Presidents
- Chief Supply Chain and Information Officer



### Community minded

#### Accountable individuals

- Vice-President, Communications, Public Affairs and Sustainability
- Chief Human Resources Officer



### People focused

#### Accountable individuals

- Division Presidents
- Chief Human Resources Officer

# Cybersecurity

**Cascades recognizes that cybersecurity is a major issue that will become increasingly complex in the coming years.**

In the course of our activities, we collect, generate and store a significant amount of data. We are aware that a possible leak of this data could compromise our business and harm our employees and partners. That's why we do our utmost to protect our information systems and respond effectively to cyber incidents.

At Cascades, we are committed to protecting data assets against the exploitation of system vulnerabilities, social engineering, phishing, viruses, malware and other cyber threats using modern tools. We do this by implementing a security management framework aligned with industry best practices, such as those of the National Institute of Standards and Technology (NIST) and the International Organization for Standardization (ISO).

## **A dedicated team**

We have a dedicated technology and cybersecurity team of qualified experts who oversees data security and operational controls. Our cybersecurity team also works with industry experts to further promote best practices.

Cybersecurity is a priority for Cascades, and the associated risks are included in the risk management program presented to the company's Audit and Finance Committee. This committee provides cybersecurity oversight and governance and reviews it every quarter. In addition, Cascades also educates all of its new employees on cybersecurity via its onboarding process and ensures that everyone follows the company's code of business ethics.





# Policies and Commitments

Cascades has clear policies and commitments that underpin its commitment to a healthy planet and healthy communities.



- Sustainability Policy
- Environment, Health and Safety Policy
- Commitment on Human Rights
- Sustainable Procurement Policy
- Code of Ethics and Business Conduct
- Energy Management Policy
- Fighting Against Forced Labour in Supply Chains Act
- Board of Directors Diversity Policy
- Practice on the Representation of Women
- Policy on Workplace Diversity and Inclusion
- Anti-Bribery and Anti-Corruption Policy





# ESG Disclosures



# CDP

Wanting to take an active part in the fight against climate change, Cascades has completed the Carbon Disclosure Project (CDP) assessment since 2017.

CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

In order to respond to requests from our stakeholders, you will find our most up-to-date reports below.

[CDP Climate Change 2023](#)[CDP Forest 2023](#)

# SASB

In an effort to provide comprehensive and transparent information regarding environmental, social and governance (ESG) matters, Cascades now makes additional data available to investors and the public concerning a number of indicators recommended by the Sustainability Accounting Standards Board (SASB).

[SASB Report](#)

# TCFD

Given its remit from the Financial Stability Board, the Task Force on Climate-related Financial Disclosure (TCFD) is committed to market transparency.

The success of the TCFD recommendations depends on widespread adoption by companies in the financial and non-financial sectors. In 2021, Cascades started following the TCFD's disclosure recommendations in order to support investors, lenders, and insurance underwriters appropriately assess risk related to climate change.

[TCFD Report](#)

# Contribution to the United Nations' Sustainable Development Goals (SDGs)

**Cascades is proud to contribute to the United Nations' universal Agenda for Sustainable Development by aligning its actions with the Sustainable Development Goals (SDGs).**



These goals to be met by 2030 outline the steps to a better and more sustainable future for all while addressing the global challenges we're all facing, particularly those related to poverty, inequality, the climate, environmental degradation, prosperity, peace and justice. These are vast and complex objectives we must collectively address relatively quickly and with determination if we wish to maintain a viable, livable and equitable world.

The objectives of our sustainability action plan were identified through a broad consultation with our stakeholders. This allowed us to map and prioritize the environmental, social and economic issues to be addressed and Cascades' potential level of impact on them. Once these were identified, we linked the impact of our actions with their positive contribution to the universal agenda.

**This was how we identified that our 2021–2025 Sustainability Action Plan objectives align with 10 of the 17 UN SDGs:**

# 3 GOOD HEALTH AND WELL-BEING



**Achieve an accident-free work environment by reducing days lost from work accidents by 50%.**

Promote preventive measures for health and well-being with 100% of employees being committed to a preventive health and wellness approach.



Create a fair, diverse and inclusive work environment by having all employees receive training on unconscious bias related to equity, diversity and inclusion and showing them how to overcome their bias.

# 5 GENDER EQUALITY



# 6 CLEAN WATER AND SANITATION



Reduce effluents from our manufacturing plants by 15% (M<sup>3</sup>/MT) by investing in our processes and equipment, and by implementing new governance and accountability processes to improve the performance of our units and reduce their water consumption.

Supply all our manufacturing and converting sites with 100% **renewable electricity**.

Reduce our converting plants' **energy consumption** by 6% (GJ/MT).

# 7 AFFORDABLE AND CLEAN ENERGY



# 11 SUSTAINABLE CITIES AND COMMUNITIES



Invest at least 50% of our donation and sponsorship budget in causes and organizations that are in line with the SDGs and have a positive social or environmental impact.



Ensure **circularity** or a responsible end of life for our products by aiming to have 100% of the packaging we manufacture and sell recyclable, compostable or reusable.

Aim to have at least 70% of our purchases sourced from **responsible suppliers** by having them involved in an evaluation of their business practices.

# 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



# 13 CLIMATE ACTION



**Reduce our scope 1, 2 and 3 greenhouse gas emissions using the Science Based Targets initiative (SBTi) approach** by implementing several measures including energy efficiency projects, renewable electricity purchases and a transition to low- carbon technologies.

Ensure that 100% of our fibre and paper inputs are recycled or certified and double the FSC Mix proportion, which guarantees that products come from **forests whose operations meet rigorous and recognized environmental, social and economic standards.**

# 15 LIFE ON LAND



# 17 PARTNERSHIPS FOR THE GOALS



**Give back to the community and support community engagement** by encouraging our employees to invest in causes they care about, with the aim to accumulate 15,000 volunteer hours annually.



2023  
Sustainability  
Report