

*Leading and Creating the Right Culture
to Meet Industry Demands*



PPC FALL MEETING

October 5, 2017

LINDA K. MASSMAN

PRESIDENT & CEO
CLEARWATER PAPER CORPORATION

AGENDA

Clearwater Paper Overview

Commitment to the Business

Leading Through Change

Key Takeaways

Questions



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CLEARWATER PAPER AT A GLANCE



Formed in 2008 with more than 70 years of pulp and paper operating history

We operate two business segments

- Pulp and paperboard: 43% of 2016 net sales
 - Includes Manchester Industries, acquired in Dec. 2016
- Consumer products: 57% of 2016 net sales

Financial overview for 2016

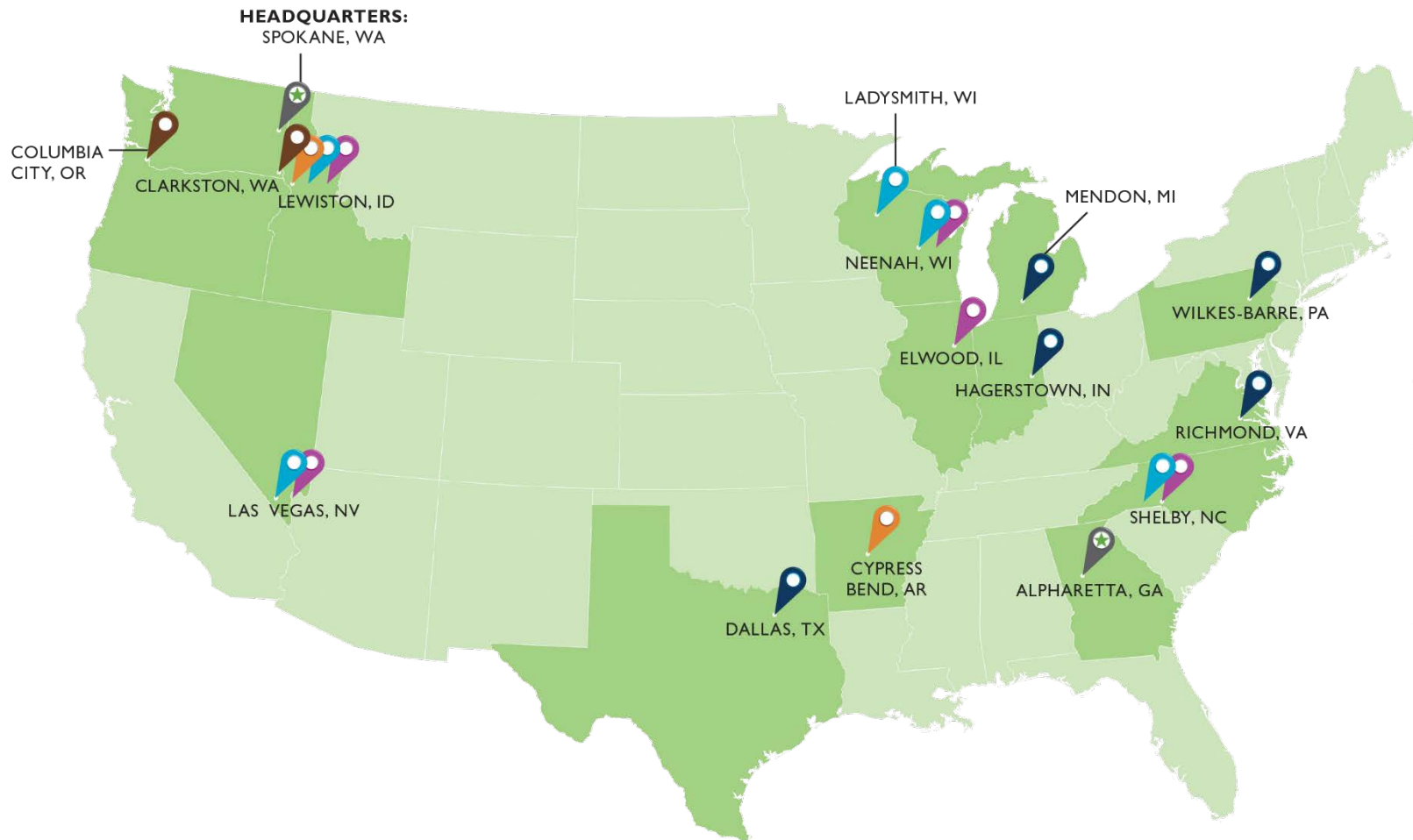
- Net sales: \$1.7 Billion
- Adjusted EBITDA: \$215 Million
- 2008 to 2016 Adjusted EBITDA CAGR: 14%

Approximately 3,200 employees across the U.S.







- Headquartered in Spokane, WA
- Largest mill located in Lewiston, Idaho, with ~ 1,300 employees



OUR LOCATIONS



Our production facilities are located in the US.

-  Corporate and Administrative Offices
-  Pulp and Paperboard Manufacturing
-  Papermaking (Tissue)
-  Tissue Converting
-  Other / Chip / Fiber Facility
-  Manchester Industries

PULP AND PAPERBOARD DIVISION

THE FACTS

Leading manufacturer of SBS¹ used in packaging of premium consumer goods, health and beauty aids, pharmaceuticals, frozen desserts, liquid packaging, as well as food service products.

- Produce pulp that is used to make our paperboard and tissue products
- Recently acquired Manchester Industries, which broadens our service platform
- Overall, our paperboard business remains strong



¹ Solid Bleach Sulfate paperboard

CONSUMER PRODUCTS DIVISION

THE FACTS



The largest provider of private label tissue products to retail grocery chains in the U.S., manufacturing tissue products in each major tissue category.

- Bathroom tissue
- Paper towels
- Facial tissue
- Napkins
- Tissue parent rolls

Strong market outlook for private label brands

Challenging retail landscape



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Sustainability Focus

- Industry recognized for responsible sourcing of ingredients and raw materials.
- First company in North America to offer a full range of bleached paperboard products third-party certified by the Forest Stewardship Council™ (FSC®).
- In 2017, named Corporate Sustainability Champion by Rainforest Alliance.



COMMITMENT TO THE BUSINESS

Strategic Projects

- Completing Lewiston Pulp Optimization Project
- Starting Shelby Expansion
- Automating Warehouses



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CHANGE DOES NOT LEAD US DOWN A STRAIGHT ROAD



2008

Clearwater Paper spun from Potlatch Corporation

2011

Acquired Cellu Tissue

2014

Sold specialty products mills to Dunn Paper

2017

Announced expansion of Shelby mill

2010

Begin construction of new facility in Shelby, North Carolina

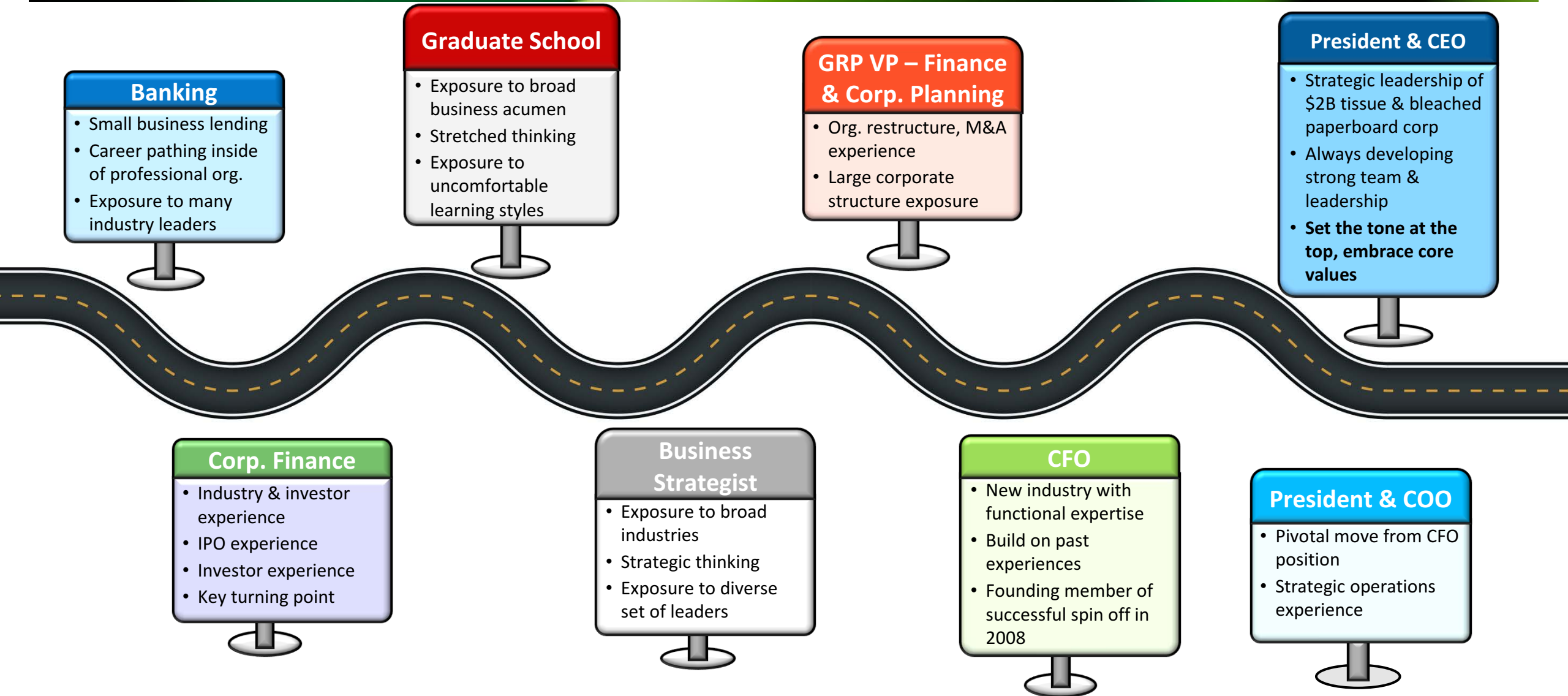
2013

Acquired Granger Company, formation of Clearwater Fiber, LLC

2016

Acquired Manchester Industries

AND YOUR CAREER OFTEN DOES NOT FOLLOW A STRAIGHT ROAD!



AND CORE VALUES AS THE FOUNDATION FOR EVERYTHING THAT WE DO

CHARACTER

We treat each other with respect, build and sustain relationships.

We hold ourselves and others to the highest level of integrity.

We ensure actions and behaviors are consistent with our words.

COLLABORATION

We promote inclusion and diversity.

We strengthen others by sharing knowledge and insights.

We encourage and support innovation.

COMMITMENT

We make and meet commitments.

We recognize when to disagree, debate and ultimately support.

We strive to improve ourselves and the business each day.

COMMUNICATION

We listen, seek to understand and are responsive.

We actively engage in two-way communication.

We encourage open, transparent and candid interactions.

OUR CORE VALUES GUIDE:



how we make decisions



how we interact with each other



who we hire



what we expect from each other

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KEY TAKEAWAYS

Prepare and train your team to be ready and adaptable to change; stay ahead of what is impacting your business and people



Multiple generations in the workforce today – unite through culture and core values



Always demonstrate and support good leadership, and push decision making to the lowest level



THANK YOU!

QUESTIONS & ANSWERS

