

Governance Principles

Glatfelter's [Board of Directors](#) (the "Board") is charged with providing effective governance over the Company's business for the benefit of its shareholders, and has approved the following Governance Principles. The Governance Principles, which provide a framework for the Board's responsibilities, are in addition to, and are not intended to change or interpret, any Federal or state law or regulation, the New York Stock Exchange ("NYSE") listing standards, the Articles of Incorporation, or the [By-Laws](#) of the Company. The principles and guidelines herein are subject to modification from time to time by the Board.

Management Organization

1. General

Glatfelter's business is conducted by its officers, managers and employees, under the direction of the Chief Executive Officer ("CEO") and the oversight of the Board, which is comprised of a majority of independent directors. The Board is elected by the Company's shareholders and is responsible for the oversight of the business and affairs of the Company. The Board shall carry out its responsibility by establishing the strategic direction for the Company's business and by selecting, evaluating, advising and monitoring executive management, and shall ensure that the long-term interests of the Company as a whole, and its shareholders, are served by the conduct of the business operations. The Board and management recognize that, in addition to the shareholders, other stakeholders in the business include employees, retirees, contractors, customers, suppliers, government and regulatory officials, as well as the communities in which the Company operates. The Board and management believe that recognizing the interests of these stakeholders is fundamental to being able to provide value to shareholders.

2. Chairman & Chief Executive Officer

Currently, the Chief Executive Officer is also the Chairman of the Board of Directors. The Chairman presides at all meetings of the shareholders and is responsible to the Board for the day-to-day management of the Company. The Chairman proposes, with the involvement of the Board, the schedule, agenda and materials for the meetings of the Board over which he presides. Each year, the Board elects one of its members to serve as Chairman. The Board reviews its governance structure and the qualifications of each Director and determines which Director is best qualified to chair the Board. The Board believes that the Company and its shareholders are best served by having a Chairman who has a wide-ranging, in-depth knowledge of the Company's business operations and the competitive landscape and who can best execute the strategic plan approved by the Board, based on his or her extensive experience and knowledge of the Company's operations, industry, competitive challenges and opportunities.

3. Other Executive Officers

The Board annually appoints executive officers of the Company at its organizational meeting following the Annual Meeting of Shareholders and at such other times as it may deem appropriate. A listing of the Company's current officers, as well as its directors, may be found at http://www.glatfelter.com/about_us/executive_leadership/default.aspx.

Board of Directors

1. Board Functions

The Board has six regularly scheduled meetings a year at which it reviews and discusses reports by management on the performance of the Company, strategic options, and other significant issues faced by the Company. The Chairman may also convene special meetings of the Board as appropriate. The full Board considers all major decisions affecting the Company. Directors are expected to attend all scheduled Board meetings and meetings of committees of which they are members. In addition to its general oversight of management, the Board, either directly or through its committees, also performs a number of specific functions, including:

- selecting, evaluating and compensating the CEO, and overseeing CEO succession planning;
- overseeing the selection, evaluation and compensation of the senior executives of the Company;
- reviewing and approving compensation for senior management and the Company's benefit plans;
- reviewing and approving long-term strategic business plans and major corporate actions and monitoring corporate performance against those plans and actions;
- assessing the major risks faced by the Company, and reviewing options to mitigate those risks; and
- ensuring that processes are in place for maintaining the integrity of the Company, its financial statements, internal controls, reporting systems, compliance with laws, and the integrity of its relationships with its stakeholders.

In executing these functions, directors have regular interaction with management and consult with independent advisors as necessary and appropriate. Non-management directors meet in regularly scheduled executive sessions (without management) as part of the Board of Directors meetings. Currently, the Chair of the Nominating and Corporate Governance Committee ("Governance Committee") presides over the executive sessions. The Board has established a method for interested parties to communicate directly with the entire Board or any non-management director by calling the Company's toll-free Helpline (800-346-1676). The entire Board conducts an annual self-evaluation to determine the effectiveness of the Board and its committees.

2. Board Members

Independent directors, as defined by the NYSE listing standards and any applicable laws or regulations, shall constitute a majority of the Board. Generally, to meet the standard for "independence," a director must not be an employee of the Company nor have any material relationship with the Company, as affirmatively determined by the Board and disclosed in the proxy statement by the Board of Directors. The Board adopts the New York Stock Exchange definition of "independent director" as one who has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). The Board will consider all relevant facts and circumstances in assessing the materiality of a director's relationship with the Company. The Board will consider the issue both from the standpoint of the director and from that of organizations with which the director has an affiliation. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships (among others).

The Board presently consists of nine (9) persons, comprising one class of directors, all with terms expiring at the 2012 Annual Meeting of Shareholders. The directors are elected annually to hold office for a term until the next Annual Meeting of Shareholders and until their successors have been duly elected and qualified. The Governance Committee determines the appropriate mix of skills and characteristics required to best fill the needs of the Board at a given point in time and periodically reviews and updates the criteria as deemed necessary. The Board believes that diversity in personal background, professional experience, qualifications, attributes and skills are important considerations in selecting candidates. In recommending a candidate for election as a director, the Governance Committee will consider, at a minimum, the candidate's independence, professional experience, knowledge of the Company's business or industry, skills, expertise, wisdom, integrity, business acumen and availability to devote the necessary time to serve on the Board.

Each year the Governance Committee considers the needs of the Board, reviews the performance of directors and information about the incumbents and other potential director candidates, and recommends a slate of director candidates to nominate for election at the Annual Meeting of Shareholders. When the Governance Committee considers candidates for election as directors, the Governance Committee will consider candidates who have been proposed by the Governance Committee or by shareholders and will use the same procedures and criteria to evaluate each director candidate without regard to whether the candidate was nominated by the Governance Committee or by a shareholder, but the Governance Committee has the sole discretion to recommend director candidates for election to the Board. Directors are usually elected by shareholder vote at the annual meeting of shareholders. Between annual meetings, on the recommendation of the Governance Committee, the Board may elect directors to fill vacancies. The Board may vote to decrease or increase its size and fill vacancies created by an increase in its size, upon the Governance Committee's recommendation. In the case of a vacancy on the Board, the Board itself may fill

that vacancy by electing a director to serve until the next Annual Meeting of Shareholders and until his or her successor has been elected and qualified, or until his or her earlier death, resignation, or removal.

The Board has a mandatory retirement policy. When a term of a director extends beyond the date when the director reaches the age qualification set forth in Section 2.2 of Article II of the Company's Bylaws ("Qualifying Age"), such director must resign from the Board effective at the next Annual Meeting of Shareholders following such birthday. Under the Company's By-laws, the Board has the discretion, on a case-by-case basis, to not accept the resignation of a director who has reached the Qualifying Age if it determines, on the recommendation of the Governance Committee, that the director's continued service (on a year-to-year basis) is necessary to retain his or her skills, or to maintain diversity of the Board.

A director who retires from, or substantially changes, his or her principal position of employment must, promptly following such retirement or change in position, tender his or her resignation to the Chair of the Governance Committee. The tendered resignation must provide that, unless otherwise determined by the Board in its sole discretion, the tendered resignation will be effective immediately upon acceptance by the Board. The Governance Committee will, after consultation with the Chief Executive Officer, consider the tendered resignation and make a recommendation to the Board as to whether the Board should accept or reject the tendered resignation. The Board will decide, in its sole discretion, whether to accept or reject such resignation. The Company does not limit the number of boards of publicly traded companies on which a director may serve. However, a director who is considering serving on the Board of Directors of another publicly traded company should comply with the Board's policy regarding approval of outside directorships and promptly advise the Chairperson of the Governance Committee. The Chairperson will consult with the CEO to determine if there are any competitive or other business issues which could arise from the director serving on the additional Board. The Chairperson, and if advisable the Governance Committee, will then consider the effect that these additional responsibilities could have on the director's independence and performance of his/her duties as a director of the Company, and will take such action as he or it may deem appropriate and in the best interests of the Company. The Company expects all directors to devote sufficient time and effort to their duties as a Glatfelter Board member. This is a factor that is considered in the annual Board self-evaluation process.

3. Board Committees

The Board shall at all times have a committee structure that is adequate for the conduct of the business of the Board of Directors and required for the operation of a publicly owned company. Currently, the Company has four standing committees, consisting of: (a) Audit, (b) Compensation, (c) Governance and (d) Finance. The Board may, from time to time, create additional committees or terminate existing ones, if required. Committees support the role of the Board on issues that benefit from consideration by a smaller, more

focused group of directors. The committees, whose chairpersons are appointed by the Board, shall have regularly scheduled meetings, and call additional meetings as appropriate. A management representative is assigned to each committee for purposes of planning meeting agendas and coordinating communications between management and the committee.

The office of the Corporate Secretary is responsible for providing notice of the committee meetings and sending documents provided by the management representative(s) in advance of the meeting, as well as taking minutes of the committee meetings. The committee chairpersons routinely report on their committee activities to the Board at the next regular Board meeting following a committee meeting.

The purposes of each committee are defined in the Company's [By-Laws](#) and in their respective charters. The committee charters and information about the current composition of each committee are accessible by following the hyperlinks provided on the Corporate Governance page of the Company's public website at http://www.glatfelter.com/about_us/corporate_governance/default.aspx

4. Compensation of Directors

The Company's annual proxy statement contains complete information about director compensation (which may vary based on factors such as committee service and number of meetings attended) and director benefits. To further align director's interests with those of the shareholders, the Company has established share ownership guidelines for its non-employee directors. The Company's annual proxy statement contains a comprehensive description of the share ownership guidelines applicable to the Company's non-employee directors.

5. Majority-Vote Policy

In an uncontested election, if a nominee for director who is an incumbent director receives at any meeting for the election of directors at which a quorum is present a greater number of votes "withheld" from his or her election than votes "for" such election (a "Majority Withheld Vote"), and no successor has been elected at such meeting, the director shall promptly tender his or her resignation following certification of the shareholder vote. In an uncontested election, if a nominee for director who is not an incumbent director receives at any meeting for the election of directors at which a quorum is present a Majority Withheld Vote (but does receive the requisite plurality vote), the nominee will be deemed to have been elected to the Board and to have immediately resigned.

To be eligible to stand for election, each person who agrees to be nominated must also execute a written statement setting forth that such person agrees to be bound by this provision. The Governance Committee shall consider the tendered resignation and make a recommendation to the Board as to whether or not to

accept it. The Board will act on the Governance Committee's recommendation within 90 days following certification of the shareholder vote. In making their determinations, the Governance Committee and the Board may consider any factors or other information that they consider appropriate or relevant. Thereafter, the Board will promptly disclose its decision whether or not to accept the director's resignation (and the reasons for rejecting the resignation, if applicable) in a press release or filing with the Securities and Exchange Commission. Any director who tenders his or her resignation pursuant to this provision shall not participate in the Governance Committee's recommendation or Board action regarding whether or not to accept the resignation. However, if each member of the Governance Committee received a Majority Withheld Vote at the same meeting, then the remaining independent directors who did not receive a Majority Withheld Vote shall consider the resignations and determine whether or not to accept them. If the directors who did not receive a Majority Withheld Vote in the same election constitute three or fewer directors, all directors may participate in the action regarding whether to accept the resignations, provided, however, that each director's resignation will be acted upon separately and no director may participate in the Board action regarding whether or not to accept his or her resignation. A director whose resignation is not accepted by the Board shall continue to serve until the next annual meeting at which he or she is up for election and until his or her successor is duly elected, or until his or her earlier resignation or removal. If a director's resignation is accepted by the Board, or if a nominee for director who is not an incumbent director is deemed to have been elected and to have immediately resigned, then the Board, in its sole discretion, may fill any resulting vacancy pursuant to Section 2.3 of Article II of the Company's [By-Laws](#) or may amend the Company's [By-Laws](#) to decrease the size of the Board. The Governance Committee shall make a recommendation to the Board as to whether or not it should fill the vacancy or amend the Company's [By-Laws](#) to reduce the size of Board.

6. Ratification of Independent Auditors

The Board will submit the Audit Committee's appointment of the independent registered public accounting firm to the Company's shareholders for ratification at the Annual Meeting of Shareholders each year. If the shareholders fail to ratify the Audit Committee's selection, the Audit Committee will reconsider its selection of the independent registered public accounting firm at such time and in such manner as the Audit Committee may determine in its sole discretion. The Audit Committee may in its discretion appoint a different independent registered public accounting firm at any time during the year if the Audit Committee determines that a change is in the best interests of the Company.

7. Conduct and Ethics Standards for Directors

Directors are subject to the applicable provisions set forth in the Company's [Code of Business Conduct](#) (1.67 MB PDF). Directors fulfill their duties in a manner that avoids actual, potential or perceived conflicts of interest and that protects the Company's reputation for honesty and integrity. Except as authorized by the

Board, no non-management director shall have a direct economic relationship with the Company other than ownership of shares of the Company's Common Stock or options to purchase such shares. Both Company loans to the directors or their family members, and guarantees of obligations of the directors or their family members are prohibited.

Directors owe a duty to advance the Company's interests and are, therefore, prohibited from taking a business opportunity that is discovered through the use of Company property, information, or position, for their personal benefit. Directors shall meet at least annually with the Company's General Counsel or Director of Compliance in order to review compliance standards that apply to the Company generally and to themselves specifically as directors. Any reports of violations of the Company's Code of Business Conduct may be reported through the Code of Conduct Helpline (800-346-1676), to the Vice President, General Counsel and Secretary, the Director of Compliance, or to the Audit Committee Chairperson. Retaliation is prohibited for complaints made or concerns raised through these channels.

The Company's General Counsel or Director of Compliance provides an annual compliance report to the Board, as well as to the Audit Committee.

Approved by the Board of Directors on December 17, 2003

Affirmed by the Board of Directors on December 15, 2004

Amended by the Board of Directors on December 14, 2005

Amended by the Board of Directors on March 8, 2006

Amended by the Board of Directors on March 5, 2008

Amended by the Board on February 18, 2009

Amended by the Board on December 15, 2010

Updated to conform with N&CG Charter on February 22, 2011

Amended by the Board, September 20, 2011

Updated to conform with revised by-laws and Code of Conduct, March 2012