



**International  
Paper**

# Investor Roadshow

October 11, 2024

## Forward-Looking Statements

Certain statements in this presentation that are not historical in nature may be considered “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the use of forward-looking or conditional words such as “expects,” “anticipates,” “believes,” “estimates,” “could,” “should,” “can,” “forecast,” “intend,” “look,” “may,” “will,” “remain,” “confident,” “commit” and “plan” or similar expressions. These statements are not guarantees of future performance and reflect management’s current views and speak only as to the dates the statements are made and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these statements. All statements, other than statements of historical fact, are forward-looking statements, including, but not limited to, statements regarding anticipated financial results, economic conditions, industry trends, future prospects, and the execution and consummation of corporate transactions or contemplated acquisitions, including our proposed business combination with DS Smith Plc. Factors which could cause actual results to differ include but are not limited to: (i) our ability to consummate and achieve the benefits expected from, and other risks associated with, acquisitions, joint ventures, divestitures, spinoffs, capital investments and other corporate transactions, including, but not limited to, our proposed business combination with DS Smith Plc and our ability to integrate and implement our plans, forecasts, and other expectations with respect to the combined company (ii) uncertainties as to whether or when the business combination may be completed, if at all; (iii) risks with respect to climate change and global, regional, and local weather conditions, as well as risks related to our ability to meet targets and goals with respect to climate change and the emission of greenhouse gases and other environmental, social and governance matters; (iv) the level of our indebtedness, risks associated with our variable rate debt, and changes in interest rates (including the impact of current elevated interest rate levels); (v) the impact of global and domestic economic conditions and industry conditions, including with respect to current negative macroeconomic conditions, inflationary pressures and changes in the cost or availability of raw materials, energy sources and transportation sources, supply chain shortages and disruptions, competition we face, cyclicity and changes in customer and consumer preferences, and government regulation, demand and pricing for our products, and conditions impacting the credit, capital and financial markets; (vi) risks arising from conducting business internationally, domestic and global geopolitical conditions, military conflict (including the Russia/Ukraine conflict, the conflict in Israel and surrounding areas, the possible expansion of such conflicts, and the potential geopolitical and economic consequences associated therewith), changes in currency exchange rates, trade protectionist policies, downgrades in our credit ratings, and/or the credit ratings of banks issuing certain letters of credit, issued by recognized credit rating organizations; (vii) the amount of our future pension funding obligations, and pension and healthcare costs; (viii) the costs of compliance, or the failure to comply with, existing and new environmental (including with respect to climate change and greenhouse gas emissions), tax, labor and employment, privacy, anti-bribery and anti-corruption, and other U.S. and non-U.S. governmental laws and regulations; (ix) any material disruption at any of our manufacturing facilities or other adverse impact on our operations due to severe weather, natural disasters, climate change or other causes; (x) our ability to realize expected benefits and cost savings associated with restructuring initiatives; (xi) our ability to achieve the benefits expected from, and other risks associated with, acquisitions, joint ventures, divestitures, spin-offs, capital investments and other corporate transactions; (xii) cybersecurity and information technology risks, including as a result of security breaches and cybersecurity incidents; (xiii) loss contingencies and pending, threatened or future litigation, including with respect to environmental related matters; (ivx) our exposure to claims under our agreements with Sylvamo Corporation; (xv) the spin-off of Sylvamo Corporation failing to qualify as a tax-free transaction for U.S. federal income tax purposes; and (xvi) our ability to attract and retain qualified personnel, particularly in light of current labor market conditions. These and other factors that could cause or contribute to actual results differing materially from such forward-looking statements can be found in our press releases and reports filed with the U.S. Securities and Exchange Commission. In addition, other risks and uncertainties not presently known to the Company or that we currently believe to be immaterial could affect the accuracy of any forward-looking statements. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

International Paper’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023, contains additional information regarding forward-looking statements and other risk factors with respect to International Paper. Our Quarterly Report on Form 10-Q for the period ended March 31, 2024, and June 30, 2024, contain additional information regarding forward-looking statements and other risk factors with respect to our proposed business combination with DS Smith Plc.

### **Statements Relating to Non-U.S. GAAP Measures**

While the Company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP"), during the course of this presentation, certain non-GAAP financial measures are presented. Management believes non-GAAP financial measures, when used in conjunction with information presented in accordance with GAAP, can facilitate a better understanding of the impact of various factors and trends on the Company's financial condition and results of operations. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. The non-GAAP financial measures in this presentation have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our results calculated in accordance with GAAP. In addition, because not all companies use identical calculations, our presentation of non-GAAP financial measures in this presentation may not be comparable to similarly titled measures disclosed by other companies, including companies in our industry.

A reconciliation of all presented non-GAAP measures (and their components) to GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

### **Statement Regarding Profit Forecasts**

As a result of the Company's offer for DS Smith Plc, the Company is subject to UK regulations, including with respect to public disclosure of profit forecasts. No statement in this presentation is intended as a profit forecast or estimate for any financial period and no statement in this presentation should be interpreted to mean that the Company's earnings or earnings per share for the current or future financial years would necessarily match or exceed the Company's historic published earnings or earnings per share.

### **Discontinued Operations**

As previously announced, the Company sold its interest in the Ilim joint venture on September 18, 2023. Current and historical results have been adjusted to reflect Ilim as a discontinued operation. All financial information and statistical measures regarding our prior 50/50 ownership in the Ilim joint venture in Russia ("Ilim"), other than historical International Paper Equity Earnings and dividends received by International Paper, have been prepared by the management of Ilim Corporation, respectively.

# Why IP

Committed to Maximizing  
Shareholder Value

→ Responsible &  
sustainable company

→ Focused portfolio  
serving attractive  
& growing markets

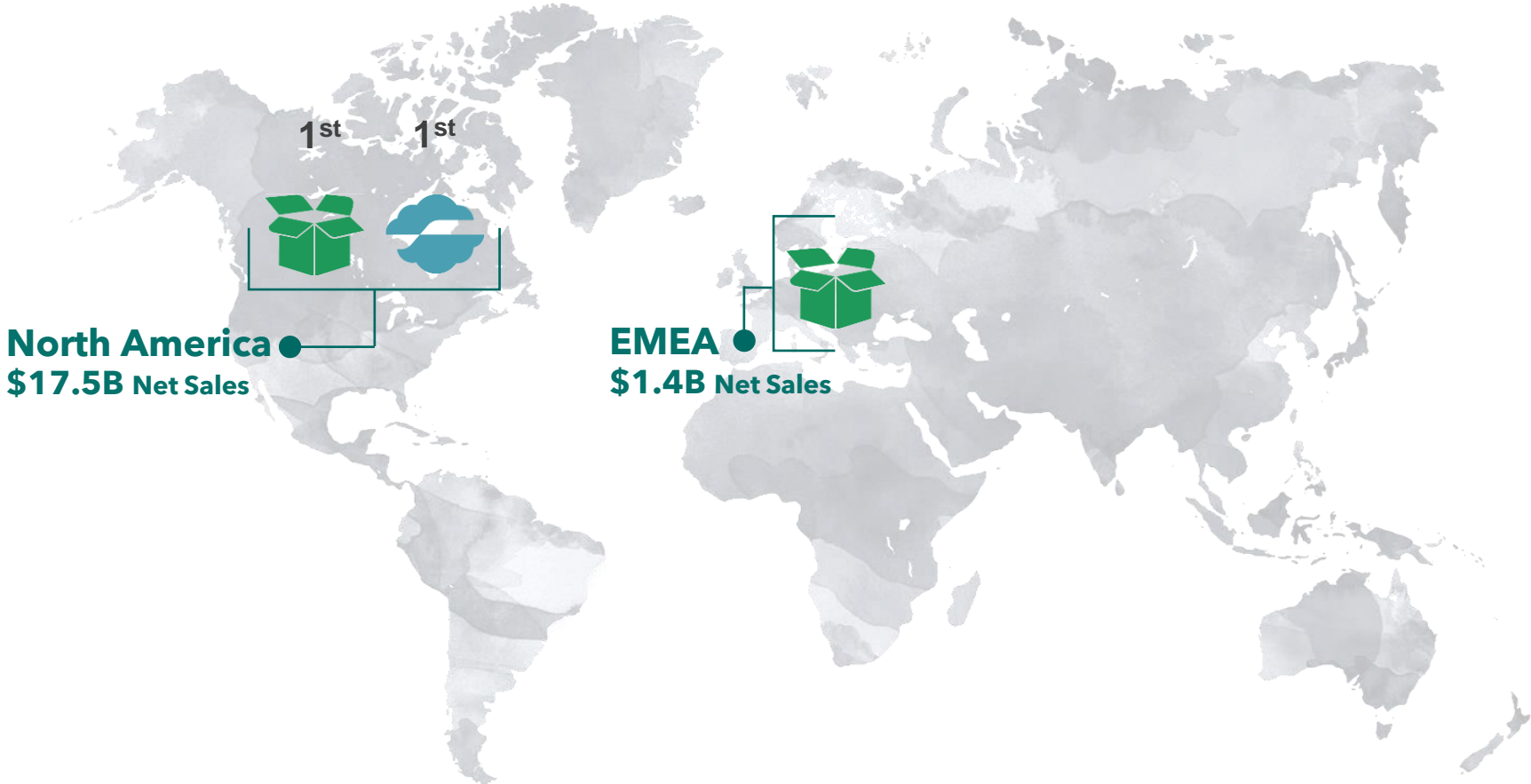
→ Strategic customer  
relationships

→ Strong financial foundation  
& solid cash generation

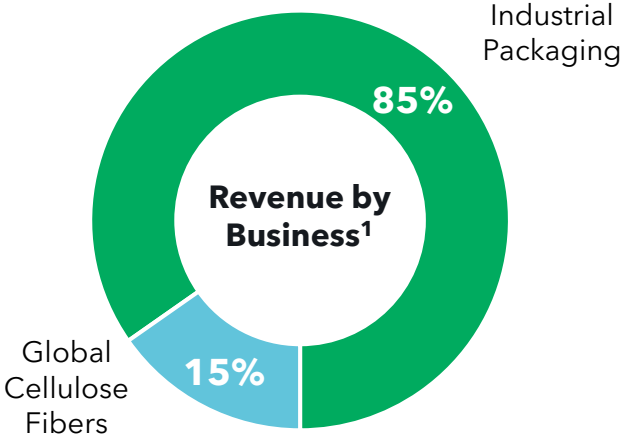
→ Energized & experienced  
leadership team with  
market expertise

→ Significant capabilities,  
scale & competitive assets

# IP Portfolio | Well Positioned in Attractive Geographies, with Primary Focus on Sustainable Packaging



## IP 2023



<b>\$18.9B</b> Sales
<b>21,000+</b> Customers
<b>27</b> Mills   <b>220+</b> Mfg. Facilities

# Vision 2030 ESG Goals

Building a Better Future for People, the Planet and our Company



## Healthy and Abundant Forests

Lead forest stewardship efforts globally.

TARGET:

**100%**

of fiber sourced from sustainably managed forests or recovered fiber while safeguarding forests, watersheds and biodiversity.

Conserve and restore **1 Million** acres of ecologically significant forestland.



## Renewable Solutions

Accelerate the transition to a low-carbon economy through innovative fiber-based products.

TARGET:

Advance circular solutions throughout our value chain and create innovative products that are

**100%**

reusable, recyclable or compostable



## Sustainable Operations

Improve our climate impact and advance water stewardship.

TARGET:

**35%**

reduction in Scope 1, 2 & 3 greenhouse gas emissions, aligned with best available climate science.

**25%**

reduction in water use and implement context-based water management plants at all mills



## Thriving People and Communities

Promote employee well-being by providing safe, caring and inclusive workplaces and strengthen resilience of our communities.

TARGET:

**ZERO**

injuries for employees and contractors

**30%** women in our workforce,

**50%** women in salaried positions,

**30%** minority representation in U.S. salaried positions.

Improve the lives of **100 Million** people in our communities

# International Paper Awards & Recognitions<sup>1</sup>



## Fortune Magazine

World's Most Admired Companies®  
2023 for 20 years



## Ethisphere Institute

World's Most Ethical Companies®



## American Opportunity Index

Best Employers 2023



## FTSE4Good Index Series

An equity index series that is designed to facilitate investment in companies that meet globally recognized corporate responsibility standards

# Andy Silvernail | Chief Executive Officer



Andy Silvernail became IP's Chief Executive Officer effective May 1, 2024. The IP Board of Directors elected Andy to the Board on May 14, 2024.

Andy joined IP from KKR & Co., Inc., a global investment firm, where he served as an executive advisor. He has two decades of experience leading global companies in the manufacturing and technology sectors. He is the former Chairman and CEO of Madison Industries, one of the world's largest privately held companies. Prior to that, Andy served as Chairman and CEO of IDEX Corporation from 2011 to 2020. Employee engagement reached best-in-class performance and total shareholder return grew by more than 500% during his tenure at IDEX. His strategic agility and expertise in customer segmentation, innovation, Lean operating models and mergers and acquisitions have been foundational to his ongoing success. Andy previously held executive positions at Rexnord Industries, Newell Rubbermaid and Danaher Corporation.

*(continued on next page)*



# Andy Silvernail | Chief Executive Officer

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Andy is a principles-based leader, driven by a strong sense of purpose and a commitment to making a difference. Throughout his various leadership positions, Andy championed employee engagement, community leadership and value creation. His approach to engaging all stakeholders led to best-in-class employee engagement, millions of dollars invested in local communities, and the creation of \$20 billion in shareholder value.

Andy was named one of the most powerful CEOs 40 and Under by Fortune Magazine and one of the top CEOs in America by Institutional Investor Magazine. Andy has been a trustee for the Manufacturers Alliance, a member of the Board of Advisors for the Dartmouth Thayer School of Engineering and served on the advisory board for Harvard Business School. Andy is also a member of the 2012 Class of Henry Crown Fellows at the Aspen Institute. He currently serves on the board of directors of Stryker Corporation.

A strong believer in serving people through community involvement, Andy has served as a director for the Boys & Girls Club of Lake County, Illinois and as a National Trustee for the Boys & Girls Club. At IDEX, Andy established and grew the IDEX Foundation, the company's charitable giving entity. He currently is Chair of the Board of Paws for Patrick, a non-profit dedicated to helping young people with mental illness through the use of emotional support of animals.

Andy earned a bachelor's degree in government from Dartmouth College and an M.B.A. from Harvard Business School. He and his wife, Shelby, have relocated to Memphis. They are empty-nesters and have two sons and a daughter.

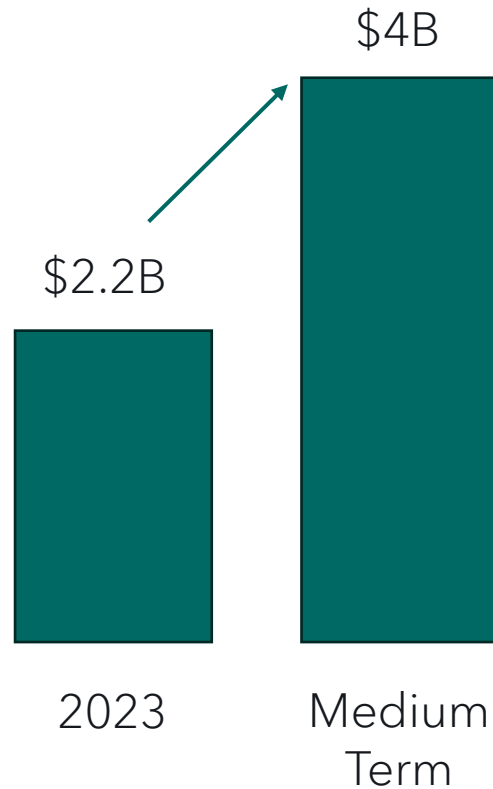
# 80/20 Strategic Approach



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# Targeting \$4B EBITDA over Medium Term<sup>1</sup>



## Strategic Drivers - 80/20 Approach

Focus on People, Customers & Products where we win

Simplify, align and reduce cost structure

Invest for reliability, productivity, innovation

Price to value

Profitable Growth

# What is 80/20?

- **Data-driven methodology** that identifies the critical few for strategic differentiation
- Mindset that **focuses on key priorities**
- **Alignment of resources** to drive results (cause and effect)

A Differentiated Approach to Winning ...  
To Achieve Dramatic Profitable Market Share Growth

# Four Steps to 80/20



## 1. Simplify

Choose our crops



## 2. Segment

Separate tomatoes and pumpkins



## 3. Resource

Only water as needed



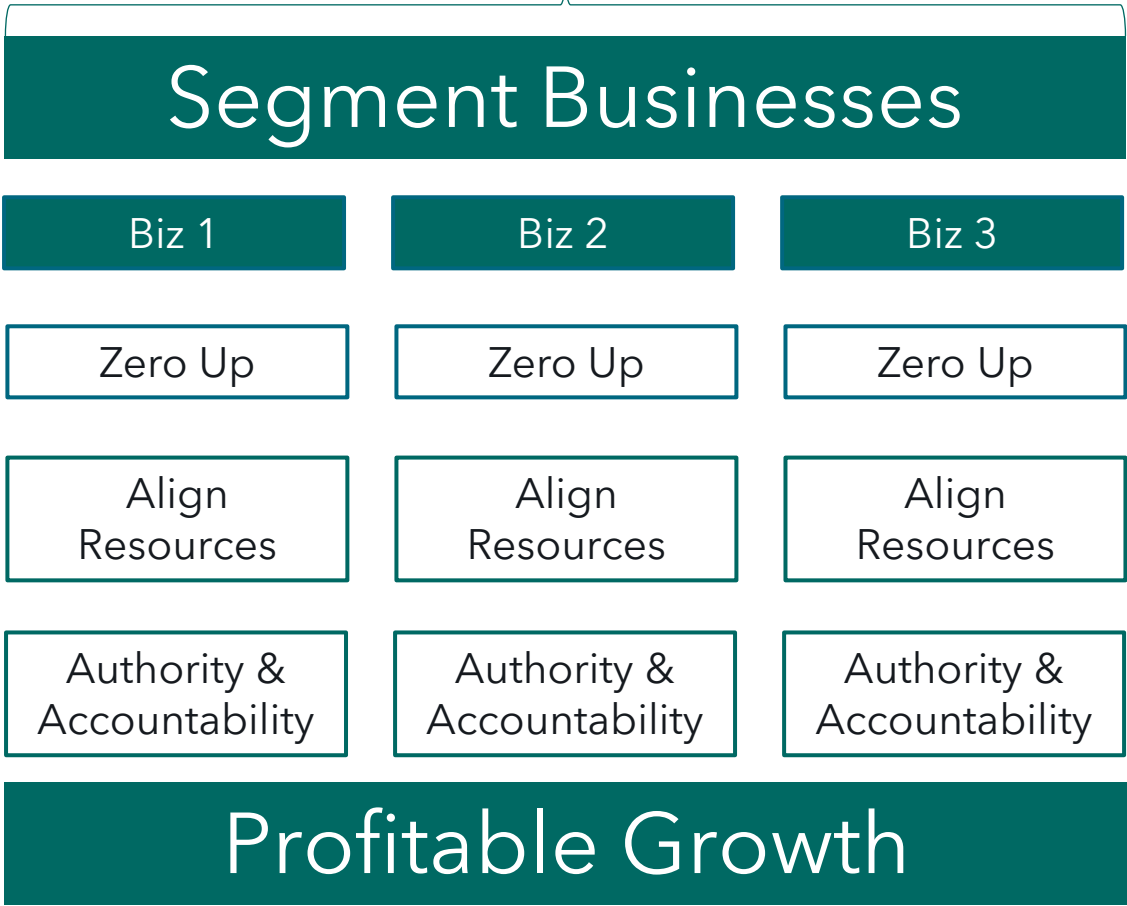
## 4. Growth

Fertilize & Harvest

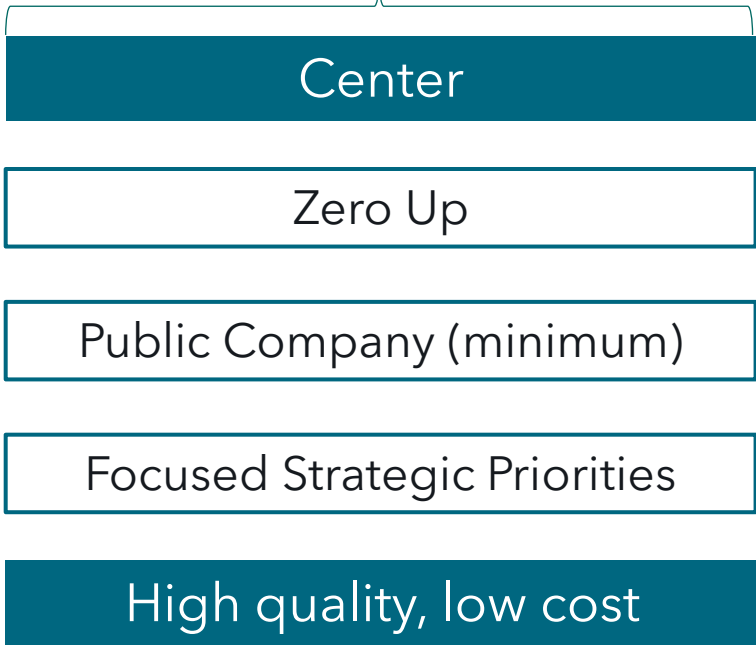
*A Differentiated Approach to Winning*

# Segment → Align and Focus Resources

80



20



# Industrial Packaging



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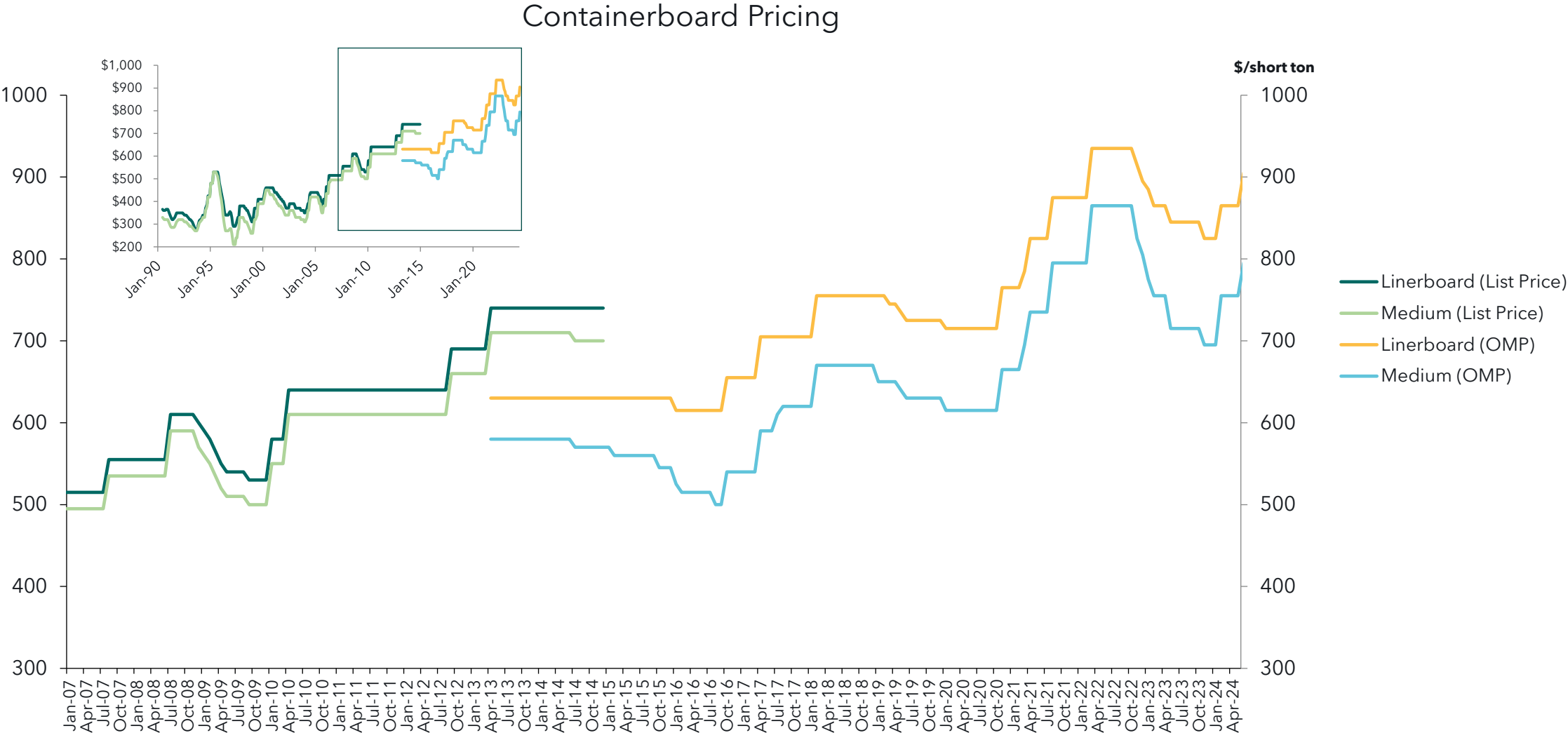
# Solid Industry Fundamentals



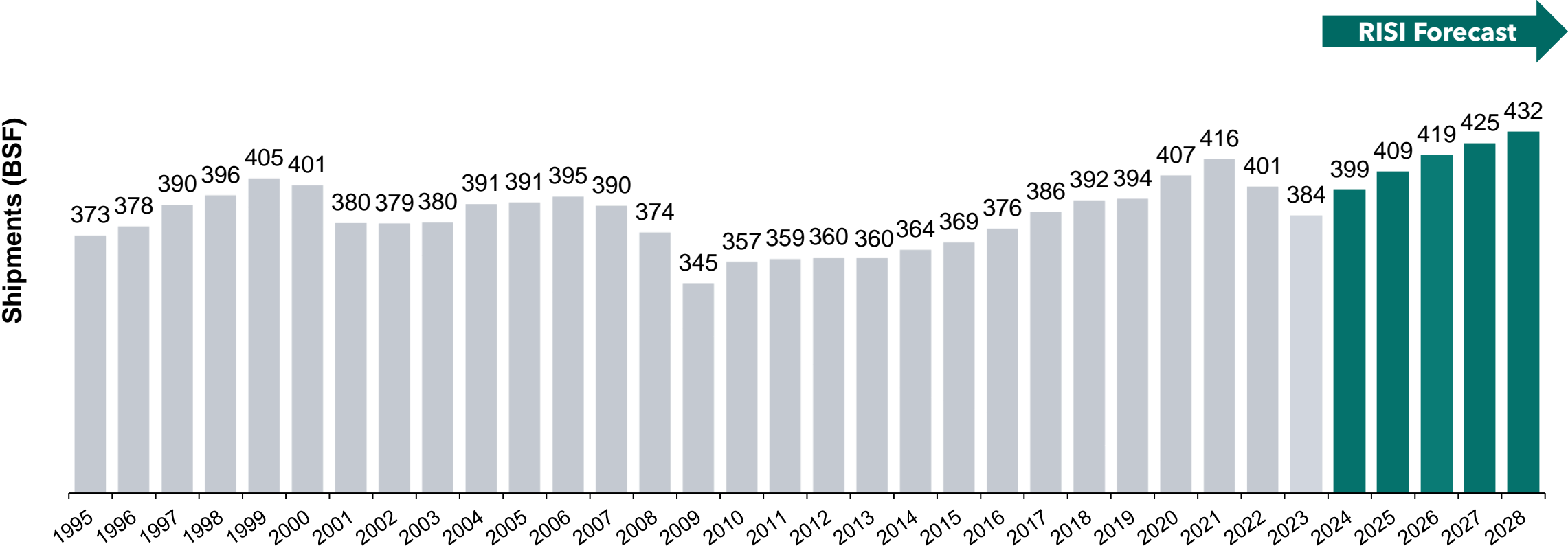
- ✓ ~1% to ~2% demand growth
  - Highly correlated w/ mfg. GDP
  - Megatrends provide upside growth
- ✓ Essential to serving consumer needs
- ✓ Integral to supply chains
- ✓ Sustainable and economical solutions
- ✓ Positive historical unit price growth
- ✓ Attractive industry structure



# U.S. Containerboard | Industry Statistics



# U.S. Corrugated Packaging Shipments



Source: Fibre Box Association, RISI North American Paper Packaging 5-Year Forecast

Note: Historical data from 1995 - 2023 represents U.S. Box Shipments reported by Fibre Box Association in Billion Square Feet.

Forecasted shipments based on RISI's forecasted annual growth rates from their North American Paper Packaging 5-Year Forecast published January 23, 2024.

# Megatrends Provide Upside Growth



**At-home  
Conveniences**



**Fresh Food Choices**



**Sustainability**



**Nearshoring**

## IP Advantages

- ✓ Breadth of capabilities
- ✓ Geographic reach
- ✓ Scale & seasonal flex capacity
- ✓ Sustainable products
- ✓ Talent & expertise

**Segment-tailored solutions**

# Serving 21,000+ Customers Worldwide Across Attractive Segments

Customer Segment	NA Industry
Food & Beverage	~45%
	Processed Food
	Fresh Produce ✓
	Protein (Meat & Poultry) ✓
	Beverage
Other Non-Durables	~30%
	Chemicals & Pharmaceuticals
	Paper, Towels & Tissue
	Other Non-Durables
Durable Goods & Distribution	~25%
	E-commerce, Shipping & Distribution ✓
	Durable Goods
	Fastest Growth ✓





# Breadth of Capabilities & Sustainable Solutions

~ 2 million designs

- ✓ Designers & technicians
- ✓ High graphics
- ✓ Sustainable coatings
- ✓ Retail displays
- ✓ Bulk bins
- ✓ Access to Kraft linerboard
- ✓ Machinery solutions (~3,500 at customer locations)



# Strong Capability and Quality



Broad product offerings  
to support all  
customer needs

e-Commerce



✓ Lightweight to heavyweight

✓ Recycled and Kraftliner

- Southern U.S. pine is globally advantaged fiber

✓ BriteTop® for high graphics

✓ Climaguard® for fresh foods

✓ Supply security and reliability

## At-home Conveniences

### IP Strengths

- ✓ Geographic reach
- ✓ Seasonal flex capacity
- ✓ On-box advertising
- ✓ Optimize pack-out speed



**800**

ship-to locations  
across U.S.

Sustainability



## IP Strengths

- ✓ Opportunities from segment expertise
- ✓ Innovation for plastic substitutions
- ✓ Recyclable coatings for harsh supply chains
- ✓ Technology-first solutions for fiber suppliers



**ClimaShield®**  
*Protect Your Products. Protect The Earth.*





## At-home Conveniences

## Sustainability

## IP Strengths

- ✓ Box size optimization using big data
- ✓ Reducing excess packaging & waste
- ✓ Improves customers shipping cost
- ✓ Expertise & customer relationships



eCommerce Box Optimization Service

**SIZED TO FIT BOX SYSTEM**

# Fresh Food Choices

## IP Strengths

- ✓ Geographic reach
- ✓ Seasonal flex capacity
- ✓ On-site box setup machinery
- ✓ High-performance Kraft liner
- ✓ Coatings for harsh supply chains
- ✓ Tailored designs & graphic solutions for retail
- ✓ Supply sheds near harvest locations
- ✓ Heavy duty bulk bins



**~3,500**

machines at customer sites in N.A.

Showcase of California Market

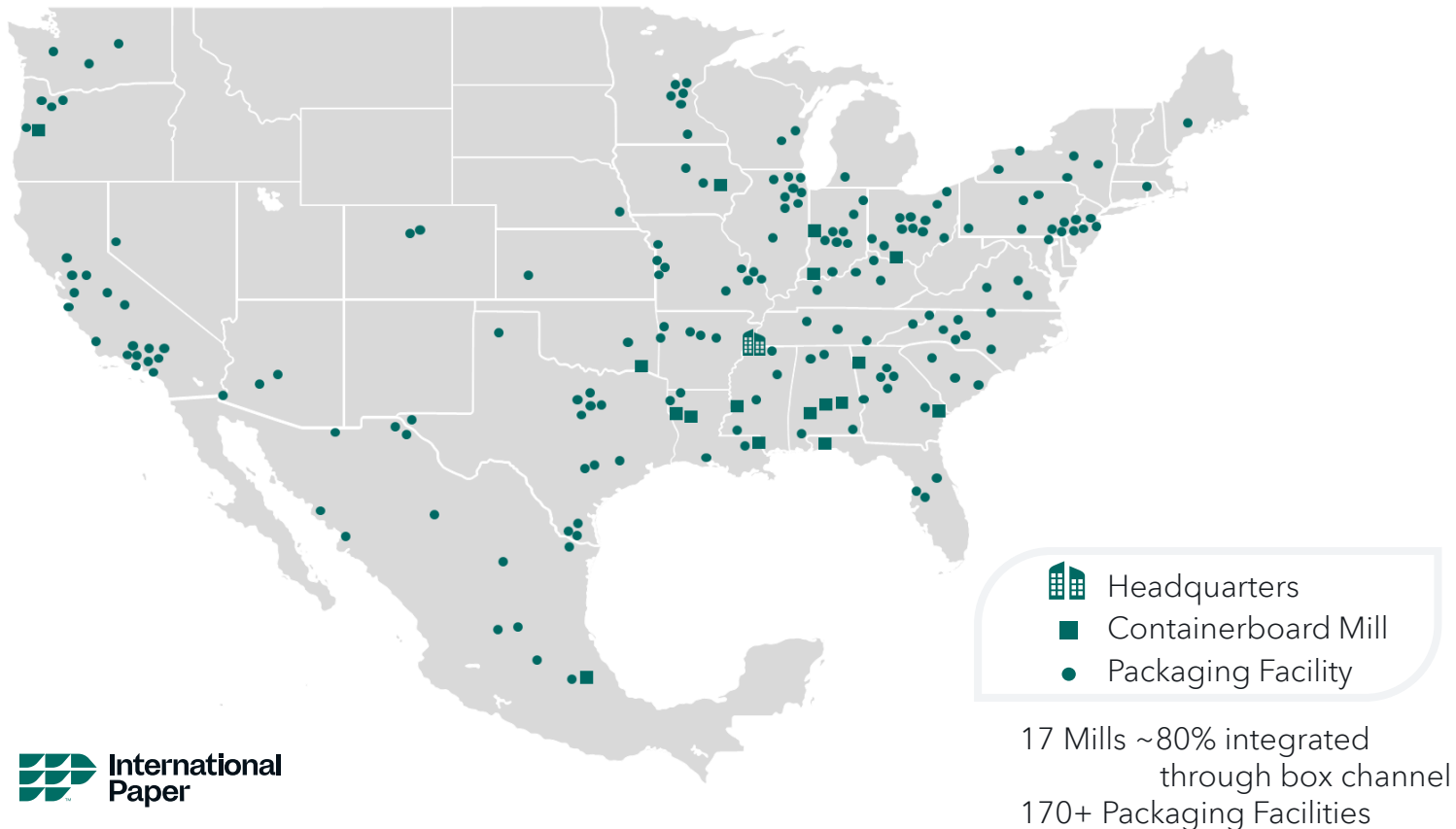
- IP Box Plants
- Shed Locations



**Shed location in the field**

# IP #1 Position in North America

## Local Touch, National Reach

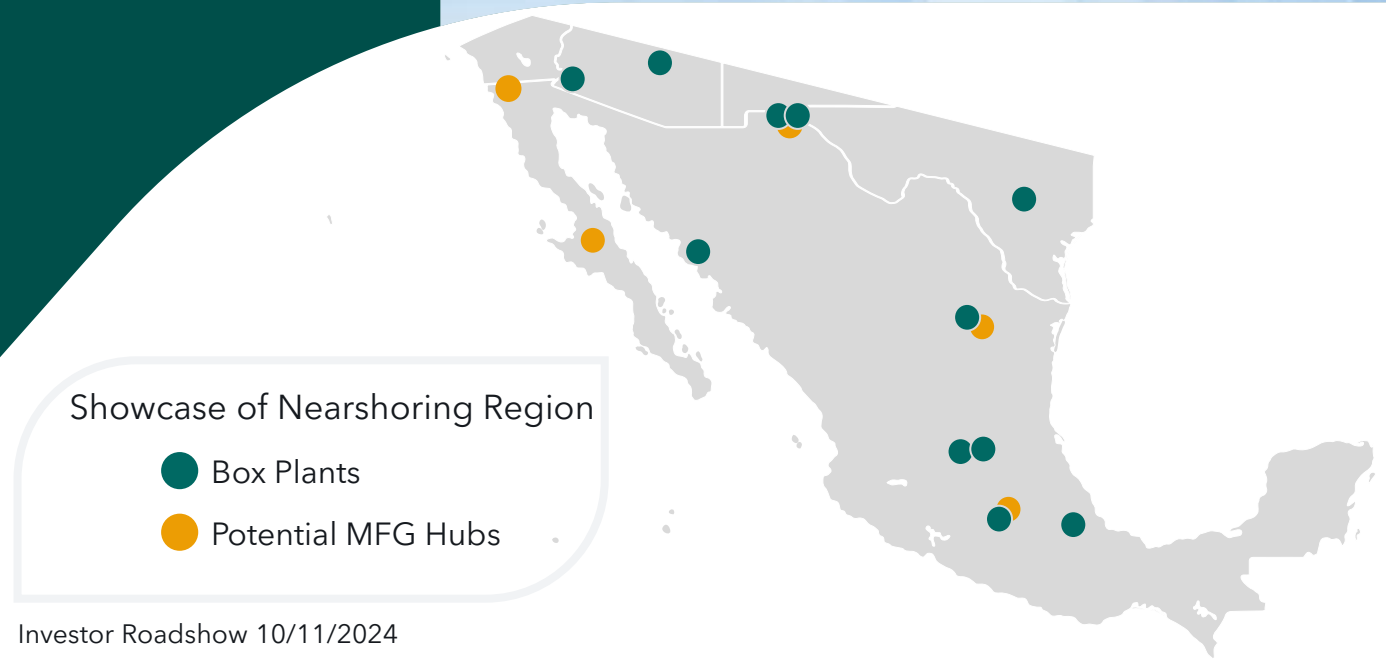


- ✓ Customers value supplier reliability & flexibility
- ✓ Well positioned with megatrends

# Nearshoring

# IP Strengths

- ✓ Geographic Reach
- ✓ Flex Capacity
- ✓ Breadth of Product Offering
- ✓ Access to Kraft performance liners
- ✓ Leveraging customer relationships



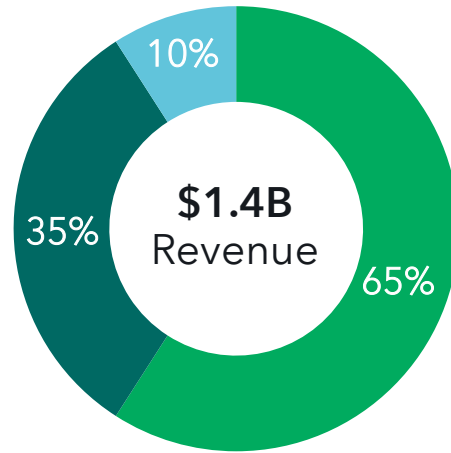
# EMEA Packaging

2<sup>nd</sup> largest profit pool

~2% demand growth

Leading **sustainability** trends

Uniquely positioned in attractive **Fresh Foods & E-commerce**



■ 2 Containerboard Mills  
● 23 Box Plants

Canary Islands (ES)



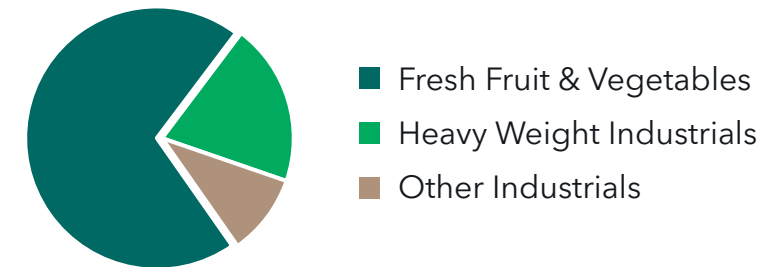


# Strategic Export Markets

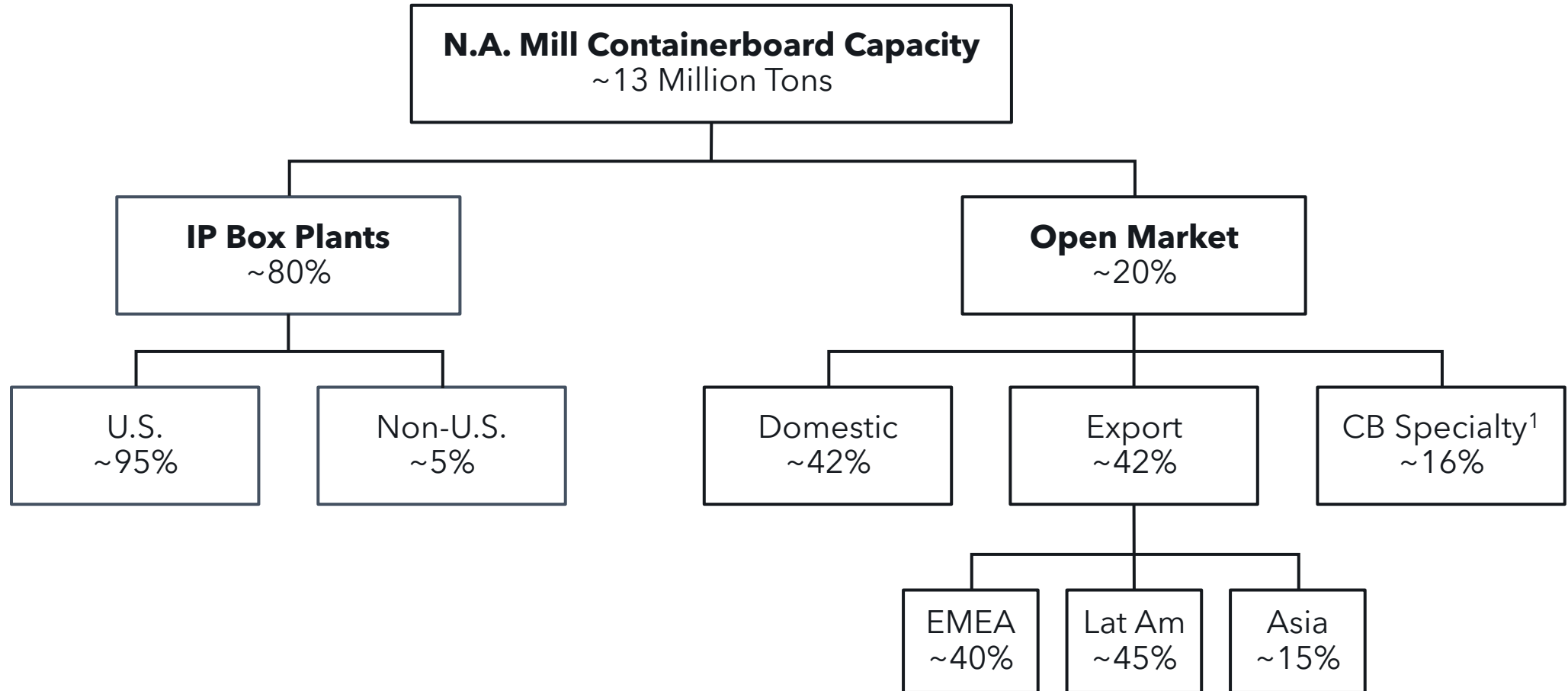
- ✓ **Market access** through strategic customers
- ✓ **Kraftliner** required for fresh foods and heavy industrial
- ✓ Long term **customer relationships**
- ✓ Providing **value and flexibility** through economic cycles

Ship to  
**60**  
countries

IP Export Segments

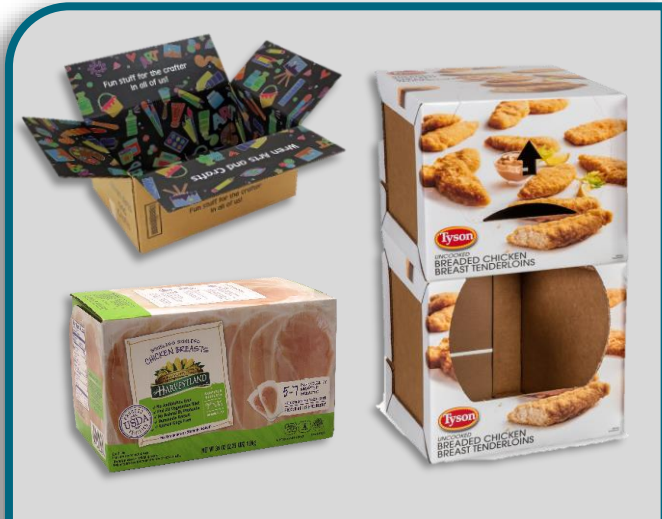


# N.A. Industrial Packaging Channels



Source: 2023 IP effective containerboard capacity and sales by channel

# Industrial Packaging | Taking Actions to Improve Profitability and Returns



## Commercial Excellence

- Improving customer & segment mix
- Capturing additional value
- Leveraging data analytics to improve margins
- Growing specialty businesses
- Innovation



## Operational Excellence

- Reducing fixed & marginal costs
- Leveraging advanced technology
- Developing workforce skillsets



## Investment Excellence

- Strengthening box system
- Expanding capabilities
- Improving productivity
- Optimizing system flexibility
- Building talent

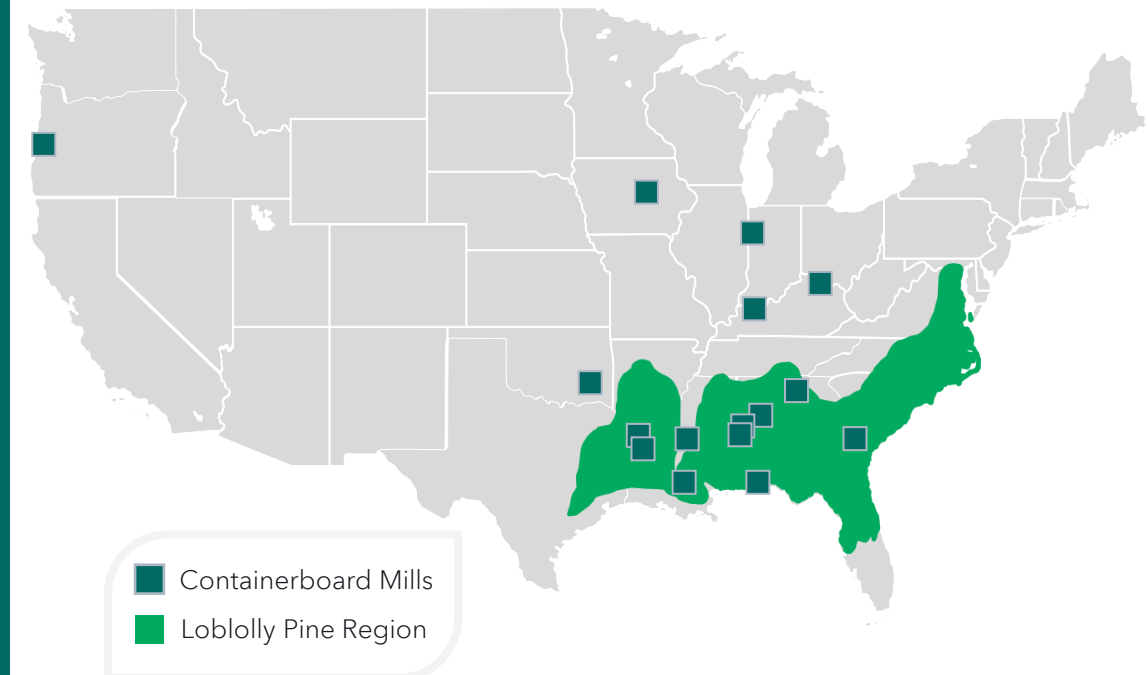


# Advantaged, Low Cost Mill System

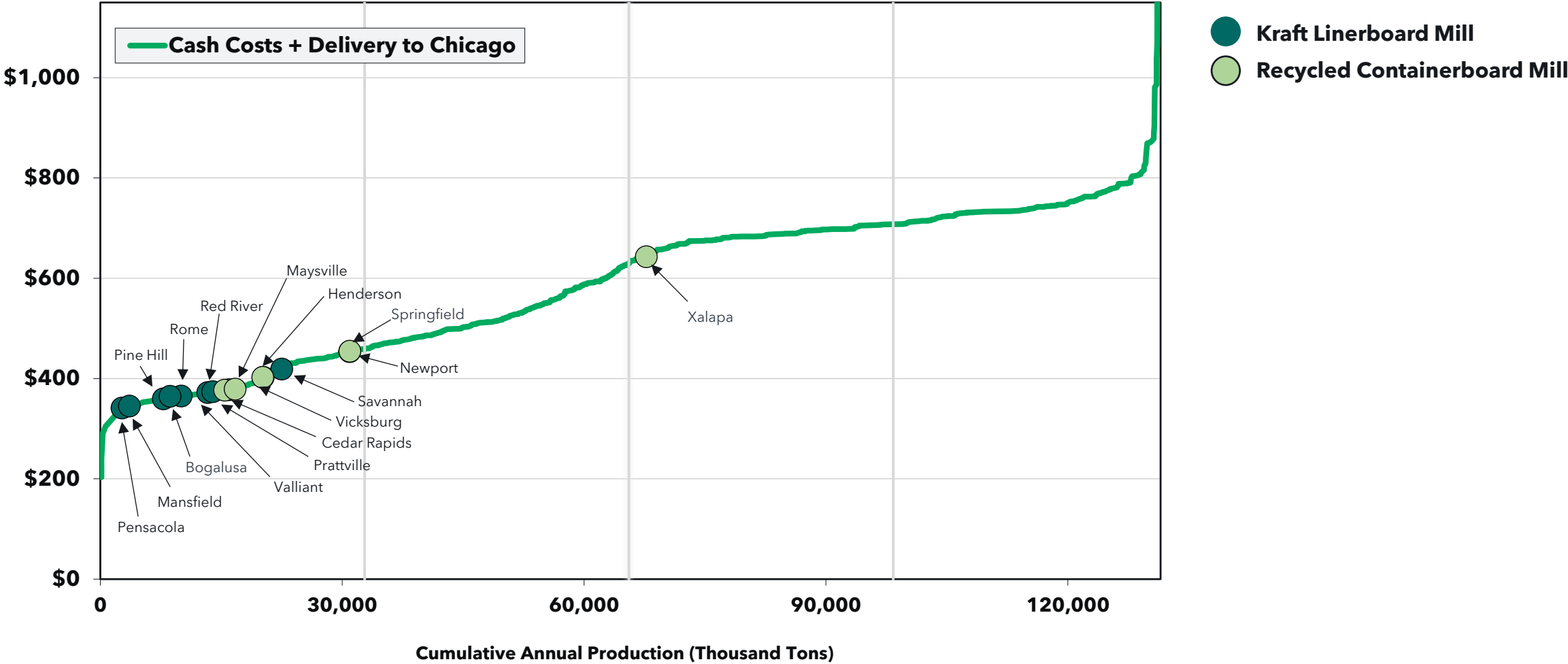
IP has advantaged position on  
North American linerboard cost curve



Strategically located near  
globally advantaged fiber

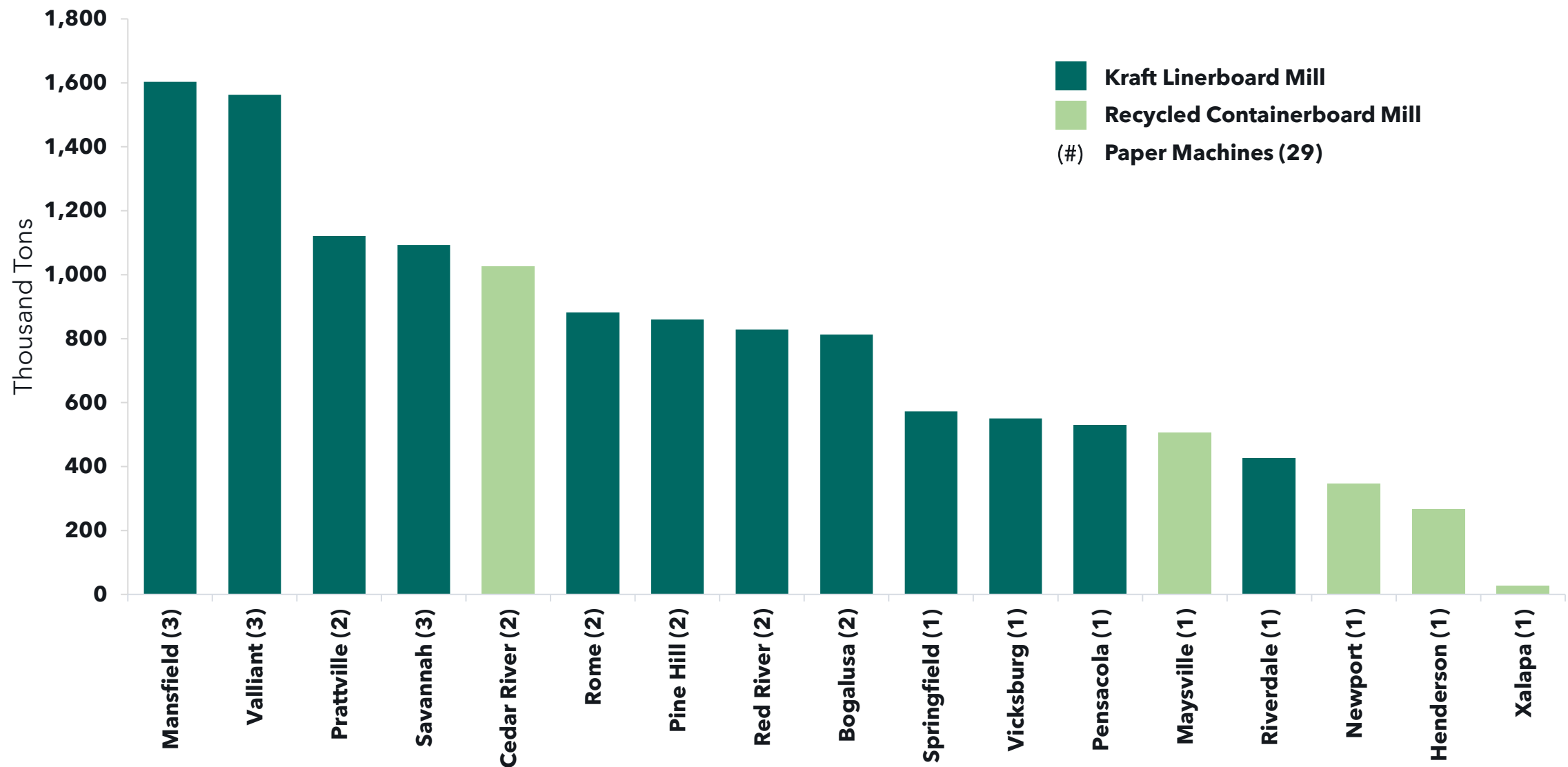


# Linerboard Global Cost Curve | N.A. Capacity Well Positioned in 1<sup>st</sup> Quartile



Source: FisherSolve™ 2Q24 data, excluding White Top

# N.A. Containerboard Mill System | ~13MM Tons Capacity



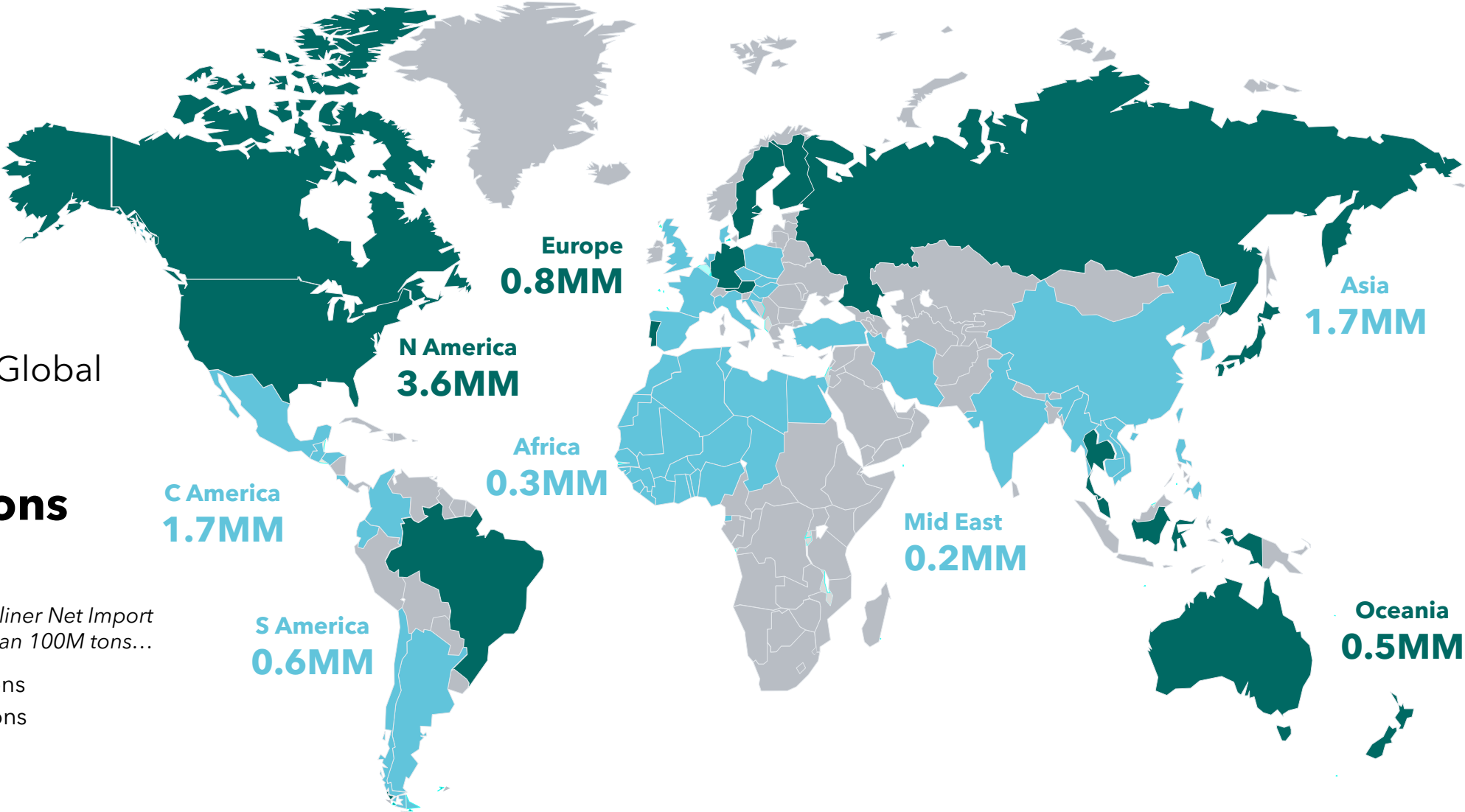
Source: 2023 estimates of effective capacity based on IP data and analysis; chart includes Saturating Kraft & Gypsum liner

# Global Containerboard Industry | Total Kraftliner Trade Flows

Estimated 2023 Global  
Containerboard  
Demand  
**= 205MM tons**

*Countries with Kraftliner Net Import  
or Export greater than 100M tons...*

- Net Export, Tons
- Net Import, Tons



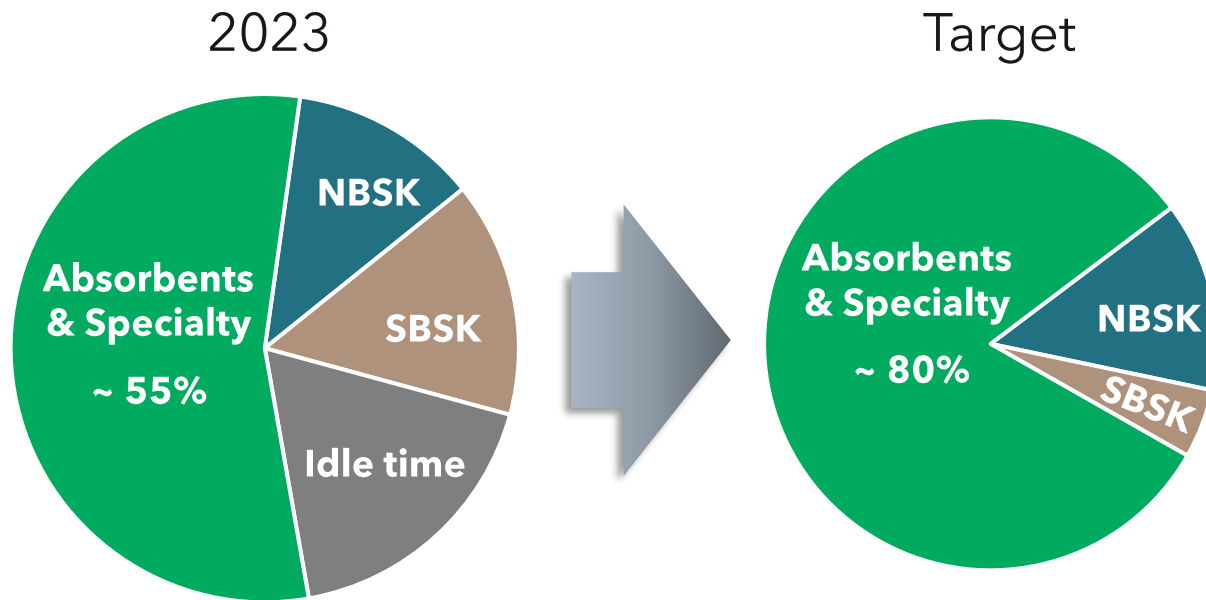
Source: RISI World Containerboard Forecast, updated January 12, 2024, and IP analysis

# Global Cellulose Fibers



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# Global Cellulose Fibers | Optimization Strategy

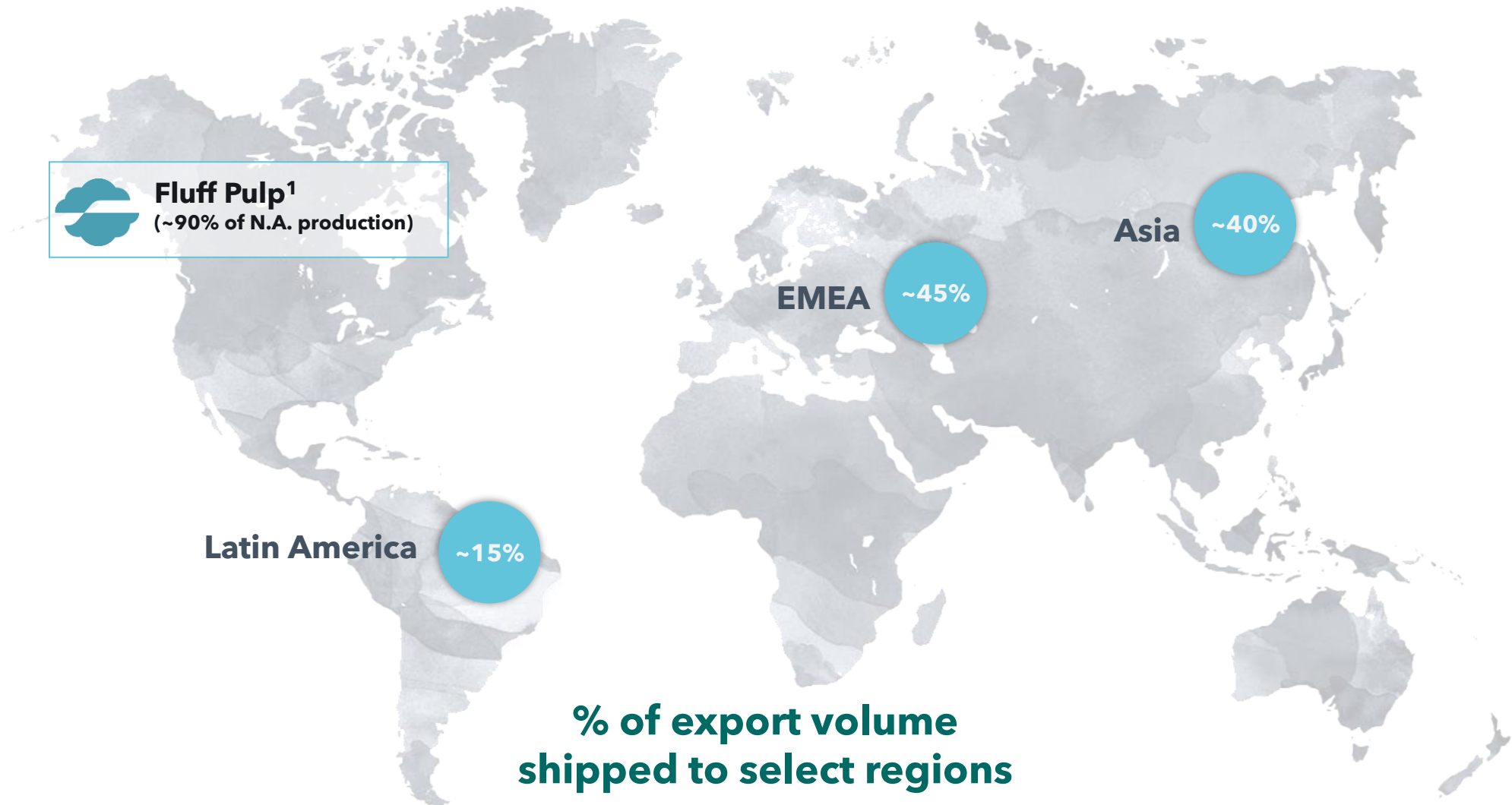


## Commercial & Operational Excellence

- Targeting 70% absorbents & specialty in '24
- Aligning with strategic fluff customers and capturing value
- Focusing on innovation
- Serving NBSK customers from advantaged mill
- Optimizing cost structure



# Global Cellulose Fibers | Serving a Global Market



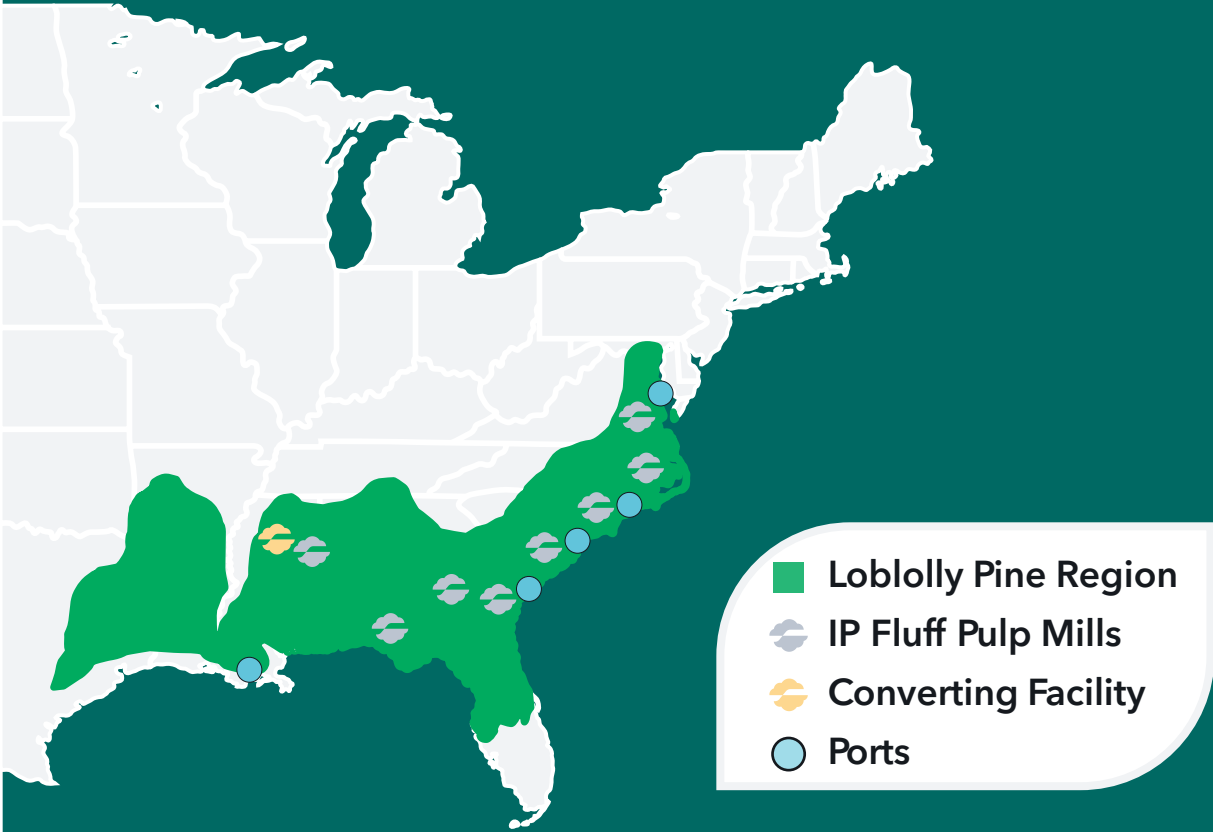
# Regional Fiber Advantage

US > 80% of global fluff pulp capacity

	U.S. South (Loblolly & Slash)	Sweden/Finland (Northern Pine)	Latin America (Loblolly & Other)
Absorbency	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>
Acquisition Speed	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>
Low-cost Logistics	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>
Fiber Access*	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>
Preferred Fiber	<div><div></div></div>		

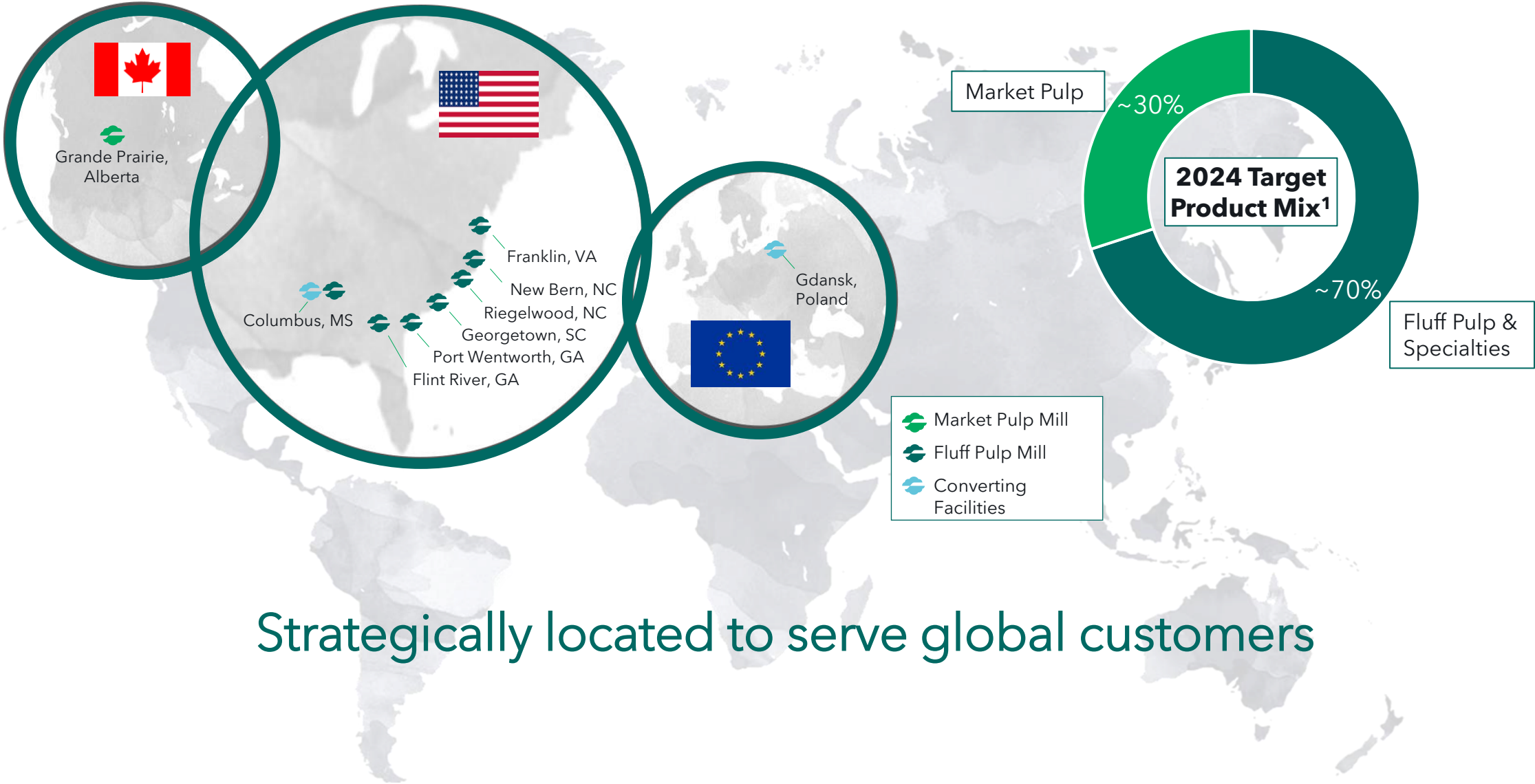
# IP GCF Advantaged Mill System

Strategically positioned for global market



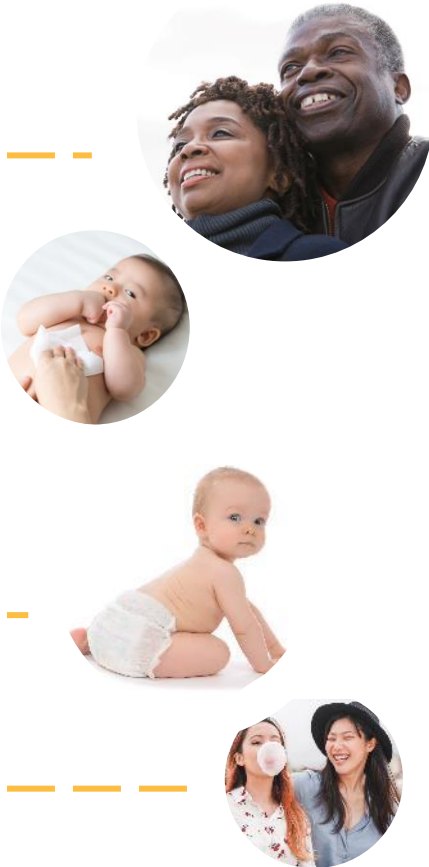
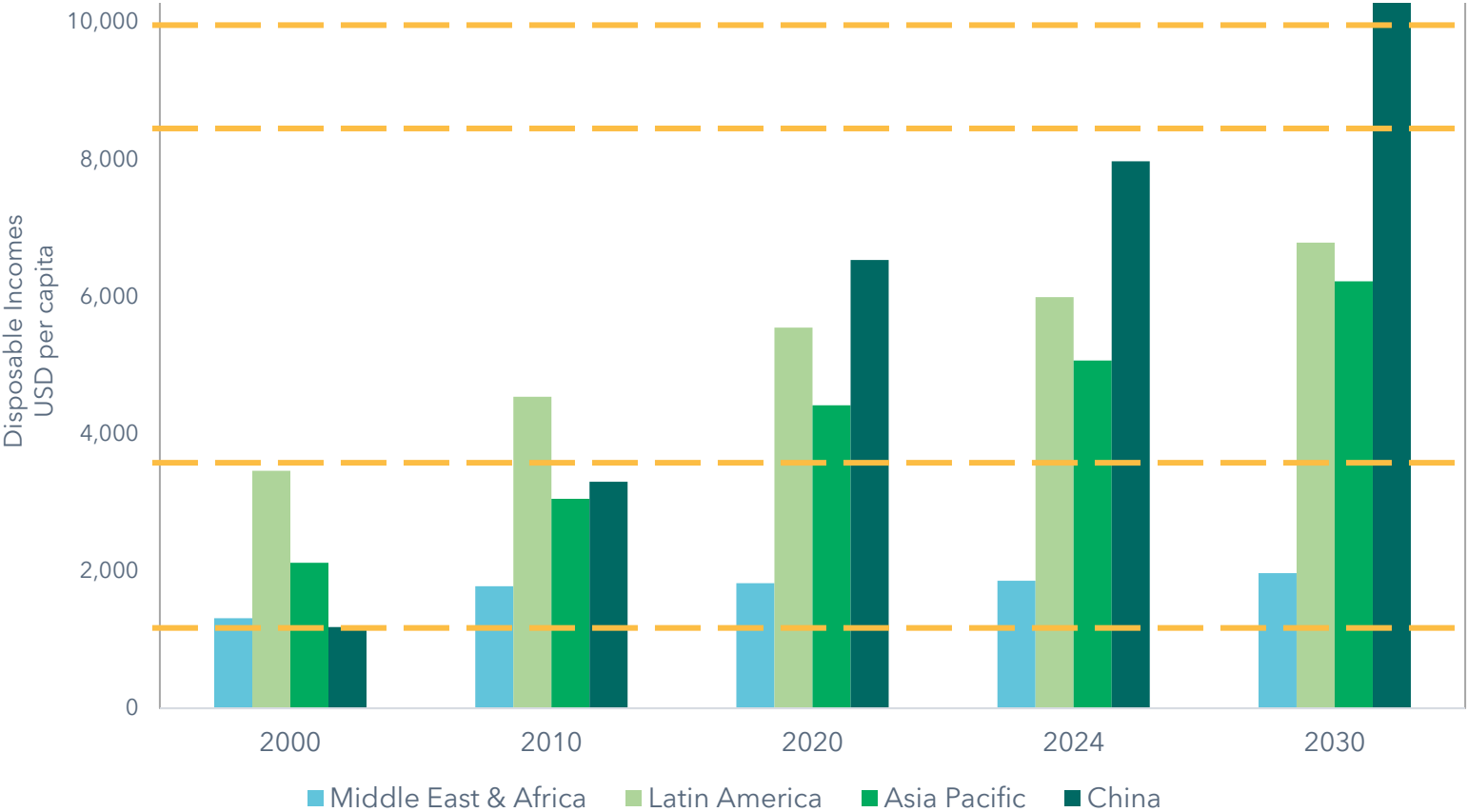


# Global Cellulose Fibers | Business Overview

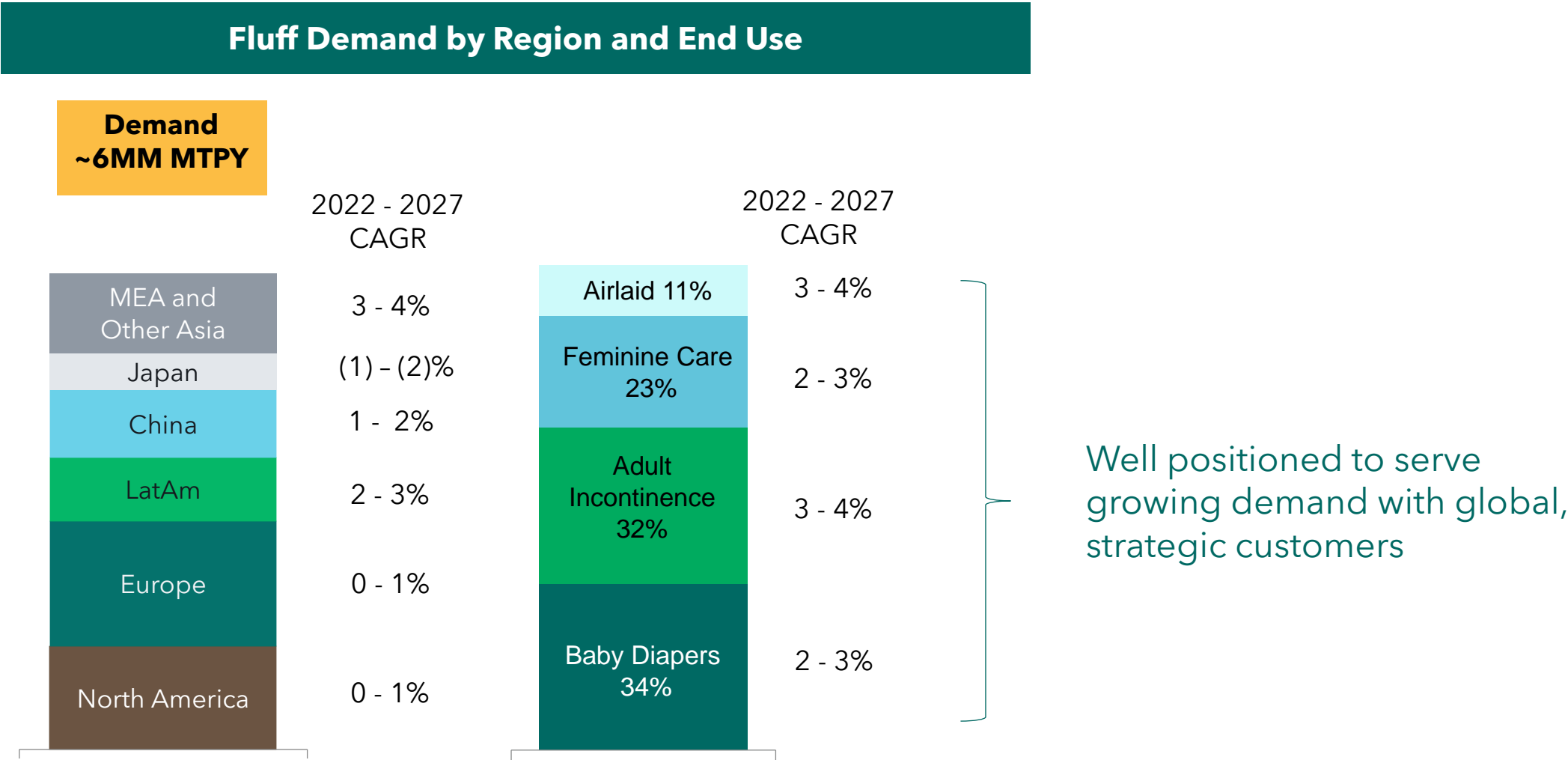


# Absorbent Hygiene Products (AHP) Outlook | Demand & Growth

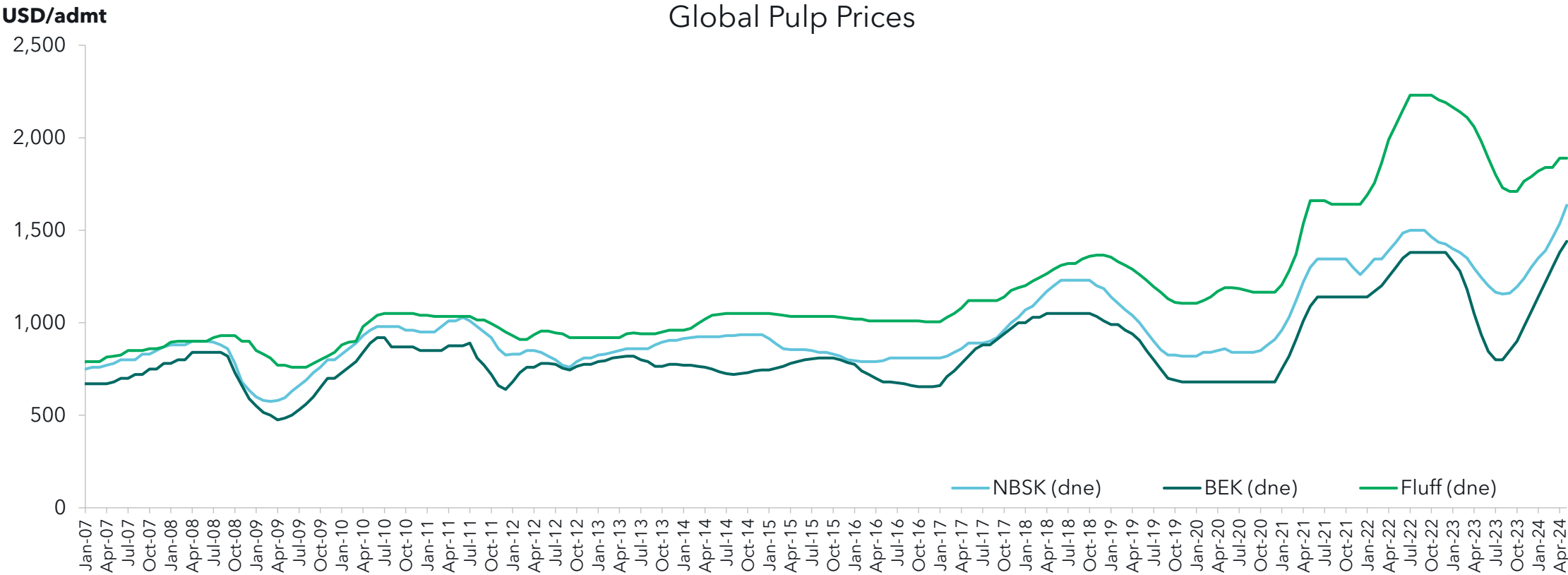
AHP demand linked to disposable incomes in emerging markets



# Global Cellulose Fibers | Advantaged Position in Attractive Markets



Source: IP analysis, Hawkins Wright



Source: RISI  
Global pulp prices delivered to Northern Europe;  
Units shown in metric tons

# Capital Allocation & Balance Sheet Metrics



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# Capital Allocation Framework

## Investment Excellence

Strategic Fit | Compelling Value | Disciplined

- Cost reduction capex
- Strategic capex
- Selective M&A

## Return Cash to Shareholders

- Sustainable dividend at 40 - 50% of FCF<sup>2</sup>
- Share repurchases

## Maintain Strong Balance Sheet

- Target debt to EBITDA<sup>1</sup> 2.5x to 2.8x
- Qualified pension plan fully funded
- Limited near-term maturities

# Capital Investment

Maintenance & Regulatory

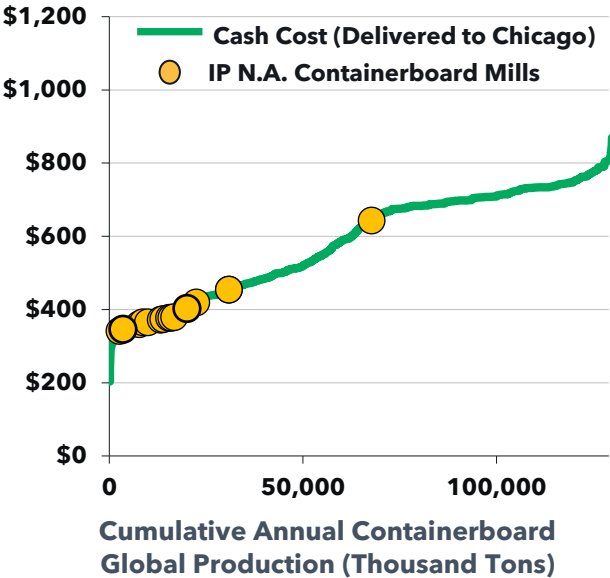
Maintaining world-class, low-cost, advantaged assets

Cost Reduction

Creating value through pipeline of high return projects

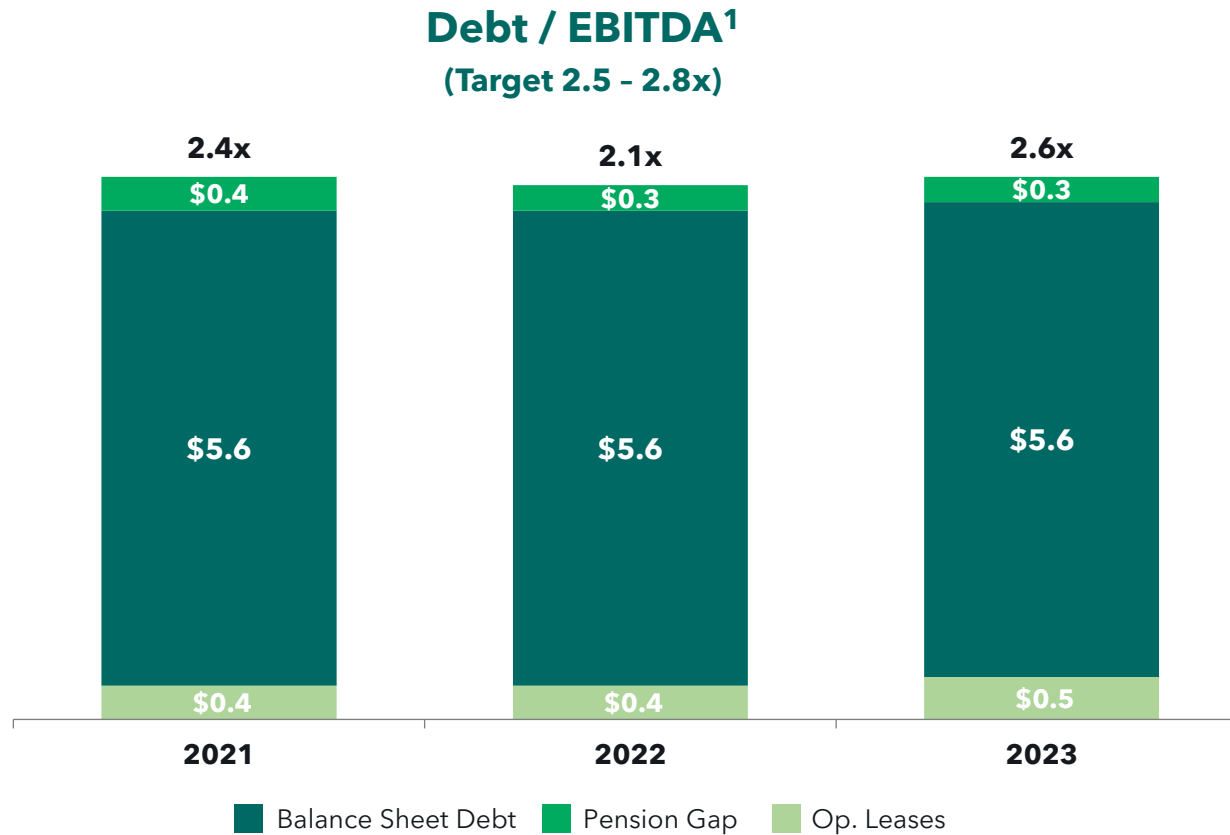
Strategic

Reinvesting to support profitable growth with value-creating returns





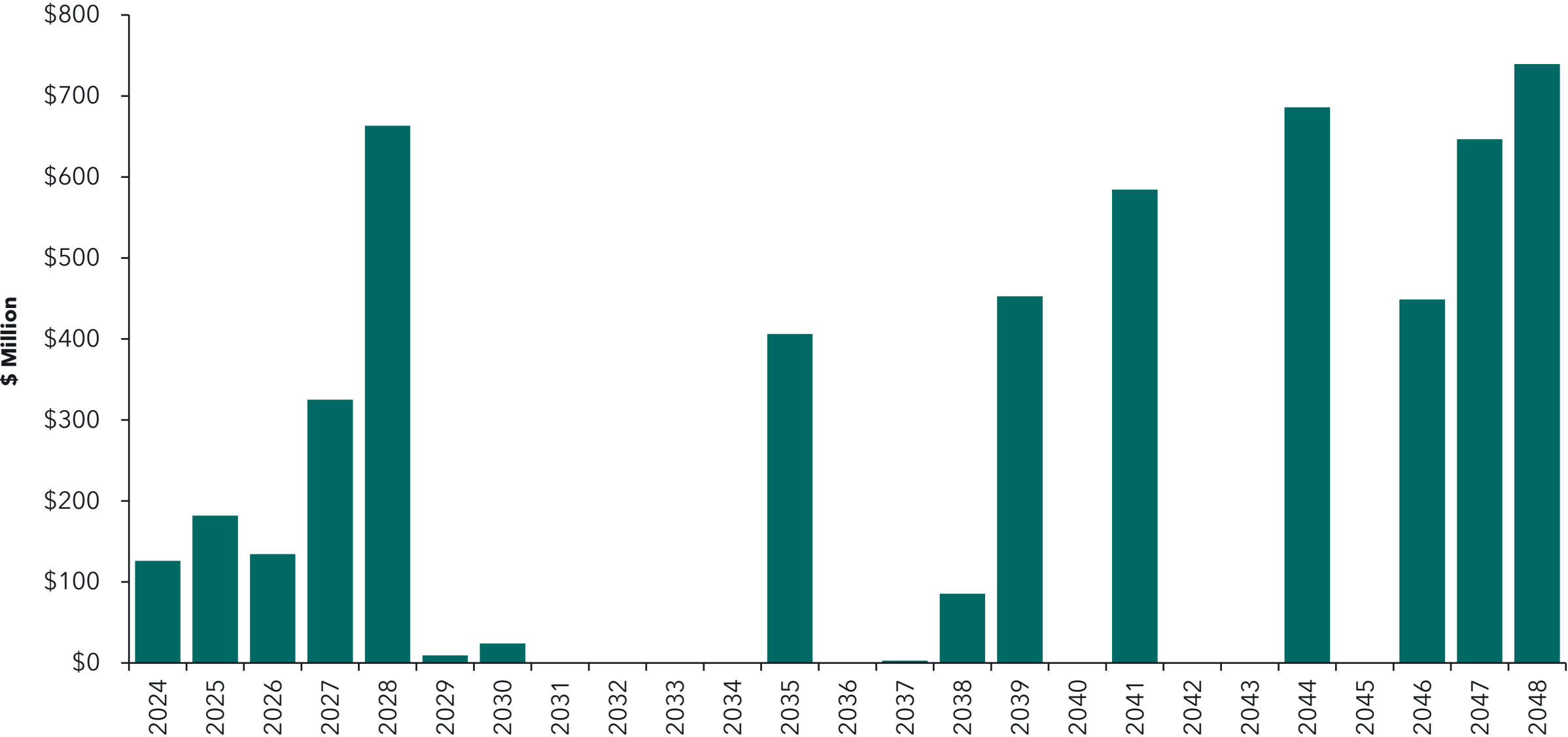
# Balance Sheet | Financial Strength



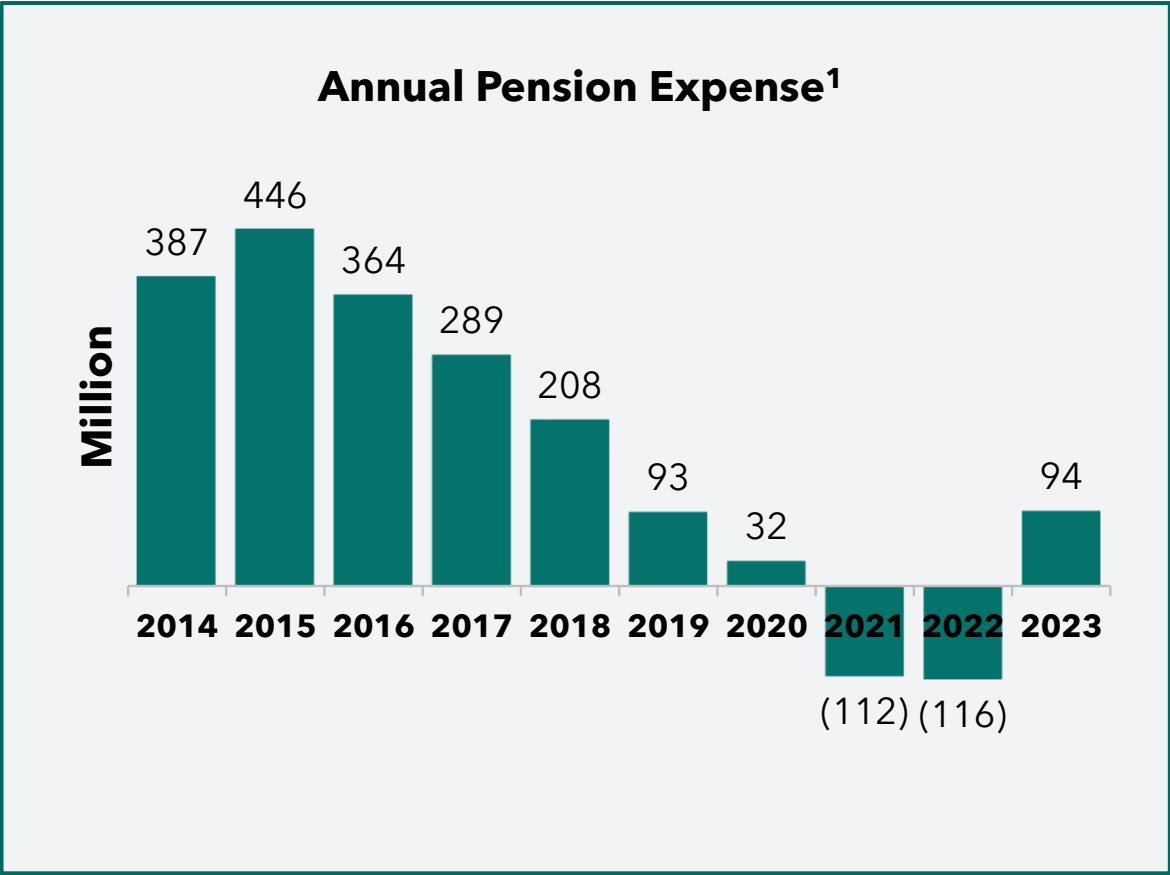
## 2023 Highlights

- Limited near-term maturities
- Qualified pension plan fully funded
- \$3.0B of backup liquidity/cash at year end

# Debt Maturity Profile | Maturities as of December 31, 2023



# Pension Plan Update | as of December 31, 2023

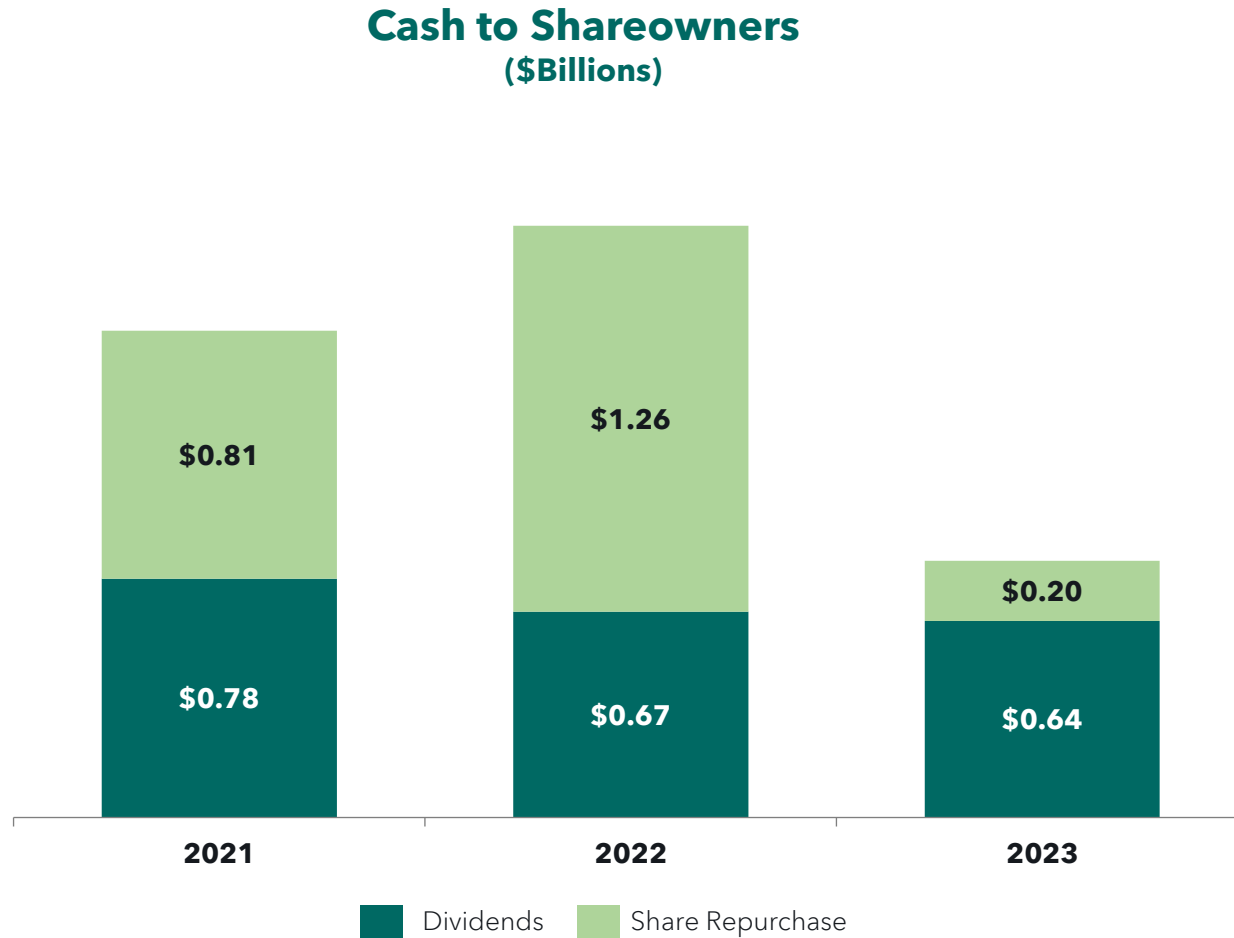


Key Variables	2021	2022	2023
Assumed Rate of Return	6.40%	6.00%	6.50%
Discount Rate	2.90%	5.40%	5.10%

Average Annualized Return <sup>2</sup>	
2023	7.3%
Past Five Years	6.9%
Past Ten Years	6.4%

Portfolio Asset Allocation			
	2023 Target	12/31/2023 Actual	12/31/2022 Actual
Hedging Assets	61% - 72%	66%	64%
Return Seeking Assets	28% - 39%	34%	36%

# Cash to Shareowners



## Key Principles

- Competitive Dividend
- Opportunistic share repurchases

# Financial Metrics & Trends



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# Full-Year 2023 Financials

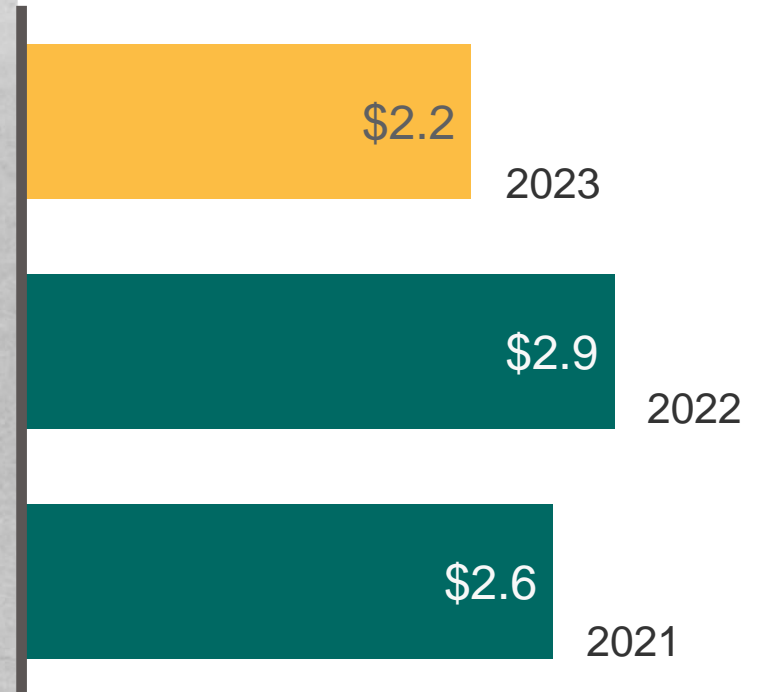
	2021	2022	<b>2023</b>
Sales (\$B)	\$19.4	\$21.2	<b>\$18.9</b>
Adjusted EBIT <sup>1</sup> (\$B)	\$1.5	\$1.8	<b>\$1.2</b>
Adjusted Operating EPS <sup>2</sup>	\$2.41	\$3.18	<b>\$2.16</b>
Adjusted EBITDA <sup>1</sup> (\$B)	\$2.6	\$2.9	<b>\$2.2</b>
Adjusted EBITDA Margin <sup>1</sup>	13.4%	13.5%	<b>11.8%</b>
Free Cash Flow <sup>3</sup> (\$B)	\$1.5	\$1.2	<b>\$0.7</b>

2023 Earnings impacted by lower demand and cost inflation

All earnings metrics have been adjusted to reflect the prior Ilim JV as discontinued operations

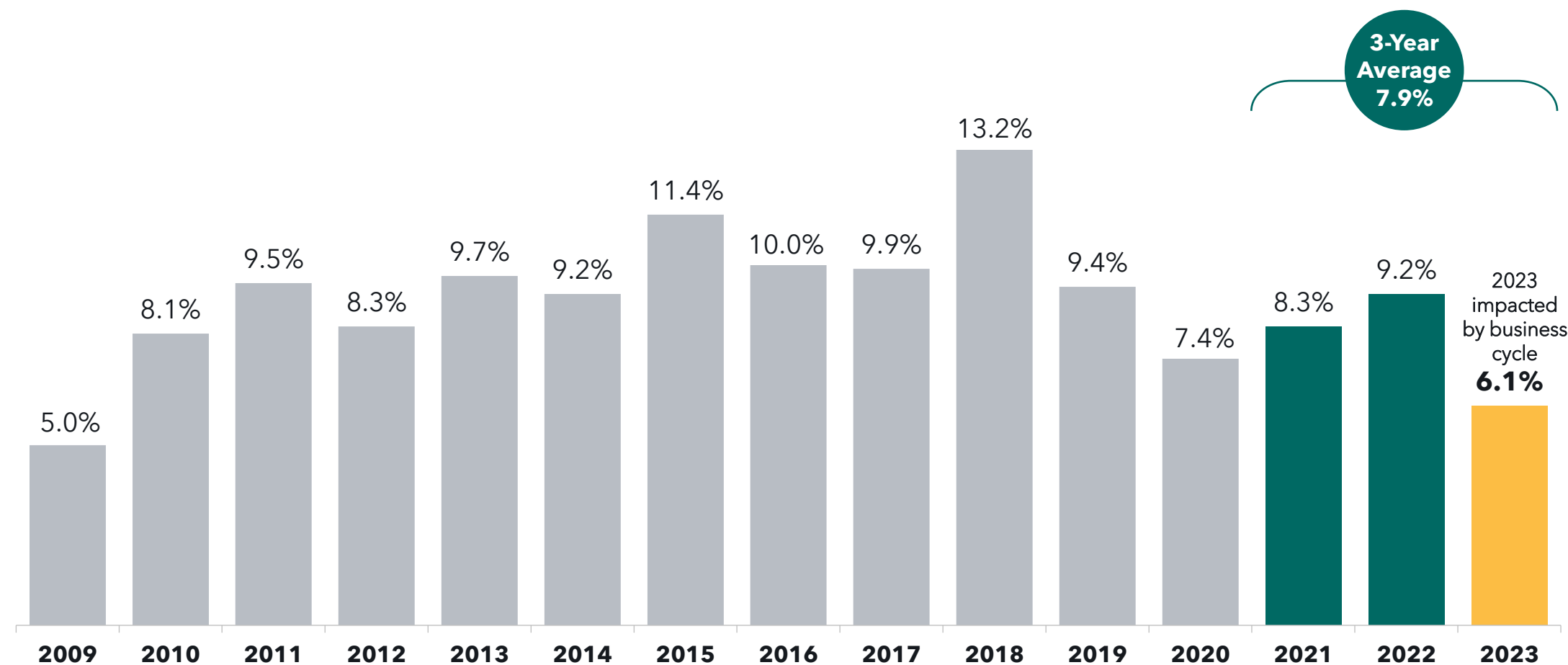
Free Cash Flow for 2023 includes \$(193)MM final settlement with IRS for Timber Monetization

## Adjusted EBITDA<sup>1</sup> (\$B)

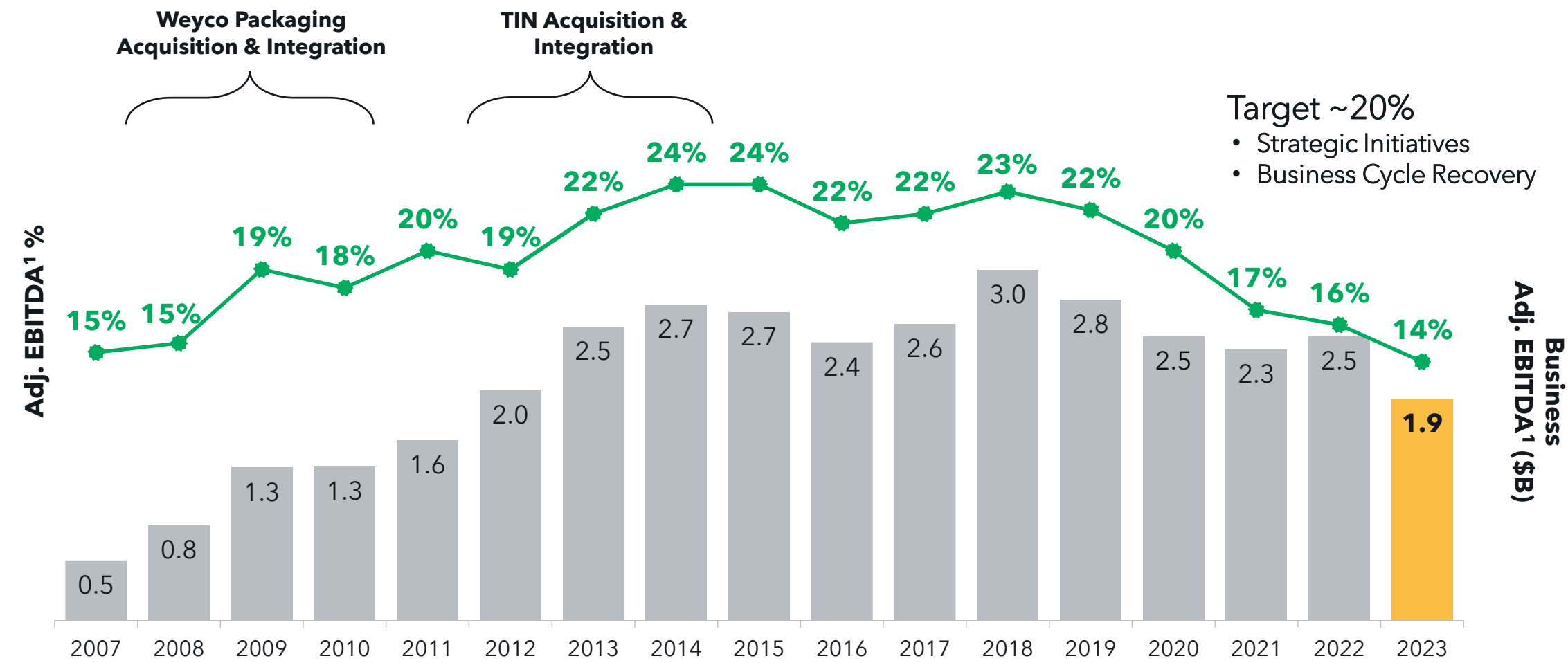




# Adjusted Return on Invested Capital<sup>1</sup>



# N.A. Industrial Packaging



Source: IP data and analysis

# Free Cash Flow<sup>3</sup>

\$ Million	2021	2022	2023
<b>Cash Provided by Operations</b>	<b>\$2,030<sup>1</sup></b>	<b>\$2,174</b>	<b>\$1,833<sup>2</sup></b>
Cash Invested in Capital Projects, Net of Insurance Recoveries	\$(549)	\$(931)	\$(1,141)
<b>Free Cash Flow</b>	<b>\$1,481</b>	<b>\$1,243</b>	<b>\$692</b>

<sup>1</sup>2021 cash provided by operations includes tax payments of ~\$0.5B related to timber monetization transactions and CARES Act payroll tax deferral

<sup>2</sup>2023 cash provided by operations includes tax payments of ~\$0.2B related to timber monetization settlement

# Select Financial Metrics<sup>1</sup>

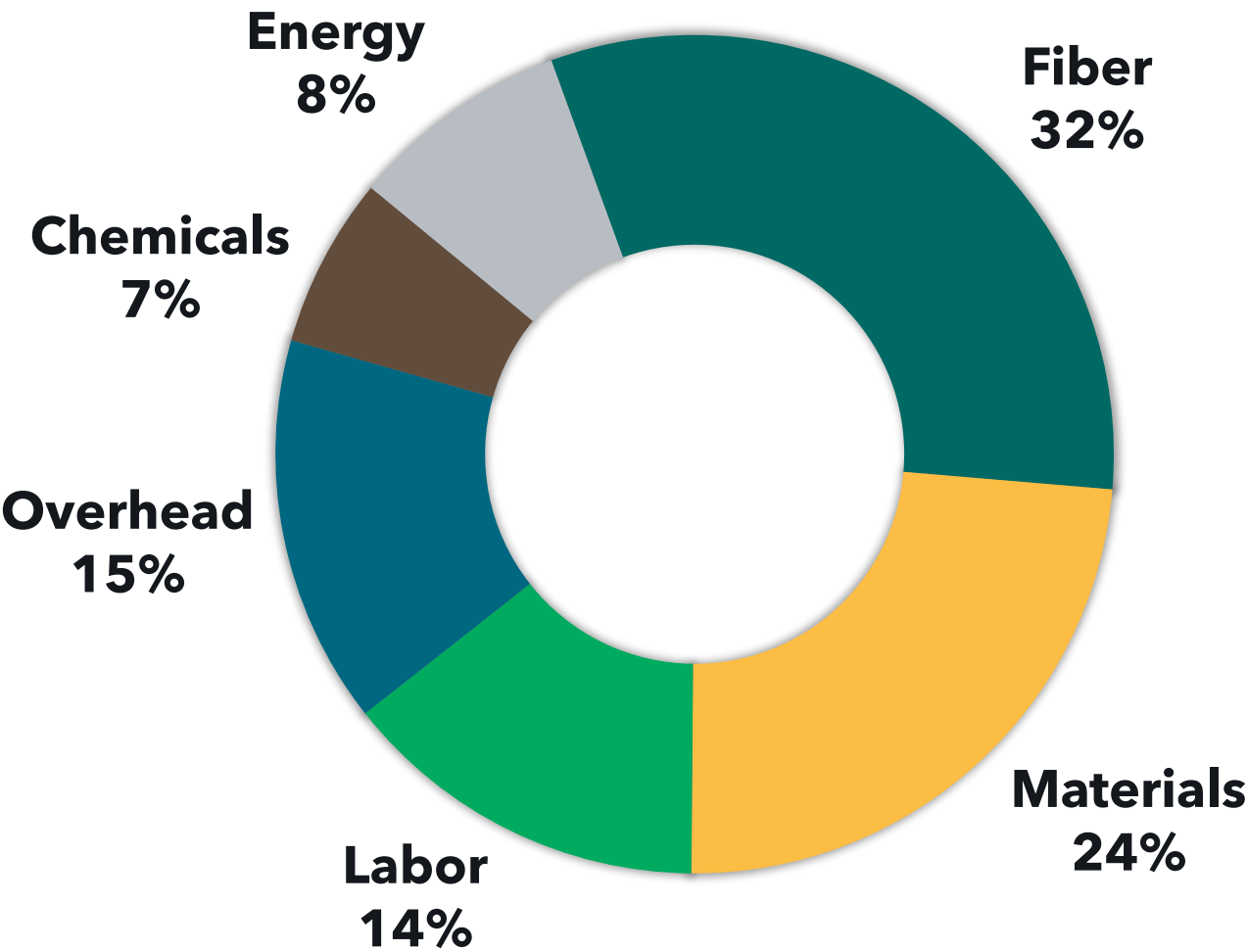
\$ Million		2022	2023	2024F
<b>Maintenance Outage Expense</b>		\$601	\$593	\$533
<b>Capex</b>	<b>Maintenance &amp; Regulatory</b>	\$649	\$815	Targeting \$800 - \$1,000
	<b>Cost Reduction</b>	\$50	\$85	
	<b>Strategic</b>	\$232	\$241	
<b>Depreciation &amp; Amortization<sup>2</sup></b>		\$1,040	\$1,010	\$1,040
<b>Net Interest Expense<sup>3</sup></b>		\$267	\$234	\$220
<b>Corporate Expense</b>		\$34	\$27	\$70 - \$80

# Cost Overview & Trends



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# Total Cash Components | 2023



North American mills only

Investor Roadshow 10/11/2024



# Global Consumption | 2023 Annual Purchases for Key Inputs

	Commodity	North America	EMEA
Energy	Natural Gas (MMBTUs)	87,000,000	2,200,000
	Fuel Oil (Barrels)	190,000	70,000
Fiber	Wood (Tons)	44,000,000	0
	Old Corrugated Containers / DLK (Tons)	4,500,000	540,000
Chemicals	Caustic Soda (Tons)	330,000	900
	Starch (Tons)	240,000	58,500

North America excludes converting facilities

# Footnotes & Contacts



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# Footnotes

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<sup>1</sup> Based on 2023 sales. Corporate and Intersegment Sales attributed to Industrial Packaging.

## Slide 7

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## Slide 11

<sup>1</sup> All EBITDA reflects Adjusted EBITDA, Medium Term target reflects a mid-cycle environment. The Company is unable to provide a reconciliation of the medium-term EBITDA target, a forward-looking non-GAAP financial measure, presented on this slide without unreasonable efforts. The Company is unable to provide a reconciliation of this forward-looking non-GAAP financial measure as the result of the fact that this target is a composite of our goals for our results over time, and from the inherent difficulty in forecasting generally and quantifying the components of this target that would be necessary to provide any such reconciliation. In addition, actual performance may vary from the target set forth above for a variety of reasons, including known and unknown risks and uncertainties.

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<sup>1</sup> Includes Saturating / Kraft Gypsum Liner.

## Slide 39

<sup>1</sup> Includes modified absorbent products.

## Slide 41

<sup>1</sup> North American production. Combined businesses, with Riegelwood PM18 running SW market pulp.

## Slide 46

<sup>1</sup> Moody's methodology is used to calculate Adjusted Debt to EBITDA ratio. Moody's adjusts debt to include balance sheet debt, operating leases/deferred tax liability and debt issuance expense, and pension gap. EBITDA is adjusted to include lease and pension adjustments (non-GAAP).

<sup>2</sup>(FCF) Free Cash Flow, a non-GAAP financial measure, which equals cash provided by operations less cash invested in capital projects. See slide #56 for a reconciliation of cash provided by operations to Free Cash Flow

## Slide 48

<sup>1</sup> Includes amounts reported as discontinued operations. Moody's methodology is used to calculate Adjusted Debt to EBITDA ratio. Moody's adjusts debt to include balance sheet debt, operating leases/deferred tax liability and debt issuance expense, and pension gap. EBITDA is adjusted to include lease and pension adjustments (non-GAAP).

# Footnotes

## Slide 50

Pension expense reflects service cost, interest cost, amortization of actuarial losses and expected return on plan assets

For the past 10 years, IP Pension Plan performance ranked in the top decile of the State Street Bank Corporate and Public Master Trust Universe of approximately 200 observations

<sup>1</sup> Non-cash expense for U.S. plans only

<sup>2</sup> Through December 2023

## Slide 53

<sup>1</sup> Adjusted EBIT at a segment level is Business Segment Operating Profit for such segment defined as earnings (loss) from continuing operations before income taxes and equity earnings, but including the impact of less than wholly owned subsidiaries, and excluding interest expense, net, corporate expenses, net, corporate net special items, business net special items and non-operating pension expense. Business segment operating profit at a segment level is a measure reported to our management for purposes of making decisions about allocating resources to our business segments and assessing the performance of our business segments and is presented in our financial statement footnotes in accordance with ASC 280. A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

<sup>2</sup> Adjusted operating EPS, a non-GAAP financial measure based on Adjusted Operating Earnings (defined as Net Earnings from Continuing Operations (GAAP) before net special items and non operating pension expense (income)). All periods have been adjusted to reflect the Ilim JV as discontinued operations. A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

<sup>3</sup> See slide #56 for a reconciliation of cash provided by operations to Free Cash Flow, a non-GAAP financial measure, which equals cash provided by operations less cash invested in capital projects.

## Slide 54

Years 2009-2012 are as reported in the 10-K for each year at time of filing. Years 2013-2017 restated to reflect N.A. Consumer Packaging and xpedx as discontinued operations. Years 2019-2021 restated to reflect Printing Papers as discontinued operations. Years 2020-2023 restated to reflect Ilim JV as a discontinued operation.

<sup>1</sup> Adjusted ROIC, a non-GAAP financial measure, is calculated by Adjusted Operating Earnings Before Net Interest (also a non-GAAP measure) / Average Invested Capital. Average Invested Capital equals Equity (adjusted to remove pension related amounts in OCI, net of tax) plus Interest-bearing Debt. Adjusted Operating Earnings Before Net Interest Expense is a non-GAAP financial measure, and the most directly comparable GAAP measure is Earnings (Loss) From Continuing Operations Before Income Taxes and Equity Earnings. A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

## Slide 55

Excludes the Recycling Business and revenue from trade volumes

<sup>1</sup> IP Adjusted EBITDA margins based on North American Industrial Packaging operating profit before special items and non-operating pension expense (income) (non-GAAP). A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

## Slide 56

<sup>3</sup> Free Cash Flow, a non-GAAP financial measure, reflects cash provided by operations less cash invested in capital projects.

## Slide 57

<sup>1</sup> Before special items

<sup>2</sup> Excludes special items expense of \$422 million and \$5 million for 2023 and 2024, respectively.

<sup>3</sup> Excludes special items interest expense of \$58 million, net interest income of \$3 million and interest income of \$10 million for 2022, 2023 and 2024, respectively.



# International Paper

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