

Fighting Against Forced Labour and Child Labour in Supply Chains Act

Report for fiscal year ended 2023



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REPORTING OBLIGATION

This report is hereby published in response to the new Canadian requirements established under the Fighting against Forced Labour and Child Labour in Supply Chains Act (the “Act”) concerning the activities of Cascades Inc. and its affiliates subjected to the Act, namely Cascades Canada ULC, Cascades CS+ Inc., Cascades Holding US Inc., Cascades Transport Inc., Cascades Sonoco Inc., and Greenpac Mill, LLC (collectively “Cascades”, the “Company”, or “us”).

The present document is submitted to the Minister of Public Safety and Emergency Preparedness of Canada and encompasses the measures taken by Cascades during its latest fiscal year, which ended on December 31, 2023, in order to prevent and reduce the risk of forced or child labour being used within the Company, or in its supply chains during any step of its production of merchandise in or outside of Canada, or during the import of merchandise to Canada. Cascades’ Board of Directors has delegated the responsibility for reviewing this document and ensuring follow-ups to its Governance, Social Responsibility and Nominating Committee.

Cascades does not tolerate, in any circumstance, human trafficking, slavery, forced labour, corporal punishment or child labour. Recognizing the importance of protecting and promoting fundamental human rights, Cascades has implemented due diligence procedures to prevent and reduce the negative impacts of forced and child labour, both in its facilities and in its supply chain.



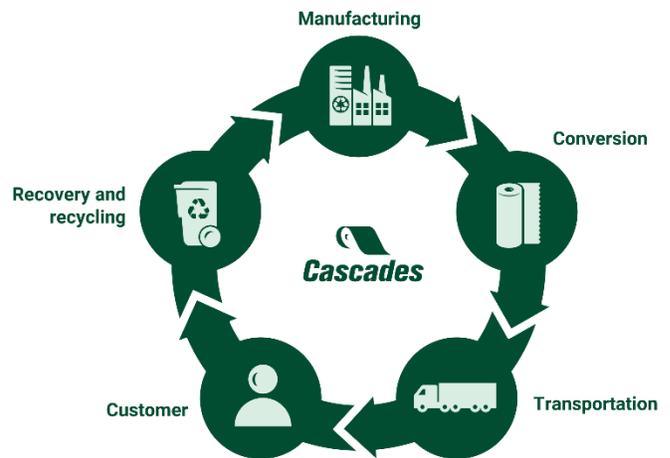
2 STRUCTURE AND COMMERCIAL ACTIVITIES

Established in 1964, Cascades is the parent company of a North American group of companies involved in the production, conversion and marketing of packaging products and tissue papers principally composed of recycled fibres. Cascades relies on a team of approximately 10,000 employees who work in more than 70 production units throughout North America.

With more than half a century of experience in recycling, continuous efforts in research and development, and participatory management as driving forces, Cascades continues to deliver the innovative products that customers have come to rely on, while contributing to the well-being of people, communities and the planet.

Cascades' business model is based on the concept of a circular economy since the Company prioritizes the recovery of residual materials to convert them into new responsible and innovative products.

Today, Cascades is one of the leading collectors of recycled fibres in Canada and a North American leader in sustainable packaging and hygiene solutions.



Cascades' activities are divided into three groups in two main business sectors:

Packaging

Containerboard Packaging Group
Containerboard manufacturer and major corrugated converter in North America.

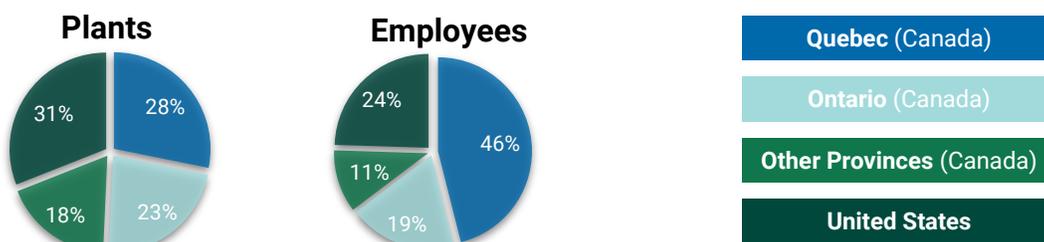
Specialized Products Group
Manufacturer of industrial packaging and consumer products.

Tissue

Tissue Group
Manufacturer and converter of tissue paper for the Away-from-Home and residential markets.



The plants and the employees of Cascades are located in North America, according to the following breakdown as of December 31, 2023:



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THE SUPPLY CHAINS

Cascades' supply chain is an integral part of its efforts to reduce its impact on the planet and the Company prioritizes collaboration with suppliers that share its values. Cascades' Supply Chain is managed by the Chief Supply Chain and Information Officer. Composed of several purchasing categories to cover all manufacturing, transformation and any other complementary activity needs of our plants, the supply chain is mainly situated in North America, for all direct suppliers of the Company.

Cascades' supply chain center of expertise is a support team whose mission is to provide assistance throughout the Company with the different purchasing steps, both tactical and strategic. The team is composed of buyers who act as contacts for several purchase categories and support the employees in the identification of needs, the preparation of bids, the research and analysis of suppliers, and the negotiation of contracts and purchase orders, all while respecting Cascades' requirements. The plants and the services also have access to pre-established master agreements to proceed with their usual orders and for all operational necessities.

The majority of purchases of goods and services are done through this centralized process. Other buying categories, such as small-scale service contracts, waste paper, pulp, wood and energy, as well as large-scale investments (CAPEX) complete the portrait of the Company's supply chain. The purchasing process, for these categories, are distinct from one category to the other as they vary based on each product or service.

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POLICIES AND DUE DILIGENCE PRACTICES

Cascades recognizes the principles of the Universal Declaration of Human Rights and the Declaration of the International Labour Organization. Cascades also adheres to the Ten Principles of the United Nations Global Compact regarding human rights, international labour norms, environment, and fight against corruption.

SUSTAINABLE PROCUREMENT POLICY

Sustainable development is an approach that is directly rooted in the Company's values and those of its founders. Since 2010, the Company has outlined its sustainable development approach in a plan that specifies the various areas of intervention, many of which relate to responsible procurement.

The aim is to enable Cascades to work with suppliers who share its values of respect for the environment, its employees and the community, accountability with respect to its products and services, and the transparency of its governance.

COMMITMENT ON HUMAN RIGHTS

As previously mentioned, Cascades recognizes the importance of protecting and promoting fundamental human rights. Cascades' commitment on human and labour rights is consistent with its values and its socially

responsible management approach. The Company is aware of the role it can play in upholding these rights, both within its facilities and in its supply chain, as well in its business practices and decisions.

CODE OF ETHICS AND BUSINESS CONDUCT

The Code of Ethics and Business Conduct (the "Code") applies at all times, without exception, to all members of the Board of Directors and all Cascades employees (regular, temporary, contractual, full-or part-time). We require that every employee demonstrates honesty, integrity and equity during the marketing and sale of our products and services, in the purchase of goods and services as well in our business conduct in general. In addition, Cascades' suppliers are expected to adhere to the principles of the Code.

Promoting respect, teamwork, autonomy, and initiative in our work environment are fundamental values for the Company. Considering these values and our commitment to ethics and compliance excellence in all our business activities, Cascades' Code outlines its position and expectations regarding appropriate corporate and individual conduct expected of employees as well as those individuals working on Cascades' behalf.

TRANSPARENCY IN SUPPLY CHAINS ACT DISCLOSURE

The California Transparency in Supply Chains Act requires the retailers and manufacturers doing business in California to provide consumers with information regarding their

efforts to eradicate slavery and human trafficking from their direct supply chains. Cascades adheres to and supports the objectives of this act.

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MEASURES TAKEN TO IDENTIFY, MITIGATE AND MANAGE THE RISK

EVALUATION OF SUPPLIERS

In order to evaluate the practices of its suppliers, Cascades works with EcoVadis, an independent and recognized firm. The Company wishes to collaborate with suppliers that share its values and whose practices are sustainable and responsible. Cascades regularly proceeds with the evaluation of a targeted number of suppliers chosen in relation to specific criteria and their level of potential risk.

The assessed suppliers must complete a questionnaire covering a series of criteria grouped into four themes: environment, social practices, ethics, and supply chain. At the end of

the assessment, Cascades is able to identify where they stand against market comparables, their strengths and weaknesses, as well as their labour practices and respect for human rights. It is this evaluation that allows Cascades to identify the suppliers at risk.

Cascades favours collaboration rather than a coercive approach. Within this framework, suppliers who do not meet Cascades' expectations will be asked to produce and implement an action plan for improvement and will be assessed once more. If no improvement is observed with respect to these suppliers,

Cascades reserves the right to replace them with suppliers focused on sustainability who do meet the expectations.

Furthermore, Cascades reserves the right to terminate any business relationship with a supplier that fails to comply with international human rights and labour conventions and refuses to take steps to improve compliance.

When negotiating its procurement contracts, Cascades' suppliers are asked to adhere to the

principles outlined in its Code of Ethics and Business Conduct and in its Commitment on Human Rights.

In these documents, the Supplier undertakes to uphold the laws of the countries in which it operates and to respect human rights. It also affirms that it will not under any circumstances tolerate human trafficking, slavery, forced labour, corporal punishment, or child labour.

WITHIN THE ORGANIZATION

The considerations linked to the respect of human rights are an integral part of the strategic decisions taken by Cascades' senior management, such as the update of internal policies, the development of new projects and employee working conditions. The Company considers the risk of forced labour or child labour as negligible within the organization. The standardized recruitment processes ensure Cascades' compliance with labour standards and other applicable laws in effect in North America where all our employees are based.

On an annual basis, Cascades' Board of Directors, through its Human Resources Committee, discusses the Company's human resources strategy with senior management. The same committee examines human resources key performance indicators, including the state of labour relations.

Cascades also recognizes employees' rights to freedom of association. Within the Company, about 30% of the active workforce is covered by a collective bargaining agreement that ensures the respect of working conditions negotiated by

union groups. Regarding non-unionized units, company committees are in place to allow employees and members of local management to openly discuss and establish their working conditions. These processes are reviewed annually by senior management at Cascades.

Cascades' standardized recruitment process is applicable to all its operating sites which ensures compliance with strict labour law standards. In addition, the Company relies on a computerized control measure through database programming which ensures that any new employee must be over 16 years of age, failing which the hiring process cannot be completed.

The process of recruiting foreign workers is also governed by a pre-employment due diligence verification to confirm that selected candidates hold a valid work permit issued by the Canadian government. Even though Cascades undertakes the process of hiring abroad, the Company is supported by firms specializing in international recruitment. It is their responsibility to verify the documentation of foreign applicants.

THIRD-PARTY CONFIDENTIAL ETHICS REPORTING

Cascades wishes to promote a culture of integrity and transparency and, to this end, provides its employees and members of the public with a confidential and anonymous reporting mechanism. This allows them to report

any violation or breach of the Code of Ethics and Business Conduct. The governance for ethics reporting is managed by the Audit and Finance Committee of the Board of Directors; the committee is informed quarterly, in the form of

an anonymized report on the number and scope of all issues that necessitate specific attention.

Any person can report a violation or breach anonymously by phone or via the secured online portal which is accessible via Cascades' public website and its Intranet site.

EXTERNAL AUDITS

Some of Cascades' operating sites are evaluated by external auditors at clients' requests. These SMETA audits aim to ensure that the Company respects or exceeds the requirements prescribed by applicable laws and best practices

in terms of labour law, health, safety and fundamental human rights. None of the SMETA audits completed at Cascades operating sites in 2023 showed any serious deficiencies.

BUSINESS RISK MANAGEMENT

In the normal course of its activities, the Company is exposed to certain risks that could have an impact on its financial position, its operating results, and its cash flow. The Company manages exposure to market and social risk through an enterprise risk management process ("ERM"). This evaluation is carried out annually by the President and Chief Executive Officer, the Vice President and Chief Financial Officer and the Chief of Strategy and Legal Affairs. The Audit and Finance committee

of the Board of Directors reviews the results of management's ERM evaluation and approves the identification of the risks and uncertainties of the Company. Cascades' ERM evaluation conducted in 2023 concluded that none of the significant risks identified are related to forced or child labour. The detailed information concerning the risk factors of the Company are found in the Risk Factors section of the Annual Report.

6 EMPLOYEE TRAINING

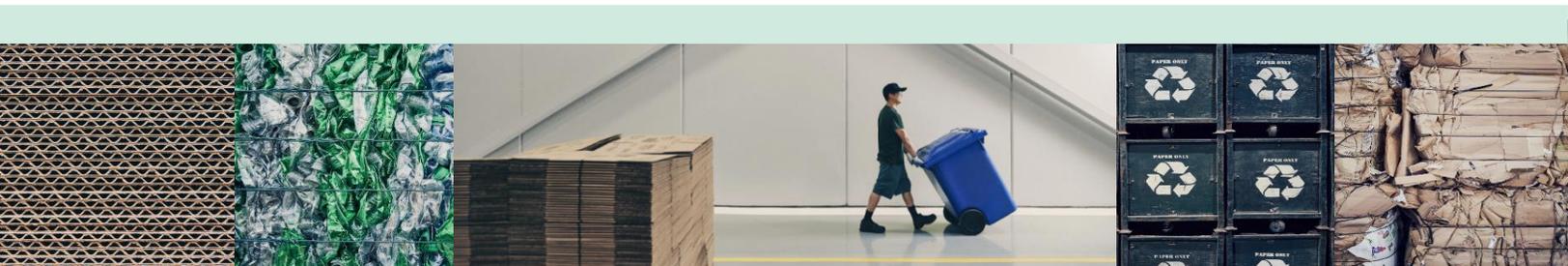
All employees must follow a mandatory training program during onboarding, one component being the Code of Ethics and Business Conduct of Cascades. This component of the training must be renewed every three years for all employees, regardless of their status or level of responsibility within the Company. Training completion is monitored by the human resources managers of each business unit, with the help of a computerized training management system.

Moreover, all the corporate buyers must follow an additional mandatory training program specific on human rights risks in the supply chain. This training must be repeated every five years and aims to raise awareness and educate buyers about these fundamental issues and equip them to better promote and defend human rights with our suppliers.

7 CONTINUOUS IMPROVEMENT

Although Cascades has not identified any material or significant risk of use of forced or child labour in its operations and supply chain, the Company recognizes that there is no such thing as zero risk. This is why the Company remains committed to a continuous improvement process that goes beyond mere regulatory compliance. Cascades' global strategy in this respect involves the following steps to be undertaken during the 2024 fiscal year:

1. Split the *Code of Ethics and Business Conduct* to create a new, more concise, and concrete document dedicated entirely to suppliers (and other third parties), and a second document intended solely for employees and authorized agents.
2. Carry out a detailed mapping of the Company's supply chains to better determine whether any portions thereof are at risk of forced or child labour.
3. Add human rights criteria to CAPEX tender questionnaires.
4. Work in collaboration with the various service providers involved in local and international recruitment to better consolidate Cascades' human rights requirements at all stages of the hiring process.





APPROVAL AND CERTIFICATION

This report has been approved in accordance with subparagraph 11(4)a) of the Act by the Board of Directors of Cascades Inc. This is a joint report of Cascades Inc. and its subsidiaries subject to the Act as indicated in section 1 *Reporting Obligation*, for the fiscal year ended on December 31, 2023.

In accordance with the requirements of the Act, and in particular Article 11, I hereby certify that I have examined the information contained in the report for the entities listed above. To the best of my knowledge and having exercised due diligence, I confirm that the information contained in the report is true, accurate and complete in all significant material respects for the purposes of the Act for the above-mentioned reporting year.

/s/ Mario Plourde

Mario Plourde

Director and President and Chief Executive Officer

I have the authority to bind Cascades Inc. and its named subsidiaries.

Kingsey Falls, the 30th of May 2024