



**Mercer International Inc.**

**Amended and Restated  
Corporate Governance Guidelines**

*Adopted on February 19, 2025*

*For questions or comments concerning the Corporate Governance Guidelines, please contact the Chief Financial Officer and Secretary, Richard Short.*



## CORPORATE GOVERNANCE GUIDELINES

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## CORPORATE GOVERNANCE GUIDELINES FOR THE BOARD OF DIRECTORS

The Board of Directors (the "**Board**") of Mercer International Inc. (the "**Company**") is responsible for overseeing the exercise of corporate powers and ensuring that the Company's business and affairs are managed to meet its stated goals and objectives and that the long-term interests of the shareholders are served. The Board recognizes its responsibility to engage, and provide for the continuity of, executive management that possesses the character, skills and experience required to attain the Company's goals and its responsibility to select nominees for the Board who possess appropriate qualifications and reflect a reasonable diversity of backgrounds and perspectives.

### Composition

Pursuant to the Company's Bylaws, the Board shall be comprised of not less than three and not more than thirteen directors with the specific number to be set by the Board. The Board shall, based on the recommendation of its Governance and Nominating Committee, periodically review the size of the Board and determine the size that is most effective in relation to future operations and strategic plans.

Currently, the Board is to be comprised of up to ten members, a majority of whom shall meet the independence requirements of the Nasdaq Stock Market LLC then in effect. Upon receipt of the recommendation of the Governance and Nominating Committee, the Board shall appoint a new member or members in the event that there is a vacancy on the Board that reduces the number of members below the number determined by the Board as aforesaid or in the event that the Board determines that the number of members on the Board should be increased.

### Meetings

The Board shall meet at least four (4) times each fiscal year and may hold additional meetings as often as may be necessary or appropriate, in the discretion of the chairperson of the Board (the "**Chair**") or the Chief Executive Officer ("**CEO**"). Participation in such meetings may be in person or by electronic means in accordance with the Bylaws. At least one meeting of the Board in each fiscal year shall focus primarily on strategic planning for the Company. Prior to each meeting, the Chair or the CEO will circulate the agenda for the meeting for input and management will send out appropriate preparatory materials to each member of the Board.

Members of the Board are expected to use all reasonable efforts to attend and participate in each meeting. The Chair may also request that members of management, legal counsel, or other advisors attend the meetings of the Board.

Minutes of each meeting shall be prepared under the direction of the Chair and circulated to each member of the Board for review and approval.

### Authority and Responsibilities of the Board

The fundamental responsibility of the Company's Board is to promote the best interests of the Company and its shareholders by overseeing the management of the Company's business and affairs. In doing so, Board members have two basic legal obligations to the Company and its shareholders: (1) the duty of care, which generally requires that Board

members exercise appropriate diligence in making decisions and in overseeing management of the Company; and (2) the duty of loyalty, which generally requires that Board members make decisions based on the best interests of the Company and its shareholders, without regard to any personal interest.

As part of its oversight of the management of the Company's business and affairs, the Board oversees the Company's annual plan and budget and risk management, including, oversight of environmental, social and governance ("**ESG**") and related matters. The committees of the Board, which meet regularly and report back to the full Board, play significant roles in carrying out the risk oversight function, including applicable ESG matters related to the responsibilities of such committees. Management is charged with managing risk through robust internal processes and effective internal controls.

The Board has the authority to retain, at the Company's expense, consultants, legal counsel or other advisors to assist the Board in conducting its business and meeting its responsibilities to the Company and its shareholders, and authority to approve such advisors' fees and other retention terms.

## **Guidelines**

The Board is responsible for organizing its functions and conducting its business in the manner it deems most effective and efficient, consistent with its duties of good faith and due care. To meet that responsibility, the Board has adopted a set of flexible guidelines to guide its governance practices in the future. These guidelines, set forth below, will be regularly re-evaluated by the Governance and Nominating Committee in light of changing circumstances in order to continue serving the best interests of shareholders. Accordingly, the summary of current practices is not a fixed policy or resolution by the Board, but merely a statement of current practices that is subject to continuing assessment and change.

## **Determination of Independence of Non-Employee Directors**

No relationship between any non-employee director and the Company should be of a nature that could compromise the independence or judgment of any Board member in governing the affairs of the Company. The determination of what constitutes independence for a non-employee director in any individual situation shall be made by the Board in light of the totality of the facts and circumstances relating to such situation and in compliance with the requirements of the Nasdaq Stock Market's applicable listing standards and other applicable rules and regulations.

## **Committees**

The present standing committees of the Board are the:

- Audit Committee;
- Human Resources Committee (the "**HR Committee**");
- Governance and Nominating Committee; and
- Environmental, Health and Safety Committee (the "**EHS Committee**").

All members of all committees (other than the EHS Committee) shall be non-employee directors of the Company and meet the independence requirements applicable to membership on each committee of the Nasdaq Stock Market LLC, applicable law, and the applicable rules and regulations of the Securities and Exchange Commission (including, with respect to audit committee membership, Section 10A(m)(3) of the Securities Exchange Act of 1934 (the

"Exchange Act"))), in each case as may be in effect from time to time. The Board considers its current committee structure to be appropriate but the number and scope of committees may be revised as appropriate to meet changing conditions and needs.

The Governance and Nominating Committee is responsible for reviewing and recommending to the Board, at least annually, the assignment of directors to various committees. The Governance and Nominating Committee will also recommend to the Board from time to time changes in committee assignments to ensure diversity of Board member experience and to vary the exposure of the members to the affairs of the Company.

The duties and responsibilities of the Board committees are set forth in their respective charters. Such charters and the authority and responsibilities of the Committees may be amended or modified by the Board from time to time.

Unless specified otherwise, the following procedural rules apply to standing committees of the Board:

- Each committee shall meet on the call of the chairperson of the committee or of two members of the committee or of the Chair or the CEO;
- The quorum for the conduct of business of a committee shall be a majority of the number of its members. The committee shall have full power and authority to act notwithstanding that there may be one or more vacancies in its membership;
- The Board shall appoint the chairperson of each committee, failing which the members of that committee shall elect a chairperson from amongst their number;
- The chairperson of a committee shall appoint a secretary to take minutes of meetings and otherwise record the proceedings of the committee. Failing such appointment, the chairperson of the committee shall also act as its secretary;
- In the exercise of its absolute discretion the Board may remove or replace any member of any committee and may fill any vacancies. Any member of a committee who shall for any reason cease to be a director of the Company shall *ipso facto* cease to be a member of that committee; and
- Any committee may appoint sub-committees of one or more people, a majority of whom must be members of the committee.

The chairperson of each committee shall report to the Board at its regularly scheduled meeting all deliberations and actions taken since the previous report.

The minutes of all meetings of each standing committee will be made available for review by all members of the Board unless otherwise determined by the Board.

Except as otherwise prescribed by the Board, the Articles and Bylaws of the Company applicable to the conduct and meetings of the Board shall apply *mutatis mutandis* to all committees.

### **Board Membership Criteria**

The Governance and Nominating Committee is responsible for, among other things, reviewing the appropriate skills, qualifications and other expertise required of directors in the

context of prevailing business conditions and the Company's current business strategy for making recommendations to the Board regarding the size and composition of the Board. The objective is a Board that brings to the Company a variety of perspectives and skills derived from high quality business and professional experience.

### **Majority Voting**

The Company has adopted majority voting procedures for the election of directors in uncontested elections. In an uncontested election, nominees must receive more "for" than "against" votes to be elected. The term of any director who does not receive a majority of votes cast in an election held under the majority voting standard will terminate on the earliest to occur of (i) 90 days after the date election results are certified; (ii) the date the director resigns; or (iii) the date the Board fills the position.

### **Procedure for Selecting New Director Candidates**

The Board is responsible for recommending the candidates to stand for election at the annual meeting of shareholders. The Board has delegated the screening and nomination process to the Governance and Nominating Committee. The Governance and Nominating Committee is expected to work closely with the Chair and the CEO in determining the qualifications desired in new Board members and to select or recommend candidates to the full Board, including any candidate recommended by the Board to stand for election at the annual meeting of shareholders.

### **Extending the Invitation to a Potential New Director to Join the Board**

Upon concurrence of the members of the Board, invitations to join the Board will generally be extended on behalf of the Board by the Chair or the chairperson of the Governance and Nominating Committee. Other Board members may participate as appropriate.

### **Board Member Orientation and Continuing Education**

The Governance and Nominating Committee (along with senior management including the CEO), shall maintain and oversee an orientation process to acquaint new directors with the business, history, current circumstances, key issues and top managers of the Company. Such process shall include visits to the Company's key operating facilities.

Directors are also encouraged to participate in external continuing education programs, as they or the Board determine is desirable or appropriate from time to time.

### **Selection of Agenda Items for Board Meetings**

The Chair together with the CEO shall develop the agenda for each Board meeting. The agenda is circulated in advance to the Chair and Board members may suggest additional or alternative items for consideration.

### **Board Materials Distributed in Advance**

As much information and data as practical relating to the meeting agenda items and the Company's financial performance shall be sent to Board members sufficiently in advance of meetings to permit the directors to review the materials and prepare for meetings.

## **Executive Sessions of Independent Directors**

Each Board meeting will include time for an executive session with only independent directors present.

## **Selection of the Chair**

The Board appoints a director as the Chair from time to time pursuant to the Company's Bylaws and in the manner and based on the criteria that it deems appropriate and in the best interests of the Company given the circumstances at the time of such appointment. The Governance and Nominating Committee is responsible for reviewing and recommending to the Board on an annual basis, or upon a vacancy, a director for election as Chair.

## **Role of Chair**

Upon the recommendation of the Governance and Nominating Committee, the independent members of the Board shall select a Chair. The Chair shall serve in that capacity until he or she resigns from such position or from the Board or such earlier time as determined by the Board.

## **Qualifications of Chair**

In order to serve as Chair, an individual must be a director of the Company and must meet the independence standards of the Nasdaq Stock Market LLC. Additionally, a director must, (1) be available to work closely with and act as an advisor to the President and CEO, (2) be available to effectively discuss with other directors concerns about the Company or the Board and relay those concerns, where appropriate, to the President and CEO or other members or committees of the Board, as applicable, (3) ensure the effectiveness of the Board and that it maintains its independence from management, and (4) be familiar with corporate governance best practices.

## **Board Access to Senior Management**

All Board members have access to senior management, with the expectation that such contact will be minimally disruptive to the business operations of the Company. Such contact, if in writing, should generally be copied to the CEO. The Chair and the CEO are encouraged to invite senior managers who can provide additional insight into business matters being discussed and those with high future potential who should be given personal exposure to members of the Board to the meetings.

## **Stock Ownership**

While the Board believes that it is important that each non-employee director owns shares of the Company's stock, the Board also believes the stock ownership requirement should not adversely affect the Board's ability to attract diverse candidates. Directors should become stockholders of the Company within sixty days after their election to the Board. Non-employee directors generally receive common stock when they are re-elected. Non-employee directors are also able to defer Board compensation pursuant to a plan in which they receive common stock. These plans and incentives help align non-employee directors' interests with shareholders' interests.

The Board believes that the number of shares of the Company's common stock owned by each director is a personal decision.

However, the Board maintains a target ownership guideline for non-employee directors

equal to five times the amount of cash retainer for Board service, with five years as the expected time to achieve the target. For the sake of clarity, deferred stock and deferred stock units are included in the calculation of such target.

Additionally, the Board maintains a target ownership guideline for its CEO equal to five times their base salary, to be achieved within five years after the later of their appointment or the initial adoption of the Company's ownership guideline in 2019.

### **Recovery of Incentive Compensation**

Pursuant to the Company's Clawback Policy, the Company may seek reimbursement with respect to incentive compensation paid or awarded to executive officers (as designated by the Board) where such payment or award was predicated upon the achievement of financial results, which financial results were the product of fraudulent activity or that were subsequently the subject of a material negative restatement.

### **Assessing the Board's Performance**

The Board, with the assistance of the Chair and the Governance and Nominating Committee, will conduct an annual evaluation of its overall effectiveness and the effectiveness of each of its committees, including the performance of the Board's and of each committee's governance responsibilities.

### **Change in Director Circumstances**

A director who is also a member of management of the Company will offer to resign from the Board upon their resignation, removal or retirement as a member of the Company's management.

Where a non-employee director significantly changes his or her principal occupation or job responsibilities or becomes aware of personal circumstances that could affect his or her ability to contribute to, or participate as a director of, the Company, the director is expected to offer his or her resignation in writing to the Chair, with a copy to the chairperson of the Governance and Nominating Committee. The Governance and Nominating Committee shall consider such changed circumstances and shall make a recommendation to the Board, which will decide the action, if any, to be taken with respect to such director's offer of resignation.

### **Outside Board Members Serving on Additional Boards**

Board members who are full-time employees of a publicly traded company may serve on no more than one publicly-traded company's board in addition to the Company's Board and his or her own company board when applicable. Non-employee directors who are not full-time employees of a publicly traded company may serve on no more than two publicly-traded companies' boards in addition to the Company's board.

Board members wishing to join the board of another publicly traded company shall first notify the chair of the Governance and Nominating Committee and the Chair prior to joining the board. The chair of the Governance and Nominating Committee shall review the proposed board membership to ensure compliance with applicable laws and policies including potential conflicts of interest.

### **Term Limits**

There are no term limits for service on the Board. The absence of term limits allows the Company to retain Board members who have been able to develop, over a period of time,



increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole.

### **Age Limits**

There is no mandatory retirement age for service on the Board. The Governance and Nominating Committee may in the future recommend establishing a mandatory retirement age it deems appropriate and in the best interests of the Company and its shareholders.

### **Resignation, Retirement or Intent not to Stand for Re-Election.**

If a Board member wishes to resign, retire or not to stand for re-election at the end of his or her current term, the Board member shall notify the Chair in writing, with a copy to the chairperson of the Governance and Nominating Committee. The Governance and Nominating Committee shall evaluate such resignations and shall make a recommendation to the Board, which will decide the action, if any, to be taken with respect to the resignation.

### **Evaluation of the President and Chief Executive Officer**

Each year the chair of the Governance and Nominating Committee and the chair of the HR Committee and/or the Chair of the Board (based upon discussions with the independent directors of the Board) will conduct a formal evaluation of the performance of the President and CEO based on appropriate quantitative and qualitative criteria, and meet with such officers to share the findings of such review. The Board believes that the compensation packages for the President and CEO should reflect a strong pay-for-performance objective by aligning their compensation with the achievement of both short-term and long-term financial objectives that build shareholder value. The independent members of the Board approve the compensation packages of the President and CEO.

### **Succession Planning**

The chair of the HR Committee, together with the Chair and the President and CEO, will annually review succession planning with the Board, and provide the Board with a recommendation as to succession in the event of each senior officer's termination of employment with the Company for any reason (including death or disability).

### **Board Interaction with Institutional Investors, the Media and Customers**

The Board believes that the primary responsibility lies with management for communications and relationships on behalf of the Company with institutional investors, the media, and customers. Therefore, the Board may, through the Chair, participate occasionally in such interaction, but will generally do so only at the request of or after providing notice thereof to management.

The Board believes ongoing dialogue with shareholders is important. The Company communicates with shareholders through various means, including its annual report, proxy circular, quarterly reports, news releases, investor conferences and other meetings. In addition, earnings calls are open to all and there is a question and answer period.

Shareholders may also communicate with the Board as set out below and/or as provided in the Company's proxy circular.

### **Code of Business Conduct and Ethics and other Policies**

The Board has previously adopted a Code of Business Conduct and Ethics that is applicable to all employees, officers and directors, along with a Securities Law Policy, a Hedging Transaction Policy, a Whistleblower Policy and an Anti-Corruption Policy. The Board shall periodically evaluate and review such code and policies (and such additional policies as may be advisable) to ensure that they conform to applicable laws and best practices.

### **Board Attendance at Annual Shareholder Meetings**

The Company's policy requires the attendance of all directors at the Annual Meeting of Shareholders, except for absences due to causes beyond the reasonable control of the director. Directors may attend such meetings in person or, where applicable, by electronic means in accordance with the Bylaws.

### **Shareholder Communication with the Board**

Shareholders who wish to communicate with the Board (other than with respect to a complaint or concern regarding accounting, internal accounting controls or auditing matters which must be directed to the Audit Committee) should send written correspondence to the Board in the care of the Secretary, Mercer International Inc., Suite 1120, 700 West Pender Street, Vancouver, B.C., Canada V6C 1G8. The correspondence should indicate that the person sending the correspondence is a shareholder and set out the purpose of such communication. The Secretary will: (i) forward the correspondence to the director to whom it is addressed or, in the case of correspondence addressed to the Board generally, to the Chair; (ii) attempt to handle the inquiry directly where it is a request for information about the Company; or (iii) not forward the correspondence if it is primarily commercial in nature or if it relates to an improper topic. All such correspondence will be summarized for the Board periodically, and each such correspondence will be made available to any director upon request.

These Corporate Governance Guidelines are intended to provide a set of flexible guidelines for the effective functioning of the Board. The Board shall review these guidelines as required and at least annually and may modify or amend these Corporate Governance Guidelines and the authority and responsibilities of the Board set forth herein at any time.

## AUDIT COMMITTEE CHARTER

### Purpose

The primary purpose of the Audit Committee (the "**Committee**") is to oversee the accounting and financial reporting processes of Mercer International Inc. (the "**Company**") and the external audit processes. The Committee also assists the Board of Directors of the Company in fulfilling its oversight responsibilities by reviewing the financial information which will be provided to shareholders and others, the systems of internal control which management and the Board of Directors have established, the performance of the internal audit function, the Company's risk management practices, compliance with the Company's Code of Business Conduct and Ethics and the review and approval of related-person transactions required to be disclosed in Proxy Statements.

In fulfilling its purpose, it is the responsibility of the Committee to provide an open avenue of communication between the Board of Directors, management, the internal auditors and the independent auditors. The Committee is an agent of the Board in ensuring the integrity of management and the adequacy of disclosure to shareholders. The opportunity for the independent auditors to meet with the entire Board of Directors as needed is not to be restricted, however. The independent auditors are ultimately accountable to the Committee, as representatives of the Company's shareholders; the Committee has the sole authority to determine funding for, select, evaluate, and, where appropriate, replace the independent auditors. The Committee oversees the independent auditors, including their independence and objectivity.

The Committee members are not acting as professional accountants or auditors, and their functions are not intended to duplicate or substitute for the activities of management and the independent auditors, nor can the Committee certify that the independent auditors are "independent" under applicable rules. The Committee serves a Board-level oversight role in which it provides advice, counsel and direction to management, the internal auditors and the independent auditors on the basis of information it receives, discussions with the independent auditors and the experience of the Committee's members in business, financial and accounting matters.

The Committee relies on: (i) management for the preparation and accuracy of the Company's financial statements and establishing effective internal controls and procedures to ensure the Company's compliance with accounting standards, financial reporting procedures and applicable laws; and (ii) the Company's independent auditors for an unbiased, diligent audit or review, as applicable, of the Company's financial statements and the effectiveness of the Company's internal controls.

### Composition

The Committee is appointed by the Board of Directors and its members may be replaced or removed with or without cause by the Board of Directors. The Committee shall be comprised of at least three (3) members, all of whom shall meet the independence requirements of the Nasdaq Stock Market LLC, applicable laws, and rules and regulations of the Securities and Exchange Commission. The members of the Committee shall also meet all financial knowledge and experience qualifications required under rules promulgated by the Nasdaq Stock Market LLC, the Securities and Exchange Commission or other governing body, as may be in effect from time to time. In addition, at least one member of the Committee shall be an "audit committee financial expert" as that term is defined in applicable rules.

Members and a Chair of the Committee shall be recommended by the Governance and Nominating Committee and appointed by the full Board of Directors.

## **Meetings**

The Committee shall meet at least four times per year (in person or telephonically) and may hold additional meetings as often as may be necessary or appropriate in the discretion of the Chair of the Committee. Prior to each meeting, the Chair of the Committee may communicate with the independent auditors to review the agenda and solicit input on any additional topics that should be covered. There will be an executive session at each meeting.

Members of the Committee are expected to use all reasonable efforts to attend each meeting. As necessary or desirable, the Chair may request that members of management, other directors, legal counsel, other advisors and representatives of the independent auditors be present at meetings of the Committee.

The Committee Chair, the Chief Financial Officer and such other Company officers as appropriate will work together to: (i) establish an agenda for each meeting; (ii) prepare pre-reading materials for Committee members; and (iii) arrange for Company personnel to present at Committee meetings or be present for discussions with the Committee.

Minutes of each meeting shall be prepared under the direction of the Chair of the Committee and circulated to Committee members for review and approval.

## **Committee Authority and Responsibilities**

The Committee has the authority necessary to discharge its duties and responsibilities, including to investigate any activity of the Company within its scope of responsibilities, and shall have unrestricted access to members of management and all information relevant to its responsibilities. All employees are directed to cooperate as requested by members of the Committee and the Committee shall have access to the Company's books, records and facilities. The Committee is empowered to retain independent legal counsel and other advisors as it deems necessary or appropriate to assist the Committee in fulfilling its responsibilities. The Committee is empowered to approve the fees and other retention terms of such advisors and the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The specific responsibilities of the Committee shall include:

### *Independent Auditors, Audit and Financial Reporting*

- The sole authority to appoint and approve all independent auditors, all audit engagement terms and fees to be paid to the independent auditor, oversee and, if the Committee determines necessary or appropriate, replace the independent auditors. This oversight includes:
  - Taking appropriate action to oversee the independence of the independent auditors. Actively engaging in dialogue with them regarding the impact of any disclosed relationships or services to the Company. Annually, receiving from the independent auditors a formal written statement delineating all relationships between the auditors and the Company, consistent with applicable requirements of the Public Company Accounting Oversight Board.

- Reviewing a written report from the independent auditors describing (a) the firm's internal quality control procedures, (b) any material issues raised by the internal quality control review, peer review, the Public Company Accounting Oversight Board review of the firm or by any other inquiry or investigation by governmental or professional authorities regarding audits carried out by the firm and any steps taken to deal with any such issues and (c) all relationships between the firm and the Company or any of its subsidiaries; and discussing with the independent auditors such report and any relationships or services that may impact the objectivity and independence of the auditors.
- Review and discuss with the external auditors the scope and timing of the annual audit examination, including the overall audit strategy and their engagement letter prior to the annual audit. Approve in advance the engagement of the independent auditor and their fees for audit services.
- Review the experience and qualifications of the senior members of the independent auditor team, the quality control procedures of the independent auditor and the rotation of the lead partner and reviewing partner of the independent auditor.
- Evaluate the performance of the independent auditor annually and whether it is appropriate to adopt a policy of rotating independent auditors on a regular basis.
- Pre-approve the retention of the independent auditor for all audit and any permitted non-audit services to be provided by any independent public accountants, including tax services, and the fees for such non-audit services. Adopt specific policies and procedures for such pre-approval, ensuring that they provide sufficient detail so that the Committee's responsibilities are not delegated to management. These policies and procedures may delegate authority to one or more members of the Committee to grant pre-approval, provided that the decision is presented to the Committee at its next scheduled meeting.
- Receive periodic reports from the independent auditor regarding the auditor's independence, discuss such reports with the auditor, consider whether the provision of non-audit services is compatible with maintaining the auditor's independence and, if so determined by the Audit Committee, recommend that the Board take appropriate action to satisfy itself of the independence of the auditor.
- Review and discuss with the independent auditor any other matters required to be discussed by applicable auditing standards.
- Review and pre-approve any hiring by the Company of employees of the independent auditor who were engaged on the Company's account.
- Communicate directly with the independent auditors at any time. Instruct the independent auditors to report directly to the Committee, including with respect to any material difficulties or disputes with management, and ensure they are appropriately resolved.
- Review the audit process with management and the independent auditors, upon completion of their annual audit, to evaluate:
  - The cooperation received by the independent auditors, including access to all requested information and any difficulties encountered during their audit.

- Any instances where management has obtained "second opinions" from other external auditors.
- Any disagreements with management that, if not satisfactorily resolved, would have caused them to modify their report on the financial statements.
- Management's comments regarding the audit.
- The results of the audit, including any significant findings.
- Review the Company's quarterly and annual financial results with management and the independent auditors. This review includes:
  - The financial statements and disclosures to be included in the Company's Annual Report to Shareholders, the Annual Report on Form 10-K, the Quarterly Reports on Form 10-Q, or similar publicly filed documents, including the notes thereto, the form of audit opinion, as applicable, and the disclosure of business risks.
  - Information to be discussed in the Company's quarterly earnings announcements.
  - Significant unusual transactions not a normal part of the Company's operations.
  - Any off-balance sheet structures.
  - The Company's critical accounting policies and new accounting standards and the disclosure of them in "Management's Discussion and Analysis".
  - The CEO and CFO disclosure and certifications under Sections 302 and 906 of the Sarbanes Oxley Act.
  - Significant management judgments and accounting estimates.
  - Major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's accounting policies or their application, alternative GAAP treatments discussed with the independent auditor and the presentation of any significant transactions.
  - Adjustments proposed by the independent auditors.
  - The independent auditors' audit opinion, their judgment on the quality of the Company's accounting policies, financial reporting and critical audit matters and other matters they are required to communicate to the Committee under applicable professional standards.
  - Other material written communications between the independent auditors and management.
- Based upon the review and discussion of the quarterly and annual financial statements with management and the independent auditors, recommend to the Board that the quarterly and annual financial statements be included in the Company's Quarterly and Annual Reports on Forms 10-Q and 10-K.
- Report to shareholders in the Company's annual proxy statement on those matters required by the Securities and Exchange Commission.

### *Internal Controls, Accounting Personnel, Internal Audit Function and New Policies*

- Review management's assessment of the effectiveness of the Company's internal controls over financial reporting (including any significant deficiencies or material weaknesses in the design or operation thereof) and the independent auditor's related attestation. Consider with management, the internal auditors and the independent auditors whether any changes to such internal controls are appropriate.
- Review the appointment and replacement of the senior accounting and financial executives.
- Review periodically, with the independent auditors, the adequacy of the Company's accounting and financial personnel and any relevant recommendations concerning internal controls, accounting principles, and accounting/reporting systems.
- Meet separately with the internal auditors and the independent auditor, in each case without the Company's management present, after each quarterly Committee meeting, and periodically with the Company's management without the internal auditors or the independent auditors present.
- Provide guidance and oversight to the Company's internal audit function, which is to be designed to provide ongoing assessments of the Company's risk management processes and systems of internal control. The internal audit function may be staffed by employees or by an outside firm, other than the Company's independent auditors, engaged by the Committee. The Committee shall oversee the appointment or replacement and compensation of the senior employees in the internal audit group.
- Review with the internal auditors the annual scope and plan of the work to be done by the internal auditor and the results of such work.
- Review and approve the annual budget for the internal audit function.
- The Committee Chair shall participate in the annual performance assessment of the senior internal auditors.
- Review the effect of any important new pronouncements of the accounting profession and other regulatory bodies on the Company's accounting and reporting policies.

### *Regulatory Accounting Inquiries*

- Review any inquiries related to accounting or financial reporting matters received from the Securities and Exchange Commission or other agencies, and management's response thereto. Ensure that any complaints received by the Company regarding its accounting, internal control, or auditing matters are addressed.

### *Related-Party Transactions*

- Review and approve or ratify all related party transactions and potential conflict of interest situations that are required to be disclosed in the Company's annual proxy statement pursuant to SEC Regulation S-K, Item 404 or that are otherwise submitted to the Committee for review, approval or ratification.

- Keep the Company's independent auditor informed of the Committee's understanding of the Company's relationships and transactions with related parties that are significant to the Company and discuss with the independent auditors their evaluation of the Company's identification of, and accounting for, transactions with related parties.

#### *Risk Assessment and Risk Management Policies*

- Review periodically and discuss with management the Company's major risk exposures, including financial, operational, privacy, security, cyber-security, climate change, business continuity and legal and regulatory risks, the steps the Company has taken to identify, assess, monitor and mitigate such exposures, including the Company's Business Risk Matrix, and the Company's risk assessment and risk management policies; and regularly report to and review with the Board the substance of such reviews and discussions. Review disclosure related to risk in the Company's quarterly and annual reporting.
- Review periodically matters pertaining to the Company's:
  - market risk including counterparty risk.
  - capital structure including rating agency metrics.
  - liquidity (including capital expenditure commitments) and cash shock analysis.
  - distributions, dividend and share repurchase authorizations.
  - debt profile.
  - covenant review and compliance.
  - cybersecurity program, including periodically reviewing management's approaches and processes to identify, assess and manage material cybersecurity risks.
  - insurance summary.
  - tax compliance, including management's approach and procedures relating to compliance and filings, any significant tax developments or changes and use of tax preparers and other tax professionals.
- Review management dividend and shareholder distribution recommendations and recommend to the Board for approval.
- Review actual performance of Board approved capital projects and acquisitions as compared with projected performance including synergies.
- Assist the Board with overseeing the Company's policies and procedures regarding compliance with applicable laws and regulations and to review the Company's Code of Business Conduct and Ethics and other policies to monitor compliance with such code and policies. The Committee shall report as required, but no less than annually, to the Board with respect to such oversight review. The Audit Committee shall receive any corporate attorney's reports of evidence of a material violation of securities laws or breaches of fiduciary duty by the Company.
- Review periodically with management and the Board any legal and regulatory matters that may have a material impact on the Company's financial statements, compliance



policies and compliance programs, including any material claims against or litigation involving the Company.

- Review the process for and assurances provided or related to the Company's ESG disclosure and review disclosure related to laws and regulations of disclosure of these items.

#### *Complaints/Whistleblower*

- Establish procedures for: (i) the receipt, retention, processing, treatment and resolution of complaints regarding accounting, internal controls or auditing matters; and (ii) the confidential, anonymous submission by the Company's employees of concerns regarding auditing or accounting matters.

#### *Charter/Self-Evaluation*

- Review and reassess the adequacy of this Charter annually and recommend any changes to the Board for approval.
- Conduct annual self-evaluations of the Committee's performance and take steps to improve the effectiveness of the Committee in meeting its responsibilities under this Charter.

## GOVERNANCE AND NOMINATING COMMITTEE CHARTER

### Purpose

The Governance and Nominating Committee (the "**Committee**") is responsible for providing leadership with respect to the corporate governance of Mercer International Inc. (the "**Company**"), advising and making recommendations to the Board of Directors (the "**Board**") regarding candidates for election as directors of the Company and any other matters required by applicable securities laws.

### Composition

The Committee shall be comprised of at least three (3) members, each of whom shall meet the independence requirements of the Nasdaq Stock Market LLC and other applicable laws. Members of the Committee and a chair of the Committee shall be appointed and may be removed, with or without cause, by the Board. The Board shall appoint a new member or members in the event that there is a vacancy on the Committee that reduces the number of members below three (3), or in the event that the Board determines that the number of members on the Committee should be increased.

### Meetings

The Committee shall meet at least four times each fiscal year, and may hold additional meetings in person or telephonically as often as may be necessary or appropriate, in the discretion of the chair of the Committee. As appropriate, the chair of the Committee will circulate or discuss the agenda for the meeting with each member of the Committee.

Members of the Committee are expected to use all reasonable efforts to attend each meeting. The Committee may meet in separate executive sessions as it determines appropriate. The chair of the Committee may also request that members of management, other directors, legal counsel, or other advisors attend the meetings of the Committee.

Minutes of each meeting shall be prepared under the direction of the chair of the Committee and circulated to each member of the Committee for review and approval.

### Committee Authority and Responsibilities

The Committee has the authority necessary to discharge its responsibilities. The Committee is empowered to retain, at the Company's expense, and terminate any search firm or firms to be used to identify director candidates and sole authority to approve any such firm's fees and other retention terms. The Committee may also retain, at the Company's expense, legal counsel, accounting or other advisors as appropriate to assist in the performance of its duties hereunder, and approve the fees and other retention terms of such advisors.

The specific responsibilities of the Committee shall include, but are not limited to, the following:

#### *Nomination*

- Determine the skills, qualifications and other expertise required of directors and develop criteria to be considered in selecting potential candidates for Board membership. In establishing such criteria, the Committee may consider such factors as it deems appropriate including, among others:

- ***Best Interests of All Shareholders.*** Each candidate must be prepared to represent the best interests of all shareholders and not just one particular constituency;
  - ***Integrity.*** Each candidate shall be an individual who has demonstrated integrity and ethics in his or her personal and professional life and has established a record of professional accomplishment in his or her chosen field;
  - ***Independence.*** No candidate, or family member (as defined in Nasdaq rules) or affiliate or associate (as defined in federal securities laws) of a candidate, shall have any material personal, financial or professional interest in any present or potential competitor of the Company;
  - ***Experience.*** Each candidate should possess professional and personal experiences and expertise relevant to our goals of being one of the world's leading northern bleached softwood kraft pulp producers and a significant producer of dimensional lumber, "green" energy, chemical extractives and by-products and mass timber. Other relevant experience is capital markets and financial experience and international business experience;
  - ***Active Participation.*** Each candidate must be prepared to participate fully in Board activities, including active membership on at least one Board committee and attendance at, and active participation in, meetings of the Board and the committee(s) of which he or she is a member, and not have other personal or professional commitments that would, in the Governance and Nominating Committee's sole judgment, interfere with or limit his or her ability to do so;
  - ***Collegiality.*** Each candidate should contribute positively to the existing chemistry and collegial culture among Board members while demonstrating the ability to reflect on feedback and offer independent, thoughtful perspectives;
  - ***Diversity.*** Each candidate should contribute to the Board's overall diversity – diversity being broadly construed to mean a variety of viewpoints, perspectives, personal and professional experiences and backgrounds, such as nationality, gender and ethnicity differences;
  - ***Senior leadership experience.*** Each candidate should have served in senior leadership roles at other organizations;
  - ***ESG experience.*** Each candidate should possess an understanding of important ESG dimensions such as climate change, social issues and material sustainability topics;
  - ***Public company board experience.*** Candidates who have served on other public company boards can offer advice and perspective with respect to board dynamics and operations, oversight and leadership, the relationship between the board and management and other matters;
- Identify and screen candidates for future Board membership. Such screening shall include such permissible inquiries into the background and qualification of candidates.
  - Annually evaluate candidates to be nominated to serve on the Board and recommend the slate of nominees to stand for election at the annual meeting of shareholders. In addition, the Committee shall recommend candidates to fill vacancies or new positions on the Board, as necessary or advisable. The full Board shall approve nominees to

stand for election at the annual meeting of shareholders and all new members of the Board; provided, that all such nominees and new members must be selected or recommended by the Committee. Invitations to join the Board shall be extended by the chairperson of the Board and/or the chair of the Committee.

- Consider any nominations of director candidates validly made by the shareholders in accordance with applicable law, rule or regulation.
- Review and make recommendations to the Board with respect to proposals properly presented by shareholders for inclusion in the Company's annual proxy statement. The Committee may, as appropriate in light of the proposal's subject matter, refer any proposal to any other committee of the Board for purposes of review and recommendations.

### *Governance*

- Develop and monitor the Company's overall approach to corporate governance issues (including reviewing corporate governance trends and the Company's shareholder protections) and, subject to approval by the Board, implement and administer this process.
- Advise the Board or any of the committees of the Board of any corporate governance issues which the Committee determines ought to be considered by the Board or any such committees.
- Review with the Board, on a regular basis, the methods and processes by which the Board fulfils its duties and responsibilities, including without limitation:
  - the size and composition of the Board;
  - the number and content of meetings;
  - the annual schedule of issues to be presented to the Board at its meetings or those of its committees;
  - material which is to be provided to the directors generally and with respect to meetings of the Board or its committees;
  - resources available to the directors;
  - the communication process between the Board and management;
  - annually propose board objectives for consideration and approval by the Board; and
  - annually review and set the Board Forward Agenda.
- Annually recommend to the Board for approval the appointment of directors to Board committees and the selection of a chair for each Board committee. In addition, the Committee shall recommend to the Board candidates to fill vacancies or new positions on the Board committees, as necessary or advisable. Review and make recommendations to the Board concerning any removal of committee members.
- As required, recommend to the other independent directors for their selection of the chairperson of the Board who will preside at all meetings of the independent directors.

- Annually evaluate the overall effectiveness (including performance, communications and governance) of the Board and all Committees. Report such findings to the full Board.
- Adopt and implement a policy or policies, as appropriate, governing service on the Board of other companies, charities and institutions applicable to members of the Board and officers of the Company holding a position of senior vice president or above.
- Oversee and develop the Company's orientation program for new directors.
- Annually review the Company's corporate political and non-profit contributions, charitable donations and expenditures to ensure alignment with Company policies and values.
- Based upon discussions with the independent directors of the Board, the chair of the Committee, together with the chair of the Human Resources Committee and/ or the Chair of the Board, shall annually review the performance of the president and chief executive officer and meet with such officer to share the findings of such review.

#### *Guidelines and Charter/Self Assessment*

- Annually review the Company's Corporate Governance Guidelines (including all Committee Charters) in light of changing conditions and shareholders' interests and make recommendations to the Board regarding appropriate modifications. Monitor compliance with the Corporate Governance Guidelines.
- Annually evaluate and take steps to improve the effectiveness of the Committee in meeting its responsibilities under this Charter.

## HUMAN RESOURCES COMMITTEE CHARTER

### Purpose

The Human Resources Committee (the "**Committee**") is responsible for overseeing appropriate compensation practices for Mercer International Inc. (the "**Company**") and determining the compensation and other benefits for Officers of the Company. This includes periodically reviewing and advising the Board of Directors of the Company's overall compensation philosophy and plans and assessing the competitiveness and adequacy of the Company's compensation programs. In addition, the Committee is responsible for overseeing the development and implementation of management development plans and succession planning practices to foster sufficient management depth at the Company to support its continued growth and the talent needed to execute long-term strategies.

### Composition

The Committee shall be comprised of at least three members of the Company's Board of Directors (the "**Board**"), each of whom (1) meet the independence requirements of The Nasdaq Stock Market LLC and applicable law, (2) qualify as an "outside director" under Section 162(m) of the Internal Revenue Code of 1986 ("**Section 162(m)**"), and (3) qualify as a "non-employee director" under Rule 16b-3 promulgated under the Exchange Act. A subsequent determination that any member of the Committee does not qualify as independent, or as a "non-employee director" will not invalidate any previous actions by the Committee except to the extent required by law or determined appropriate by the Committee.

Members of the Committee and a chair shall be appointed, and may be removed, with or without cause, by the Board on the recommendation of the Governance and Nominating Committee. The Board, on the recommendation of the Governance and Nominating Committee, shall appoint a new member or members in the event that there is a vacancy on the Committee that reduces the number of members below three (3), or in the event that the Board determines that the number of members on the Committee should be increased.

### Meetings

The Committee shall meet at least four times each fiscal year, and may hold additional meetings in person or telephonically as often as may be necessary or appropriate, at the discretion of the chair of the Committee. Prior to each meeting, the chair of the Committee will circulate or discuss the agenda for the meeting with each member of the Committee. The Committee may meet in separate executive sessions as it determines appropriate with its advisors, management, counsel and the independent auditor to discuss matters that the Committee or the Board determine warrant Committee attention.

Members of the Committee are expected to use all reasonable efforts to attend each meeting. The chair of the Committee may also request that members of management, other directors, legal counsel, or other advisors attend the meetings of the Committee.

Minutes of each meeting shall be prepared under the direction of the chair of the Committee and circulated to each member of the Committee for review and approval.

## Committee Authority and Responsibilities

The specific authority and responsibilities of the Committee shall include, but are not limited to, the following:

### *Consultants and Advisors*

- Authority to retain, terminate and obtain the advice of, at the Company's expense, a compensation consultant, legal counsel or any other advisor to assist the Committee in the performance of its duties, but only after taking into consideration factors relevant to the advisor's independence from management specified in NASDAQ Listing Rule 5605(d)(3). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any advisor retained by the Committee, and shall have authority to approve the advisor's fees and the other terms and conditions of the advisor's retention.

### *Compensation of Executive Officers and Performance Review*

- Conduct an annual review of and recommend the Company's compensation package for the President and Chief Executive Officer. Without limiting the foregoing, the Committee shall review and recommend (a) the annual base salary level, (b) the annual cash bonus opportunity level under the applicable annual incentive bonus plan, and (c) the long-term incentive opportunity level for the President & Chief Executive Officer. The Committee's recommendations shall be reviewed and approved by a panel consisting solely of the independent directors of the Board (and with respect to any performance-based compensation, such approval shall be by a panel consisting solely of two or more independent directors that are also "outside directors" under Section 162(m)). Directors who do not meet all of the applicable independence requirements may participate in such panel discussions (other than the President and Chief Executive Officer), but shall not vote on whether to approve the Committee's recommendations. The President and Chief Executive Officer shall not be present during any Committee deliberations or voting with respect to their compensation.
- Based upon such discussions with the panel of independent directors of the Board, the chair of the Committee, together with the chair of the Governance and Nominating Committee, shall annually review the performance of the President and Chief Executive Officer and the Chief Financial Officer and meet with such Officers to share the findings of such review.
- Conduct an annual review of and approve the Company's compensation packages for Officers of the Company (other than the President and Chief Executive Officer). Without limiting the foregoing, the Committee shall review and approve (a) the annual base salary level, (b) the annual cash bonus opportunity level under the applicable annual incentive bonus plan, and (c) the long-term incentive opportunity level for each Officer (other than the President and Chief Executive Officer).
- Annually review and approve the objective performance measures, the performance targets and goals for Officers participating in the Company's annual incentive bonus plans and long-term incentive plans and determine the performance results under such measures and targets.
- Annually review and approve the peer group companies used for purposes of assessing Officers' compensation and review market data.

### *Incentive Plans/Benefits*

- The Committee shall periodically review and make recommendations to the Board with respect to incentive compensation plans and equity-based plans including any recommended amendments, modifications or replacements. The Committee shall review and approve: (a) all tax-qualified, non-discriminatory employee benefit plans; and (b) all parallel non-qualified plans pursuant to which (in the case of plans referred to in each of clauses (a) and (b)) restricted or deferred units, options or stock may be acquired by Officers, directors, employees or consultants of the Company.
- The Committee shall exercise all rights, authority and functions delegated to it under all of the Company's stock option, stock incentive, employee stock purchase and other equity-based plans (including the Company's long-term incentive plan, as amended, restated or replaced from time to time (the "**LTIP**")) or by the Board, including, without limitation, the authority to interpret the terms thereof, to grant options thereunder, to make stock awards thereunder and to determine the vesting of all awards; provided, however, that, except as otherwise expressly authorized to do so by a plan or resolution of the Board, the Committee shall not be authorized to amend any such plan. The Committee shall also review, at least annually, projected pro forma vesting and awards under the LTIP and the Company's policies and practices for accounting for such awards.
- Periodically review other human resources policies for benefits, perquisites, programs and initiatives, including healthcare and other benefits.

### *Employment Contracts and Arrangements*

- Review and approve employment terms and any agreements or arrangements for new Officers, any severance arrangements for Officers (other than the President and Chief Executive Officer), and any change of control, indemnification, or other employment or compensation-related agreements or arrangements to be entered into with or provided to Officers, provided that in each case, with respect to any such agreements or arrangements with or for the President and Chief Executive Officer the Committee shall recommend such for review and approval by the panel of independent directors of the Board.

### *Board Compensation*

- The Committee shall periodically review and make recommendations to the Board, including the Chairperson of the Board, with respect to director compensation (including compensation for members of committees of the Board).

### *Say-on-Pay, CD&A and Annual Proxy Statement*

- Review and consider the results of any advisory vote on executive compensation and otherwise oversee the Company's engagement with shareholders on the subject of executive compensation.
- Provide recommendations to the Board on compensation-related proposals to be considered at the Company's annual meeting, including the frequency of advisory votes on executive compensation.



- Review the Company's Compensation Discussion and Analysis ("**CD&A**") and related disclosures, recommend to the Board based on this review and these discussions whether the CD&A should be included in the Company's annual report and proxy statement, and approve the compensation committee report that is also required to be included in the annual report and proxy statement.

#### *Equity Guidelines*

- The Committee may, from time to time, establish equity ownership commitments guidelines in order to align the long-term interests of employees/directors with those of shareholders.

#### *Talent Management and Succession Planning*

- The Committee will review and approve management's succession plans for all key executives and managers of the Company. While succession planning is viewed as an ongoing process, the Committee will review this area two times a year.
- Annually review and discuss with the independent directors of the Board the performance of the Officers and the succession plans for each such Officer's position including recommendations and evaluations of potential successors to fill these positions provided that, in the case of the President and Chief Executive Officer, such review and discussion shall be done in conjunction with the chair of the Governance and Nominating Committee.
- Conduct an annual review of and approve the Company's management development and succession planning practices and strategies.
- The Committee, as part of succession planning, will review individual specific training requirements, including timing, for key executives and managers of the Company.

#### *Compensation Practices and Potential Risks*

- Annually review and assess potential material risks, if any, created by the Company's compensation policies and practices (including compensation policies and practices for non-Officers), oversee the management of any such potential risks, and report to the Board on the results of its review and evaluation. Such review shall include obtaining such reports or analyses from management or other advisors as the Committee determines would be of assistance.

#### *Board Reports*

- Make regular reports to the full Board on the Committee's activities and such other topics related to compensation elements, programs and practices, management development and succession as the Committee determines appropriate.

#### *Charter and Self Assessment*

- Review and assess the adequacy of this Charter annually, or more often as circumstances dictate, and recommend any changes to the Board for approval.
- Periodically evaluate, and as appropriate take steps to address, the performance and effectiveness of the Committee in meeting its responsibilities under this Charter.

# ENVIRONMENTAL, HEALTH AND SAFETY COMMITTEE CHARTER

## Purpose

The purpose of the Environmental, Health and Safety Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Mercer International Inc. (the "**Company**") is to assist the Board in overseeing the effectiveness of the Company's activities relating to the environment (including climate change), health and safety ("**EHS**"), including with respect to: (i) the Company's EHS strategies, policies, systems and processes; (ii) management of risks relating to EHS matters; and (iii) EHS-related disclosures.

## Composition

The Committee shall be comprised of not less than three directors, of which one shall be the Chief Executive Officer. Members of the Committee and the chair of the Committee shall be appointed and may be removed, with or without cause, by the Board. The Board shall appoint a new member or members in the event that there is a vacancy on the Committee that reduces the number of members below three (3) or in the event that the Board determines that the number of members on the Committee should be increased.

## Meetings

The Committee shall meet at least four (4) times per year. Additional meetings may be held as deemed necessary by the chair of the Committee or as requested by any member. EHS on-site reviews, when appropriate, will be included in the regular Board tours of Company operations.

Members of the Committee are expected to use all reasonable efforts to attend each meeting. The Committee is authorized to request the presence at any meeting, a representative from the external advisors, senior management, legal counsel or anyone else it considers to be able contribute substantively to the subject of the meeting, including directors, officers and employees of the Company.

Minutes of each meeting shall be prepared under the direction of the chair of the Committee and circulated to Committee members for review and approval.

## Committee Authorities and Responsibilities

The scope of the Committee's oversight responsibilities include, but are not limited to, the following:

### *Overall EHS Approach*

- periodically reviewing and making recommendations regarding the overall approach to EHS matters, taking into account the factors unique to the Company;

### *Policies and Procedures*

- reviewing, monitoring and reporting to the Board on the scope and effectiveness of EHS-related strategies, policies and compliance systems adopted by the Company's management and, as necessary, providing guidance to management with respect to such policies and systems. This also includes reviewing such policies and systems to ensure they appropriately consider the Company's business objectives and stakeholders;

- reviewing and making recommendations to the Board for approval of Company policies related to EHS matters;
- reviewing internal and external third party EHS-related reviews and audit results and reporting including, where appropriate, making recommendations to the Board thereon;

#### *Regulatory Matters*

- reviewing with management the steps taken to ensure compliance with EHS-related regulatory standards and statutory disclosure requirements;
- receiving regular reports from management on EHS performance, including reports on incidents, recommended actions and regulatory recommendations and directives;

#### *Risk Management and Mitigation*

- ensuring that the principal areas of EHS impact, risks and opportunities are identified in the Company's EHS policies and that sufficient resources are allocated to address such areas;
- periodically reviewing and discussing with management the Company's major risks for EHS matters, the steps the Company is taking and its risk management policies therefor and report to the Board thereon;

#### *Reports and Performance*

- reviewing and monitoring the Company's EHS strategies, commitments and goals and, where necessary, making recommendations thereon to ensure they are aligned with the Company's business strategies and budget;
- reviewing and, where necessary, making recommendations in relation to policies and systems for the collection and dissemination of climate changes-related information and objectives;
- periodically monitoring the Company's EHS performance metrics, process improvements and benchmarking relative to industry peers;
- reviewing the content of the Company's EHS-related reports and other disclosures and making recommendations to the Board in respect thereto;

#### *Charter and Self Assessment*

- annually reviewing and assessing this Charter and recommending any changes to the Board for approval;
- annually evaluating and considering steps to improve the effectiveness of the Committee in meeting its responsibilities under this Charter; and
- performing such other functions as are consistent with this Charter or otherwise directed by the Company's Board.

The Committee has the authority necessary to discharge its responsibilities. It may retain, at the Company's expense, legal counsel and other consultants, as appropriate, to assist in the performance of its responsibilities.

## TERMS OF REFERENCE FOR THE CHAIRPERSON OF THE BOARD

### Appointment

The Chairperson of the Board (the "**Chair**") will be appointed by the Board from time to time pursuant to the Company's Bylaws and in the manner and based on the criteria that it deems appropriate and in the best interests of the Company given the circumstances at the time of such appointment. The Governance and Nominating Committee is responsible for reviewing and recommending to the Board on an annual basis, or upon a vacancy, a director for election as Chair.

The Chair has the following primary duties and responsibilities:

### Enhancing Board Effectiveness

- Ensuring that the Board works as a cohesive team and providing the requisite leadership to achieve Board effectiveness;
- Ensuring the Board has adequate resources, including the provision by management of full, timely and relevant information to support its decision-making requirements;
- Establishing, in consultation with the Chief Executive Officer and any governance or other committee designated by the Board, procedures to govern the Board's work, ensuring that the Board is appropriately approving strategy and supervising management's progress against that strategy;
- Developing Board agendas and timetables for Board meetings and committee meetings;
- Ensuring that the committees are working effectively and function independently from management;
- In conjunction with the Governance and Nominating Committee, annually reviewing the Board's and the committees' effectiveness; and
- Leading and assisting the Board in the discharge of its duties and responsibilities relating to the review and approval of the following:
  - corporate goals and policies of the Board;
  - governance matters;
  - strategies and business plan presented by the Chief Executive Officer and senior management of the Company; and
  - the allocation of resources.

### Managing the Board

- Ensuring that independent directors have adequate opportunities to meet to discuss issues without management present;
- Chairing meetings of the Board, including executive sessions of the independent directors and meetings of the Board relating to governance and executive management compensation matters;
- Consulting with the Chief Executive Officer and the Board on the effectiveness of Board committees;

- Ensuring delegated committee functions are carried out and reported to the Board;
- Ensuring that the Board and its committees fulfill their mandates;
- Being the senior spokesman for the Board on governance matters and executive management compensation matters;
- Ensuring that the Board is alert to its obligations to the Company, shareholders, management and other stakeholders;
- Ensuring the coordination of the agenda, information package and related events for Board meetings in conjunction with the Chief Executive Officer;
- Directing the administrative functions which are necessary for the due and efficient performance and discharge by the Board of its duties and responsibilities;
- Developing Board agendas and timetables for future meetings;
- Reviewing all information and material prepared by management for submission to the Board and supervising the procedure whereby it is distributed in time for due consideration;
- Circulating to all directors, subject to reasonable safeguards, the minutes and proceedings of the Board;
- Working with the senior management of the Company so that the policies, goals, decisions and directives of the Board are fully understood and implemented by the Company;
- Ensuring senior management succession and development plans are presented to the Board annually;
- Fostering a harmonious and constructive relationship between management and the Board;
- Communicating with the Board to keep it up-to-date on all major developments;
- In collaboration with the Chief Executive Officer, ensuring data requested by the directors or the committees of the Board is provided and meets their needs;
- Ensuring that the Board has access to such members of management as may be required by the Board;
- Retaining external advisors, on behalf of the Board, if required; and
- Communicating with all directors and committee chairs to coordinate input from directors and optimize the effectiveness of the Board and its committees.

#### **Liaising Between Board and Management**

- Ensuring that the Chief Executive Officer is aware of the concerns of the Board, shareholders, other stakeholders and the public;
- Ensuring that the Board receives adequate and regular updates from the Chief Executive Officer on all issues important to the welfare and future of the Company;
- Ensuring that the Board receives sufficient, appropriate and timely information, material and reports from management regarding the Company's business and affairs in order to permit the Board to discharge its duties and responsibilities;

- Communicating to management, as appropriate, the results of private discussions among the outside Directors and acting as a liaison between the Board and the Chief Executive Officer;
- Working in close cooperation with senior management of the Company so that the policies, goals, decisions and directives of the Board are fully understood and implemented by the Company;
- Ensuring senior management succession and development plans are presented to the Board annually;
- Acting as the principal sounding board and confidante of the Chief Executive Officer including helping to review strategies, define issues, maintain accountability and build relationships;
- At the request of the Chief Executive Officer, providing advice to him or her on major policy issues; and
- At the request of the Chief Executive Officer, assisting in representing the Company in a general industry and community context.

#### **Liaising with Shareholders and Shareholder Meetings**

- Chairing meetings of shareholders;
- If requested by major shareholders or the Board, ensuring that he or she is available for consultation and direct communication with major shareholders;
- Being available for communication and questions with shareholders at all shareholder meetings; and
- In conjunction with the Chief Executive Officer, ensuring the Company's management and, where applicable, the Board are appropriately represented at official functions and meeting with major shareholder and other stakeholder groups.

#### **Other**

- Keeping himself or herself informed about the business and affairs and short and long range plans of the Company and the industrial, political and financial trends which affect the Company;
- Carrying out such other duties as may be requested by the Board;
- Promoting the culture and values of the Company as well as the strategic goals of the company with its stakeholders, in consultation with the Chief Executive Officer, and support customer and other stakeholder relations to promote the Company's activities, if required; and
- The Chair shall be authorized to retain such counsel as he or she may require from time to time to assist him or her with his or her duties and responsibilities hereunder, the cost of which shall be borne by the Company.

## TERMS OF REFERENCE FOR THE CHIEF EXECUTIVE OFFICER

Subject to the overall control, direction and policies of the board of directors (the "**Board**"), the chief executive officer ("**CEO**") is responsible for the general supervision, management, organization, administration and operation of the Company and its subsidiaries in the ordinary course of business, and, subject to anything to the contrary herein, has all powers necessary to carry out his or her responsibilities. The CEO will work cooperatively with the chairperson of the Board (the "**Chair**") and the Board to develop and implement the strategic goals of the Company. The CEO will be primarily responsible for the development and execution of the strategy.

Specifically, the CEO shall have the following duties, powers and authorities:

- to make changes in the management organization of the Company as he or she shall consider appropriate and as shall be consistent with the policies established from time to time by the Board;
- to prescribe the duties and responsibilities of all officers and employees of the Company, other than the Chair;
- to employ and discharge employees of the Company other than those whose appointments are made or confirmed by the Board;
- to recommend to the Board the employment or dismissal or change in office of any officer of the Company whose appointments are made or confirmed by the Board;
- to suspend from duty an officer of the Company and to report to the Board on any such suspension;
- to delegate to the vice-presidents and department heads such power and authority to carry out their duties as he or she considers necessary or desirable;
- to submit to the Board:
  - annual capital and operating plans of the Company;
  - longer term capital and operating plans of the Company;
  - proposals for commitments, capital expenditures, mergers and acquisitions, disposition of assets and financing in excess of the limits of his or her authority;
  - information involving major policy in respect of labor relations, major changes in pricing policies for the Company's products and the openings or closing of any major facility; and
  - such other information and materials as the Board may require from time to time;
  - to develop management strategies and business plans and ensure that such strategies and plans are appropriately represented to the Board;
  - to assist and work with senior management of the Company to oversee and monitor the progress of the implementation of the Company's management strategies and business plans;
  - to provide the Chair and the Board with such information respecting the Company and its business and affairs as they may require for the due performance of their duties and functions;

- to plan and provide for management development and succession within the Company and to report at least annually thereon to the Board;
- to play an active role in marketing and obtaining new shareholders and maintaining and managing relations with current shareholders;
- to act as a spokesman for the Company and work cooperatively with management and the Chair to maintain the Company's relations with the security holders, investment analysts, public, government and industry and arrange for the Company to be appropriately represented in its relations with other companies and individuals with which it is associated in joint ventures or by way of investment;
- to ensure the Company is operating in the parameters of the law and appropriate ethical and moral standards;
- to ensure that the principal risks of the Company have been identified and systems have been put in place to manage these risks and to report to the Chair and the Board regarding the same;
- to ensure the suitability and integrity of the Company's internal control systems; and
- to establish, in consultation with the Chair, the Board and/or appropriate Board committees, such policies and practice statements as may be necessary or desirable to facilitate the Company's business.

These powers and authorities are subject to:

- any requirement of law or the by-laws of the Company that any action must be taken by the Board of directors or by the security holders: and
- any specific limitation by the Board.
- the limitations in the following schedule:

Authority	Amount
<b><i>Capital Expenditures and Leases:</i></b>	
In an approved plan	Full
Not planned	\$15,000,000
Special Maintenance	\$15,000,000
Property Purchases and Leases	\$15,000,000
Acquisitions and Dispositions	\$15,000,000
<b><i>Hedging and Derivatives:</i></b>	
In an approved plan	Full
Not planned	\$10,000,000
Operating Contracts and Supply Agreements	Full
Product Sales Agreements	Full
Consulting Services	Full

The CEO is authorized to delegate such of his powers and authorities as he sees fit, together with power to authorize sub-delegation.



The CEO shall devote his full time, effort and energies to the business and affairs of the Company and shall not without the prior approval of the Board act as a director of, or consultant or advisor to, any other firm or corporation (other than existing non-executive directorships at the date hereof and personal and familial investment and holding companies or firms), unless the same is affiliated or associated with the Company or unless the Company has a substantial interest therein.

## APPENDIX "A"

### List of Directors and Officers

(As of May 30, 2025)

#### **Mercer International Inc.**

Juan Carlos Bueno	Chief Executive Officer, President and Director
William D. McCartney	Chairperson and Director
James Shepherd	Director
Alan C. Wallace	Director
Linda J. Welty	Director
Rainer Rettig	Director
Alice Laberge	Director
Janine North	Director
Thomas Kevin Corrick	Director
Markwart von Pentz	Director
Richard Short	Chief Financial Officer and Secretary
Adolf Koppensteiner	Chief Operating Officer, Pulp Products
Wolfram Ridder	Senior Vice President, Innovation & Government Relations
Cindy Alekson	Vice President, Controller
Genevieve Stannus	Vice President, Treasurer
Dr. Carsten Merforth	Chief Operating Officer, Wood Products
Wolfgang Beck	Senior Vice President, Global Wood Sourcing
Guy Arguin	Chief Human Resources Officer
Alistair Skey	Chief Information Officer
Bill R. Adams	Chief Sustainability Officer
Eric X. Heine	Vice President, Sales and Marketing for North America and Asia
Uwe Bentlage	Vice President, Pulp Sales and Marketing for Europe; Managing Director, Mercer Pulp Sales
Nils Hegerding	Vice President, Pulp Sales and Marketing for Europe; Managing Director, Mercer Pulp Sales
Shahed Tootoonian	Vice President, Corporate Development
Mark Goebel	Vice President, Health and Safety
Stefan Duda	Vice President, Procurement
Nick Milestone	Senior Vice President, Mass Timber (Interim)

**APPENDIX "B"**  
**Committees of Board of Directors**

(As of May 30, 2025)

Chairperson	William D. McCartney
<b>Committees</b>	<b>Members</b>
Audit	Alan C. Wallace (Chairperson) James Shepherd Alice Laberge Markwart von Pentz
Governance and Nominating	James Shepherd (Chairperson) William D. McCartney Alice Laberge Thomas Kevin Corrick Rainer Rettig
Human Resources	Rainer Rettig (Chairperson) Linda J. Welty Alan C. Wallace Janine North
Environmental, Health and Safety	Linda J. Welty (Chairperson) Thomas Kevin Corrick Janine North Markwart von Pentz Juan Carlos Bueno