WHY WE NEED A SUSTAINABLE PROCUREMENT PRACTICE (SPP)
Sustainable development is a practice that is perfectly aligned with the values of Cascades and its founding members. Since 2009, the company has structured its approach to sustainable development with the adoption of a plan that includes specific focuses of intervention; one of them is sustainable procurement.

Sustainable procurement aims to ensure that Cascades works with suppliers with similar values in regard to respect for the environment, respect for employees and the community, the use of responsible products and the provision of responsible services, and transparency in its governance.

SCOPE
The practice applies to the following procurement categories: fibres (virgin and recycled), energy, chemical products and other goods and services.

It applies to all suppliers with whom we have contractual agreements.

It concerns all of Cascades’ corporate services involved in the procurement process.

PROCUREMENT PRINCIPLES
Cascades has established eight general principles that define its vision of sustainable procurement and lay the foundations for its expectations of each supplier:

1- Takes responsibility for its products;
2- Shows respect for the environment through conserving biodiversity; reducing water and energy consumption, as well as atmospheric emissions; establishes recovery and recycling programs;
3- Shows respect for employees by providing adequate working conditions;
4- Maintains the company's economic sustainability;
5- Demonstrates transparency in its governance and communications;
6- Ensures strict verification of its supply chain;
7- Complies with current social, environmental and economic legislation;
8- Demonstrates ethical business practices.
In addition to these general principles, Cascades has established a number of others that apply specifically to the purchase of virgin fibres, its primary raw material:

- Cascades will continue to promote the use of recycled fibres in the manufacture of its products, thus reducing the pressure on forest resources. A life cycle assessment sanctioned by the industry shows that purchasing recycled fibres can reduce the global pressure on forest resources and other important natural resources, such as water, as well as the ecological footprint of paper products.

- Cascades will continue to purchase virgin fibres that come from forests under responsible management, and to communicate with its suppliers with a view to assessing their business practices. Cascades will not purchase fibres that come from old growth forests, forests in danger, or wooded areas that are home to rare or at-risk species and ecosystems.

To do this, priority will be given to fibre suppliers certified by the Forest Stewardship Council. Cascades recognizes this certification as the most comprehensive standard in the industry, and one that is constantly developing and adapting to different socio-economic situations.

**IMPLEMENTING THE PRACTICE**
The practice will involve regularly assessing suppliers using a single reference system, EcoVadis. EcoVadis enables Cascades to analyze a supplier’s level of performance in respect to the principles of the practice. It is also customized according to various categories of supply materials and suppliers.

Suppliers will be analyzed in two formats depending on purchasing category and suppliers:

1- Detailed questionnaire by the EcoVadis reference system: the score obtained will be combined with the overall evaluation of bids received from suppliers of chemicals and other goods and services. For energy and virgin fibre suppliers it will be used as a basis for dialogue for a continuous improvement approach (see Appendix 1)

2- Simplified questionnaire: the score obtained will allow Cascades to assess its recycled fibre suppliers (see Appendix 2 and 3)

Cascades prefers collaboration over coercion. In this context, suppliers not meeting Cascades’ expectations will be encouraged to produce and implement an action plan to improve their performance and will then be re-evaluated. If the supplier shows no improvement or interest in sustainable development, Cascades reserves the right to replace them with a supplier more oriented toward sustainable development and that meets its expectations.

**ADMINISTERING THE PRACTICE**
Defining and administering the practice are the responsibility of the Vice-President, Procurement and Logistic, and our performance will be reported annually as part of Cascades’ overview of its performance in sustainable development.

The sustainable procurement practice will be reviewed every three years, with a view to gradually applying it to all of Cascades’ suppliers.

The appendices listed are available upon request.