

**SUSTAINABLE  
DEVELOPMENT  
PLAN**

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**LOOKING  
BACK ON  
2010-12  
LOOKING  
FORWARD TO  
2013-15**

## **VALUES TO GROW BY**

It can be said that sustainable development is part of Cascades' genetic code. My brothers Bernard, Laurent and I founded and built this business with a natural concern for sustainable development. We always considered it a duty to be proactive in improving and innovating with measures that make us leaders in our field. In the 1960s and 1970s, environmental protection was not much of a collective priority. However, we were already aware that our approach was avant-garde and that we were on the right path with our recovery and transformation of used paper and cardboard. Our environmental concerns for water and energy, among other things, would appear only later. But our progress has spoken for itself. Socially, we adopted a different way of working right from the start, and we continue to do so today, much to the interest of other organizations — for our profit-sharing, our open-door policy, and our community involvement.

Year after year, we continue to evolve and grow.

## **LOOKING PROUDLY BEYOND THE NUMBERS**

The constant improvement of our processes and management methods has naturally led to a carefully structured sustainable development plan, focusing on the next challenges in our vision of growth. We also see such a plan as the extension of our outreach and educational efforts, both internally and in the community outside our business. Our plan for 2010-2012 was Cascades' — and in my humble opinion the industry's — first such formal document outlining the implementation of a vision of sustainable development. The planning process included a lengthy consultation with our stakeholders, the people who have a particular interest in Cascades' success. It was a very enriching process that identified 18 strategic objectives.

Three years later, after much progress, as well as some targets that were not quite reached, it is clear that our objectives were ambitious. An economic downturn also added to the challenge. But I am proud of what we planned and accomplished. It took courage to question our practices. Our first public consultation reminded us of all the merits of an ongoing dialogue with our company's stakeholders, whose contribution has been very important.

We will pursue these efforts with a renewed plan for three years. In so doing, we hope you will be interested in following our sustainable growth, and that we will inspire you to make similar efforts within your organization.

**ALAIN LEMAIRE**

**CO-FOUNDER  
EXECUTIVE CHAIRMAN OF THE BOARD  
CASCADES**

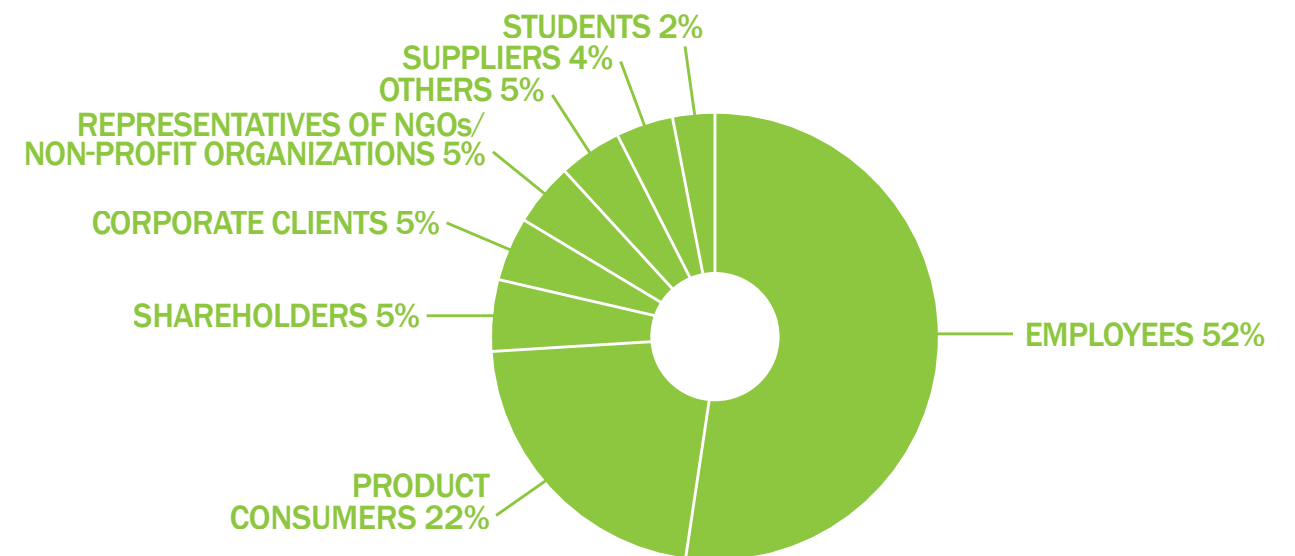
# RESULTS FOR 2010-2012

THE RESULTS OF THE 18 STRATEGIC OBJECTIVES IN THE 2010-2012 SUSTAINABLE DEVELOPMENT PLAN ARE AVAILABLE AT [CASCADRES.COM/SUSTAINABLE-DEVELOPMENT](http://CASCADRES.COM/SUSTAINABLE-DEVELOPMENT). SIMPLY CHOOSE THE OBJECTIVES YOU WISH TO CONSULT. EACH ONE COMES WITH GRAPHICS AND AN EXPLANATION OF THE EFFORTS AND FACTORS THAT AFFECTED RESULTS.

A PRINTABLE PDF DOCUMENT IS AVAILABLE AT THIS SAME ADDRESS.

[CASCADRES.COM/  
SUSTAINABLE-DEVELOPMENT](http://CASCADRES.COM/SUSTAINABLE-DEVELOPMENT)

## MORE THAN 1000 STAKEHOLDERS SHARED THEIR OPINIONS ON OUR SUSTAINABLE DEVELOPMENT APPROACH



In February 2013, in partnership with a specialized climate-change and sustainable-development team from a renowned firm, we consulted our many stakeholders through an online survey. While the 2009 consultations sought to identify the most sensitive issues through a material analysis, this second consultation enabled us to:

- SEEK OPINIONS ON OUR SUSTAINABLE DEVELOPMENT APPROACH AND PERFORMANCE;
- ASSESS THE PERTINENCE OF THE CHALLENGES AND OBJECTIVES IN OUR 2013-2015 PLANNING;
- IDENTIFY EXPECTATIONS CONCERNING OUR OVERALL STRATEGY.



## AN ENRICHING EXPERIENCE

Our 2010-2012 Sustainable Development Plan has reached its conclusion. It motivated the people of Cascades to make our organization all the better, even though we are already leaders in our field. The experience also taught us that in many areas where we excel improvements are always possible, but we must double our efforts to continue making gains.

## A RENEWED COMMITMENT

The results are encouraging us to pursue our efforts. We are therefore enthusiastically launching our second three-year sustainable development plan, for 2013-2015 — a plan that was carefully and meticulously prepared and is the outcome of many meetings of our sustainable development steering committee. Such internal discussions provided detail and structure for the plan, but the document also reflects the opinions of 1018 people who answered our survey on our strategic orientations. We were pleasantly surprised by all the interest in our approach.

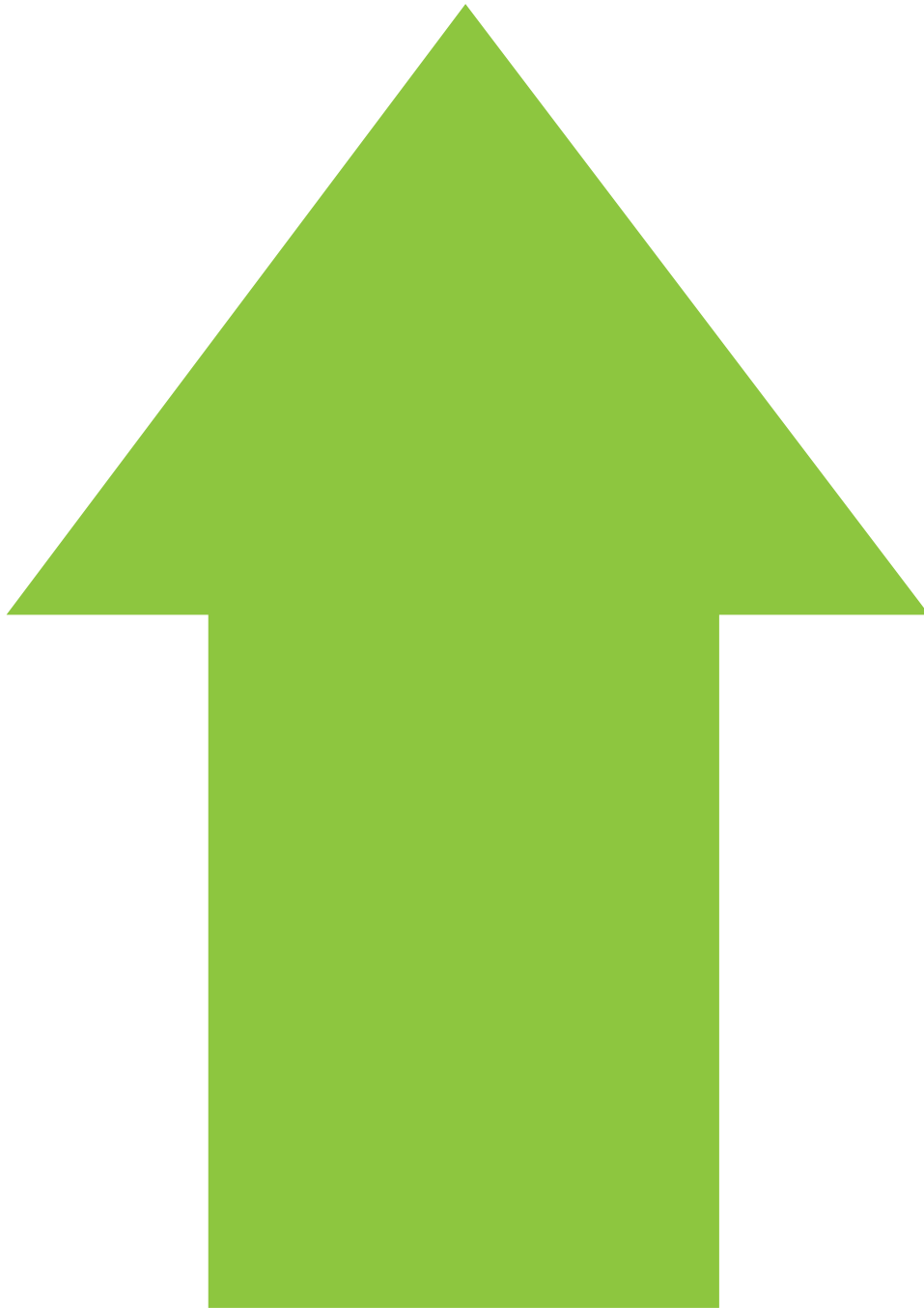
For this new three-year plan, we thought it wise to focus our efforts and channel our energies. We therefore reduced the number of objectives to concentrate on those deemed most important to our industry. As such, some of the objectives in our first plan have been combined.

This new sustainable development plan is an expression of Cascades' continued interest in being a leader in the recovery, packaging, and paper industry. It defines our strategic orientations and will guide us in our constant effort to be a better company. We do this for the well-being of our employees, whose full cooperation is essential to the plan's success, and we do this for everyone who has an interest in the progress and success of Cascades.

**MARIO PLOURDE**

**PRESIDENT AND CHIEF EXECUTIVE OFFICER  
CASCADES**





# 9 CHALLENGES

ENERGY  
WASTE  
WATER  
SUSTAINABLE  
PROCUREMENT  
INNOVATION

FINANCIAL PERFORMANCE  
HEALTH AND SAFETY  
EMPLOYEE MOBILIZATION

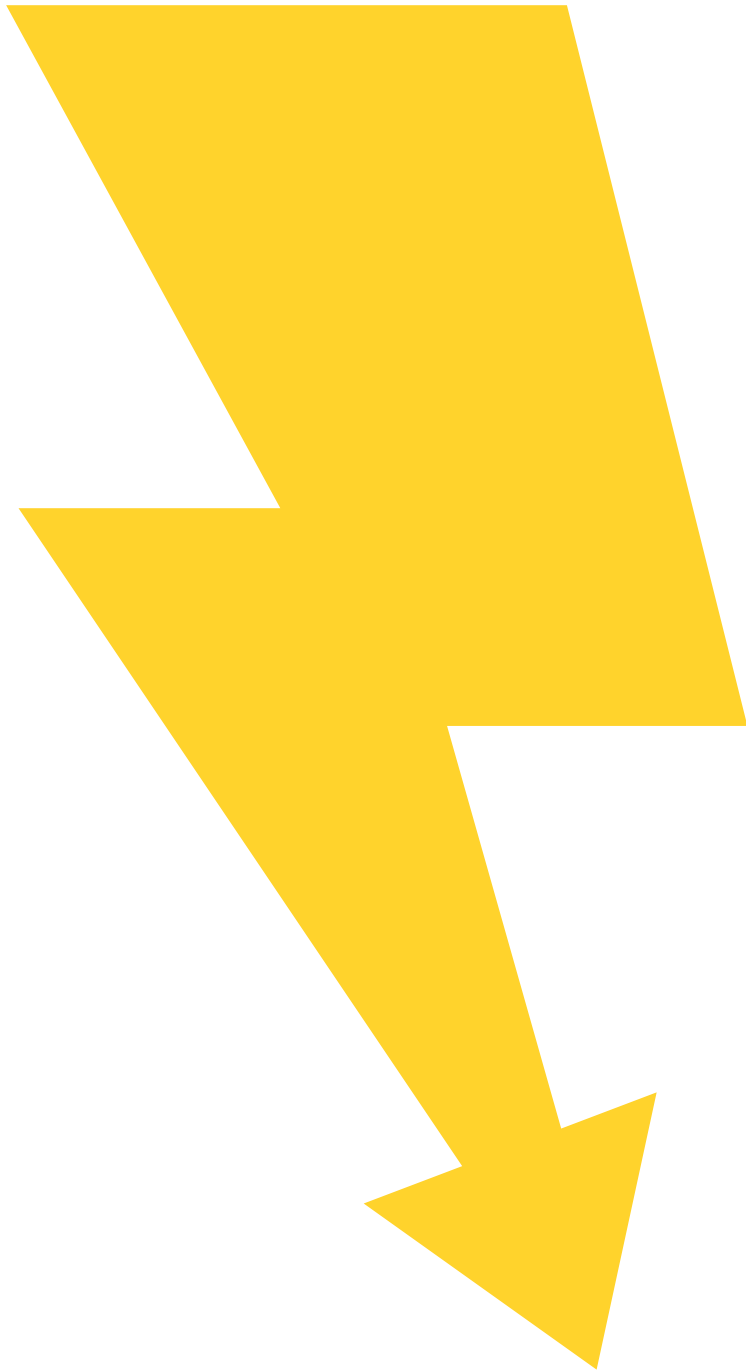
COMMUNITY  
INVOLVEMENT

# 3 DIMENSIONS

ENVIRONMENT  
ECONOMY  
SOCIAL

# 1 GOAL

REMAIN A LEADER IN  
SUSTAINABLE DEVELOPMENT



ENVIRONMENT

# ENERGY

GOAL

REDUCE THE QUANTITY  
OF ENERGY PURCHASED  
TO MAKE  
OUR PRODUCTS

TARGET

# 10.6

(INDUSTRY AVERAGE: 24.8)<sup>1</sup>

INDICATOR

GIGAJOULES OF ENERGY PURCHASED/  
METRIC TONNE OF SALEABLE PRODUCTS

<sup>1</sup> REF.: FOREST PRODUCTS  
ASSOCIATION OF CANADA, 2011



ENVIRONMENT

# WASTE

GOAL

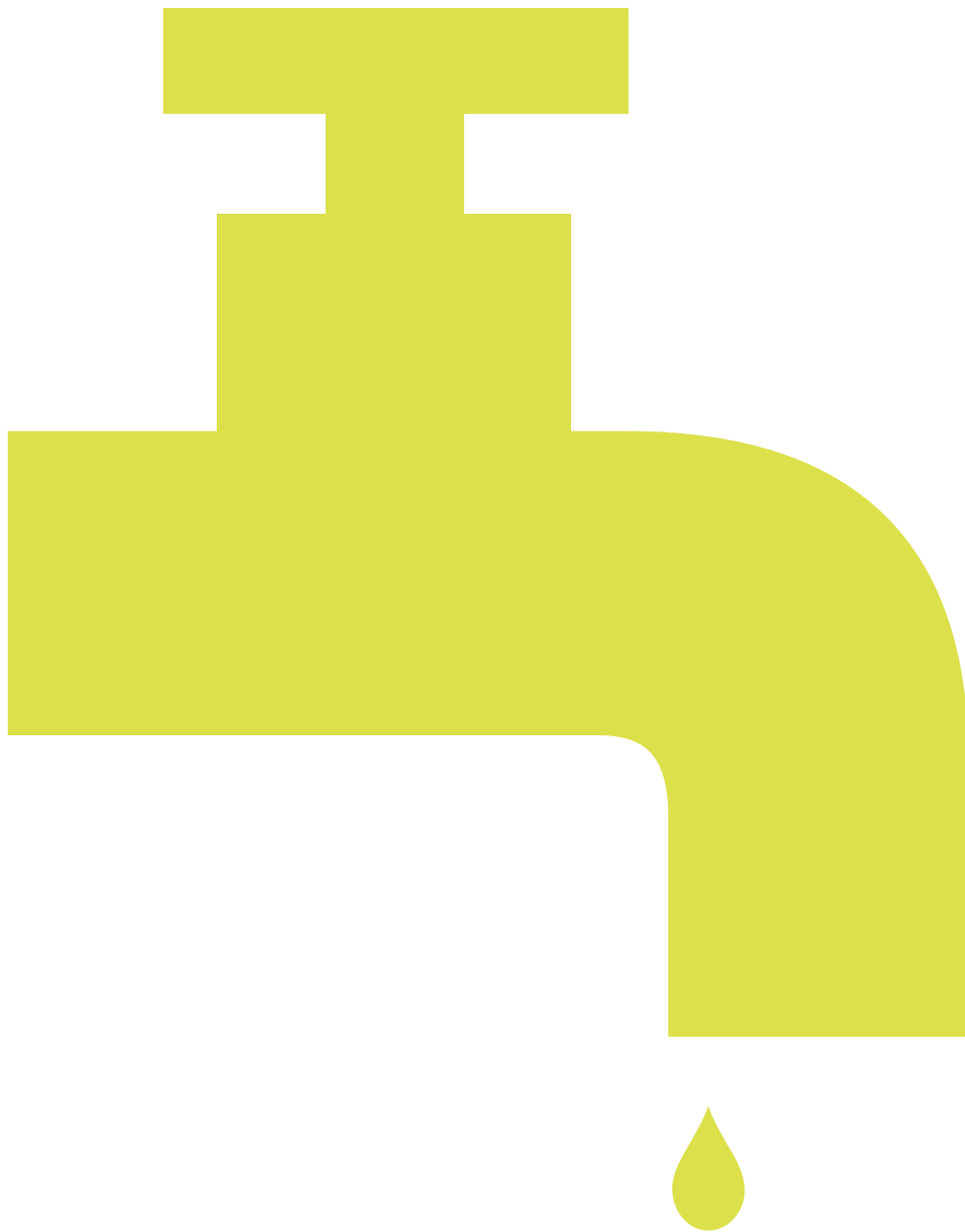
INCREASE THE  
RECOVERY OF  
WASTE MATERIALS

TARGET

**71%**

INDICATOR

KILOGRAMS OF WASTE  
RECOVERED / KILOGRAMS OF  
WASTE PRODUCED



ENVIRONMENT

# WATER

GOAL

REDUCE THE AMOUNT  
OF WASTE WATER

TARGET

# 10.6

(INDUSTRY AVERAGE: 61)<sup>1</sup>

INDICATOR

CUBIC METRES OF WASTE WATER/  
METRIC TONNE OF SALEABLE PRODUCTS

<sup>1</sup> REF.: FOREST PRODUCTS  
ASSOCIATION OF CANADA, 2011





ECONOMY

# SUSTAINABLE PROCUREMENT

GOAL

SOURCE MATERIALS  
FROM RESPONSIBLE  
SUPPLIERS

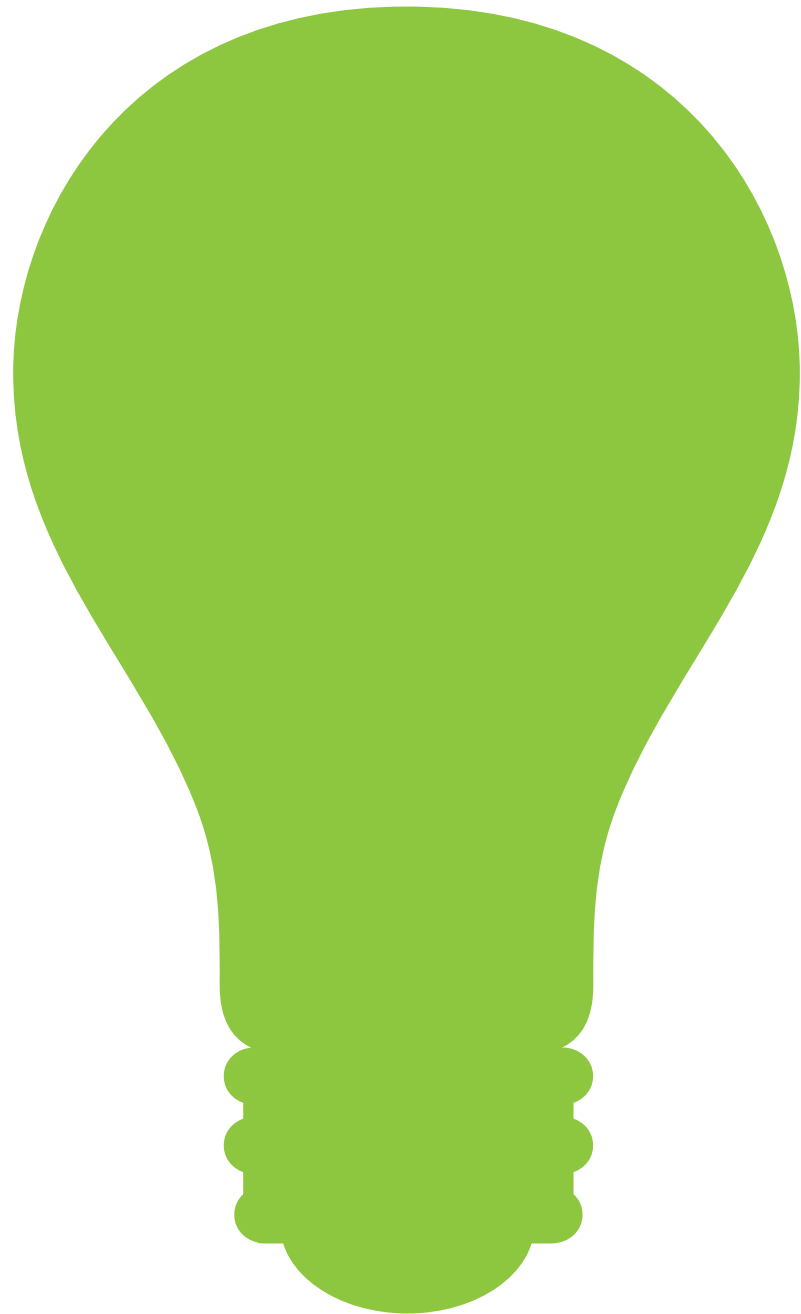
TARGET

**40%**

INDICATOR

PURCHASES\* FROM SUPPLIERS WHOSE  
PRACTICES WERE EVALUATED  
AND CONSIDERED RESPONSIBLE/  
TOTAL PURCHASES

\*PURCHASES NEGOTIATED BY  
CASCADES' CORPORATE PROCUREMENT DEPARTMENT



ECONOMY

# INNOVATION

GOAL

DEVELOP AND  
MARKET  
NEW PRODUCTS

TARGET

**6%**

INDICATOR

SALES FROM NEW PRODUCTS\*/  
TOTAL SALES

\*A PRODUCT IS CONSIDERED  
"NEW" FOR A PERIOD OF THREE YEARS



ECONOMY

# FINANCIAL PERFORMANCE

GOAL

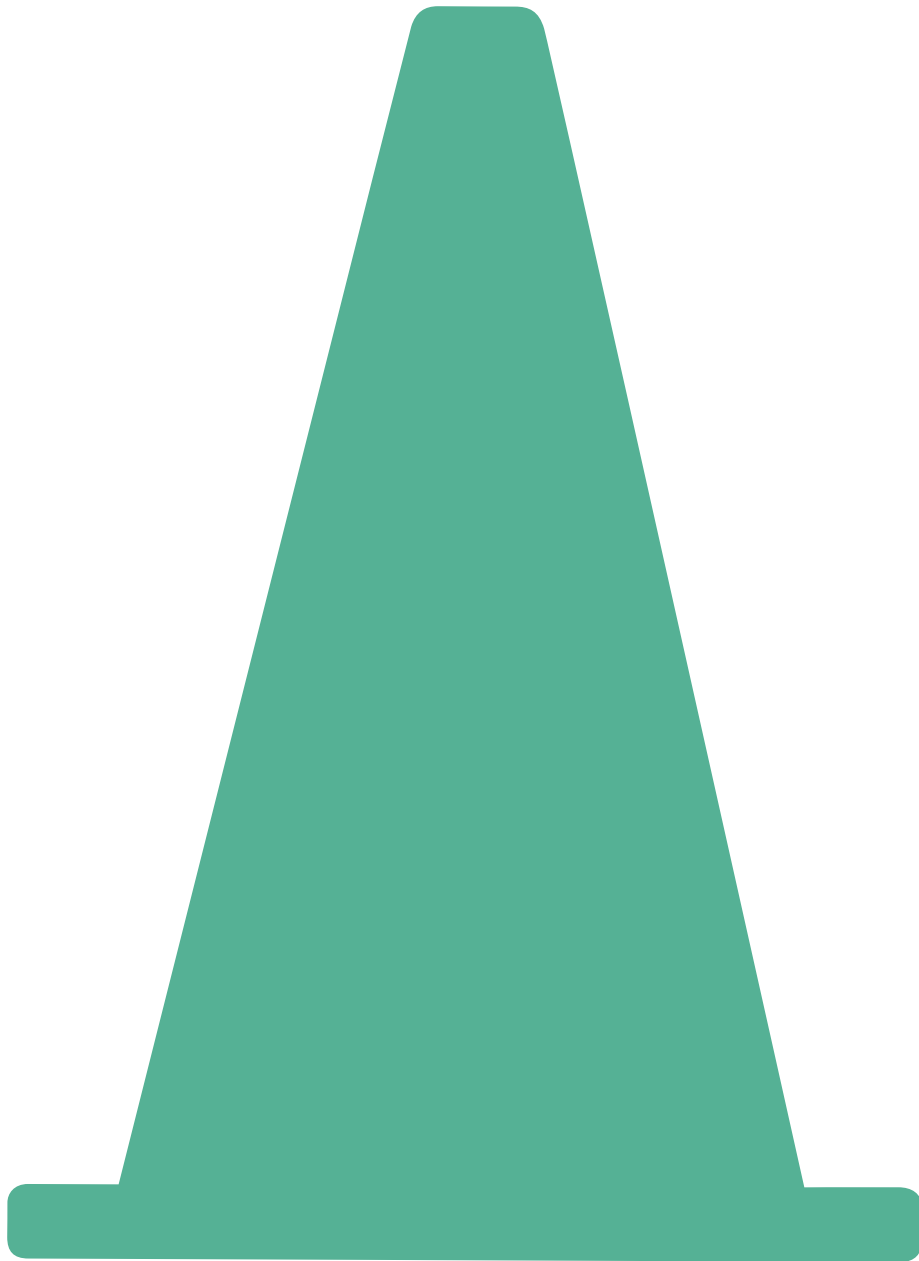
OPTIMIZE THE RETURN  
ON CAPITAL EMPLOYED

TARGET

**6%**

INDICATOR

RETURN ON CAPITAL EMPLOYED (ROCE):  
AFTER-TAX AMOUNT OF THE LAST  
TWELVE MONTHS (LTM) OPERATING  
INCOME EXCLUDING SPECIFIC ITEMS/  
AVERAGE LTM CAPITAL EMPLOYED



SOCIAL

# HEALTH AND SAFETY

GOAL

REDUCE OCCUPATIONAL  
INJURIES AND ILLNESSES

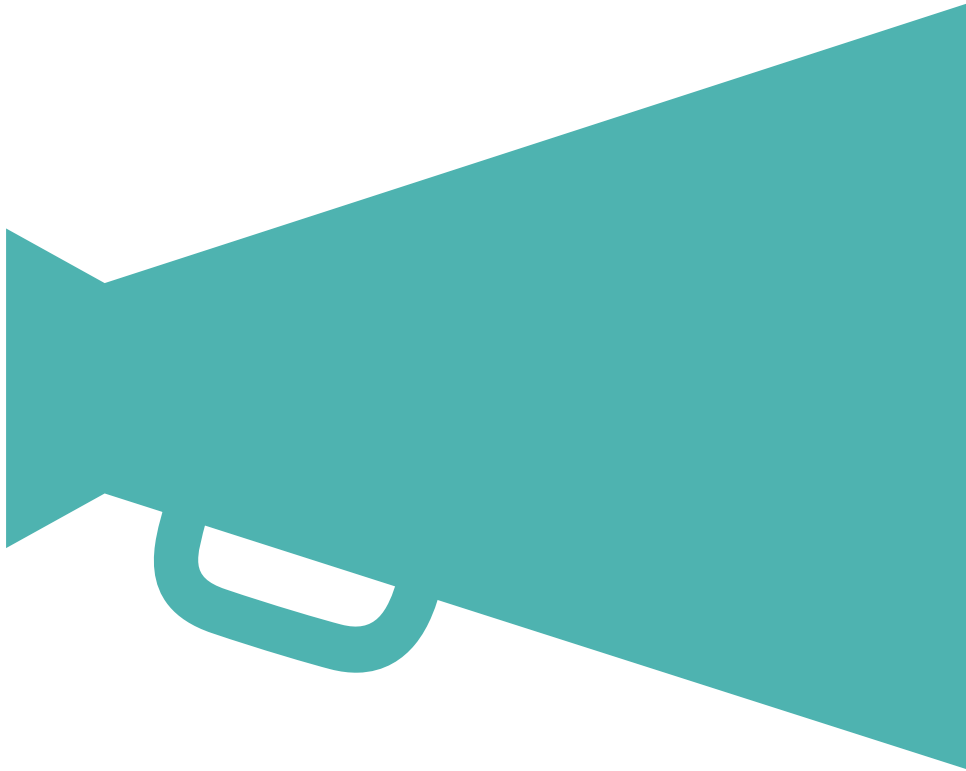
TARGET

**2.5**

INDICATOR

OSHA FREQUENCY RATE: NUMBER  
OF OCCUPATIONAL INJURIES  
AND ILLNESSES THAT INVOLVED DAYS  
AWAY FROM WORK, RESTRICTED  
WORK ACTIVITY OR MEDICAL  
TREATMENT/NUMBER OF HOURS  
WORKED X 200 000





SOCIAL

# EMPLOYEE MOBILIZATION

GOAL

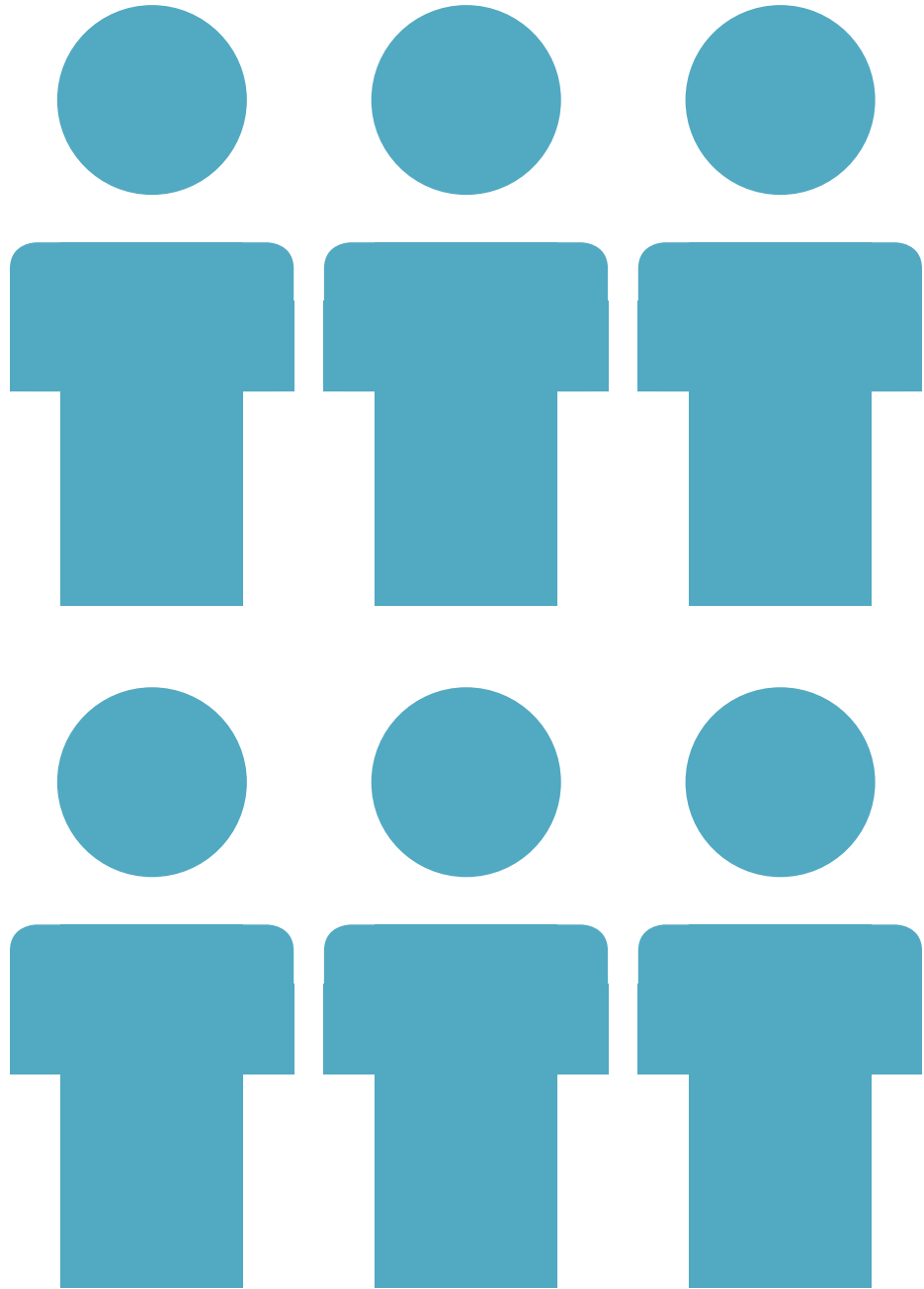
INCREASE THE  
LEVEL OF EMPLOYEE  
COMMITMENT

TARGET

**65%**

INDICATOR

MOBILIZATION RATE FROM THE AON  
HEWITT EMPLOYEE OPINION SURVEY



SOCIAL

# COMMUNITY INVOLVEMENT

GOAL

INCREASE OUR CONTRIBUTIONS IN THE COMMUNITIES WHERE WE HAVE FACILITIES

TARGET

**85%**

INDICATOR

NUMBER OF UNITS HAVING TAKEN AT LEAST THREE COMMUNITY INITIATIVES/TOTAL NUMBER OF UNITS



[cascades.com/  
sustainable-development](https://cascades.com/sustainable-development)

FOR MORE DETAILED INFORMATION OR  
TO COMMENT ON ANY COMPONENT OF OUR  
SUSTAINABLE DEVELOPMENT APPROACH:  
[SUSTAINABLE\\_DEVELOPMENT@CASCADES.COM](mailto:SUSTAINABLE_DEVELOPMENT@CASCADES.COM)



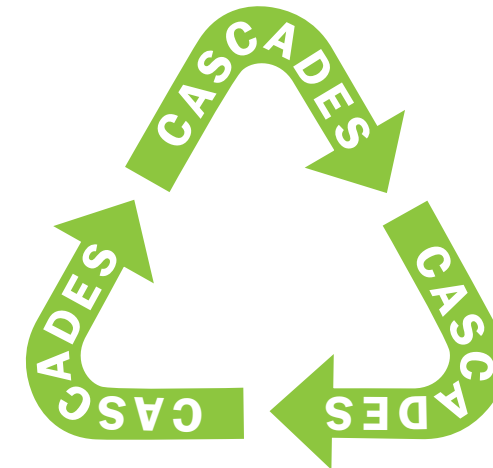
## **LATERAL OBJECTIVES AND COMMITMENTS**



**MAINTAIN A DIALOGUE  
WITH OUR  
VARIOUS STAKEHOLDERS**



**CONTINUE OUR CLOSE COOPERATION  
WITH THE INDUSTRY  
AND DECISION-MAKERS**



**EQUIP CASCADES' BEST  
AMBASSADORS—OUR EMPLOYEES,  
INCLUDING THE SALES TEAM—WITH  
THE KNOW-HOW AND TOOLS  
TO ENCOURAGE OUR CUSTOMERS TO  
ADOPT AND OFFER ENVIRONMENTALLY  
FRIENDLY PRODUCTS**



**ACTIVELY COMMUNICATE OUR  
SUSTAINABLE DEVELOPMENT VISION  
AND ACTIONS**