

Cascades Strategic Update

February 24, 2022



Disclaimer

FORWARD-LOOKING STATEMENT

Certain statements in this presentation, including statements regarding future results and performance, are forward-looking statements within the meaning of securities legislation based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, decreases in demand for Cascades Inc.'s ("Cascades," "CAS," the "Company," the "Corporation," "us" or "we") products, the prices and availability of raw materials, changes in the relative values of certain currencies, fluctuations in selling prices and adverse changes in general market and industry conditions. This presentation may also include price indices as well as variance and sensitivity analyses that are intended to provide the reader with a better understanding of the trends related to our business activities. These items are based on the best estimates available to the Corporation.

SUPPLEMENTAL INFORMATION ON NON-IFRS MEASURES – SPECIFIC ITEMS

The Corporation incurs some specific items that adversely or positively affected its operating results. We believe it is useful for readers to be aware of these items, as they provide additional information to measure the performance, compare the Corporation's results between periods and to assess operating results and liquidity, notwithstanding these specific items. Management believes these specific items are not necessarily reflective of the Corporation underlying business operations in measuring and comparing its performance and analyzing future trends. Our definition of specific items may differ from those of other corporations and some of them may arise in the future and may reduce the cash available to us.

They include, but are not limited to, charges for (reversals of) impairment of assets, restructuring gains or costs, loss on refinancing and repurchase of long-term debt, some deferred tax assets provisions or reversals, premiums paid on long-term debt refinancing, gains or losses on the acquisition or sale of a business unit, gains or losses on the share of results of associates and joint ventures, unrealized gains or losses on derivative financial instruments that do not qualify for hedge accounting, unrealized gains or losses on interest rate swaps, foreign exchange gains or losses on long-term debt, specific items of discontinued operations and other significant items of an unusual, non-cash or non-recurring nature.

RECONCILIATION OF NON-IFRS MEASURES

To provide more information for evaluating the Corporation's performance, the financial information included in this analysis contains certain data that are not performance measures under IFRS ("non-IFRS measures") which are also calculated on an adjusted basis to exclude specific items. We believe that providing certain key performance measures and non-IFRS measures is useful to both management and investors as they provide additional information to measure the performance and financial position of the Corporation. It also increases the transparency and clarity of the financial information. The following non-IFRS measures are used in our financial disclosures:

- Operating income before depreciation and amortization (OIBD): Used to assess operating performance and contribution of each segment when excluding depreciation & amortization. OIBD is widely used by investors as a measure of a corporation ability to incur and service debt and as an evaluation metric.
- Adjusted OIBD: Used to assess operating performance and contribution of each segment on a comparable basis.
- Adjusted operating income: Used to assess operating performance of each segment on a comparable basis.
- Adjusted net earnings: Used to assess the Corporation's consolidated financial performance on a comparable basis.
- Adjusted free cash flow: Used to assess the Corporation's capacity to generate cash flows to meet financial obligation and/or discretionary items such as share repurchase, dividend increase and strategic investments.
- Net debt to adjusted OIBD ratio: Used to measure the Corporation's credit performance and evaluate the financial leverage.
- Net debt to adjusted OIBD ratio on a pro forma basis: Used to measure the Corporation's credit performance and evaluate the financial leverage on a comparable basis including significant business acquisitions and excluding significant business disposals, if any.

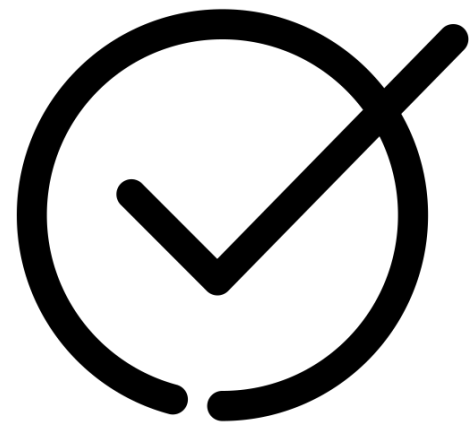
Non-IFRS measures are mainly derived from the consolidated financial statements but do not have meanings prescribed by IFRS. These measures have limitations as an analytical tool and should not be considered on their own or as a substitute for an analysis of our results as reported under IFRS. In addition, our definitions of non-IFRS measures may differ from those of other corporations. Any such modification or reformulation may be significant.

All amounts in this presentation are in Canadian dollars unless otherwise indicated.

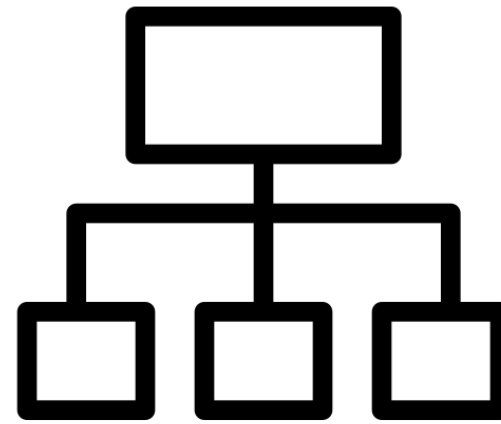
Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



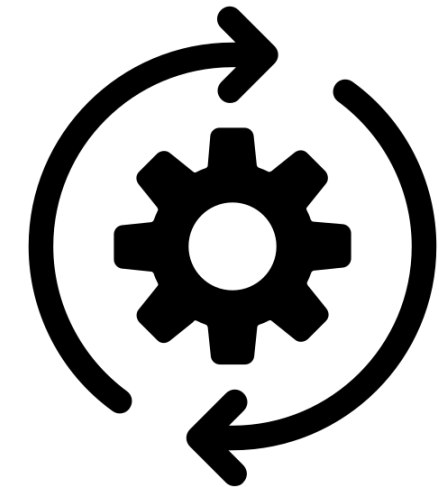
Agenda



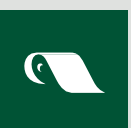
Where We Come From



Where We Are Today



Where We Are Going



Where We Come From

Cascades of today is not the Cascades of yesterday:

Same Roots, Different Company



Where We Come From | Sustainability is in our DNA

Nearly 60 years ago, long before businesses began incorporating environmental principles into their practices, our company became a pioneer of the circular economy by making products from recycled materials.

True to our values and dedicated to helping our customers reduce their environmental footprint, Cascades is pleased to raise its commitment to sustainable development and drive positive change.

*Cascades CEO Mario Plourde
visiting our recovery operations with David Suzuki*

Where We Come From | We Care We Innovate We Create Value

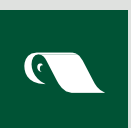
Our Mission

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



Our Vision

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



Where We Come From | Recovery Operations

A natural extension of our operations, delivering financial and strategic value.



Largest source of recovered fiber contributing about 25% of total requirements annually



Among Cascades' **lowest landed cost sources** with ability to raise value through quality



Excellent source of market intelligence, active in all fiber streams including residential, industrial, commercial and institutional



- 18 recovery facilities with national reach & capability
- 3 transfer stations providing full recovery services
- Over 1 million tons processed annually



Where We Come From | Progress on Previous Strategic Plan

We made significant progress on our previous 5-year strategic plan (2017-2021) that was focused on modernizing, innovating and creating value.

Modernization

Innovation

Value Creation

Invested \$1.5 B over 5 years

Dedicated team pushing boundaries for innovative packaging and hygiene products

Increased ownership in the Greenpac Mill; margin improvement initiatives

Added new converting facilities in Tissue and Containerboard

Eco-design principles for new eco-friendly products

Sale of interests in Boralex and Reno de Medici; significant reduction of leverage ratio

Acquired Orchid Papers and Bear Island, restructured Tissue platform

Commercial excellence and sales team effectiveness programs

\$200 M cash returned to shareholders, dividend tripled



Where We Come From | Our Asset Base

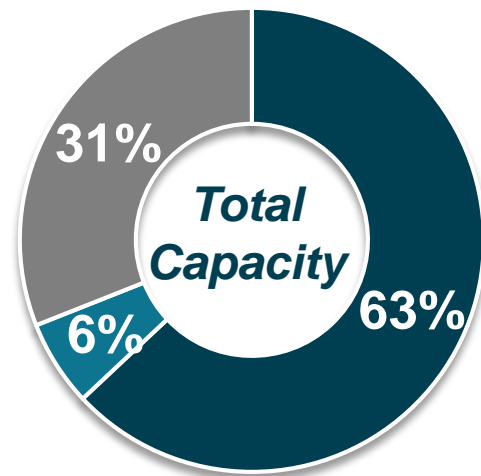
Investments and modernization initiatives have improved competitiveness* of our assets.

Tier 1

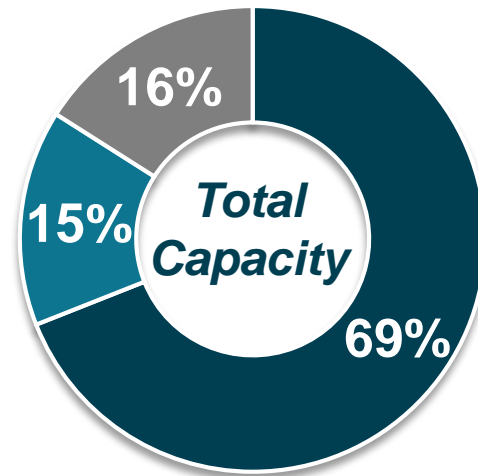
Tier 2

Tier 3

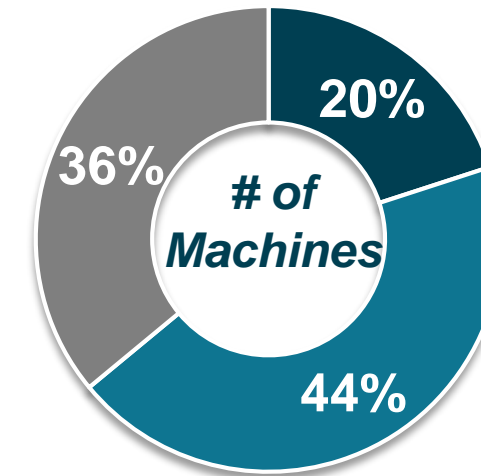
CONTAINERBOARD
Manufacturing (with Bear Island)



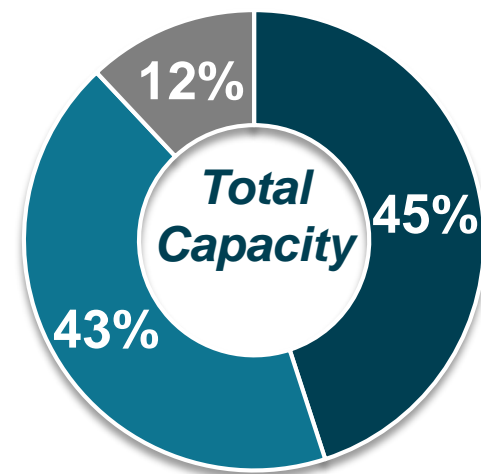
CONTAINERBOARD
Converting



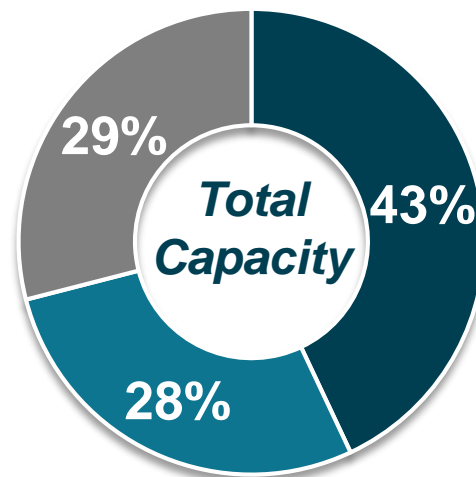
CONTAINERBOARD
Sheeting



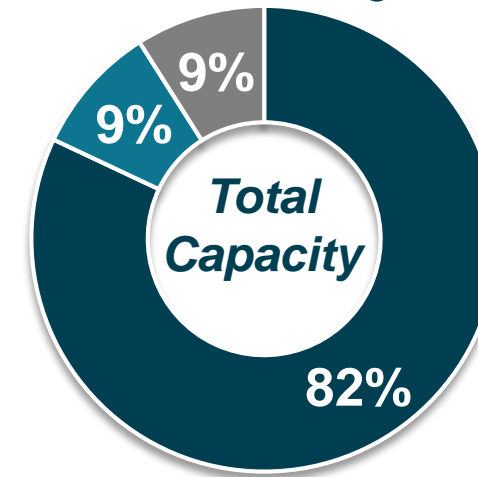
SPECIALTY PACKAGING



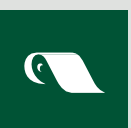
TISSUE PAPERS
Manufacturing



TISSUE PAPERS
Converting



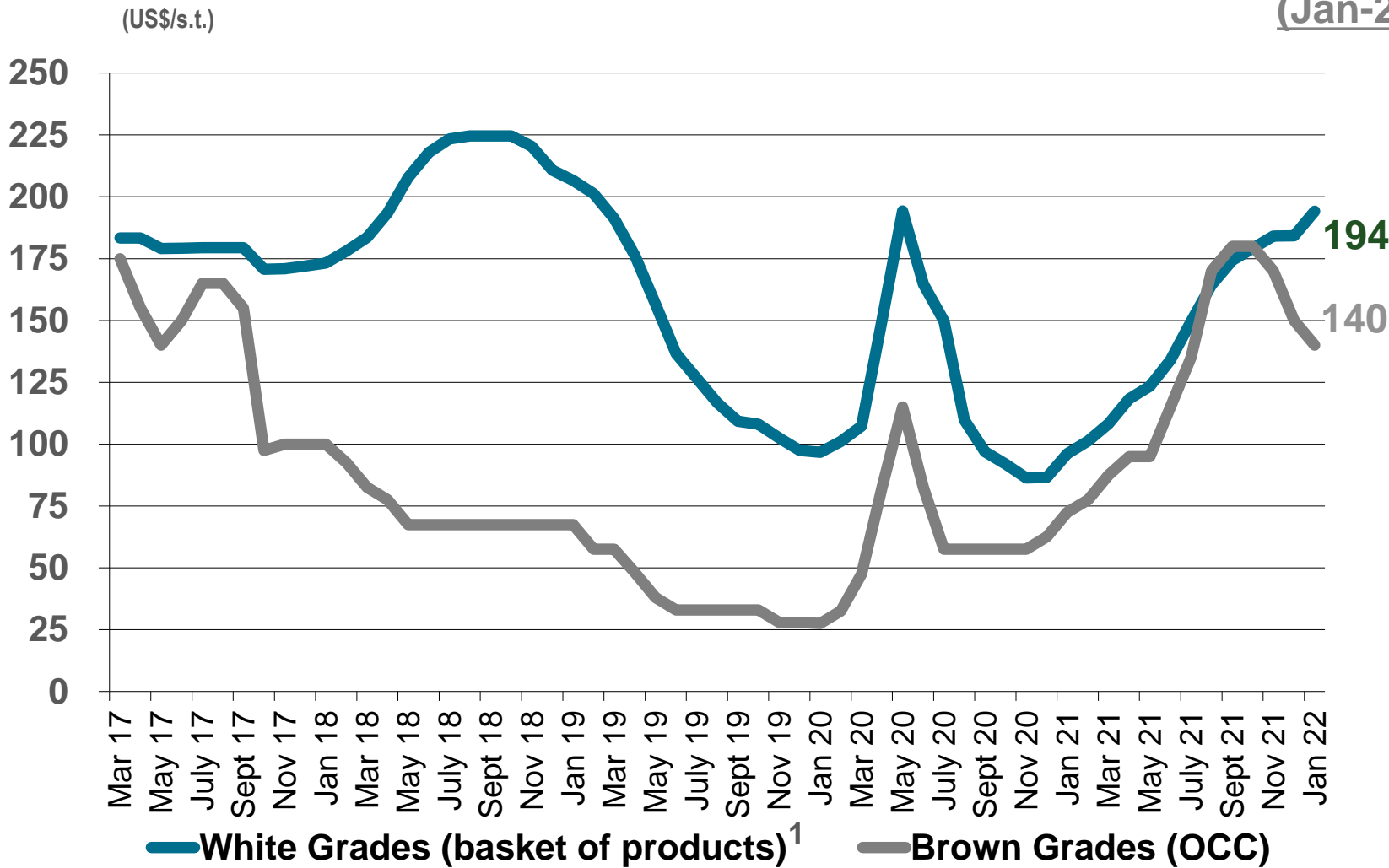
* Competitiveness (Tier 1, 2 or 3) of manufacturing and converting assets based on extensive internal analysis: equipment age, width, speed, capacity and technological positioning.



Where We Come From | Raw Material Dynamics

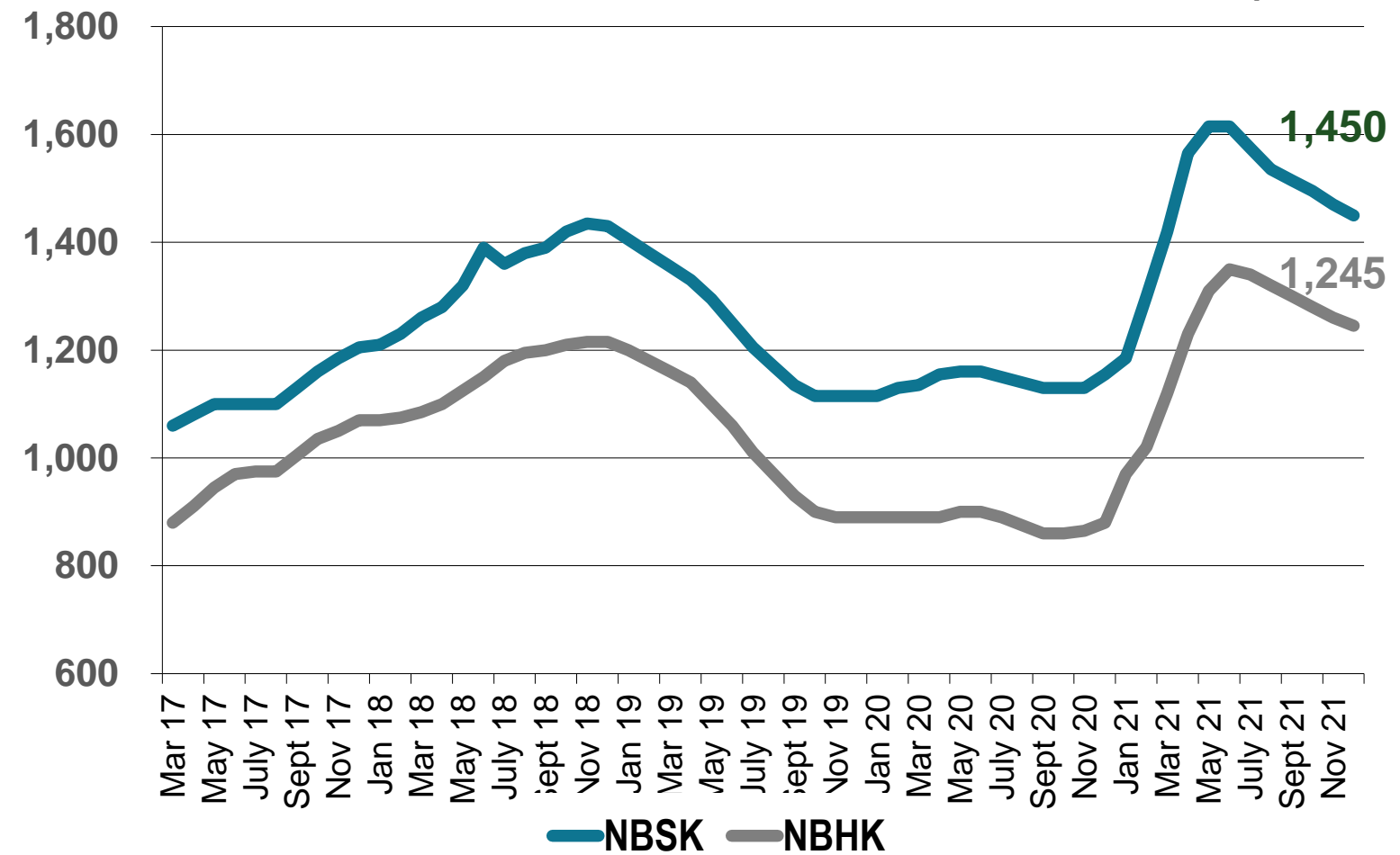
Fiber costs in North America (US\$/s.t.)

Current (Jan-22)

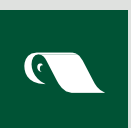


VIRGIN PULP PRICES (US\$/s.t.)

Current (Dec-21)



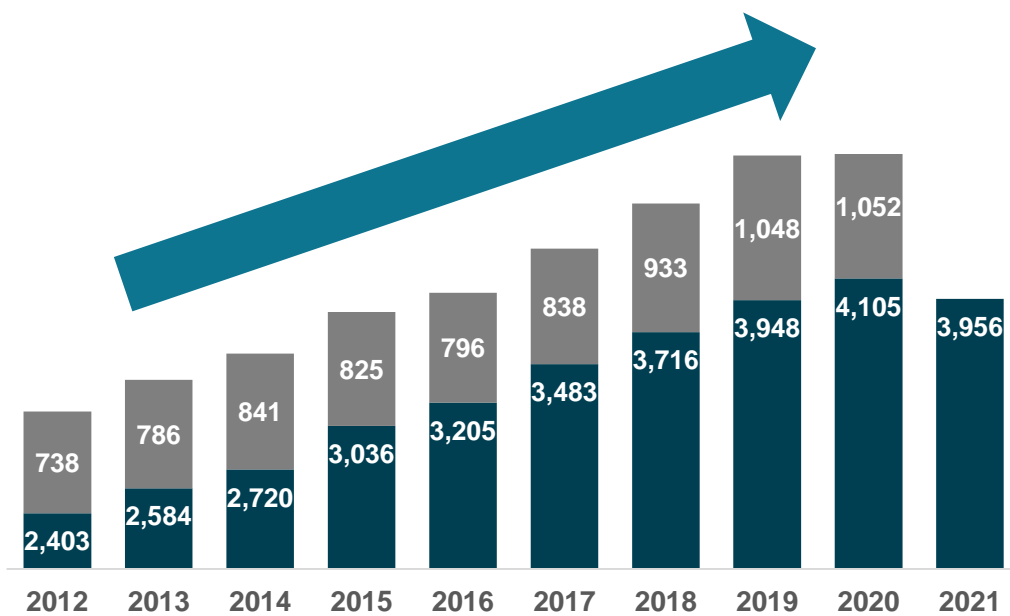
Source: RISI Northeast average. (1) Basket of white recycled paper, including grades such as SOP, Hard White Envelope and Coated Book Stock; Northeast average. Weighted average based on Cascades' consumption of each grade. Current price for White Grades is the RISI index price for SOP and is not a basket of products. (2) Canada/US sources delivered to Eastern US



Where We Come From | Overall Performance

Our strategy delivered results, leading to significant and steady growth.

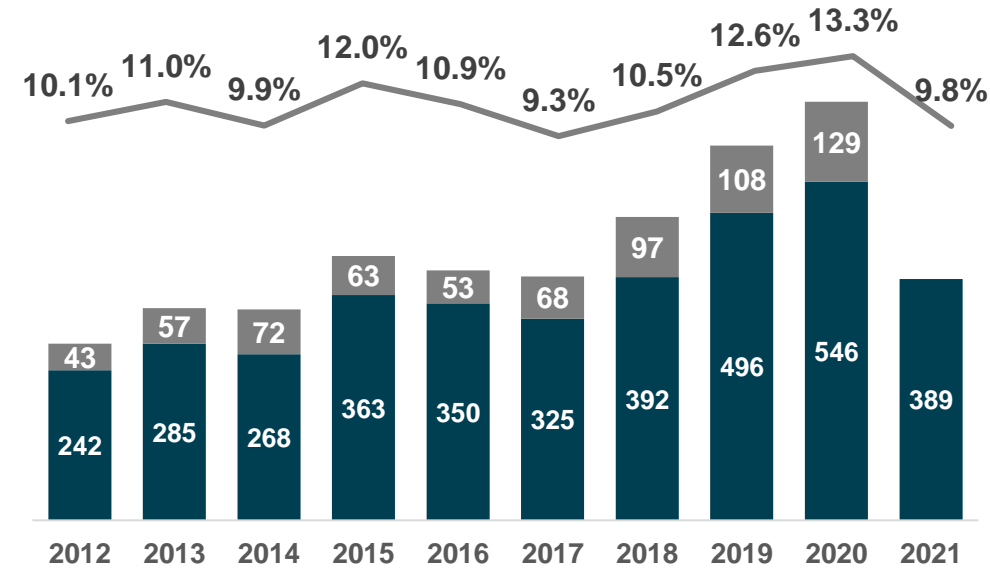
SALES (in 000's CAN\$)



Sales CAGR growth of 5.7%

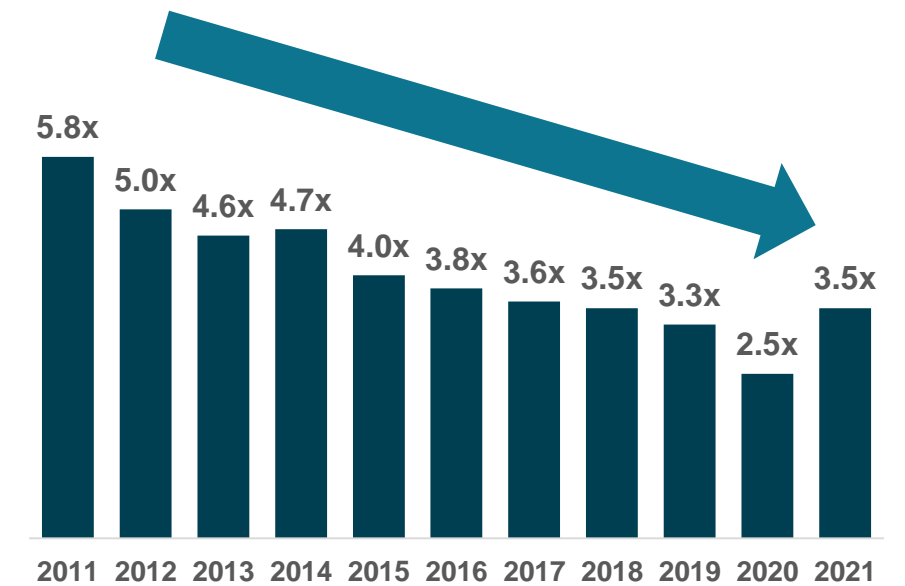
Boxboard Europe segment (divested October 2021)

ADJUSTED OIBD¹ & OIBD MARGIN
(M CAN\$, % of sales)



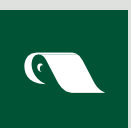
Improved profitability profile in a volatile cost environment

LEVERAGE RATIO



Disciplined capital management and strategic actions have resulted in a stronger financial profile

¹ OIBD = Operating income before depreciation and is commonly referred to as EBITDA. Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



Where We Come From | 2021 Challenges

2017-2020

Sustained profitability improvement in Packaging

- Strong demand for packaging related to COVID
- Lower selling prices
- Favourable raw material markets
- Positive impact of investments and margin improvement initiatives

High volatility in Tissue

- Constant production volume growth
- Strong, erratic product demand for consumer products related to COVID in 2020
- Favourable raw material markets (2019-2020)
- OIBD margin improvement from 1.3% in 2018 to 10.8% in 2020

In 2021

Sales: \$4.0 B

OIBD: \$389M

OIBD Margin: 9.8%

Leverage Ratio: 3.5x

Tissue segment underperformance...

- High operating cost environment
- Production curtailment
- Challenges in labour availability

...and lower containerboard results

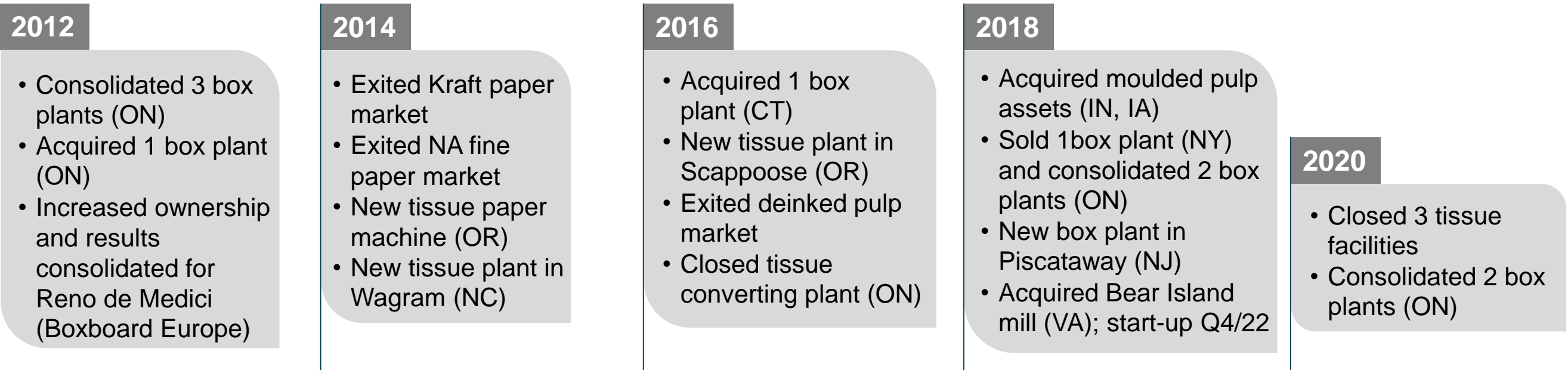
- Strong packaging product demand
- Price increases partially offsetting higher raw material costs
- Higher logistics and labour costs
- Water effluent issues in Niagara Falls complex
- Weather related disruptions and year-end COVID surge

¹ OIBD = Operating income before depreciation and is commonly referred to as EBITDA. Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.

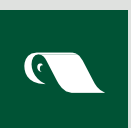
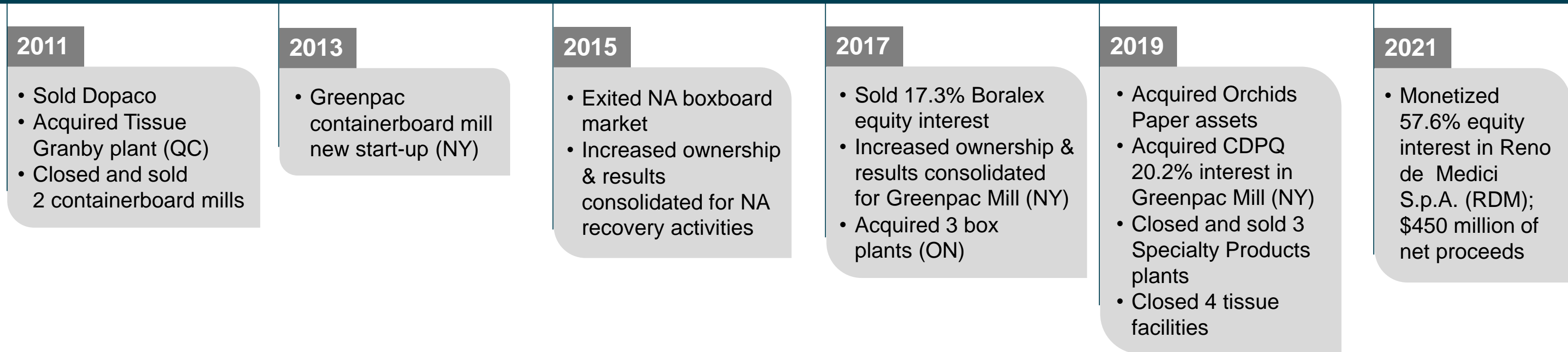


Where We Come From | Our Strategic Journey

Over the last 10 years, Cascades has repositioned its operations with 17 closures, 11 divestitures, 15 strategic transactions and 4 new projects, to meet evolving market dynamics and customer needs.

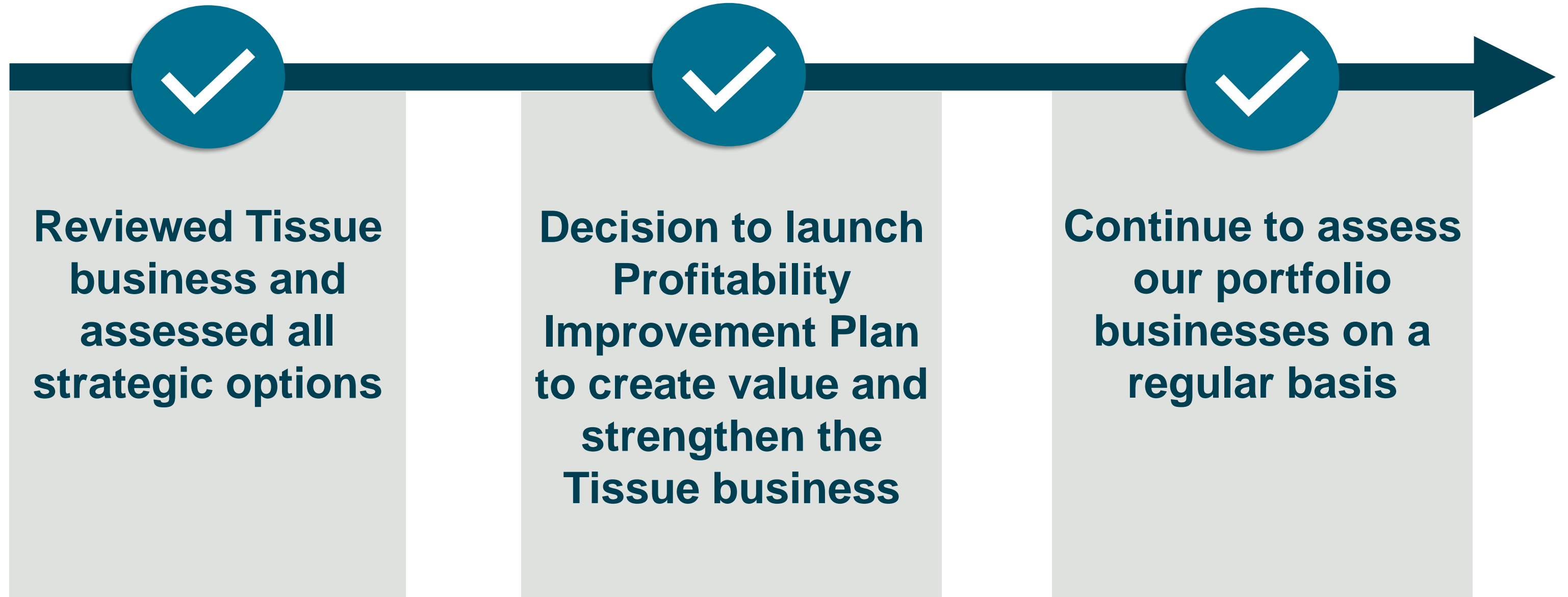


MODERNIZATION OF OUR ASSETS, ERP & BUSINESS PROCESS PLATFORMS



Where We Come From | Tissue Business Considerations

Notwithstanding certain challenges, our Tissue assets are well capitalized. We will deliver on our profitability plan for this business unit, with a focus on operational execution.



Where We Are Today:

The work we have completed has equipped us to deliver for our customers, investors and stakeholders.



Packaging | Packaging Solutions Provider



Our operations are sustainable



Our markets are growing



We are aligned with industry trends



Our supply chain is responsible



Our products are eco-designed



Packaging | Our Value Proposition

We are focused on developing our products according to recognized eco-design principles and leading the way in sustainable packaging solutions.

Sustainability

With eco-designed packaging solutions, deep knowledge and experience, we help our customers to understand their impact and reduce their own footprint to give life to the circular economy.

Co-Innovation

Our world class R&D and co-innovation approach allows us to design solutions with optimized performance. It's what motivates us. It's what creates value for our customers.

Expertise

Advanced modeling, packaging optimization and operational efficiency are among the many expertise our customers can benefit from every day. Above product, we provide solutions.

Customer Centric

We focus our efforts on being reliable in terms of product quality and service making it easy to do business with us. Simply put, we deliver on our promise.

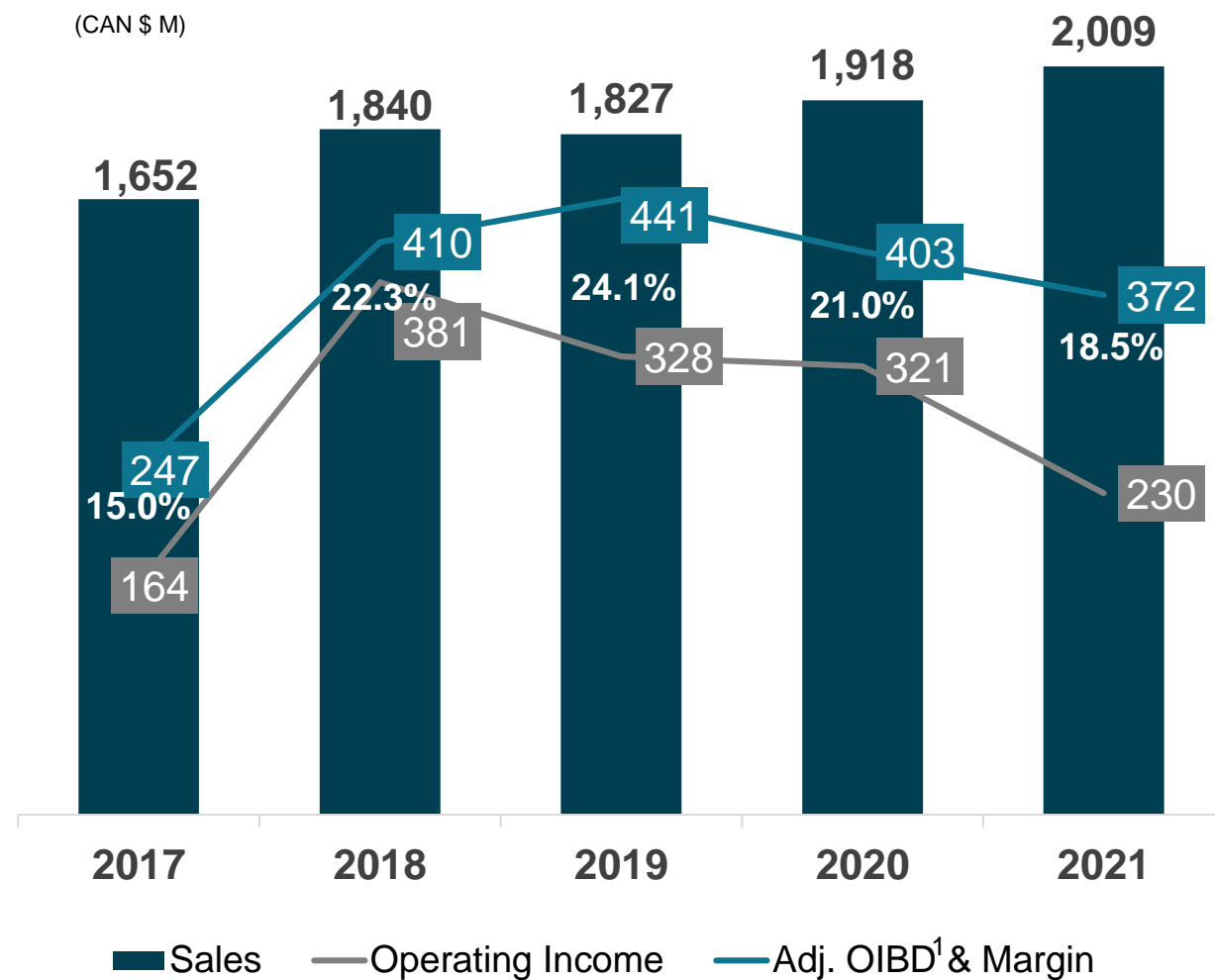
Containerboard Packaging

The go-to solution for businesses.

Cascades boxes combine design, performance and sustainability.

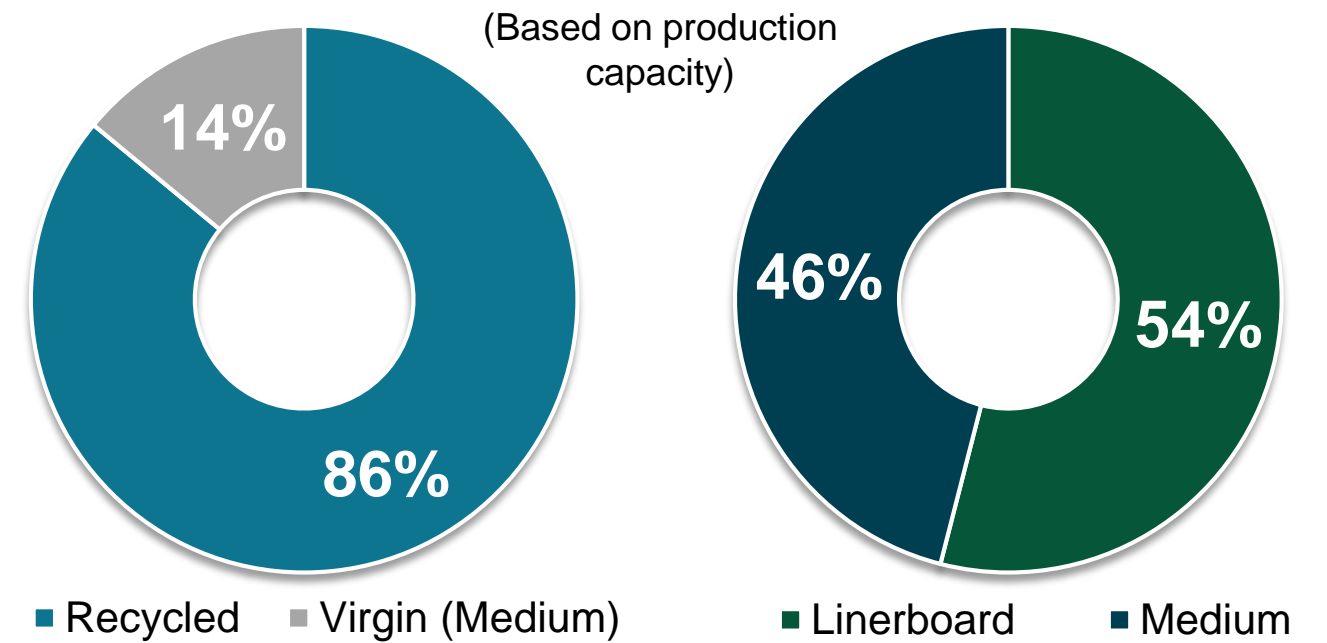


Containerboard | A Snapshot of Our Operations



6th largest containerboard producer in N.A.

	Manufacturing	Converting
Canada	11% of 2021 sales	54% of 2021 sales
USA	17% of 2021 sales	17% of 2021 sales

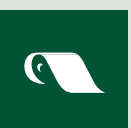


2021 annual capacity: 1,575 k short tons.

2021 integration rate²: 73%

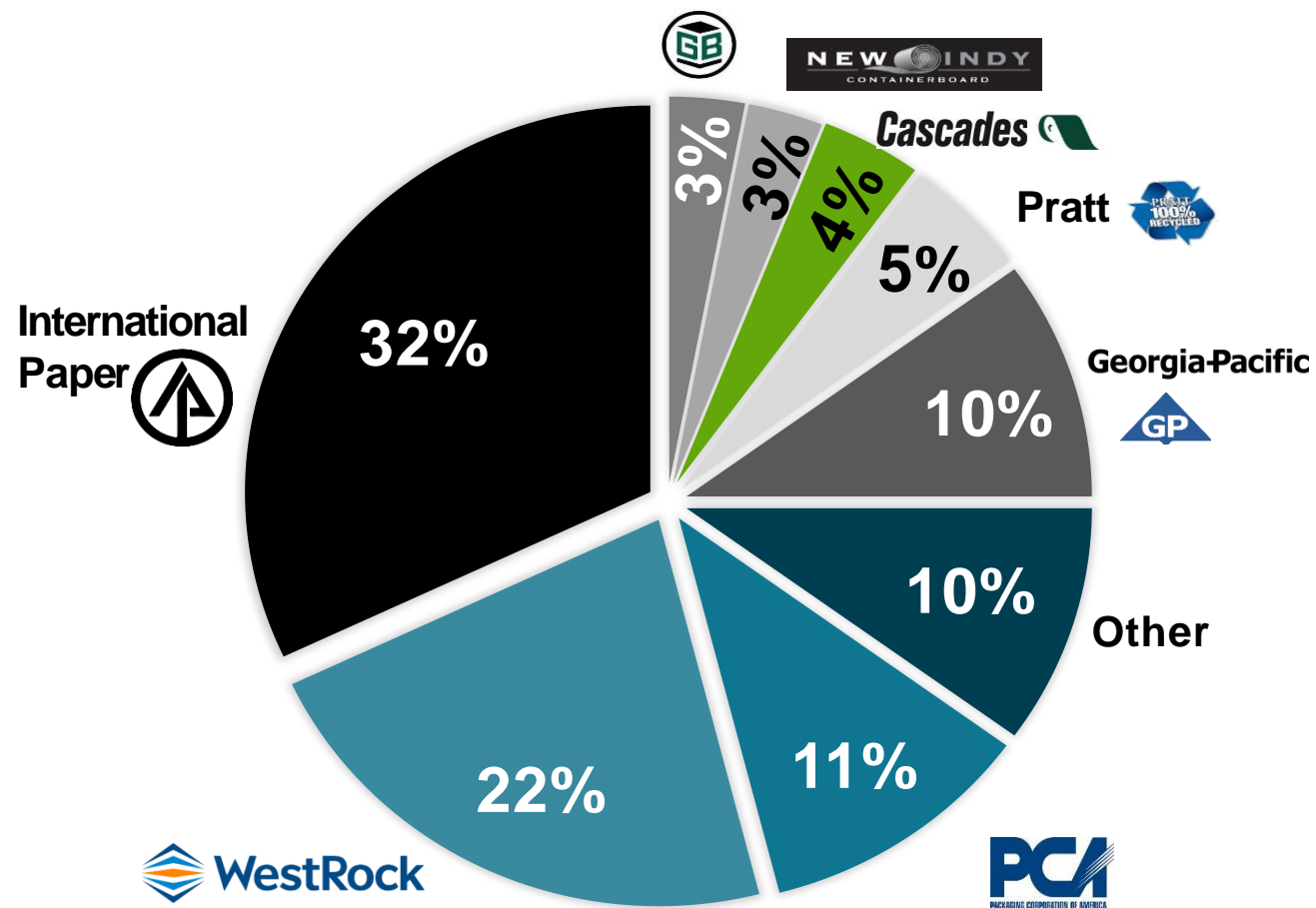
¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.

² Including associates and JV's investments.



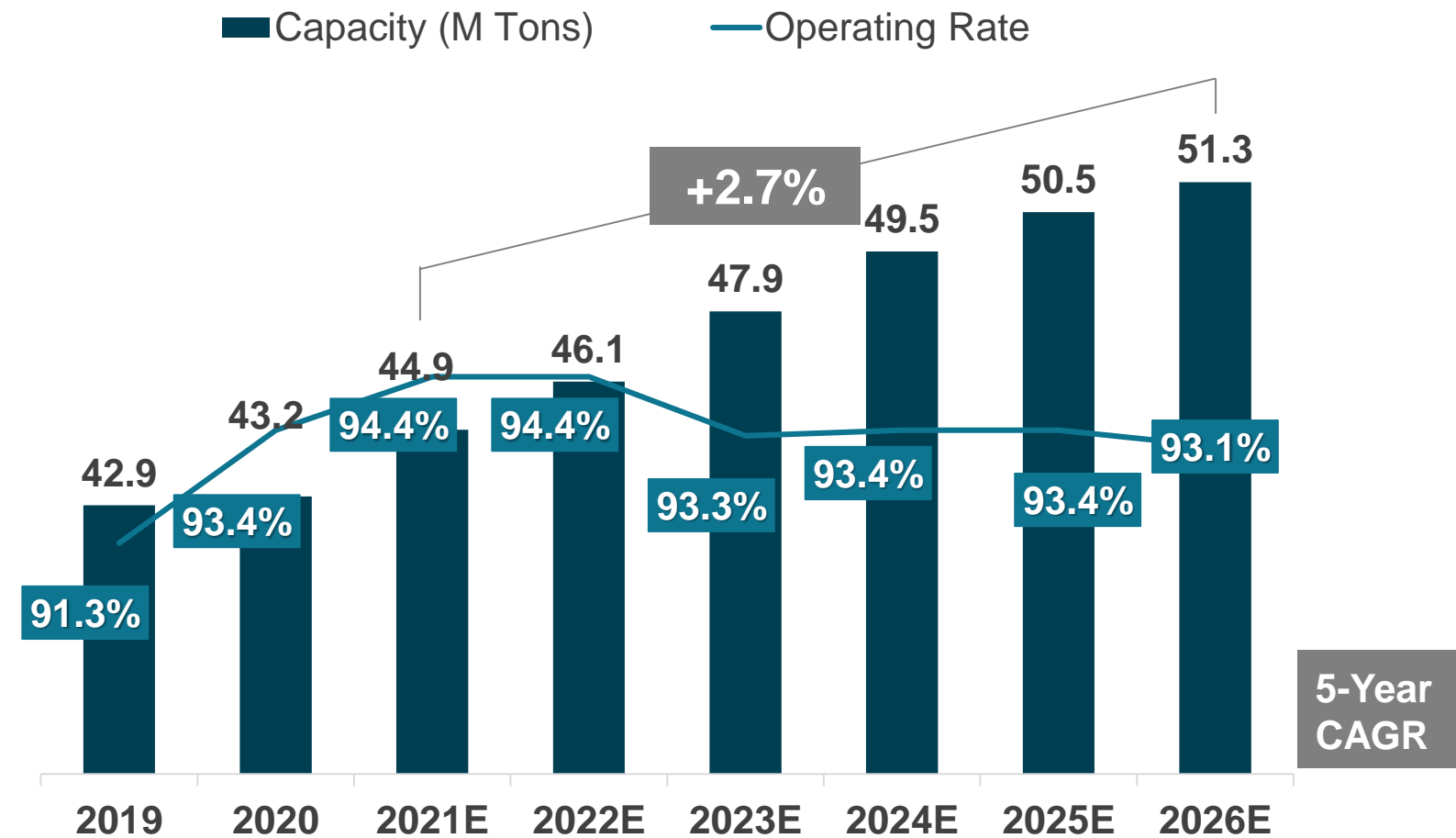
Containerboard | Market Overview

The North American market offers good returns and attractive growth potential.



Market share: top 4 players = 75%¹

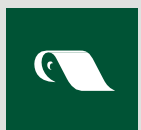
¹ Source: FisherSolve N/A Containerboard, accessed May 18, 2021. Other category includes all players with 2% or less market share. Does not include Bear Island



North American Capacity and Operating Rate²

- Forecasted 2021 - 2026 CAGR capacity growth of approximately 2.7%
- Operating rate average ~93.5% over the 2021 - 2026 period

² Source: RISI North American Paper Packaging Forecast 5-year (Nov 2021)



Containerboard | Our Strategic Segments



Distribution/E-com



Produce



Food Processing



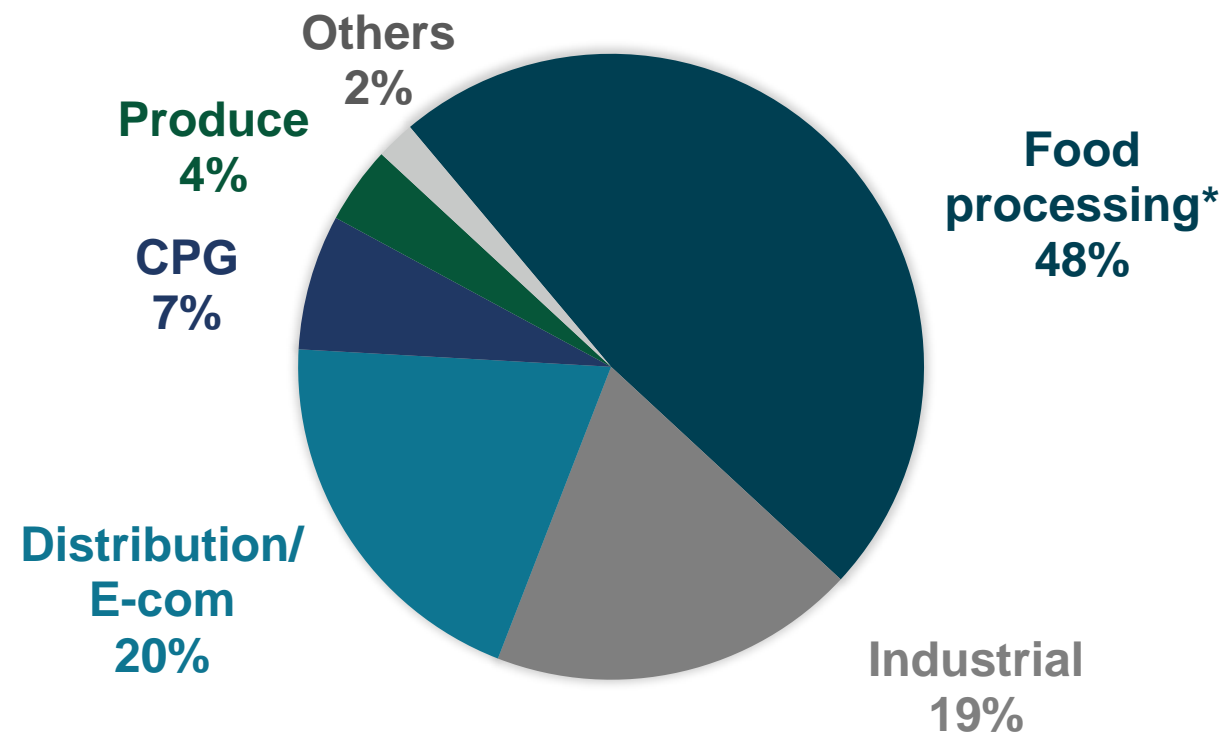
Consumer (CPG)



Industrial

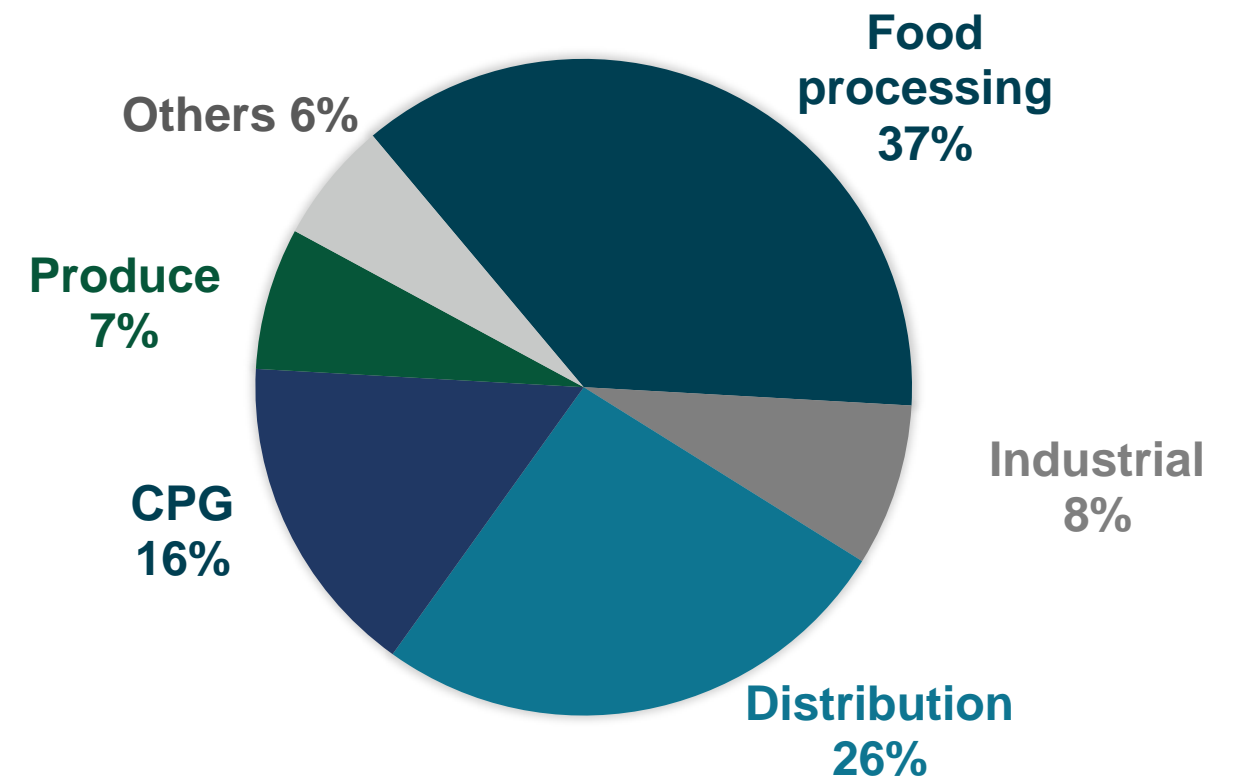
(In MSF)

Cascades



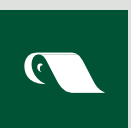
(In MSF)

Industry



Source: Cascades full year 2021– sales segmentation in MSF
* Includes beverage market

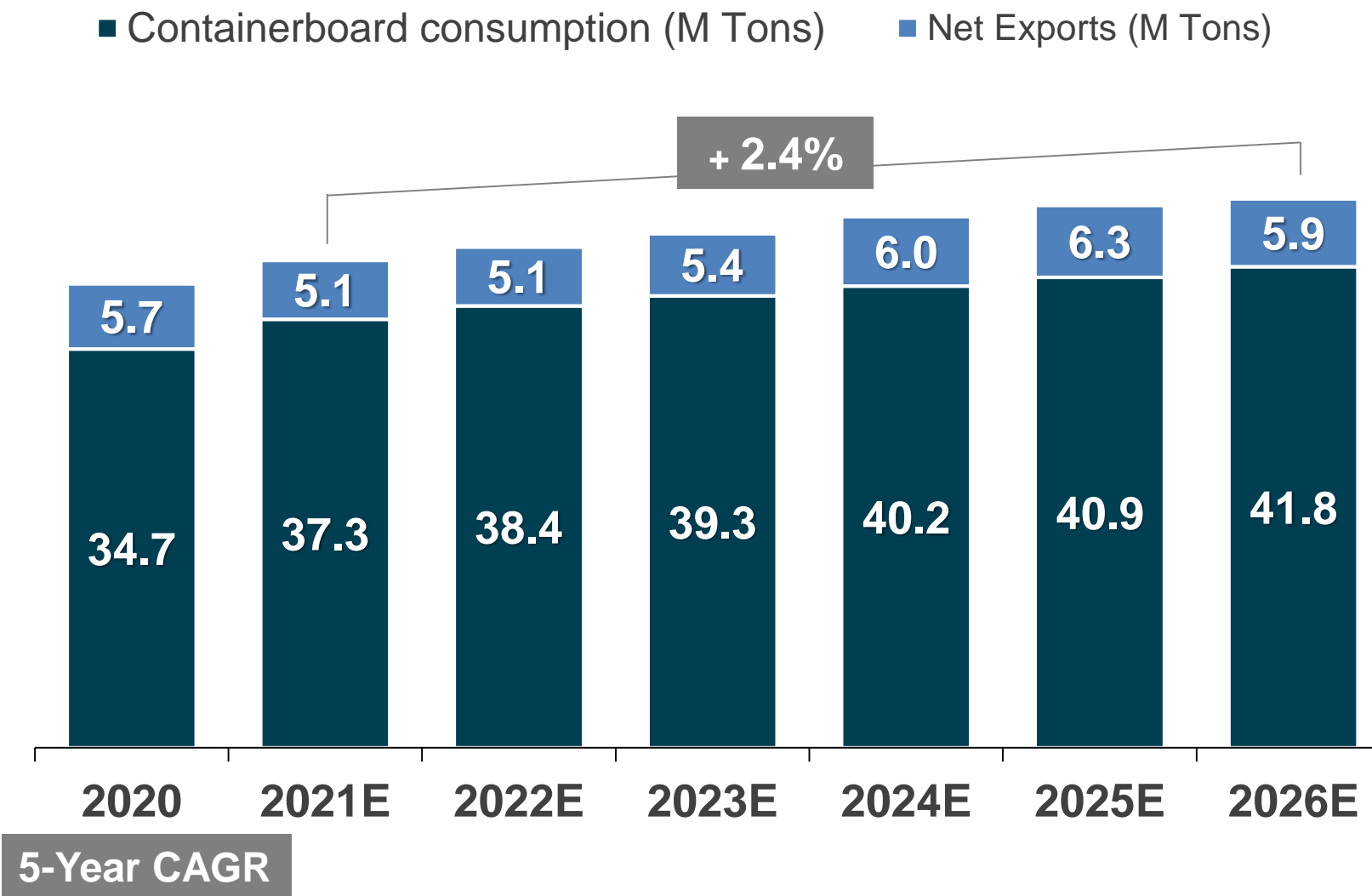
Sources: Economic Trends and Outlook for Corrugated Products, Richard Storat and FBA August 2021 FBA, NA corrugated Industry Bulletin – December 2020



Containerboard | Forecasted Demand

The North American market offers good returns and attractive growth potential.

North American Containerboard Expected Production



Source: RISI North American Paper Packaging Forecast 5-year (Nov 2021)

Key Market Growth Drivers

e-Commerce adoption

- COVID-19 accelerated adoption amongst all population segments
- Consumer behavior changes, increased usage in new categories (e.g., food, agriculture)

Sustainability is key

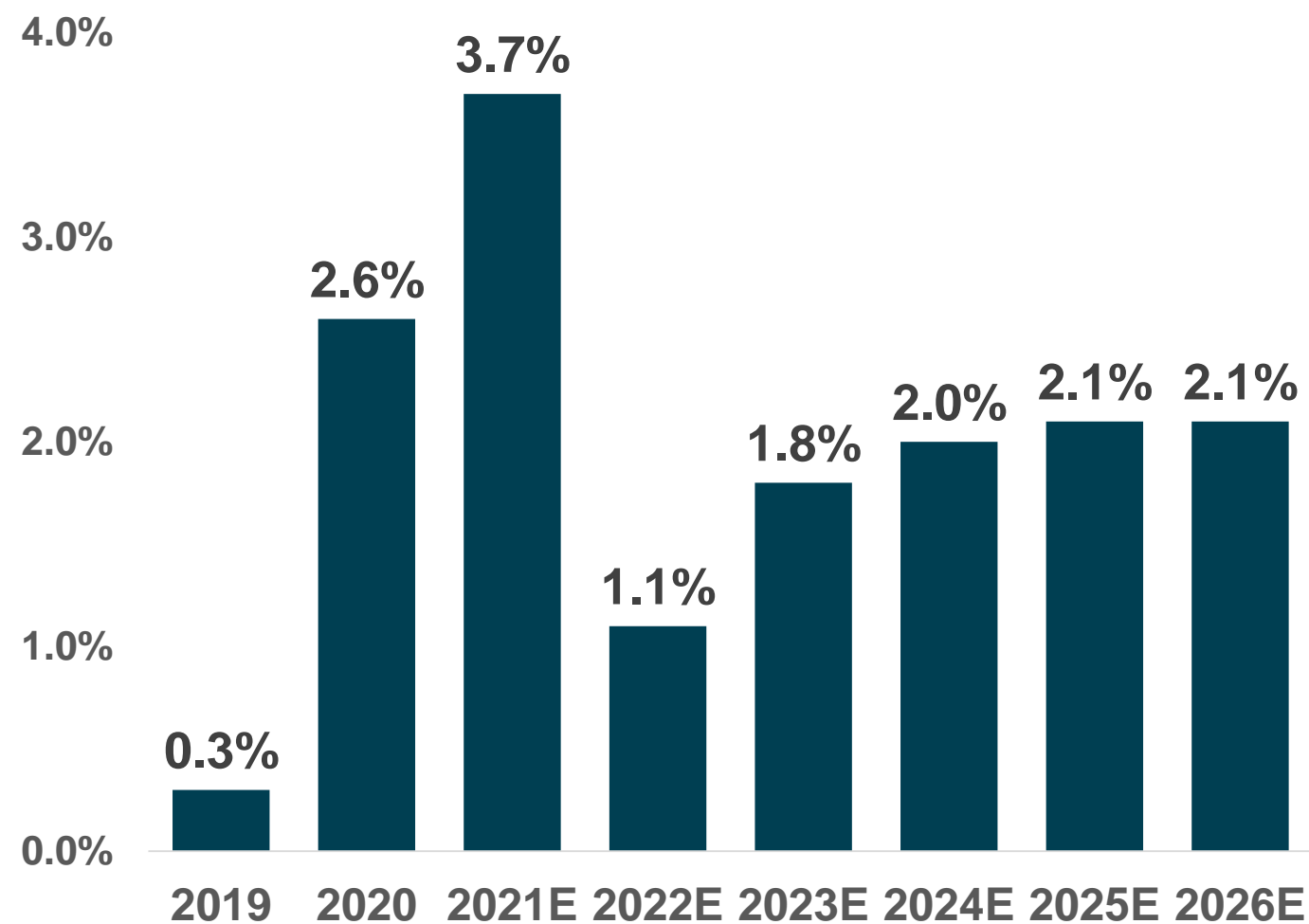
- Consumer demand driving shift to responsible packaging
- Brand owners seeking solutions with greater recycled content
- Greater usage of Lightweight containerboard



Containerboard | Aligned to Market Demand

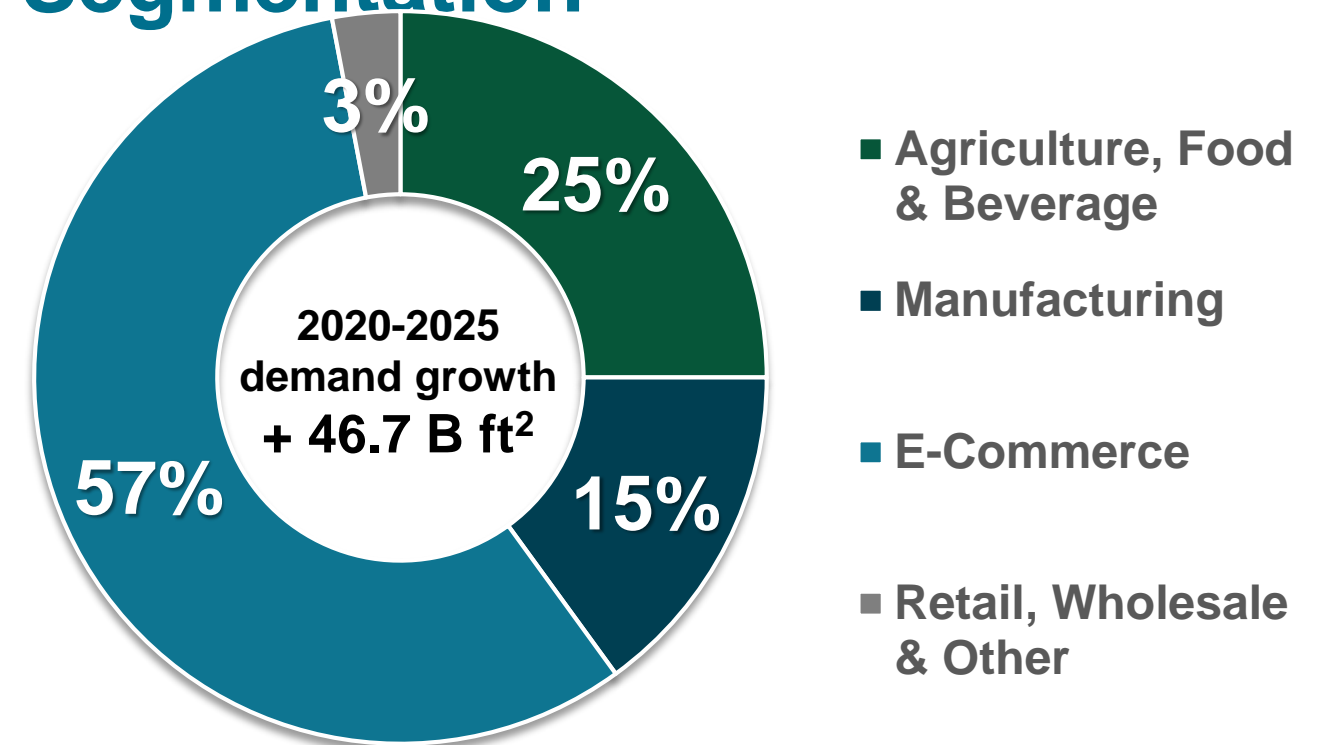
Our platform is well positioned to capitalize on market growth

Box Shipment Growth



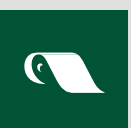
Source: RISI North American Paper Packaging Forecast 5-year (Nov 2021)

Box Demand Growth Segmentation



- Box demand forecasted growth: +2.1% (CAGR) 2020-2025
- E-commerce, agriculture and food & beverage sectors account for 82% of total expected market growth

Source: Numera Analytics, October 2021



Containerboard | Bear Island Opportunity

With our recent investment in Bear Island, we have significant growth opportunity to meet market demand.

START DATE: 12/2022	≤ 2021	2022	2023	2024	2025	Full potential
REVISED PROJECT COST: US \$425 M - \$450 M	\$175	\$210	\$50	-	-	
PRODUCTION RAMP UP			~ 70%	~ 94%	~ 97%	100%
ANNUAL PRODUCTION ('000 s.t.)			~ 330,000	~ 435,000	~ 450,000	~ 465,000
OIBD ¹ (US\$M)			~\$40-\$55	~\$70-\$85	~\$80-\$90	~\$90-\$100


100% of first year volume and approximately 75% of the first three-year volume is secured through commercial agreements

(1) Revised based on current market conditions - Spread (Linerboard-OCC) including forecasted Liner/Medium mix, current inbound and outbound freight cost. Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.




Containerboard | Volume Growth Targets

	OUR STRATEGIC MARKETS ¹	VOLUME GROWTH 2021-2024 (MSF)
	Distribution/E-commerce ~ 20% of 2021 MSF sales volume	25% - 30%
	Produce² ~ 4% of 2021 MSF sales volume	10% - 15%
	Food Processing ~48% of 2021 MSF sales volume	10% - 15%
	Consumer Packaged Goods ~ 7% of 2021 MSF sales volume	5% - 10%
	Industrial ~ 19% of 2021 MSF sales volume	5% - 10%



Industry-Leading Innovation & Sustainable Product Design



Targeted Marketing That Captures Growing Demand for Sustainable & Lightweight Solutions



Growing Cross-Channel Sales

(1) Based on Cascades full year 2021– sales segmentation in MSF, excluding sheet plants. 2% MSF sales volume sold to other markets. (2) Includes beverage market.

Containerboard | Diverse Customer Base

Our Sustainable Products are aligned with the needs of our diverse customer base

FOOD PRODUCERS



FOOD PROCESSORS



RETAILERS



ONLINE RETAILERS



DISTRIBUTORS



Containerboard | Driving Innovation

Lighter paper that helps save on fibre and the increased demand for recycled materials and high-performance products.

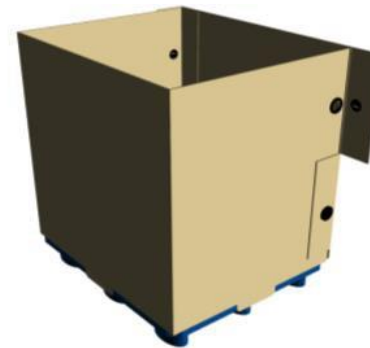
Cascades
EnviroWhite™



Cascades
e.com 
packaging
solutions™



Cascades
e.com 
packaging
solutions™



Cascades
fresh 



**100%
recycled
white
linerboard**

**Custom
e-comm
packaging**

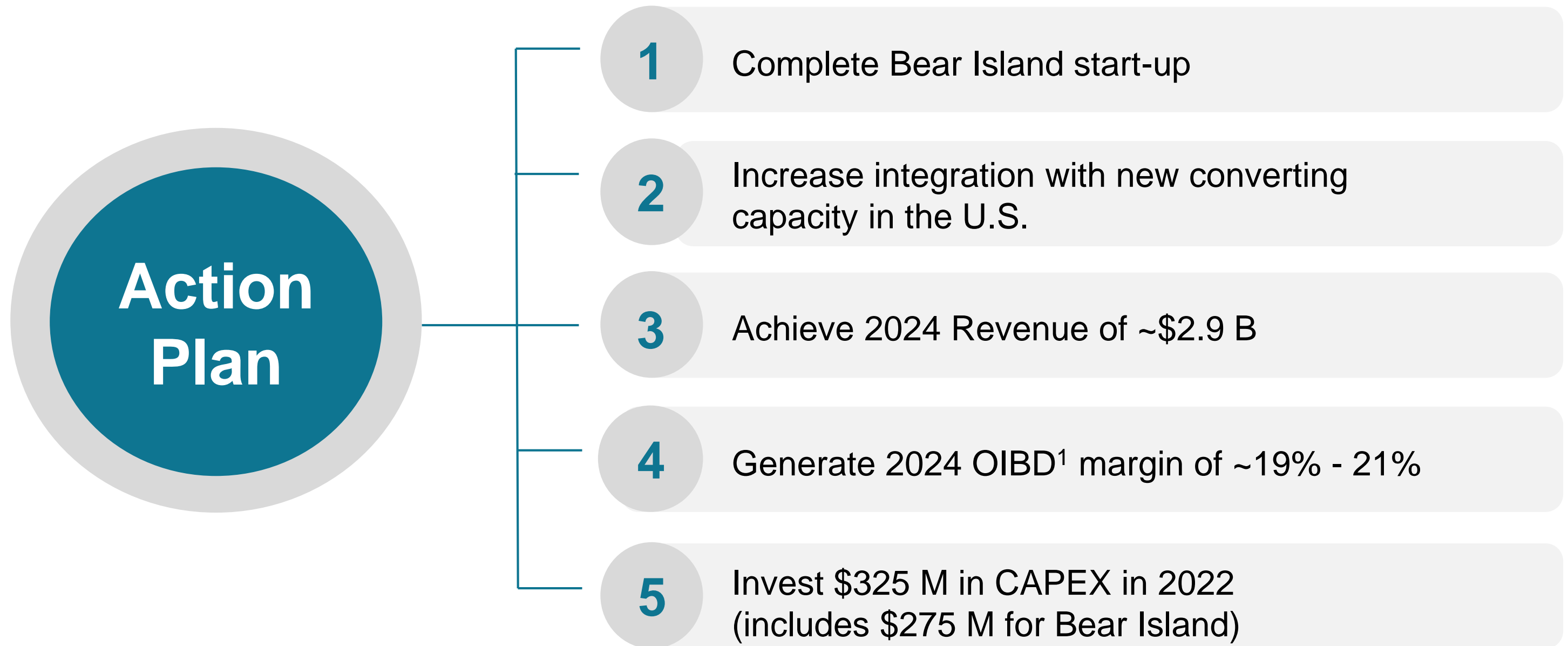
**Innovative
bin box
for
distribution
services**

**Impactful
produce
packaging**



Containerboard | Action Plan

Well positioned to generate growth and value for stakeholders.



¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



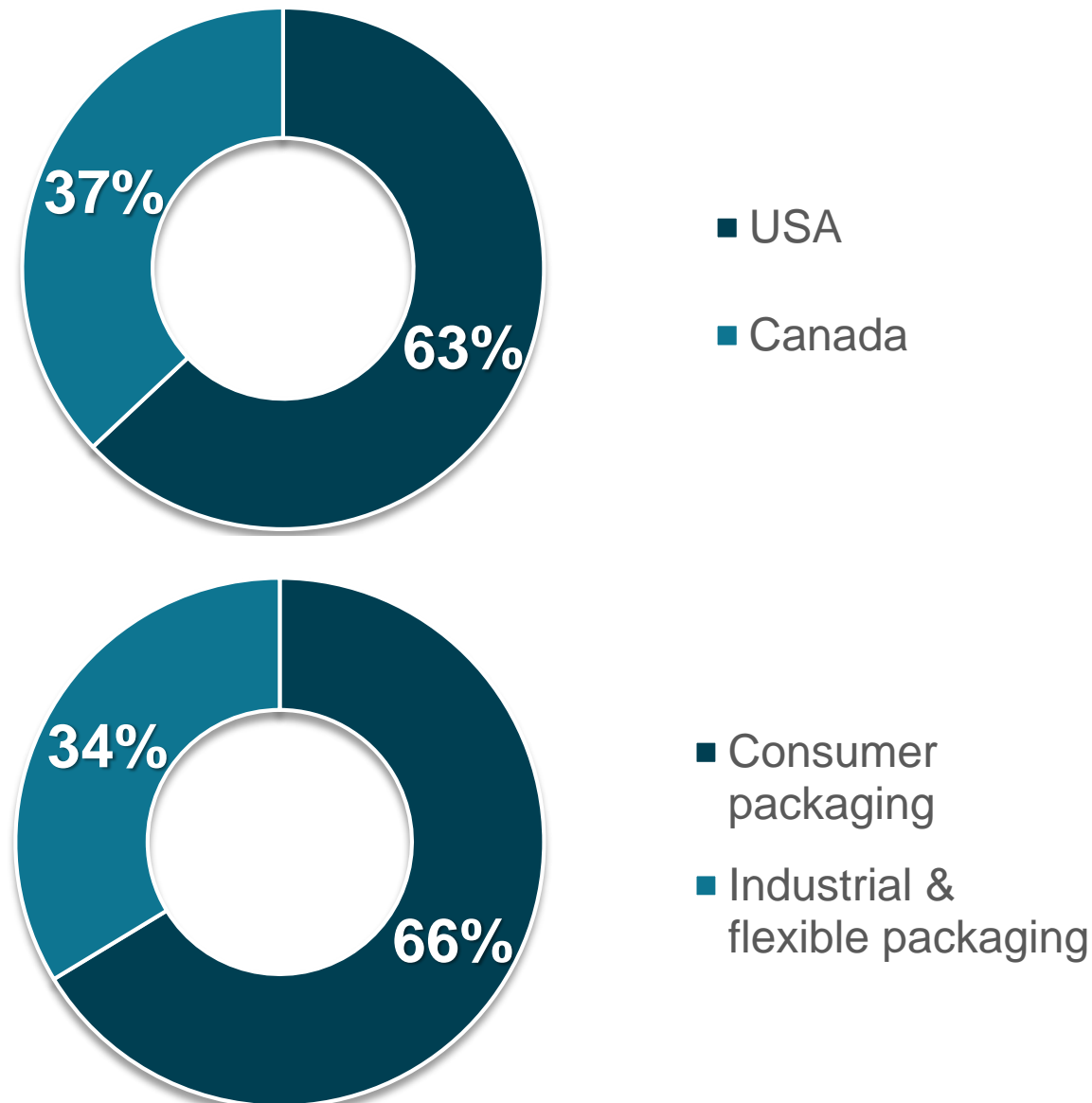
Specialty Products

Be the leader in sustainable packaging.

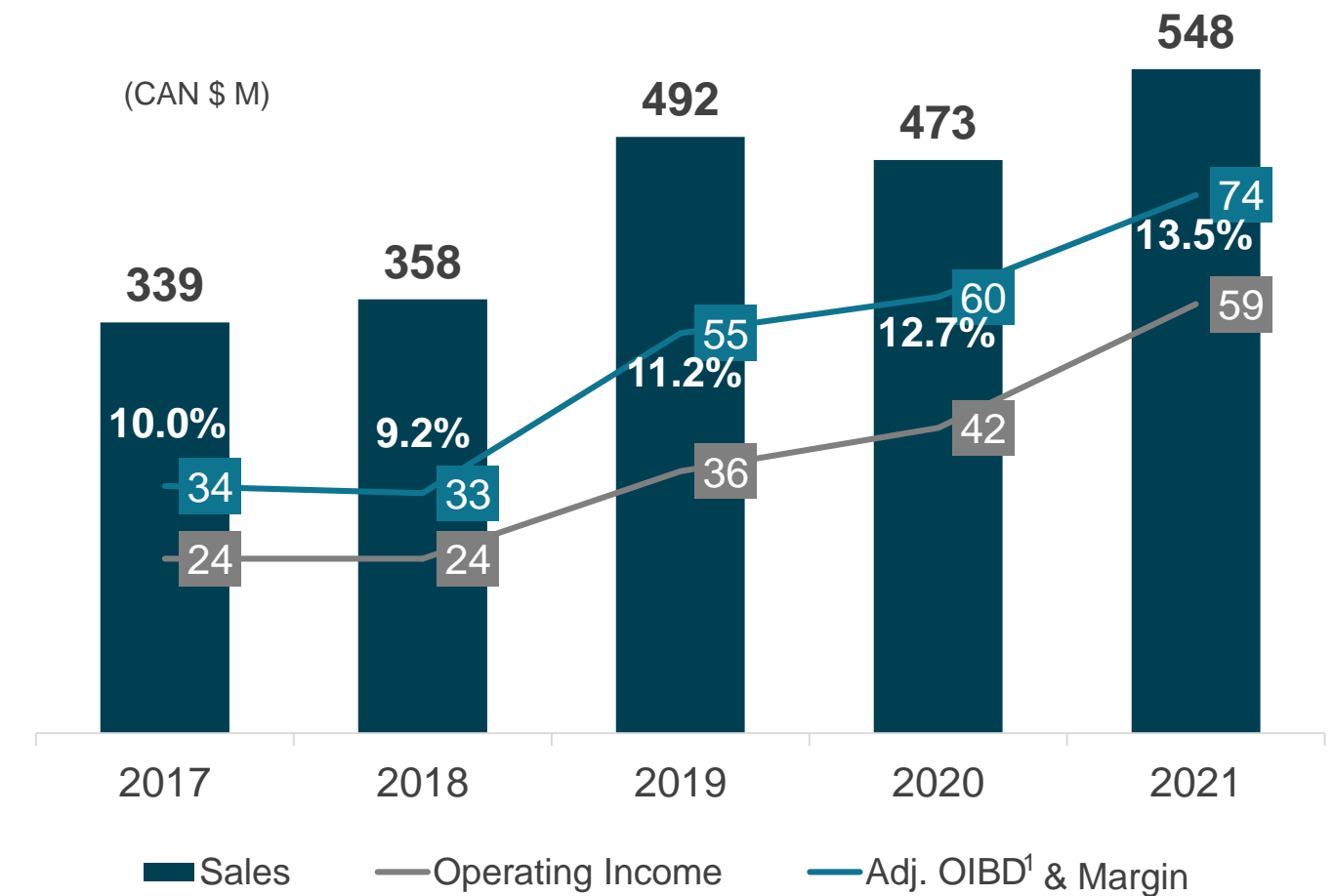


Specialty Products | A Snapshot of Our Operations

2021 sales of \$548 M increased 16% from 2020



Comprehensive Packaging Solutions Provider Focused on Strategic Scalable Markets



- 5-Year Sales CAGR of 13%
- 5-Year Adjusted OIBD¹ CAGR of 22%

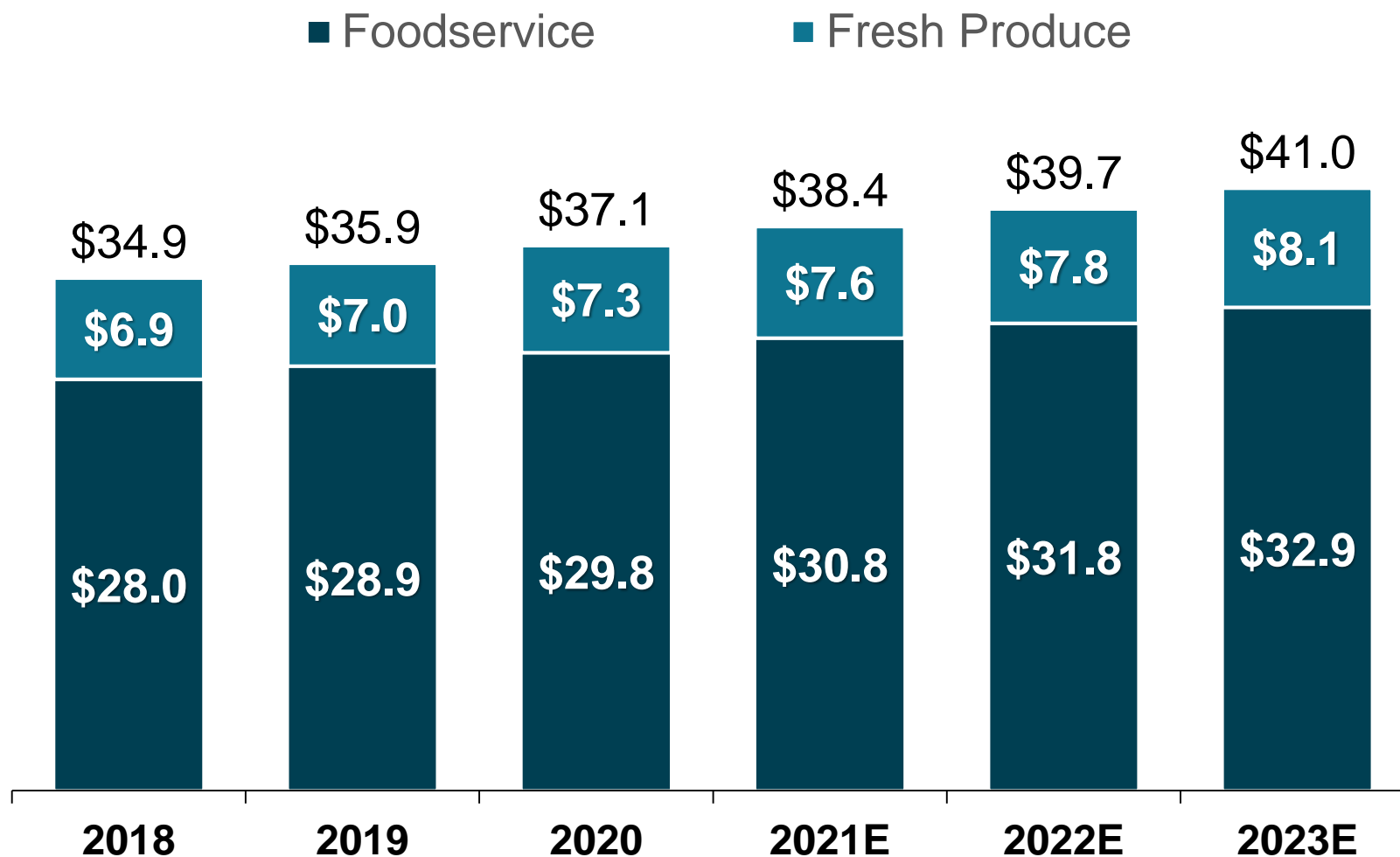
¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



Specialty Products | Forecasted Demand

North American Fresh Produce and Foodservice Packaging Demand¹

(CAN\$ billions)



Key Market Growth Drivers¹

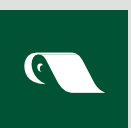
Consumer Trends

- Consumer focus on health and wellness driving demand for fresh foods
- New business models driving demand (e.g., meal kits and isothermal packaging)

Sustainability is key






- Demand for sustainable packaging driving singleuse plastic-to-fibre shift
- Regulatory actions prohibiting single plastic use or mandating recycled content
- Demand for sustainable packaging solutions outpacing general market projected growth

¹ Note: Figures converted to CAD using exchange rate of \$0.79; figures may not tie due to rounding. Source: Freedonia, Wells Fargo Estimates

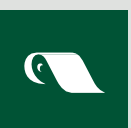


Specialty Products | Growing Market Segments

Our sustainable packaging solutions are aligned with growing market segments.

	 EGG PACKAGING	 FRUITS & VEGETABLES	 PROTEINS	 ISOTHERMAL DISTRIBUTION	 FOOD SERVICES
MARKET GROWTH ¹	+ 3.4% 2020-2025	+ 3.5% 2019-2024	+4.1% 2019-2024	+ 12.3% 2021-2028	+ 3.4% 2018-2023
2024 MARKET VALUE OF TARGETED SUB-SEGMENTS ¹	\$0.3 B	\$0.7 B	\$2.5 B	\$0.3 B	\$0.3 B

(1) Sources: Freedonia "Molded Pulp Packaging" USA, April 2020; Freedonia "Egg Cartons" USA, Retail, July 2020; Freedonia "Fresh Produce" USA, Retail, March 2021; Freedonia "Case Ready Fresh Protein Packaging" USA + Canada, November 2020; Freedonia single use food service products 2020.



Specialty innovation | Driving Innovation

Develop our products according to recognized eco-design principles and lead the way in environmentally responsible packaging solutions

Cascades
freshTM
PERFORMA



100%
recycled
PET &
recyclable

Cascades
northbox^{MD}
XTEND



Fresh to
your door



Cascades
freshTM
FIBRES

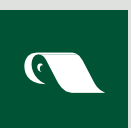


100%
recycled
fibre &
compostable

Cascades
freshTM
GUARD







COMING
SOON

Retail egg
packaging




Specialty Products | Sales Growth Targets

Develop our products according to recognized eco-design principles and lead the way in eco-friendly packaging solutions.

						
	EGG PACKAGING	FRUITS & VEGETABLES	PROTEINS	ISOTHERMAL DISTRIBUTION	FOOD SERVICES	INDUSTRIAL & FLEXIBLE PACKAGING
2021 SALES	\$ 190 M	\$ 30 M	\$ 90 M	\$ 35 M	\$ 25 M	\$ 180 M
SALES GROWTH FROM 2021 – 2024	+10% - 15%	+120% - 135%	+40% - 60%	+130% - 150%	+130% - 160%	(35%) – (40%) Decreasing as carton tonnage is transferred to other sub-segments

Targeting consolidated OIBD¹ margins of ~ 17% - 19% by 2024
(represents a 350 bps to 550 bps improvement)



FOCUSED ON STRATEGIC SCALABLE MARKETS



DEVELOP PRODUCTS ACCORDING TO RECOGNIZED ECO-DESIGN PRINCIPLES



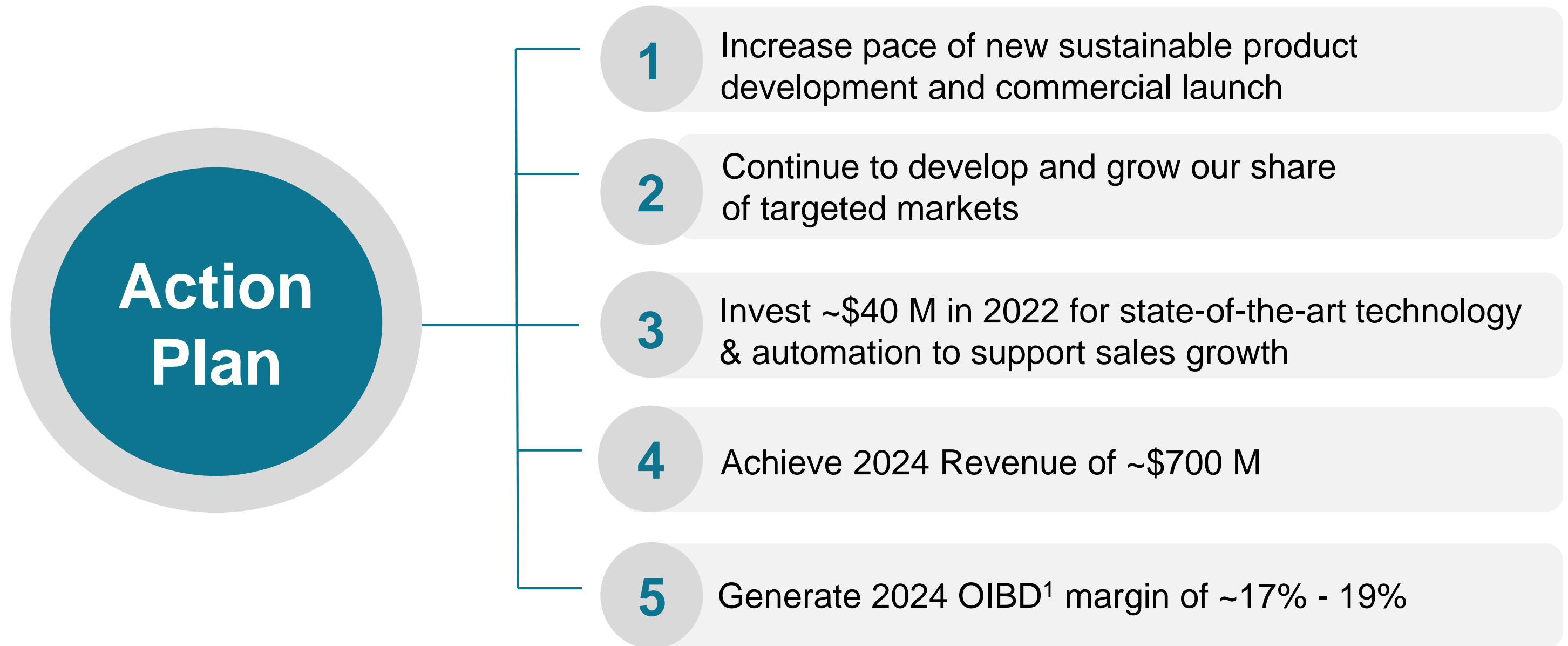
DESIGN SKILLS & EXPERTISE TO MEET CUSTOMER NEEDS

¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.

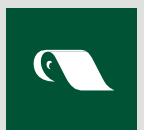


Specialty Products | Action Plan

Our strategy will lead to significant growth to 2024.



¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



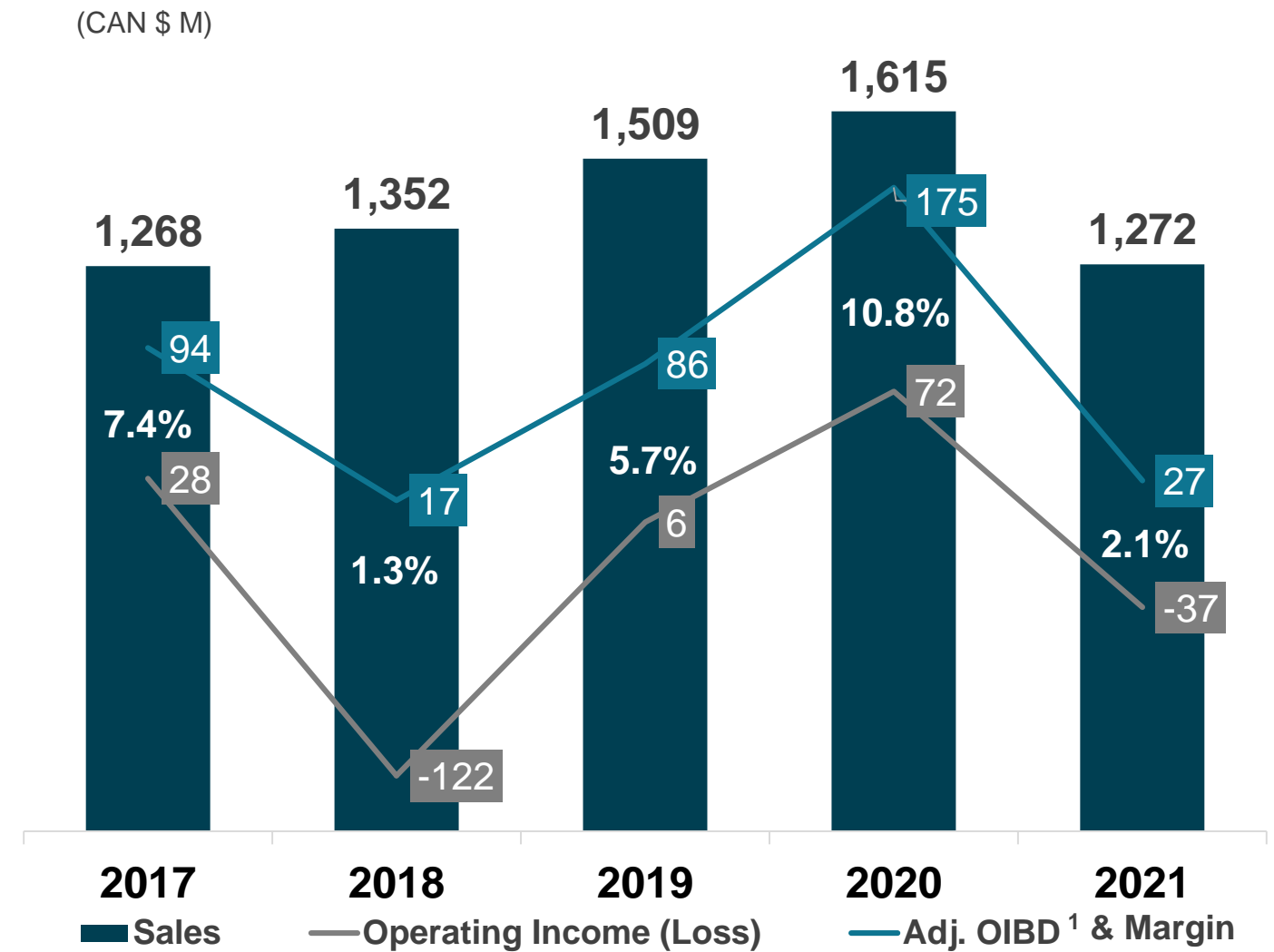
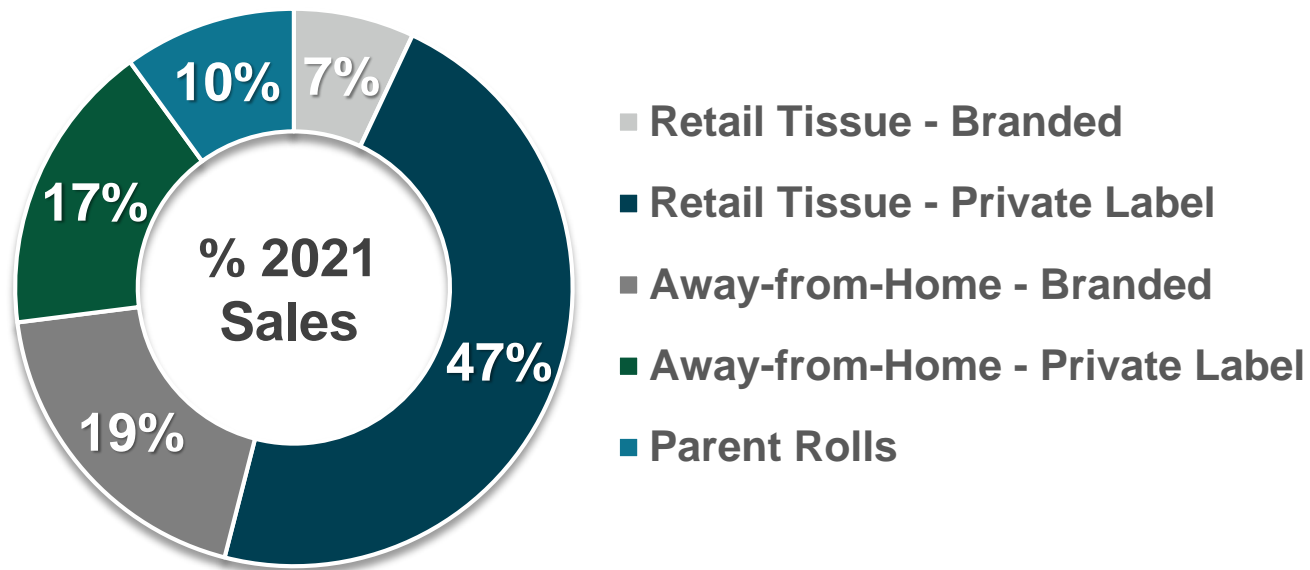
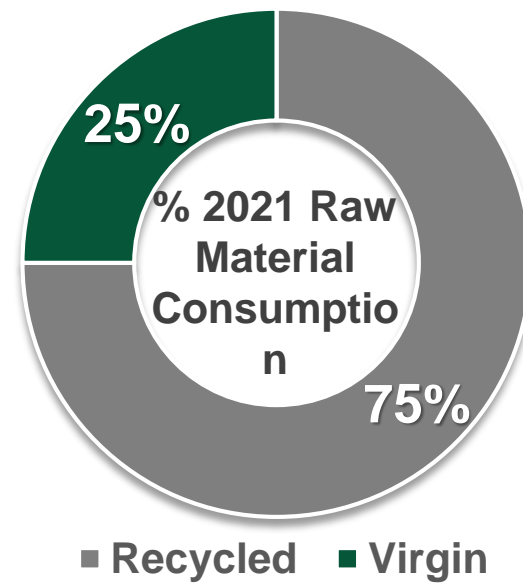
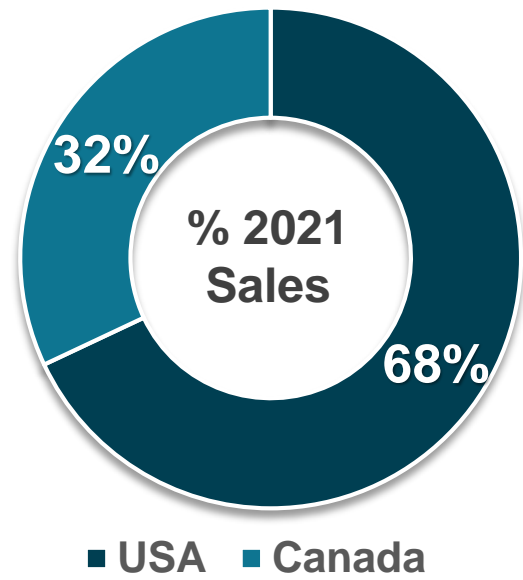
Tissue Papers

The path forward to improved profitability.



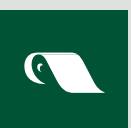
Tissue | A Snapshot of Our Operations

2021 Sales \$1.3 billion | 2021 integration rate: 74%



4th largest tissue producer in N.A. (capacity)

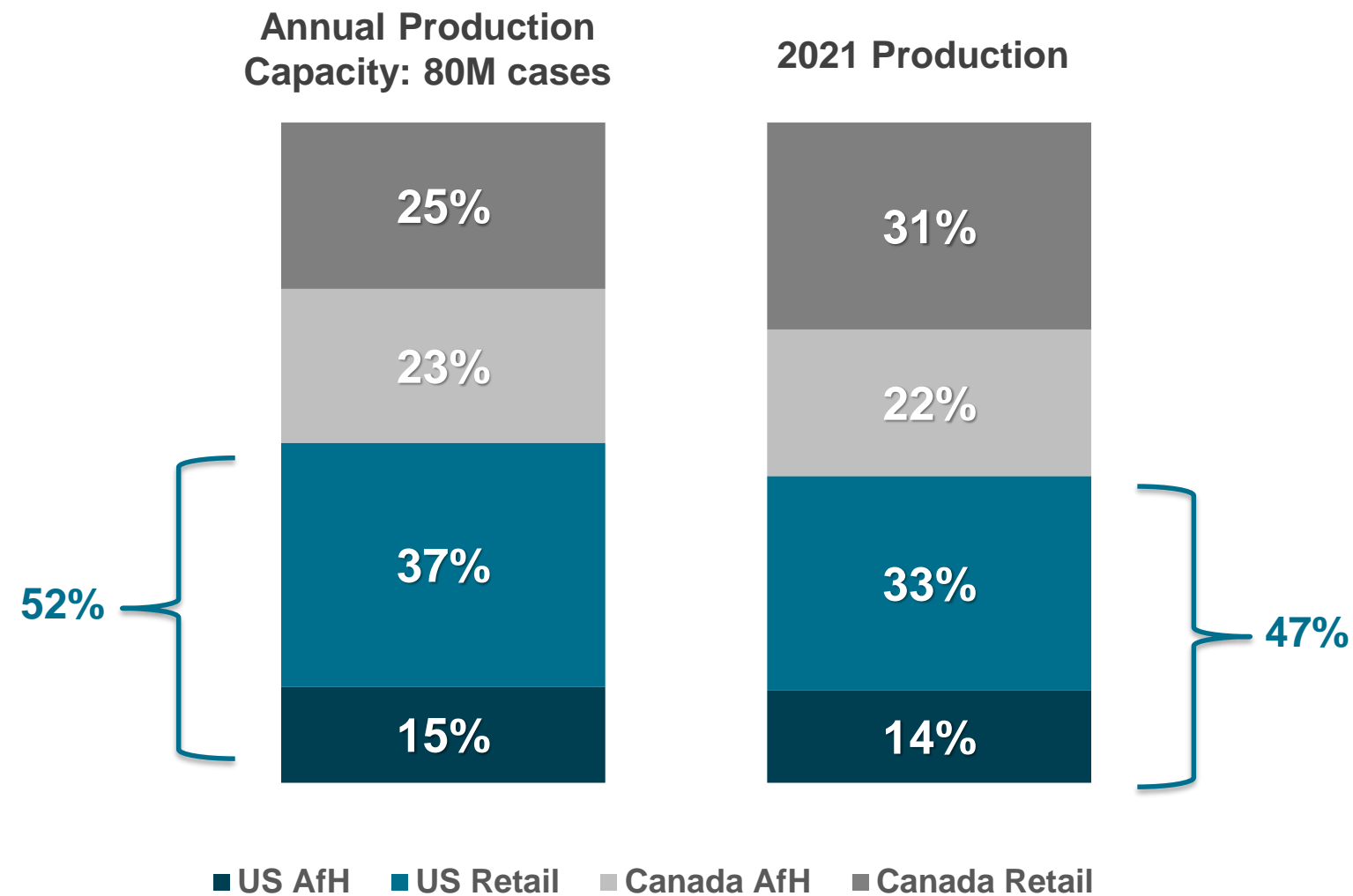
¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



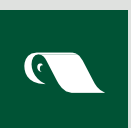
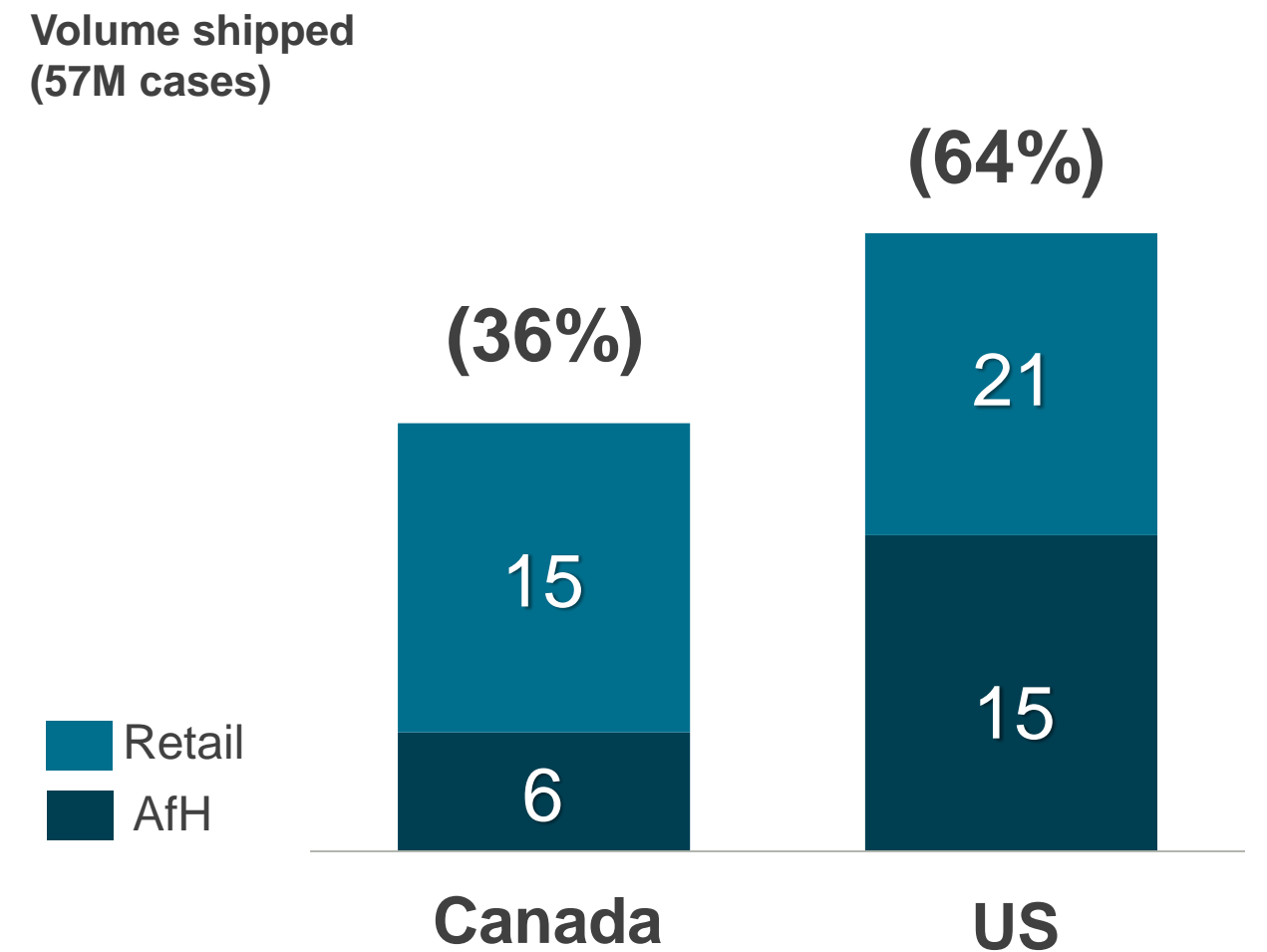
Tissue | Our Business Unit Overview

Our US and Canadian businesses are interconnected

52% of our annual capacity is in the US...
... in 2021 only 47% came from there



...while 64% of our 2021 volume was sold in the U.S.



Tissue | Our Market Segments

Away-From-Home

Distributors

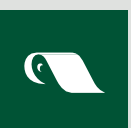
Grow with private label by providing value added services & improving their economics vs National brands



Retail

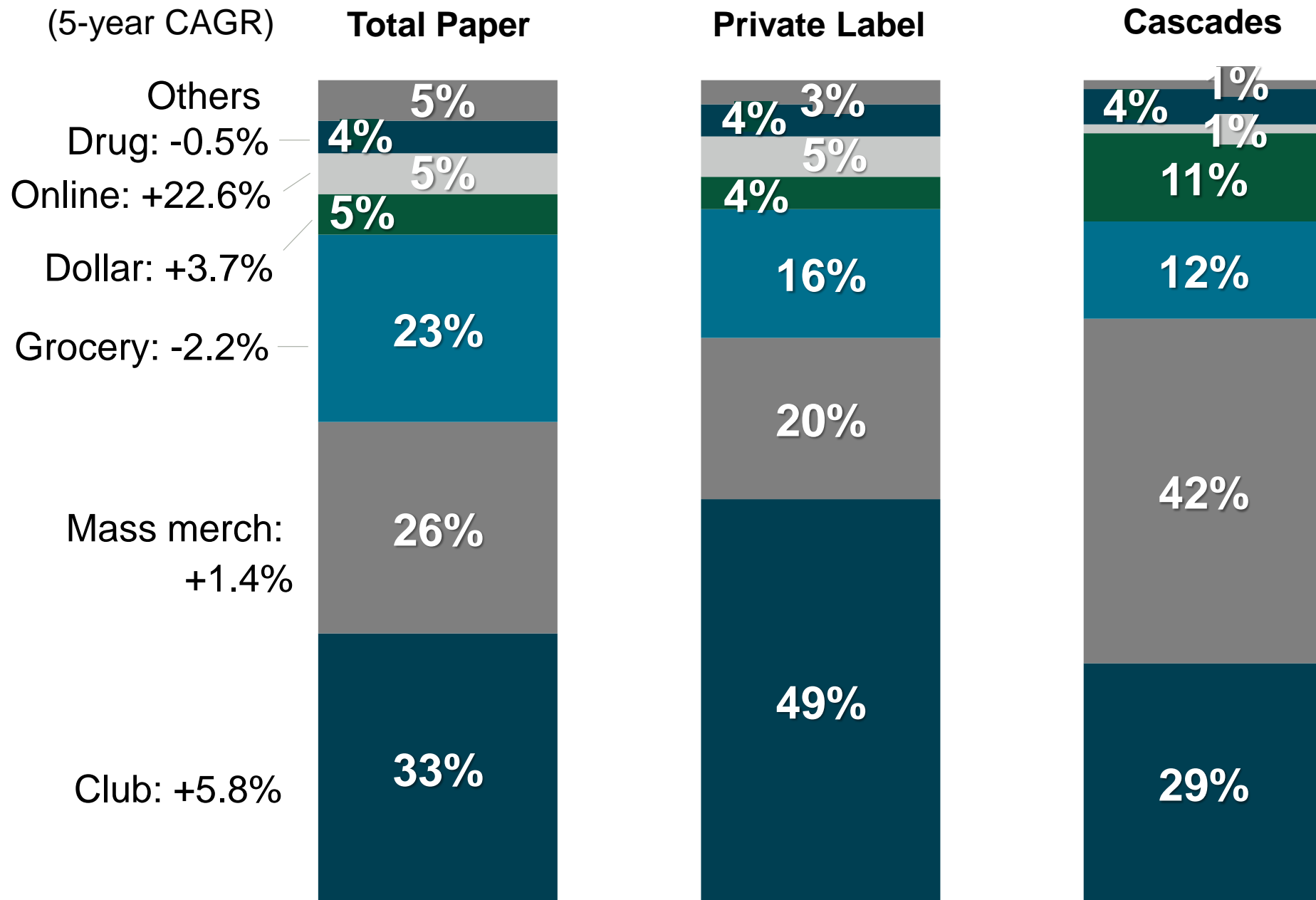
Retailers

Help them grow Tissue category with best-in-class private label offering



Tissue | Our Market Segments

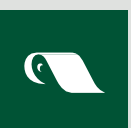
Majority of our retail business is growing retail segments



Retailer landscape (2021 YTD Sales, CAN\$)

Source: Cascades; Neilson data market reports

- ~60% of Private Label volume is sold in Club and Mass Merchandiser customer segments
- Majority of Cascades' Retail tissue share is in the Private Label segments Club and Mass merchandiser
- Cascades has more exposure to Mass merchandiser and Dollar segments compared to the market
- Cascades has lower exposure to grocery segment than the market

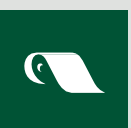
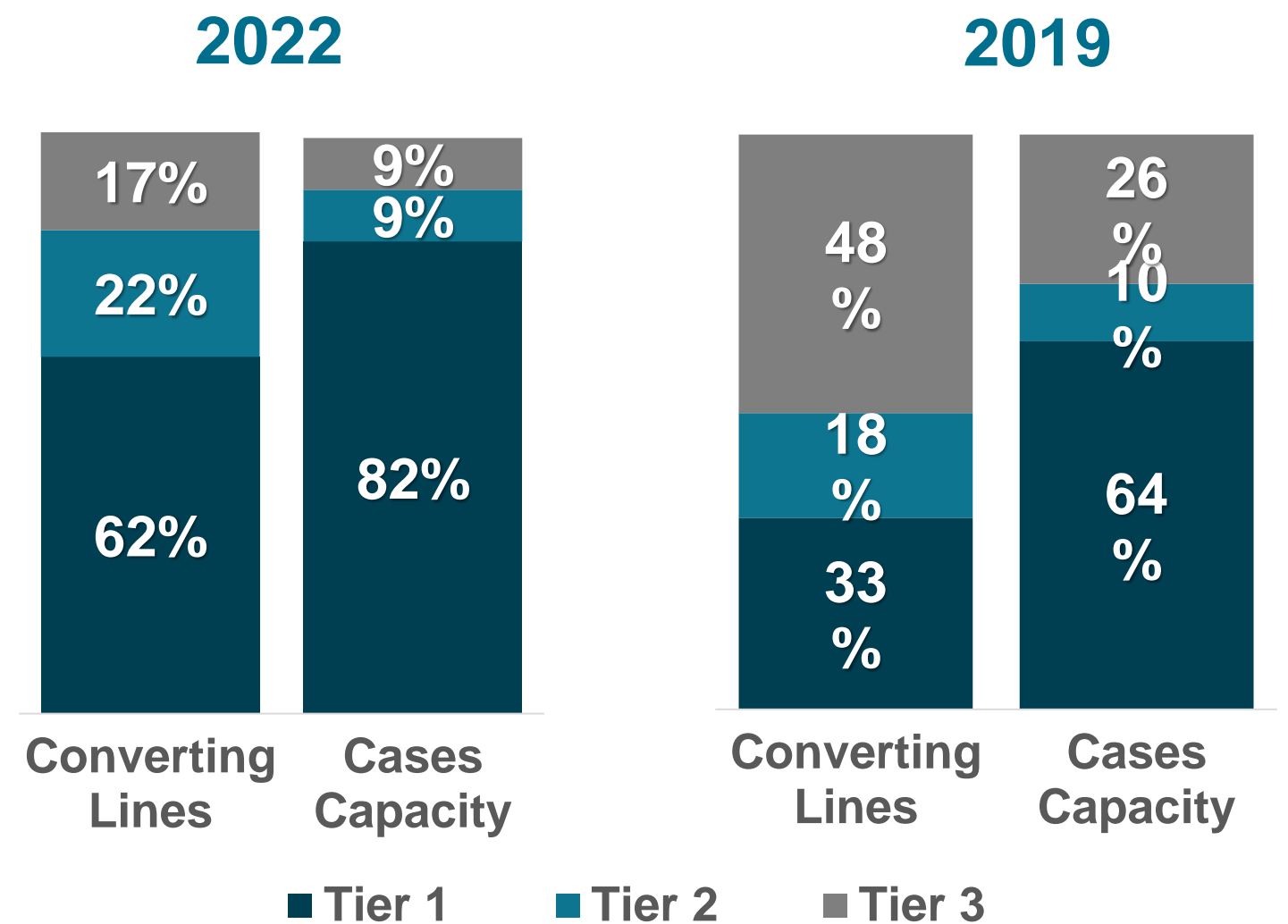


Tissue | Significant Modernization Completed

Close to \$400 M invested from 2017 - 2021 to strengthen and modernize our tissue platform

ACTION	EQUIPMENT	CAPACITY
Closed 7 facilities	4 paper machines	104 K s.t.
	28 converting lines	16 M cases
Added	13 converting lines (6 sites)	15 M cases
Moved	5 converting lines (3 sites)	3 M cases

The capital invested has repositioned our converting assets

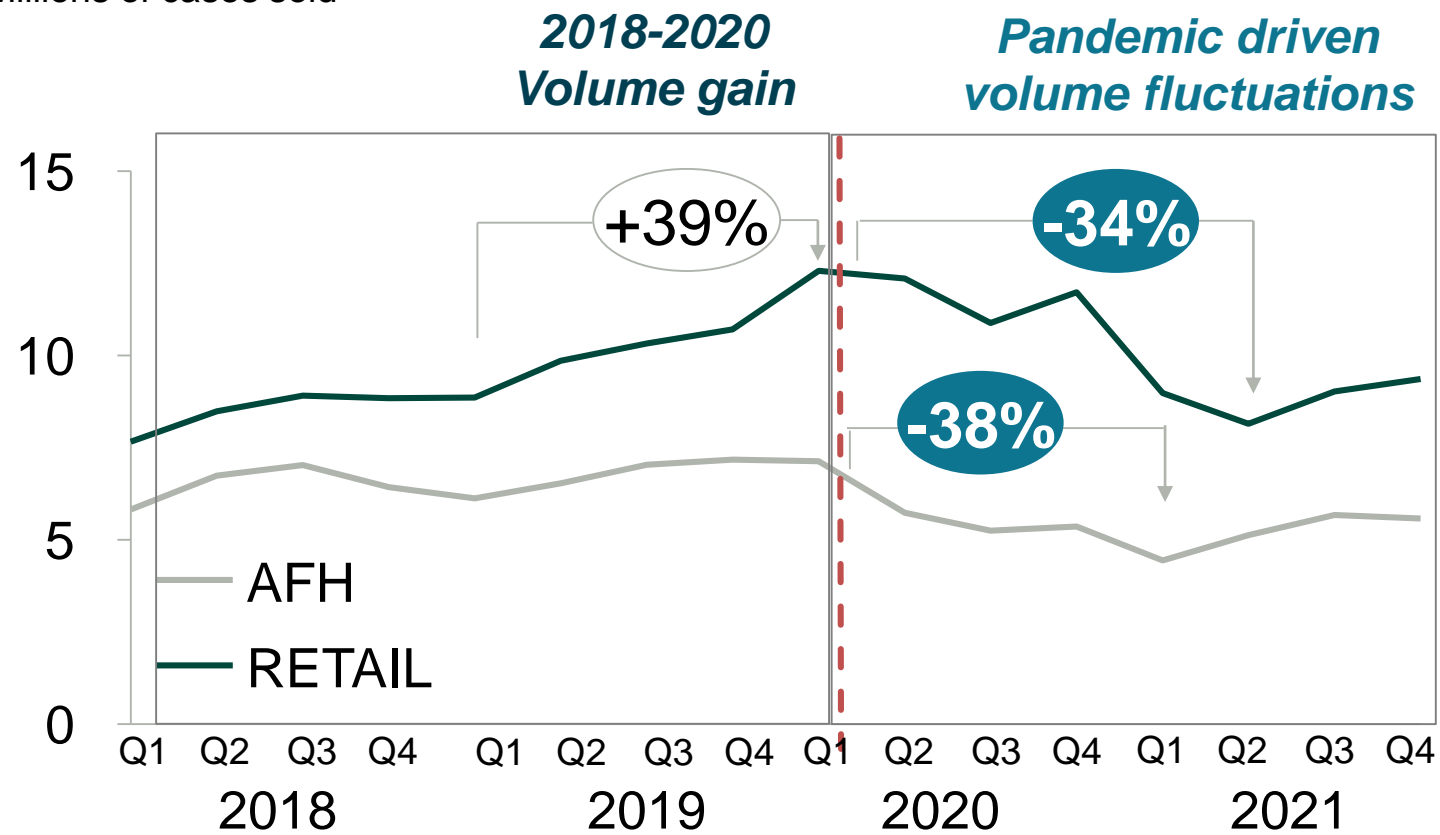


Tissue | Cascades Momentum Impacted by Covid

Strong sales growth and profitability momentum was interrupted by the pandemic.

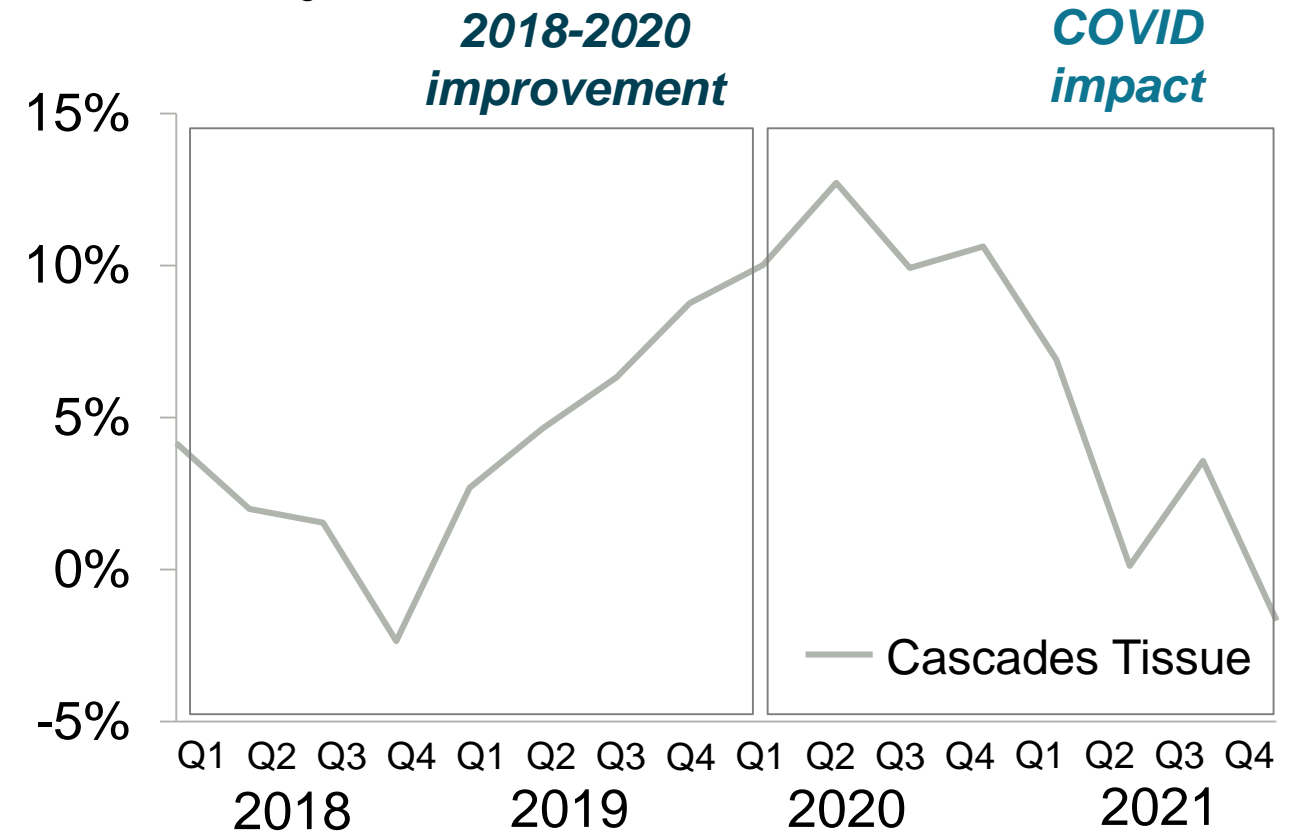
2018-20 strong sales growth ...

Millions of cases sold



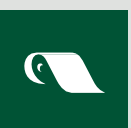
... and solid profitability momentum

OIBD¹ % margin



Note: Company level corporate costs were allocated to segment proportionally to segment share of total revenues.

¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.

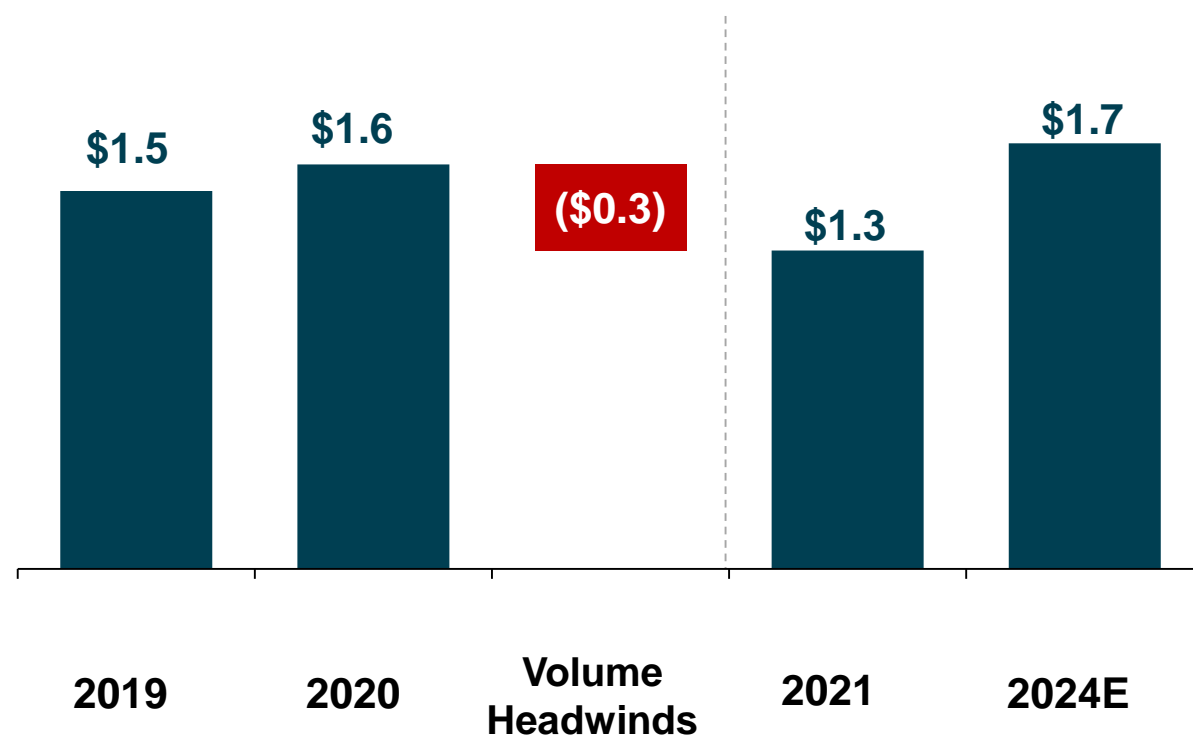


Tissue | Business Considerations

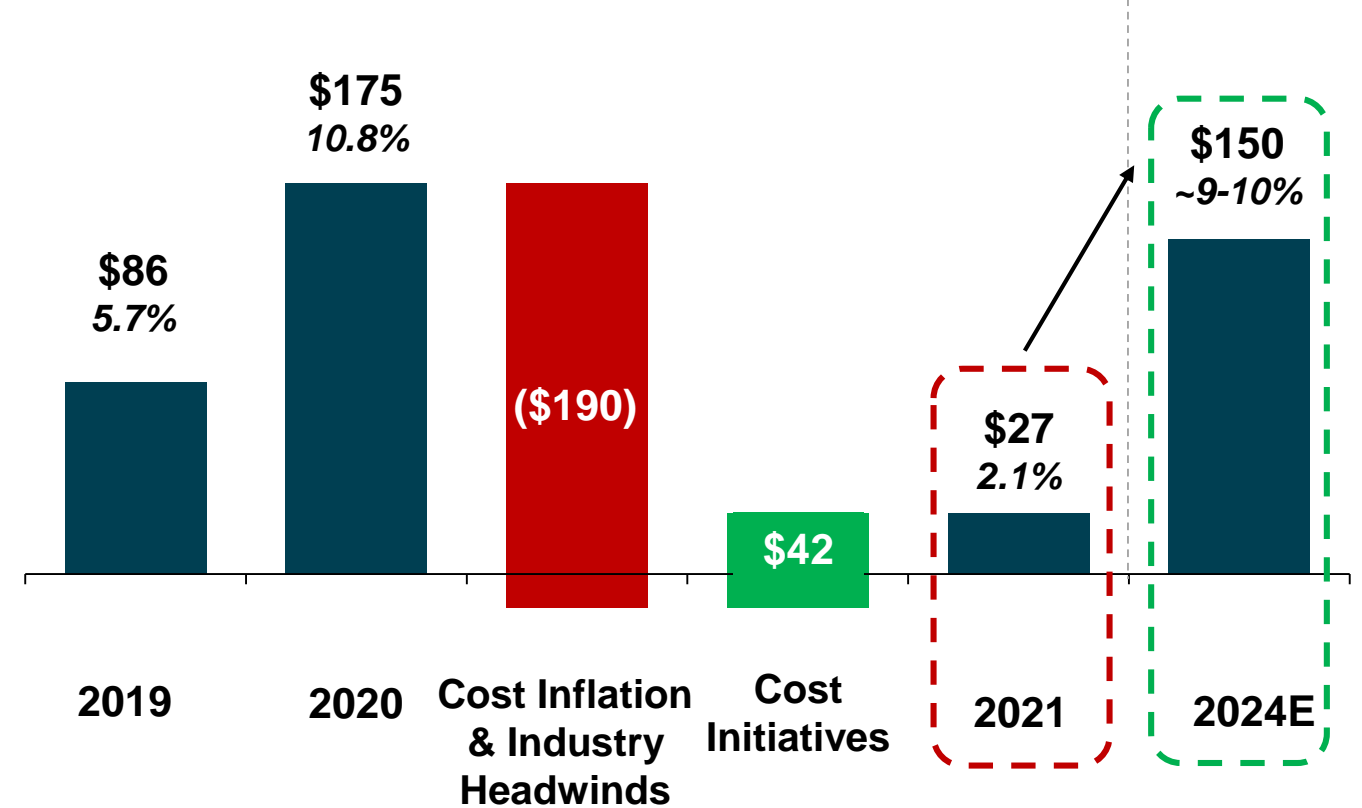
Notwithstanding certain challenges, our Tissue assets are well capitalized. We will deliver our profitability plan for this business unit, with a focus on operational execution.



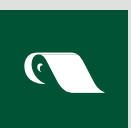
Tissue Group Revenue (million of \$)



Tissue Group Adj. OIBD¹ (millions of \$) and % Margin

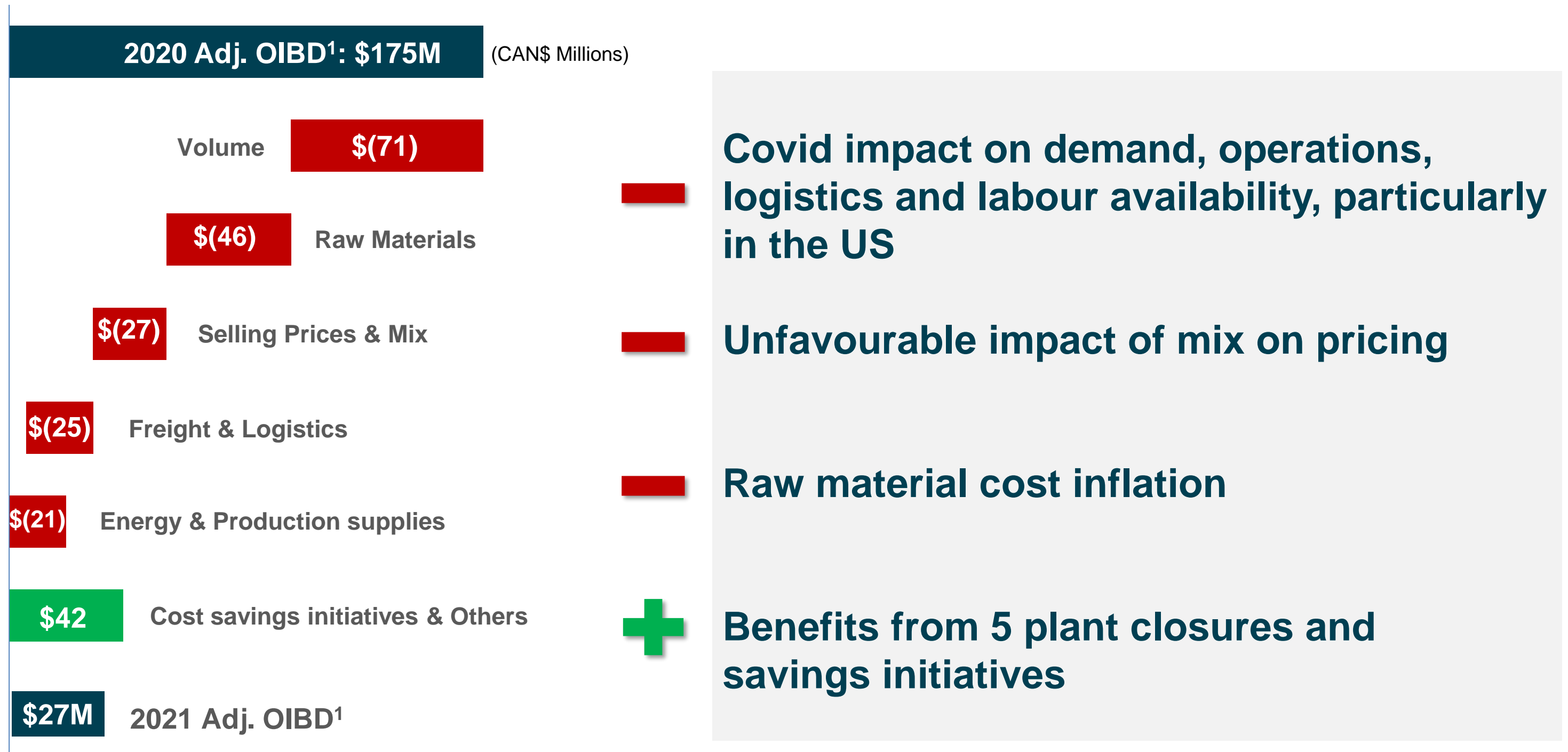


¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.

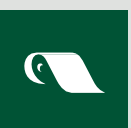


Tissue | 2021 Performance Impacts

Volume and raw material headwinds accounted for 80% of the reduction in adjusted OIBD¹ in 2021



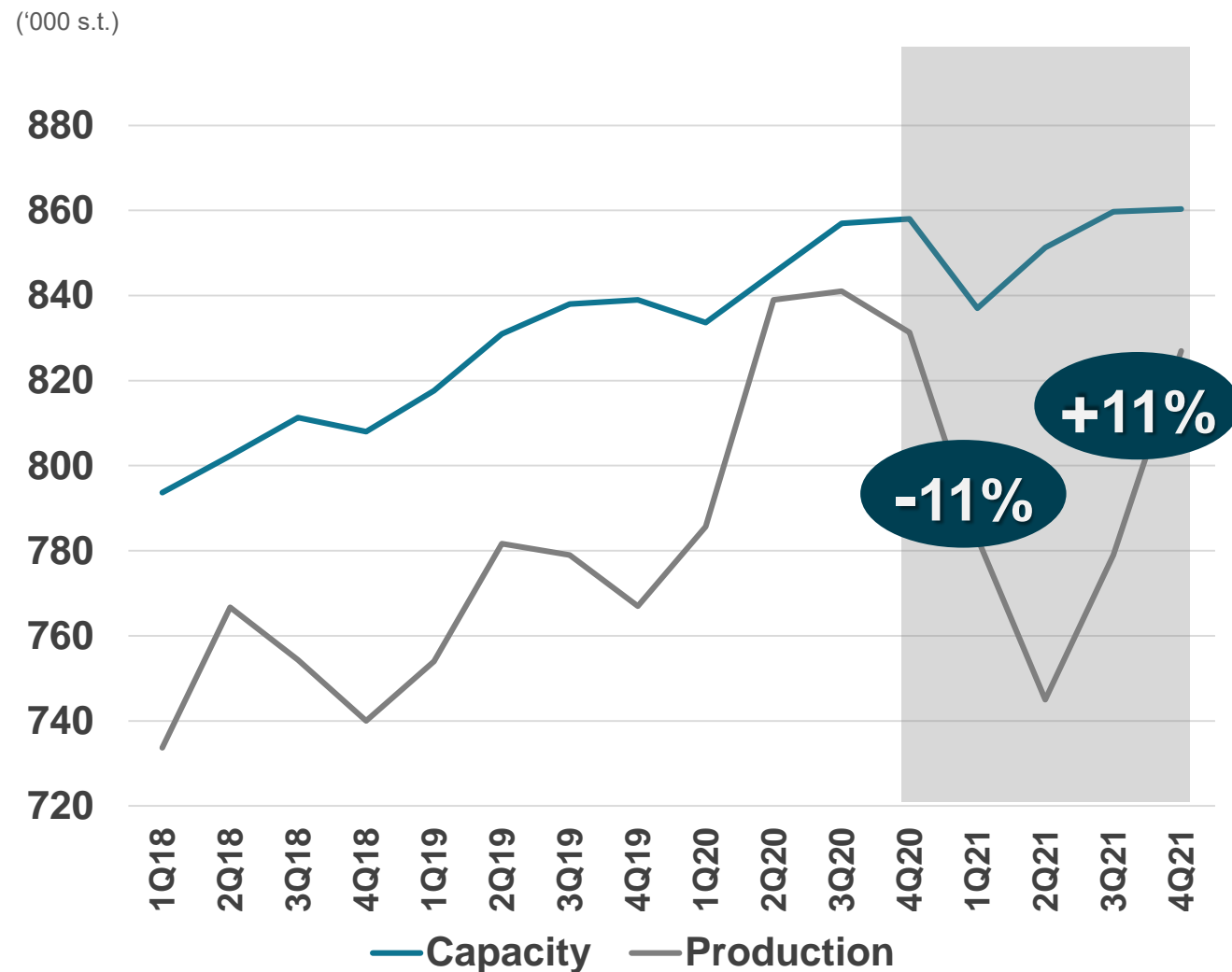
¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



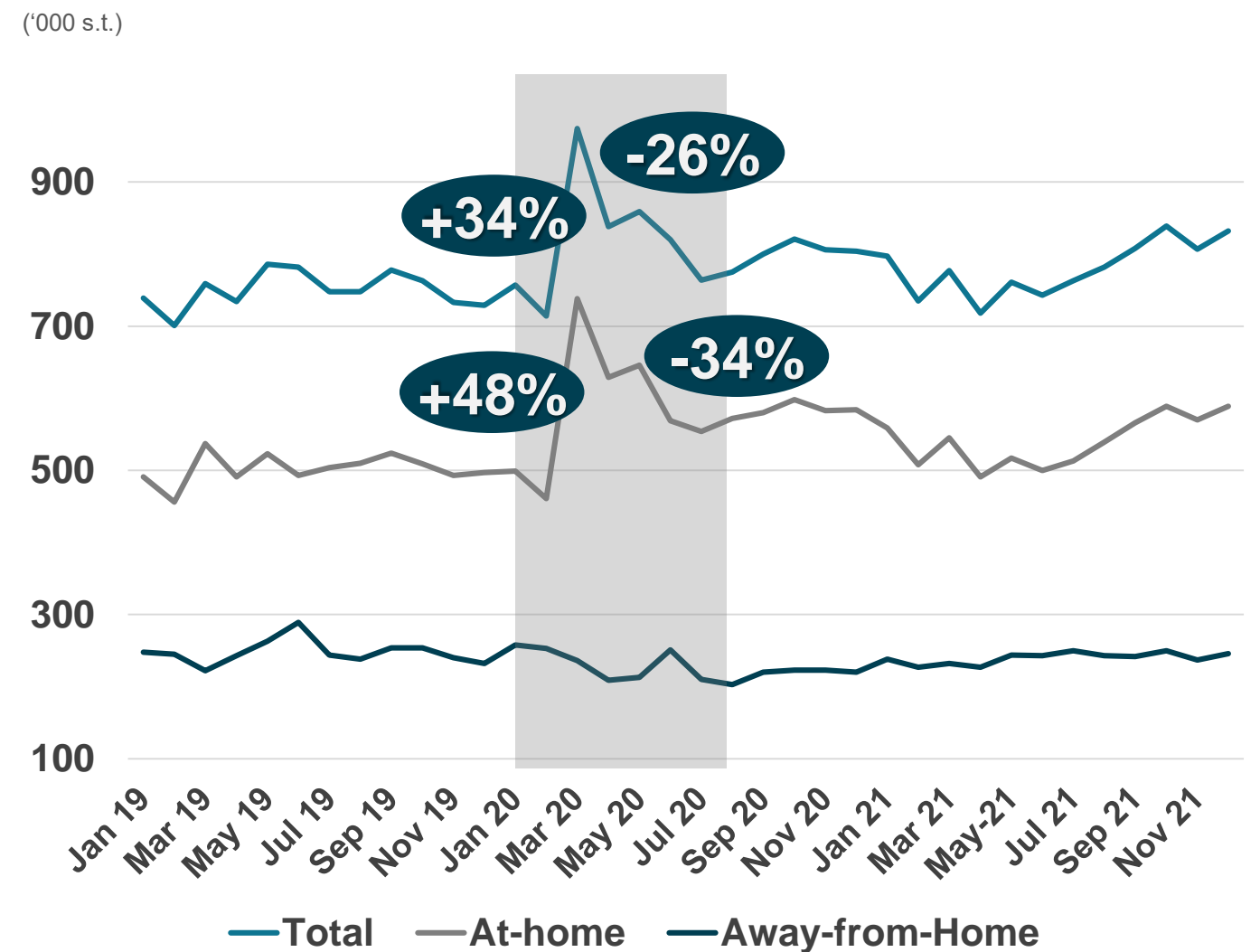
Tissue | Market Performance

The Covid-19 pandemic has had a significant disruptive and unpredictable impact on tissue demand and production.

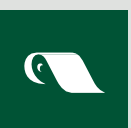
Average US Monthly Parent Roll Capacity & Production¹



US Tissue Converted Products Shipments¹

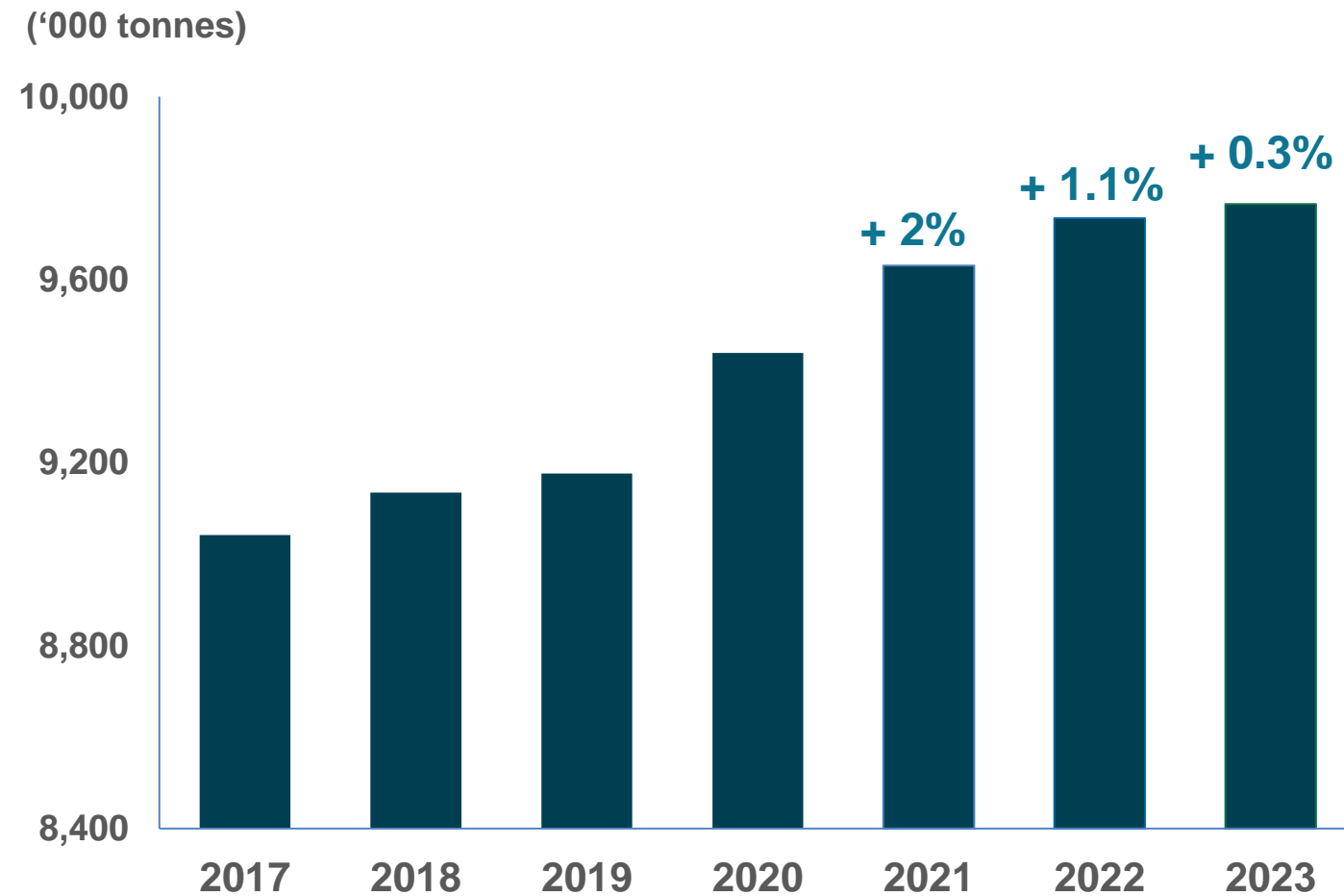


¹ Source: RISI – US Tissue Monthly Data Report, January 31, 2022.



Tissue | Market Overview

Tissue Capacity¹



US GDP Growth¹

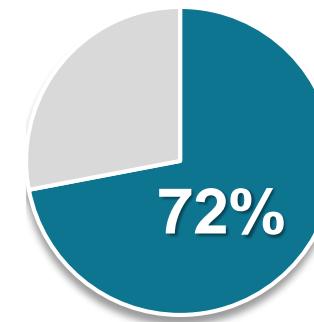
	2021	2022	2023
US GDP Growth ¹	6.5%	4.1%	2.3%

Forecasted N.A. Population Growth²

	2021	2022	2023
Forecasted N.A. Population Growth ²	0.8%	0.8%	0.8%

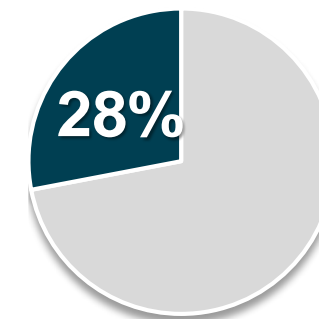
Key Market Growth Drivers³

Retail



- Premiumization; demand for Ultra and Premium product segments
- Consumers increasingly brand agnostic, willing to purchase private label

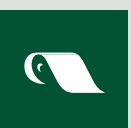
Away-from-Home (AFH)



- Economies re-opening, people returning to offices and public spaces
- Customer demand for sustainable tissue solutions and greater recycled content

¹ Source: RISI, NA Packaging Outlook Nov 2021. Tissue capacity data, World Tissue Capacity Report, Sep 2021. Note: effective capacity considers learning curves of new expansions and acquisitions/divestments. Total production capacity is total reported capacity. ² Source: Organization for Economic Cooperation and Development (OECD), Feb 2022.

³ Reflects FY2020 Breakdown. Source: AF&PA, Paper Packaging Canada, RISI, Equity Research



Tissue | Projected Profitability

The execution of our plan is expected to result in OIBD¹ improvement starting in last half of 2022 and leading to approximately \$150 M of OIBD¹ by 2024 with limited required CAPEX.

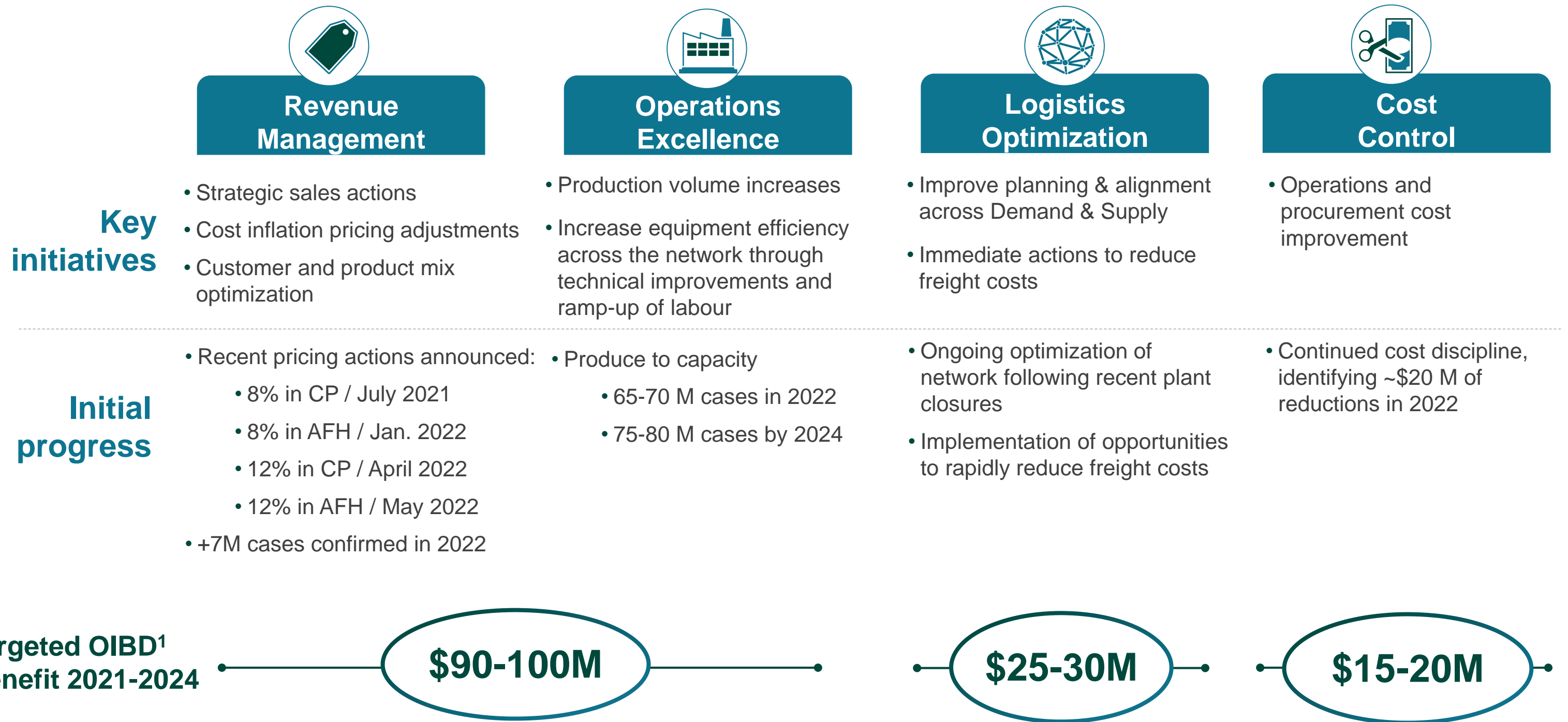
	2021	2022 F	2024 F
Cases (M)	57	65 – 70	75 - 80
Revenue (M\$) <i>Revenue growth YoY (%)</i>	~\$1.3 B	~\$1.5 B <i>+ 16% - 18%</i>	~\$1.7 B <i>+ 7% - 9%</i>
OIBD¹ <i>OIBD margin (%)</i> <i>Margin upside vs. 2021 (%)</i>	\$27 M <i>2%</i>	~\$60 M - \$80 M <i>~ 4% – 5.5%</i> <i>+ ~200 to 350 bps</i>	~\$150 M <i>~ 9% – 10%</i> <i>+ ~700 – 800 bps</i>
Capex (M\$)	\$50 M	\$35 M	\$35 M

¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



Tissue | Profitability initiatives

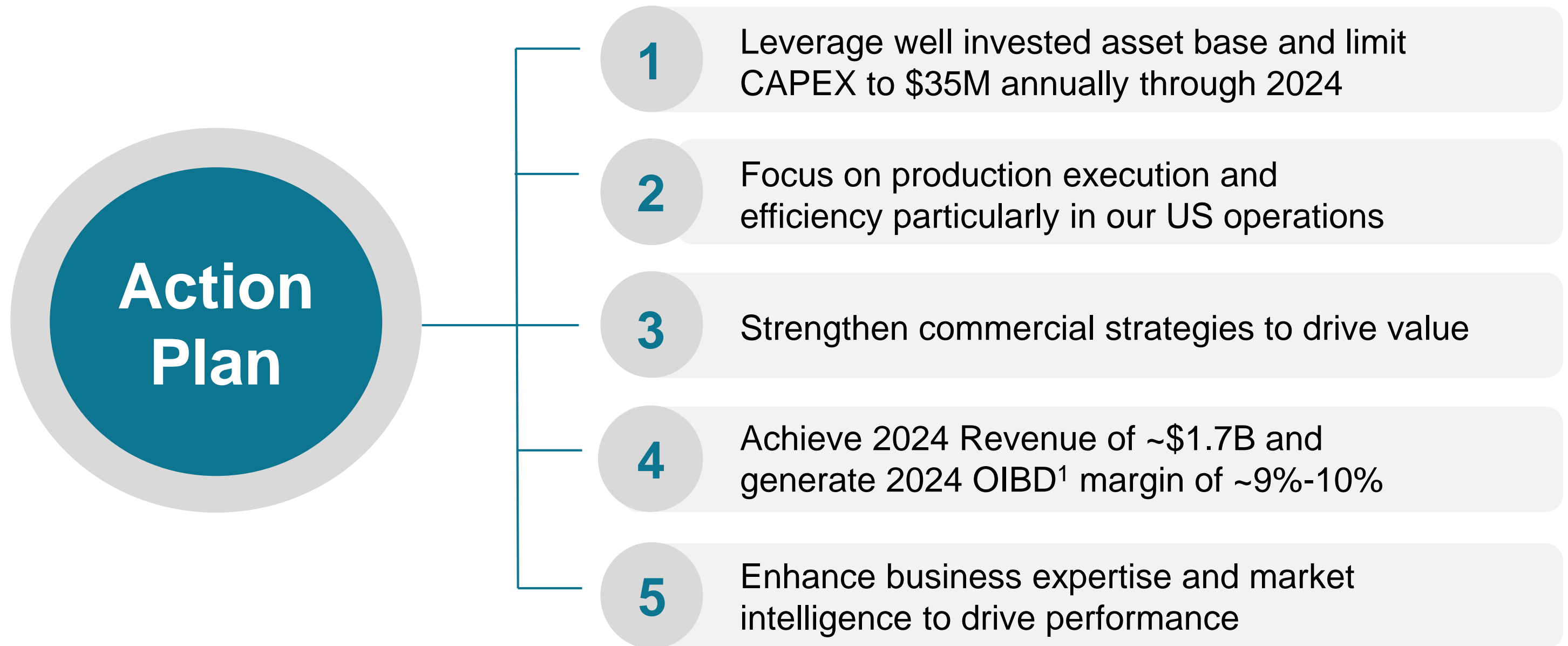
The execution of our plan is expected to result in significant margin uplift.



¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.

Tissue | Action Plan

Positioned for profitability, supported by our modernized asset base



¹ Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



Where We Are Going



Where We Are Going | Financial Targets 2022 - 2024

Focus on free cash flow generation; Maintaining financial flexibility



1

Revenue: ~\$5.0B+ in 2024

2

OIBD⁴ ~11%-13% in 2022;
Margin: ~13%-15% in 2024

3

Capex: ~\$415M in 2022 (incl. \$275M for Bear Island)
~4% of revenue in 2023-2024¹

4

Free cash flow^{2,3}: ~9%-11% of revenue, following completion of Bear Island project

5

Shareholder Return: Maintain current dividend and NCIB; review both after 2022

6

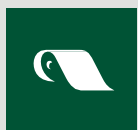
Net debt/OIBD⁴: 2.5x – 3.0x by the end of 2022; maintain at 2.0x – 2.5x by the end of 2024

(1) Does not include any new converting facility investments in Containerboard

(2) Defined as EBITDA – Capex

(3) Interests, cash tax, working capital, leases payments, dividends paid to non-controlling interests and other cash flow items requirements are estimated at ±\$200M/year.

(4) Please click [here](#) for supplemental information on non-IFRS measures and other financial measures.



Where We Are Going | Sustainability Accomplishments

We have been recognized for our sustainable business practices and focus on our employees.



18th Most Sustainable Corporation in the World (1st in packaging)



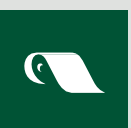
AA rating in the MSCI ESG Ratings assessment



100 Best Employers in Canada



Recognized as a Giga-guru by Walmart for our leadership in reducing greenhouse gas



Where We Are Going | Driving positive change

Our track record and our sustainability action plan both show we are solutions driven, and we can enable our customers to reduce their footprint through our value-added eco-friendly products and services

Where We Are



50% greenhouse gas (GHG) intensity emissions reduction (scope 1) since 1990



45 % fewer GHG emissions (scopes 1 and 2) than the industry¹



4.3 x less water than the industry¹



2.4 x less energy than the industry¹

Where We're Going



ESG strategy aligned with UN's Sustainable Development Goals



Aggressive GHG reduction targets reviewed and approved by the Science Based Targets initiative

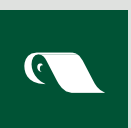


All our packaging will be recyclable, compostable or reusable by 2030



All our employees trained in unconscious biases by 2025

¹ Based on the North American pulp and paper industry average for 2021, Source: FisherSolve™ Next, ©2022 Fisher International



Where We Are Going | Sustainability Action Plan 2021-2025

We have ambitious targets and a robust action plan

Respectful of the Planet



Climate Change

38.7% IN 2030 VS 2019

scopes 1 + 2, mills (kg of CO2 eq./MT)

27.5% IN 2030 VS 2019

scopes 1 + 2, other (kg of CO2 eq.)

22% IN 2030 VS 2019

scope 3 (kg of CO2 eq./MT)

100% IN 2030 VS 2019

renewable electricity

6% IN 2025 VS 2019

(GJ/TM)



Water Consumption

15% IN 2025 VS 2019

(M3/TM)

Solutions Driven



Eco-designed products

100% IN 2030

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



Responsible Procurement

100% IN 2025

of the fibre and paper we use is recycled or certified

x2 IN 2025 VS 2019

our FSC Mix® supply

70% IN 2025

of our purchases are sourced from responsible suppliers

Community Minded



Sustainable cities and communities

50% IN 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



Health, safety and well-being

27.5% IN 2025 VS 2019

the number of days lost due to workplace accidents

100% IN 2025

of employees are committed to a positive health and wellness approach



Equity, diversity and inclusion

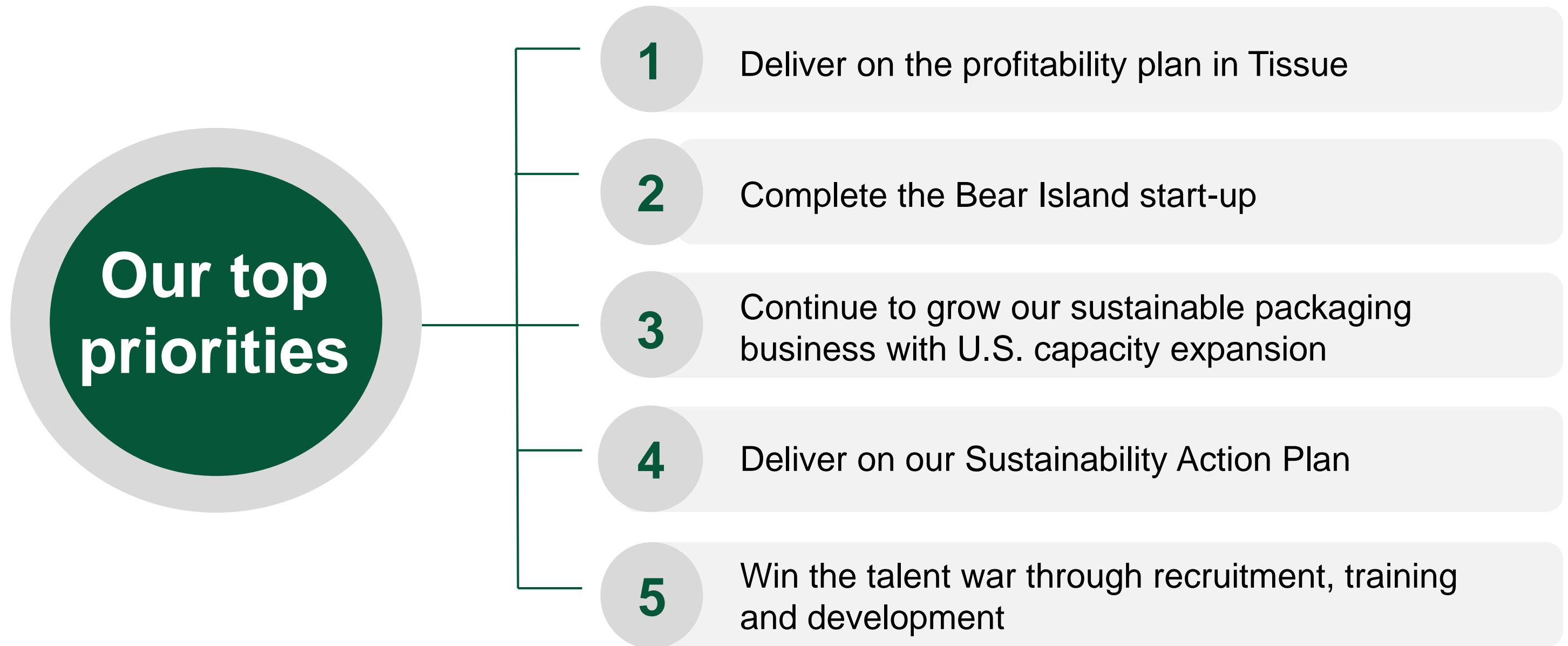
100% IN 2025

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



Where We Are Going | Our Top Priorities

An integrated company with strong assets to drive value for shareholders



Thank You

