

Clearwater Paper Corp  
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April 03, 2018

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No. )

Filed by the Registrant

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Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-11(c) or § 240.14a-12

CLEARWATER PAPER CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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CLEARWATER PAPER CORPORATION

ANNUAL MEETING OF STOCKHOLDERS

May 14, 2018

NOTICE OF ANNUAL MEETING

AND

PROXY STATEMENT

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

<p>Date: Monday, May 14, 2018</p>	<p><b>YOUR VOTE IS VERY IMPORTANT.</b> Whether or not you plan to attend the Annual Meeting of Stockholders, we urge you to vote and submit your proxy in order to ensure the presence of a quorum. Each attendee must present the proper form of documentation (as described in the section “Annual Meeting Information”) to be admitted.</p>			
<p>Time:</p>	<p>You may vote your shares in one of four ways:</p>			
<p>9:00 a.m. Pacific</p>	<p><b>MAIL</b></p>	<p><b>INTERNET</b></p>	<p><b>TELEPHONE</b></p>	<p><b>IN PERSON</b></p>
<p>Place:</p>	<p>Return the proxy card by mail in the postage paid envelope</p>	<p>go to <a href="http://www.proxyvote.com">www.proxyvote.com</a></p>	<p>call the toll free number 1-800-690-6903</p>	<p>Attend the annual meeting with your ID.</p>
<p>Grand Hyatt, 721 Pine Street, Seattle, Washington 98101</p>				
<p>Record Date:</p>				
<p>March 19, 2018</p>				

Meeting Agenda / Proposals  
We are holding this meeting to:

- elect two directors to the Clearwater Paper Corporation Board of Directors;
- ratify the appointment of our independent registered public accounting firm for 2018;
- hold an advisory vote to approve the compensation of our named executive officers; and
- transact any other business that properly comes before the meeting.

Financial and other information concerning Clearwater Paper is contained in our Annual Report to Stockholders for the fiscal year ended December 31, 2017. This proxy statement and our 2017 Annual Report to Stockholders are available on our website at [www.clearwaterpaper.com](http://www.clearwaterpaper.com) by selecting “Investor Relations” and then “Financial Information & SEC Filings.” Additionally, and in accordance with SEC rules, you may access our proxy materials at [www.proxyvote.com](http://www.proxyvote.com) which does not have “cookies” that identify visitors to the site.

Notice Regarding the Availability of Proxy Materials

By Order of the  
Board of  
Directors,

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On or about April 3, 2018, we mailed a Notice of Internet Availability of Proxy Materials (the “Notice”) to most of our stockholders containing instructions on how to access our 2018 Proxy Statement and 2017 Annual Report to Stockholders. Some of our stockholders, including stockholders that hold shares in one of our Clearwater Paper 401(k) Savings Plans, were not mailed the Notice and instead were mailed paper copies of our 2018 Proxy Statement and 2017 Annual Report on or about April 3, 2018.

MICHAEL S.  
GADD  
Senior Vice  
President,  
General  
Counsel

and Corporate  
Secretary

Proxy Statement Summary

This summary highlights important information you will find elsewhere in this Proxy Statement. It is only a summary and you should review the entire Proxy Statement before you vote.

Meeting Information

Date and Time	Location	Record Mailing Date
Monday, May 14, 2018 9:00 a.m. Pacific	Grand Hyatt, 721 Pine Street, Seattle, Washington 98101	March 19, 2018 On or about April 3, 2018

Meeting Agenda / Proposals

Proposal	Board of Director's Recommendation
1. Elect two directors to the Clearwater Paper Corporation Board of Directors	FOR each nominee
2. Ratify the appointment of our independent registered public accounting firm for 2018	FOR
3. Hold an advisory vote to approve the compensation of our named executive officers	FOR
4. Transact any other business that properly comes before the meeting	

Information regarding our executive compensation program can be found under the "Executive Compensation Discussion and Analysis" section found later in this proxy.

Director Nominees

This table provides a summary of some of the information regarding our two Director Nominees. For more information regarding these nominees and our other Directors see the "Board of Directors" section later in this Proxy Statement.

Name	Age	Since	Director	Current Principal Occupation	Independent	Audit	Compensation	Current Committee Memberships Nominating and Corporate Governance	Other Public Boards
Linda K. Massman	51	2013		CEO & President of Clearwater Paper Corporation	No				2
Alexander Toeldte	58	2016		Director of Xerium Technologies, Inc.	Yes	•	•		1

Corporate Governance Highlights

Independence

- The Board currently has 8 members, 7 of whom are independent.
- There are three standing committees made up entirely of independent directors.
- Independent directors regularly meet without management present.

Clearwater Paper Corporation 2018



## Board Practices

- The Board and its standing committees perform self-evaluations on an annual basis.
- Each standing committee operates under a committee charter.
- The Board oversees risk management practices.
- The Board regularly receives information concerning, and provides input on, succession planning.
- The Board has adopted an insider trading policy, a related person policy, corporate governance guidelines, a code of business conduct and ethics, and a code of ethics for senior financial officers.
  - The Board and its committees met 26 times in 2017.

## Leadership Structure

- The Chair of the Board and the CEO are separate.

## Majority Vote

- There is majority voting in uncontested director elections.

## Stock Ownership Requirements

- We have a comprehensive insider trading policy that covers directors and officers.
- We have an anti-hedging and anti-pledging policy for our stock.
- Directors and officers all are required to satisfy minimum stock ownership requirements.

Clearwater Paper Corporation 2018



TABLE OF CONTENTS

<u>Proxy Statement Summary</u>	(i)
<u>2017 Business Highlights</u>	1
<u>INTERNET AVAILABILITY OF ANNUAL MEETING MATERIALS</u>	2
<u>ANNUAL MEETING INFORMATION</u>	2
<u>CORPORATE GOVERNANCE</u>	6
<u>Corporate Governance Guidelines; Code of Business Conduct and Ethics</u>	6
<u>Director Independence</u>	6
<u>Board Meetings</u>	6
<u>Communications with Directors</u>	7
<u>Nominees for Director</u>	7
<u>Committees of the Board</u>	8
<u>Board Leadership Structure</u>	8
<u>Board Role in Risk Oversight</u>	9
<u>Committee Membership</u>	10
<u>Compensation Committee Interlocks and Insider Participation</u>	11
<u>Transactions with Related Persons</u>	11
<u>BOARD OF DIRECTORS</u>	12
<u>Nominees for Election at this Meeting for a Term Expiring in 2021 (Class I)</u>	12
<u>Directors Continuing in Office until 2019 (Class II)</u>	13
<u>Directors Continuing in Office until 2020 (Class III)</u>	14
<u>Directors Whose Term Ends in May 2018 After Reaching the Mandatory Retirement Age</u>	14
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	16
<u>COMPENSATION COMMITTEE REPORT</u>	19
<u>EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS</u>	20
<u>Executive Compensation Overview</u>	21
<u>Pay Outcomes</u>	21
<u>2017 Executive Compensation Overview</u>	24
<u>Annual Incentives</u>	25
<u>Long-term Incentives</u>	27
<u>Other Compensation Related Matters</u>	28
<u>EXECUTIVE COMPENSATION TABLES</u>	36
<u>2017 Compensation</u>	36

<u>Post-Employment Compensation</u>	40
<u>Potential Payments Upon Termination or Change of Control</u>	42
<u>COMPENSATION OF DIRECTORS</u>	48
<u>AUDIT COMMITTEE REPORT</u>	51
<u>Fees Paid to Independent Registered Public Accounting Firm</u>	51
<u>GENERAL INFORMATION</u>	52
<u>PROPOSAL 1—ELECTION OF DIRECTORS</u>	53
<u>PROPOSAL 2—RATIFICATION OF THE APPOINTMENT OF OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2018</u>	53
<u>PROPOSAL 3—ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION</u>	54

## 2017 Business Highlights

• We strengthened our performance by continuing to aggressively reduce costs and drive operational efficiencies throughout our manufacturing and distribution network during a year that included extensive, planned major maintenance. For example, we:

- o completed on time and on budget the installation of a continuous pulp digester at our Lewiston, Idaho site;
- o completed warehouse automation at our Lewiston, Las Vegas, Shelby, North Carolina and Elwood, Illinois sites, resulting in significant cost savings; and
- o completed the closure of our Oklahoma City converting facility and sale of its assets to a third party.

• We initiated the construction of a second tissue machine, converting lines and warehouse facilities in Shelby focusing on ultra tissue products, a project that remains on schedule and on budget.

• We integrated our Manchester Industries acquisition, which provides us a direct paper-board sales and converting platform and expands our reach into small and mid-size folding carton channels.

- We expanded our consumer products business by winning new customers and expanding our presence in the growing club, e-commerce and other new distribution channels.

• We achieved an aggregate 75% reduction in solid waste at our facilities, surpassing our goal of 20% by 2020 versus baseline, an aggregate 11% reduction in water usage and an aggregate 5% reduction in energy usage.

• We undertook difficult actions to better position our business for the future by:

- o eliminating the position of group president, so each business segment may be more agile in responding to its unique business opportunities and challenges;
- o completing a comprehensive review of our SG&A spend and initiating changes to be more efficient, better drive efficiencies and reduce costs, including headcount reductions; and
- o launching a comprehensive review of our consumer products operations and cost structure; and initiating the reduction of converting lines and related personnel at our Lewiston facility to help offset the partial loss of volume from our largest tissue customer.

• We have undertaken these steps to help position us as a cost-efficient, agile and capable partner to retail companies and high-end packaged goods and commercial print sector suppliers and to allow us to benefit from expected growth

in private label tissue and succeed in the rapid-evolving packaging markets.

•While implementing these capital projects, operational efficiencies and cost reductions, we maintained and improved a strong safety record within our industry.

Clearwater Paper Corporation 2018

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## CLEARWATER PAPER CORPORATION

### PROXY STATEMENT

for the

### 2018 ANNUAL MEETING OF STOCKHOLDERS

This proxy statement is being furnished to stockholders of Clearwater Paper Corporation in connection with the solicitation of proxies by our Board of Directors for use at our 2018 Annual Meeting of Stockholders, which is described below. References to “Clearwater Paper,” “the company,” “we,” “us” or “our” throughout this proxy statement mean Clearwater Paper Corporation.

### INTERNET AVAILABILITY OF ANNUAL MEETING MATERIALS

Under Securities and Exchange Commission (“SEC”) rules, we have elected to make our proxy materials available to most of our stockholders over the Internet, rather than mailing paper copies of those materials to each stockholder. On or about April 3, 2018, we mailed to most of our stockholders a Notice of Internet Availability of Proxy Materials (the “Notice”) directing stockholders to a website where they can access our 2018 Proxy Statement and 2017 Annual Report and view instructions on how to vote via the Internet or by phone. If you received the Notice and would like to receive a paper copy of the proxy materials, please follow the instructions printed on the Notice to request that a paper copy be mailed. Some of our stockholders were not mailed the Notice and were instead delivered paper copies of the documents accessible on the Internet.

### ANNUAL MEETING INFORMATION

#### Date, Time and Place of the Meeting

The 2018 Annual Meeting of Stockholders will be held on Monday, May 14, 2018, at 9:00 a.m., local time, at the Grand Hyatt, 721 Pine Street, Seattle, Washington 98101.

#### Purpose of the Meeting

The purpose of the meeting is to:

- elect two directors to our Board;
- ratify the appointment of our independent registered public accounting firm for 2018;
- hold an advisory vote to approve the compensation of our named executive officers; and
- transact any other business that properly comes before the meeting.

#### Recommendation of the Board of Directors

Our Board unanimously recommends that you vote FOR each director nominee, FOR the ratification of the appointment of our independent registered public accounting firm for 2018 and FOR approval of the compensation of our named executive officers.

#### Who May Vote

Stockholders who owned common stock at the close of business on March 19, 2018, the record date for the Annual Meeting, may vote at the meeting. For each share of common stock held, stockholders are entitled to one vote for as

many separate nominees as there are directors to be elected and one vote on any other matter presented.

Clearwater Paper Corporation 2018

2

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## Proxy Solicitation

Certain of our directors, officers and employees and our proxy solicitor, D.F. King & Co. may solicit proxies on our behalf by mail, phone, fax, e-mail, or in person. We will bear the cost of the solicitation of proxies, including D.F. King's fee of \$6,000 plus out-of-pocket expenses, and we will reimburse banks, brokers, custodians, nominees and fiduciaries for their reasonable charges and expenses to forward our proxy materials to the beneficial owners of Clearwater Paper common stock. No additional compensation will be paid to our directors, officers or employees who may be involved in the solicitation of proxies.

## Tabulation of Votes—Inspector of Election

Broadridge Financial Solutions, Inc., or Broadridge, will act as the inspector of election at the Annual Meeting and we will reimburse reasonable charges and expenses related to the tabulation of votes.

## Voting

You may vote your shares in one of several ways, depending upon how you own your shares.

Shares registered directly in your name with Clearwater Paper (through our transfer agent, Computershare):

Via Internet: Go to [www.proxyvote.com](http://www.proxyvote.com) and follow the instructions. You will need to enter the Control Number printed on the Notice you received or if you received printed proxy materials, by following the instructions provided with your proxy materials and on your proxy card or voting instruction card.

By Telephone: Call toll-free 1-800-690-6903 and follow the instructions. You will need to enter the Control Number printed on the Notice you received or if you received printed proxy materials, by following the instructions provided with your proxy materials and on your proxy card or voting instruction card.

In Writing: If you received printed proxy materials in the mail and wish to vote by mail, complete, sign, and date your proxy card, and return it in the postage paid envelope that was provided to you, return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY, 11717, or provide it or a ballot distributed at the Annual Meeting directly to the Inspector of Election at the Annual Meeting when instructed.

Shares held in a Clearwater Paper 401(k) Savings Plan (through Fidelity Management Trust Company):

Via Internet: If you are a participant in the Clearwater Paper Represented 401(k) Plan or the Clearwater Paper 401(k) Plan (which we refer to as the "401(k) Savings Plans"), go to [www.proxyvote.com](http://www.proxyvote.com) and follow the instructions. You will need to enter the Control Number printed on the voting instruction form you received.

By Telephone: Call toll free 1-800-690-6903 and follow the instructions. You will need to enter the Control Number printed on the voting instruction form you received.

In Writing: Complete, sign, and date the proxy card that was mailed to you, and return it in the envelope that was provided to you or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY, 11717.

**IMPORTANT NOTE TO 401(K) SAVING PLANS PARTICIPANTS:** Broadridge, our proxy agent, must receive your voting instructions by 11:59 p.m., Eastern Daylight Time, on May 9, 2018, in order to tabulate the voting instructions of 401(k) Savings Plans participants who have voted and communicate those instructions to the 401(k) Savings Plans trustee, who will ultimately vote your shares.

If the 401(k) Savings Plan trustee does not timely receive voting directions from a 401(k) Savings Plans participant or beneficiary, the participant or beneficiary shall be deemed to have directed the 401(k) Savings Plan trustee to vote his or her company stock account in accordance with the pro rata percentage of voting directions received for the allocated stock. Conversely, if voting directions

Clearwater Paper Corporation 2018

3

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are timely received, they will proportionally control how unallocated or undirected company stocks are voted.

Shares held in “street” or “nominee” name (through a bank, broker or other nominee):

You may receive a Notice of Internet Availability of Proxy Materials or a separate voting instruction form from your bank, broker or other nominee holding your shares. You should follow the instructions in the Notice or voting instructions provided by your broker or nominee in order to instruct your broker or other nominee on how to vote your shares. The availability of telephone or Internet voting will depend on the voting process of the broker or nominee. To vote in person at the Annual Meeting, you must obtain a proxy, executed in your favor, from the holder of record.

If you are the beneficial owner of shares held in “street name” by a broker, then the broker, as the holder of record of the shares, must vote those shares in accordance with your instructions. If you do not give instructions to the broker, then your broker can vote your shares for “discretionary” items, but cannot vote your shares for “non-discretionary” items.

If you vote via the Internet, by telephone or return a proxy card by mail, but do not select a voting preference, the persons who are authorized on the proxy card, voting instruction forms and through the Internet and telephone voting facilities to vote your shares will vote FOR each director nominee, FOR the ratification of the appointment of our independent registered public accounting firm for 2018 and FOR advisory approval of the vote on the compensation of our named executive officers. If you have any questions or need assistance in voting your shares, please contact D.F. King & Co. toll-free at 1-800-578-5378 or Robin Yim, Vice President, Investor Relations at 1-509-344-5906.

#### Revoking your Proxy

If you are a stockholder of record, you may revoke your proxy at any time before the Annual Meeting by giving our Corporate Secretary written notice of your revocation by mailing to Clearwater Paper Corporation, Corporate Secretary, 601 West Riverside Avenue, Suite 1100, Spokane WA, 99201 and by submitting a later-dated proxy, or you may revoke your proxy at the Annual Meeting by voting by ballot. Attendance at the meeting, by itself, will not revoke a proxy. If shares are registered in your name, you may revoke your proxy by telephone by calling 1-800-690-6903 and following the instructions or via the Internet by going to [www.proxyvote.com](http://www.proxyvote.com) and following the instructions.

If your shares are held in one of the 401(k) Savings Plans (through Fidelity Management Trust Company), you may revoke your proxy by telephone by calling 1-800-690-6903 and following the instructions or via the Internet by going to [www.proxyvote.com](http://www.proxyvote.com) and following the instructions. Broadridge, our proxy agent, must receive your revocation by 11:59 p.m., Eastern Daylight Time, on May 9, 2018, in order for the revocation to be communicated to the 401(k) Savings Plans trustee.

If you are a stockholder in “street” or “nominee” name, you may revoke your voting instructions by informing the bank, broker or other nominee in accordance with that entity’s procedures for revoking your voting instructions.

#### Quorum

On March 19, 2018, the record date, we had 16,461,119 shares of common stock outstanding. Voting can take place at the Annual Meeting only if stockholders owning a majority of the total number of shares issued and outstanding and entitled to vote on the record date are present either in person or by proxy. Abstentions and broker non-votes will both be treated as present for purposes of determining the existence of a quorum.

#### Votes Needed



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The affirmative vote of a majority of the common stock present in person or by proxy at the Annual Meeting and entitled to vote is required to elect each of the nominees for director listed in Proposal 1 and to ratify the appointment of our independent registered public accounting firm as set forth in Proposal 2.

Clearwater Paper Corporation 2018

4

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The votes presented in Proposal 3 is an advisory vote and therefore are not binding on the company, our Compensation Committee or our Board of Directors. We, however, value the opinions of our stockholders. The Compensation Committee will, as it did with respect to previous stockholder advisory votes regarding named executive officer compensation, take into account the result of the advisory vote when determining future executive compensation.

The inspector of election will tabulate affirmative and negative votes, abstentions and broker non-votes. For Proposals 1 and 2 withheld votes and abstentions will have the same effect as negative votes. Broker non-votes will not be counted in determining the number of shares entitled to vote.

#### Majority Vote Standard in Uncontested Director Elections

We have adopted majority voting procedures for the election of directors in uncontested elections. In an uncontested election, each nominee is elected by the vote of a majority of the voting power of the capital stock issued and outstanding, present in person or by proxy and entitled to vote for the election of directors. As provided in our bylaws, an “uncontested election” is one in which the number of nominees equals the number of directors to be elected in such election.

In accordance with our bylaws, our Board of Directors may nominate or elect as a director only persons who agree to tender, promptly following his or her election or re-election to the Board, an irrevocable resignation that will be effective upon (i) the failure of the candidate to receive the required vote at the next annual meeting at which he or she faces re-election and (ii) the acceptance by the Board of such resignation.

If an incumbent director fails to receive the required vote for re-election in an uncontested election, the Nominating and Governance Committee determines whether such director’s resignation should be accepted and makes a recommendation to the Board, which makes the final determination whether to accept the resignation. The Board must publicly disclose its decision within 90 days from the date of certification of the election results. If a director’s resignation is accepted by the Board, then the Board may fill the resulting vacancy or may decrease the size of the Board.

#### Annual Meeting Attendance

We cordially invite and encourage all of our stockholders to attend the meeting. Persons who are not stockholders may attend only if invited by us. You should be prepared to present photo identification for admittance.

If you are a stockholder of record, you must bring a copy of the Notice or proxy card in order to be admitted to the meeting.

If you hold your shares through one of the 401(k) Savings Plans, you must bring your proxy card in order to be admitted to the meeting.

If you own shares in “street” or “nominee” name, you must bring proof of beneficial ownership (e.g., a current broker’s statement) in order to be admitted to the meeting.

If you do not provide photo identification and comply with the other procedures outlined above, you may not be admitted to the Annual Meeting.

#### Other Matters Presented at Annual Meeting

We do not expect any matters, other than those included in this proxy statement, to be presented at the 2018 Annual Meeting. If other matters are presented, the individuals named as proxies will have discretionary authority to vote your shares on such matters.

Clearwater Paper Corporation 2018

5

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## CORPORATE GOVERNANCE

### Corporate Governance Guidelines; Code of Business Conduct and Ethics

We have established a corporate governance program to help guide our company and our employees, officers and directors in carrying out their responsibilities and duties as well as to set standards for their professional conduct. Our Board has adopted Corporate Governance Guidelines, or Governance Guidelines, which provide standards and practices of corporate governance that we have designed to help contribute to our success and to assure public confidence in our company. The company's Governance Guidelines may be found on the company's website at [www.clearwaterpaper.com](http://www.clearwaterpaper.com) under "Investor Relations," then "Corporate Governance." In addition, all standing committees of the Board operate under charters that describe the responsibilities and practices of each committee.

We have adopted a Code of Business Conduct and Ethics, or Ethics Code, which provides ethical standards and corporate policies that apply to all of our directors, officers and employees. Our Ethics Code requires, among other things, that our directors, officers and employees act with integrity and the highest ethical standards, comply with laws and other legal requirements, engage in fair competition, avoid conflicts of interest, and otherwise act in our best interests. We have also adopted a Code of Ethics for Senior Financial Officers that applies to senior management and provides for accurate, full, fair and timely financial reporting and the reporting of information related to significant deficiencies in internal controls, fraud and legal compliance.

We have established procedures for confidentially and anonymously reporting concerns and potential violations regarding accounting, internal controls and auditing matters, as well as concerns regarding, or potential violations of, our ethics codes and other matters.

### Director Independence

The role of our Board is to oversee and provide policy guidance on our business and affairs. The Board believes that it will best serve our stockholders if the majority of its members are independent. As of March 19, 2018, our Board had eight members, seven of whom are outside (non-employee) directors. The Chair of our Board, Beth E. Ford, is an outside director. With the exception of Linda K. Massman, who serves as our current President and Chief Executive Officer, the Board has determined that none of our directors or their immediate family members have a material relationship with the company (either directly or as a partner, stockholder or officer of an organization that has a relationship with us), and none of our directors or their immediate family members are employees of our independent registered public accounting firm, KPMG LLP. All of our outside directors are independent within the meaning of the New York Stock Exchange, or NYSE, listing standards and our Director Independence Policy.

Our Board meets regularly in executive session without members of management present and as the Board or its individual members deem necessary. Ms. Ford, as the Chair, presides over these sessions. Each standing committee of the Board also meets in executive session regularly and as the committee or its individual members deem necessary. Our directors are also invited to attend the meetings of committees of which they are not members, and regularly do so.

### Board Meetings

Our Board and its committees met a total of 26 times in 2017. All directors attended all meetings of the Board and all meetings of Board committees for which they were a committee member during 2017, except for one committee meeting missed by a single member of that committee. The Board does not have a policy requiring director attendance at annual meetings of our stockholders. However, all of our directors attended our 2017 annual stockholders meeting and we anticipate that all will attend our 2018 annual stockholders meeting.

Clearwater Paper Corporation 2018

6

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## Communications with Directors

Stockholders and interested parties may contact our directors to provide comments, to report concerns, or to ask a question, by mail at the following address:

Corporate Secretary

Clearwater Paper Corporation

601 West Riverside Ave., Suite 1100

Spokane, Washington 99201

Stockholders and interested parties may also communicate with our directors as a group by using the form on our website at [www.clearwaterpaper.com](http://www.clearwaterpaper.com), by selecting “Investor Relations,” then “Corporate Governance” and “Contact the Board.” All communications received will be processed by our Corporate Secretary. We forward all communications, other than those that are unrelated to the duties and responsibilities of the Board, to the intended directors.

Our Audit Committee has established procedures to address concerns and reports of potential irregularities or violations regarding accounting, internal controls and auditing matters. Employees may make such reports on a confidential and anonymous basis. All such reports are directed through an independent, third-party hotline provider and are routed directly to the Chair of the Audit Committee. The procedures and hotline number are available by going to our public website at [www.clearwaterpaper.com](http://www.clearwaterpaper.com), and selecting “Investor Relations,” then “Corporate Governance,” and “Procedures for the Reporting of Questionable Accounting and Auditing Matters.” Our employees may also access the procedures and hotline number through our intranet site.

## Nominees for Director

Our Nominating and Governance Committee, or Nominating Committee, is responsible for identifying, evaluating, recruiting and recommending qualified candidates to our Board for nomination or election. The Board nominates directors for election at each annual meeting of stockholders, and elects new directors to fill vacancies if they occur.

Our Board strives to find directors who are experienced and dedicated individuals with diverse backgrounds, perspectives and skills. Our Governance Guidelines contain membership criteria that call for candidates to be selected for their character, judgment, diversity of experience, business acumen and ability to act on behalf of all stockholders. In addition, we expect each director to be committed to enhancing stockholder value and to have sufficient time to effectively carry out his or her duties as a director. Our Nominating Committee also seeks to ensure that a majority of our directors are independent under NYSE rules as well as our policies, and that one or more of our directors is an “audit committee financial expert” under SEC rules.

Prior to our annual meeting of stockholders, our Nominating Committee identifies director nominees by first evaluating the current directors whose terms will expire at the annual meeting and who are willing to continue in service. These candidates are evaluated based on the criteria described above, the candidate’s prior service as a director, and the needs of the Board for any particular talents and experience. If a director no longer wishes to continue in service, if the Nominating Committee decides not to re-nominate a director, or if a vacancy is created on the Board because of a resignation or an increase in the size of the Board or other event, then the committee considers whether to replace such director or to decrease the size of the Board. If the decision is to replace a director, then the Nominating Committee considers various candidates for Board membership, including those suggested by committee members, by other Board members, a director search firm engaged by the committee, or our stockholders. Prospective

nominees are evaluated by the Nominating Committee based on the membership criteria described above and set forth in our Governance Guidelines.

Clearwater Paper Corporation 2018

7

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A stockholder who wishes to recommend a prospective nominee to the Board for consideration by the Nominating Committee must notify our Corporate Secretary in writing at our principal executive office located at 601 West Riverside Avenue, Suite 1100, Spokane, WA 99201. Each notice must include the information about the prospective nominee as would be required if the stockholder were nominating a person to the Board under our Amended and Restated Bylaws, or bylaws. Such notice must be delivered to our offices by the deadline relating to stockholder proposals to be considered for inclusion in our proxy materials, as described under “General Information—Stockholder Proposals for 2019” in this proxy statement.

Each notice delivered by a stockholder who wishes to recommend a prospective nominee to the Board for consideration by the Nominating Committee generally must include the following information about the prospective nominee:

- the name, age, business address and residence address of the person;
- the principal occupation of the person;
- the number of shares of Clearwater Paper common stock owned by the person;
- a statement whether the person, if elected, intends to tender an irrevocable resignation effective upon (i) such person’s failure to receive the required vote for re-election and (ii) acceptance of such resignation by the Board;
- a description of all compensation and other relationships during the past three years between the stockholder and the person;
- any other information relating to the person required to be disclosed pursuant to Section 14 of the Exchange Act, and the person’s written consent to serve as a director if elected.

The Nominating Committee may require any prospective nominee recommended by a stockholder to furnish such other information as the Nominating Committee may reasonably require to determine the eligibility of such person to serve as an independent director or that could be material to a stockholder’s understanding of the independence, or lack thereof, of such person.

The foregoing is only a summary of the detailed requirements set forth in our bylaws regarding director nominations by stockholders that would apply when a stockholder wishes to recommend a prospective nominee to the Board for consideration by the Nominating Committee. A more detailed description of the information that must be provided as to a prospective nominee is set forth in Article 3 of our bylaws, which are available on our website at [www.clearwaterpaper.com](http://www.clearwaterpaper.com) by selecting “Investor Relations” and then “Corporate Governance.”

#### Committees of the Board

Our Board currently has three standing committees, as described below. The current charters of each of these committees are available on our website at [www.clearwaterpaper.com](http://www.clearwaterpaper.com) by selecting “Investor Relations” and then “Corporate Governance.”

#### Board Leadership Structure

The Board has elected to appoint one of its independent members to serve as Chair. Our Chair, Beth E. Ford, acts as the lead independent director and, among other responsibilities, provides an independent contact to allow the other directors to communicate their views and concerns to management as well as presides over non-management executive sessions of Board meetings. Our Board believes that an independent Chair with prior corporate governance experience combined with a President and CEO who manages the day-to-day operations of our company while also serving as a director, provides our Board with an optimal balance in terms of leadership structure at this point in time.





In the future, the Board may elect to have the role of Board Chair and CEO performed by the same person, as other companies in our industry do. If we were to adopt that structure, the Board would appoint one of its independent members to serve as Vice Chair, who would act as the lead independent director and, among other responsibilities, provide an independent contact to allow the other directors to communicate their views, and concerns to management as well as preside over non-management executive sessions of Board meetings.

#### Board Role in Risk Oversight

One of the responsibilities of our Board is to provide oversight of our risk management practices to ensure appropriate risk management systems are employed throughout the company. Management, which is responsible for the day-to-day assessment and mitigation of our risks, utilizes an enterprise risk management, or ERM, program, which is an enterprise-wide program designed to enable effective and efficient identification and management of critical enterprise risks and to facilitate the incorporation of risk considerations into decision making. To assist and strengthen management's risk assessment and mitigation efforts, we have a Risk Management Committee whose management members represent a company-wide perspective and provide subject matter expertise as part of our ERM process. Through the ERM process, management identifies, monitors and manages risks and regularly reports to the Board or a committee of the Board as to the assessment and management of risks.

The Board's standing committees support the Board by regularly addressing various issues within their respective areas of oversight. The Audit Committee's responsibilities include reviewing and overseeing major financial risk exposures and the steps management has taken to monitor and control these exposures. Management, on a regular basis, provides the committee with its assessment and mitigation efforts in regards to particular risks facing the company that have been identified through the ERM process. Our Audit Committee also reviews with our independent auditors the adequacy and effectiveness of our internal controls over financial reporting. Additionally, our Vice President, Internal Audit provides the Audit Committee with regular updates on our systems of internal controls over financial reporting, and our General Counsel reviews with the committee significant litigation, claims and regulatory and legal compliance matters.

The Compensation Committee assists the Board in fulfilling its risk management oversight responsibilities associated with risks arising from our compensation policies and programs. Each year management and the Compensation Committee review whether risks arising from our compensation policies and practices for our employees are reasonably likely to have a material adverse effect on the company. The Nominating Committee assists the Board in fulfilling its risk management oversight responsibilities associated with risks related to corporate governance structures and processes. Each of the committee chairs, as appropriate, reports to the full Board at regular meetings concerning the activities of the committee, any significant issues it has discussed and the actions taken by the committee.

The Board's role in risk oversight is consistent with its leadership structure. We believe that our Board's leadership structure facilitates its oversight of our risk management practices by combining the day-to-day knowledge of our business possessed by our President and CEO as a member of the Board, with the independence provided by our Chair and independent Board committees.

Clearwater Paper Corporation 2018

## Committee Membership

The following table shows the membership of each committee as of March 19, 2018:

Name	Audit Committee	Compensation Committee	Nominating and Governance Committee
Boh A. Dickey	X		
Beth E. Ford (Chair of the Board)	X		X(Chair)
Kevin J. Hunt		X(Chair)	
William D. Larsson	X (Chair)		X
Linda K. Massman			
John P. O'Donnell		X	
Richard D. Peach	X		
Alexander Toeldte		X	X