



**International  
Paper**

## Second Quarter 2024 Earnings

July 24, 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, as amended. 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 targets and goals with respect to climate change and the emission of greenhouse gases and other environmental, social and governance matters, including our ability to meet such targets and goals; (iv) loss contingencies and pending, threatened or future litigation, including with respect to environmental related matters; (v) 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); (vi) 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, cyclical and changes in consumer preferences, demand and pricing for our products, and conditions impacting the credit, capital and financial markets; (vii) risks arising from conducting business internationally, domestic and global geopolitical conditions, military conflict (including the Russia/Ukraine conflict, the conflict in the Middle East, 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; (viii) the amount of our future pension funding obligations, and pension and healthcare costs; (ix) the costs of compliance, or the failure to comply with, existing and new environmental (including with respect to climate change and GHG emissions), tax, labor and employment, privacy, anti-bribery and anti-corruption, and other U.S. and non-U.S. governmental laws and regulations; (x) 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; (xi) our ability to realize expected benefits and cost savings associated with restructuring initiatives; (xii) cybersecurity and information technology risks, including as a result of security breaches and cybersecurity incidents; (xiii) our exposure to claims under our agreements with Sylvamo Corporation; (xiv) our failure to realize the anticipated benefits of the spin-off of Sylvamo Corporation and the qualification of such spin-off as a tax-free transaction for U.S. federal income tax purposes; and (xv) our ability to attract and retain qualified personnel. 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.

## 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>.

## 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.

### Additional Information

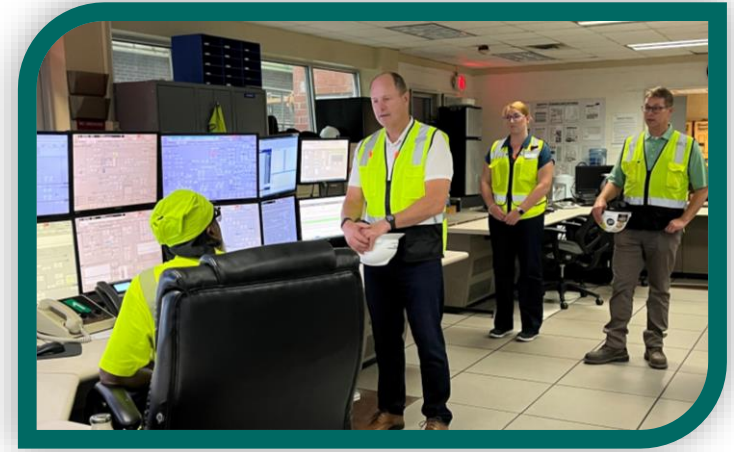
This release may be deemed to be solicitation material in respect of the proposed business combination with DS Smith Plc (the "Business Combination"), including the issuance of new shares of International Paper common stock ("Common Stock") in connection with the Business Combination (the "Share Issuance"). In connection with the proposed Share Issuance, International Paper expects to file a proxy statement on Schedule 14A, including any amendments and supplements thereto (the "Proxy Statement") with the United States Securities and Exchange Commission (the "SEC") in later summer/early autumn. To the extent International Paper effects the Business Combination as a scheme of arrangement under the laws of the United Kingdom, the Share Issuance would not be expected to require registration under the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "Securities Act"), pursuant to an exemption provided by Section 3(a)(10) under the Securities Act. In the event that International Paper determines to conduct the Business Combination pursuant to an offer or otherwise in a manner that is not exempt from the registration requirements of the Securities Act, it will file a registration statement with the SEC containing a prospectus with respect to the Share Issuance. INVESTORS AND STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT, THE SCHEME DOCUMENT, AND OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC OR INCORPORATED BY REFERENCE IN THE PROXY STATEMENT (IF ANY) CAREFULLY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT INTERNATIONAL PAPER, THE BUSINESS COMBINATION AND RELATED MATTERS. Investors and stockholders will be able to obtain free copies of the Proxy Statement, the scheme document, and other documents filed by International Paper with the SEC at the SEC's website at <http://www.sec.gov>. In addition, investors and stockholders will be able to obtain free copies of the Proxy Statement, the scheme document, and other documents filed by International Paper with the SEC at <https://www.internationalpaper.com/investors>.

### Participants in the Solicitation

International Paper and its directors, officers and employees, including Mark S. Sutton, chairman of the Board, Andrew K. Silvernail, also chief executive officer, Jamie A. Beggs, Christopher M. Connor, Ahmet C. Dorduncu, Anders Gustafsson, Jacqueline C. Hinman, Clinton A. Lewis, Jr., Kathryn D. Sullivan, Scott A. Tozier and Anton V. Vincent, all of whom are members of International Paper's board of directors as well as Timothy S. Nicholls, Senior Vice President and Chief Financial Officer, may be deemed participants in the solicitation of proxies from International Paper's stockholders in respect of the Business Combination, including the proposed Share Issuance. Information regarding International Paper's directors and executive officers is contained in (i) the "Directors, Executive Officers and Corporate Governance," "Executive Compensation" and "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" sections of the Annual Report on Form 10-K for the fiscal year ended December 31, 2023 of International Paper, which was filed with the SEC on February 16, 2024; (ii) the "Item 1 - Election of 9 Directors," "Compensation Discussion & Analysis (CD&A)," and "Security Ownership of Management" sections in the definitive proxy statement for the 2024 on Schedule 14A annual meeting of stockholders of International Paper, which was filed with the SEC on April 2, 2024; and (iii) our Current Reports on Form 8-K filed with the SEC on March 19, 2024 and May 23, 2024. Additional information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the Proxy Statement relating to the Business Combination when it is filed with the SEC. These documents may be obtained free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov) and the Company's website at <https://www.internationalpaper.com/investors>.

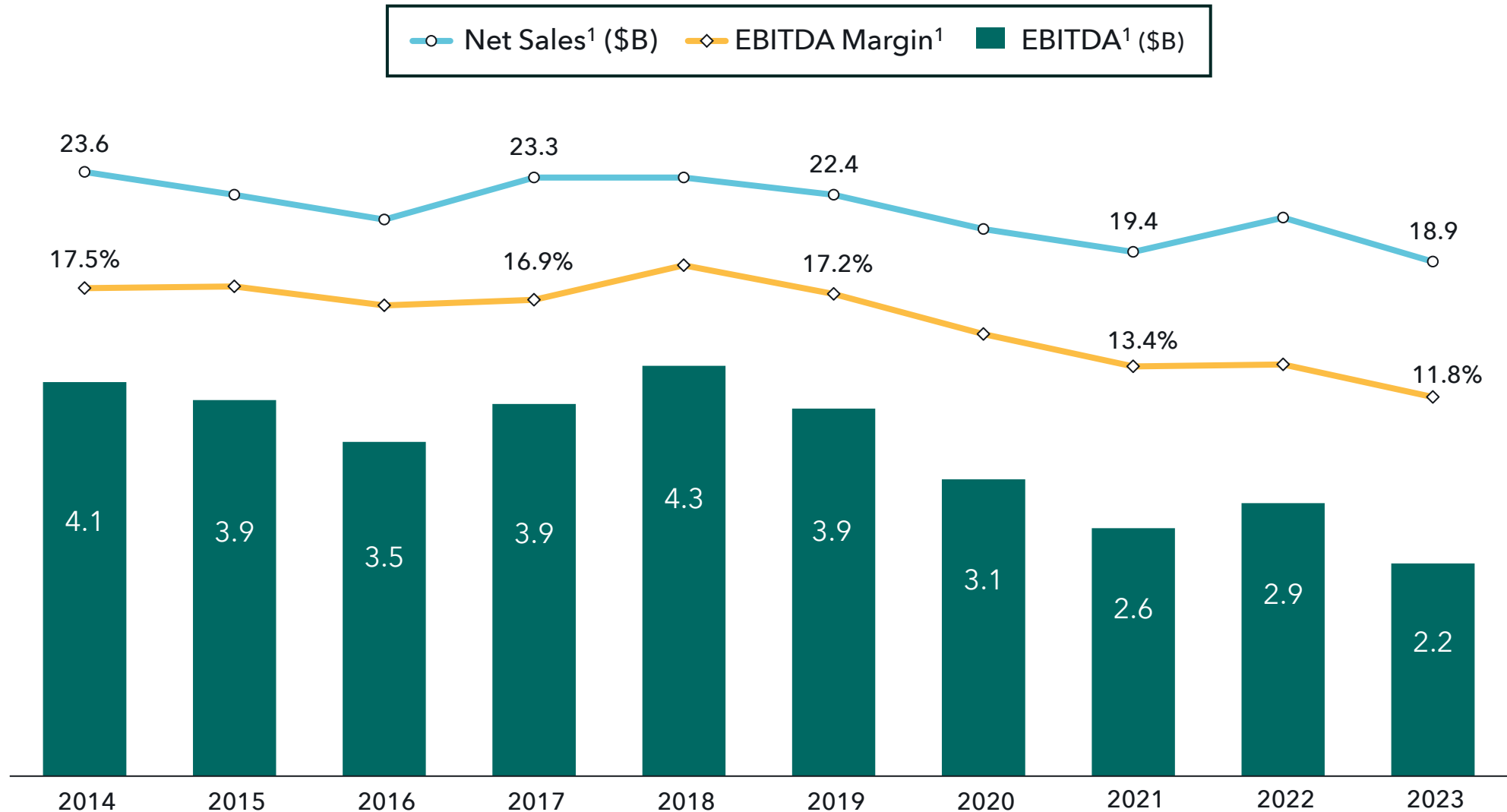
# Andy Silvernail | First 90 Days

- Why IP
- Learning Journey
- Early Insights

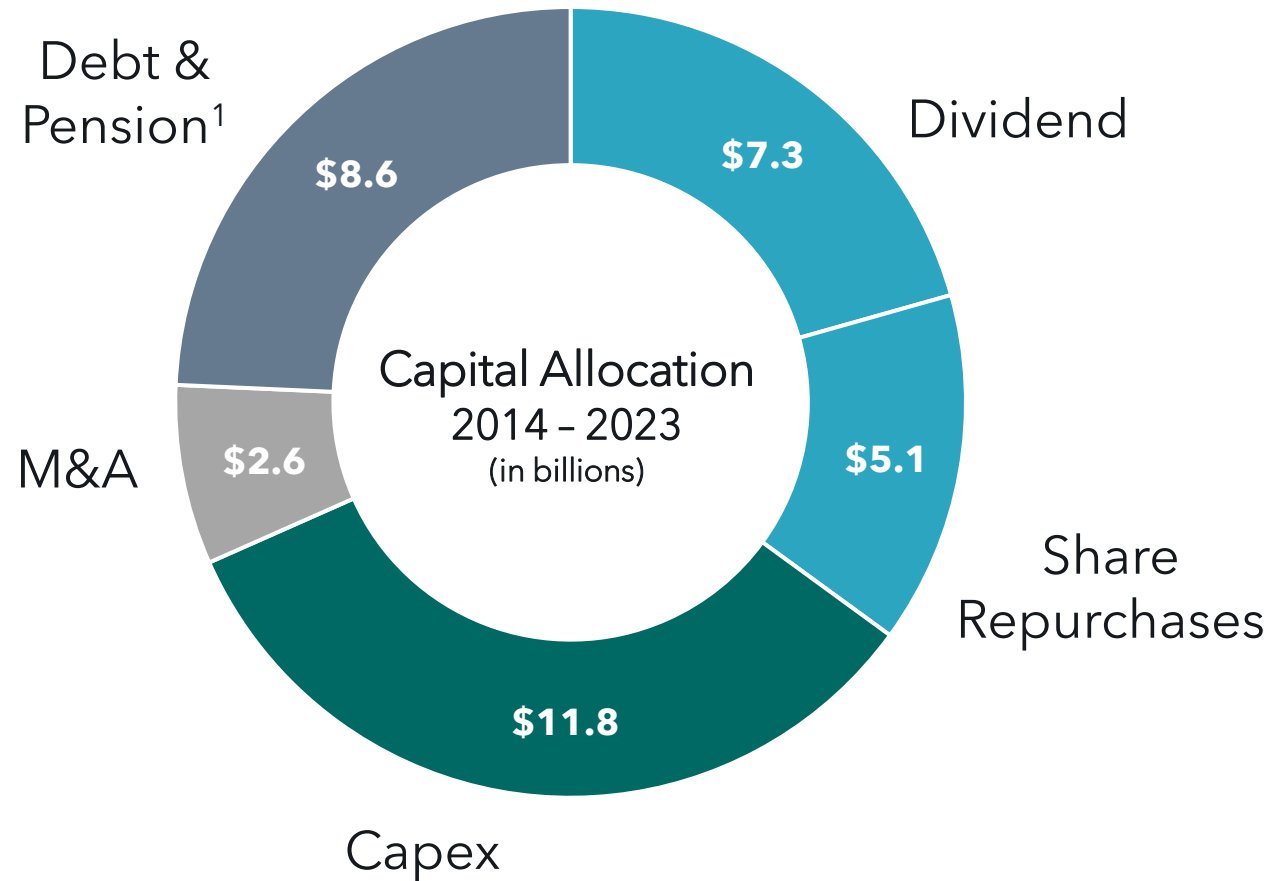


# IP's Challenge

# IP's Challenged Decade of Performance ...



# ... While Deploying More Than \$35B of Cash...

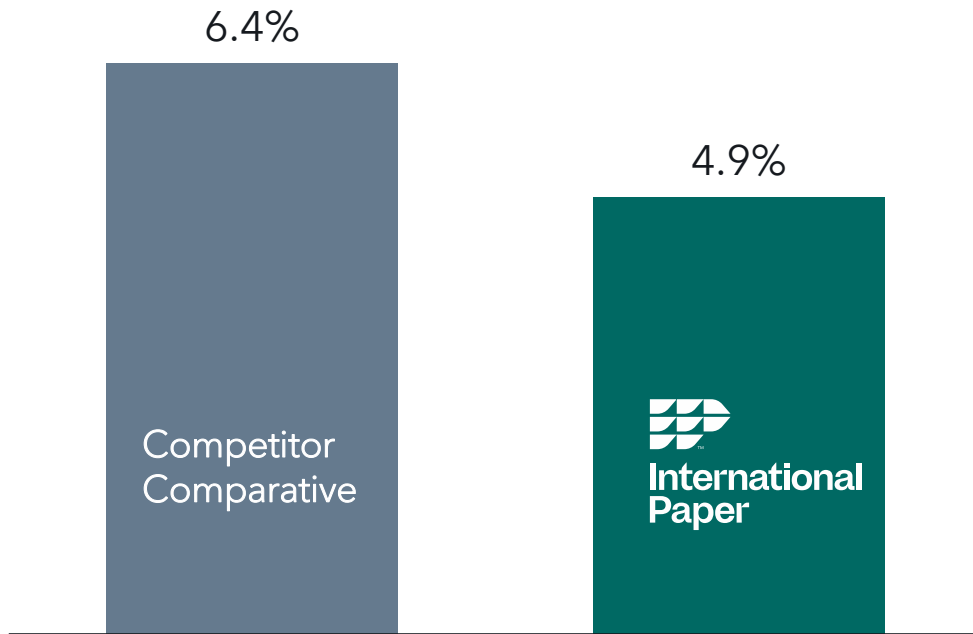


- 35% Returned to Shareholders
- 33% Reinvested in Businesses
- 24% Strengthened Balance Sheet
- 8% M&A

# ... But Significantly Underinvested in Reliability, Capability & Productivity

## Underinvested in capital relative to competitors

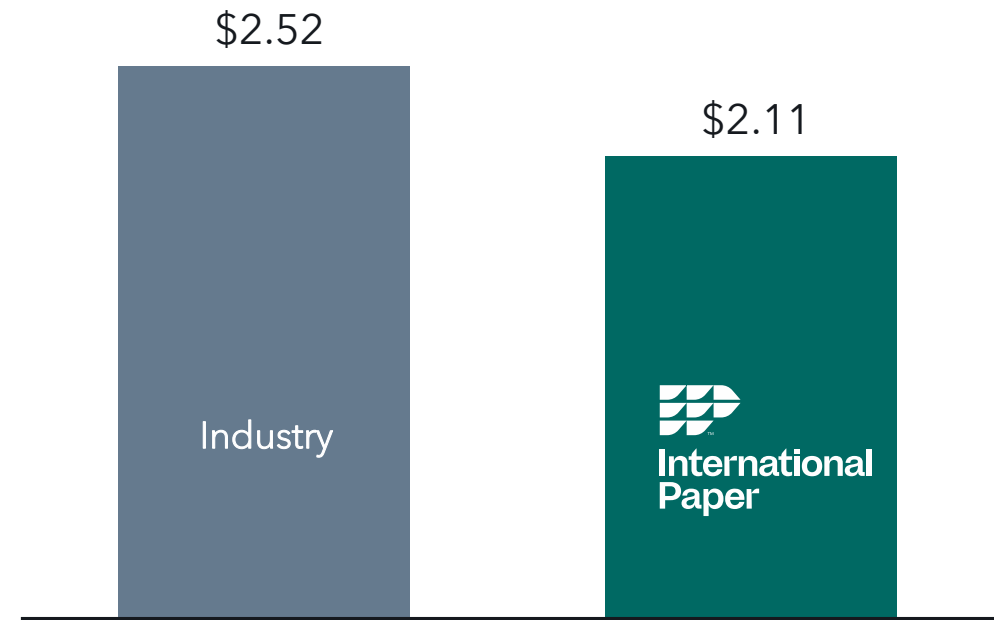
Capex as a % of revenue (2018-2023 avg.)



Source: Public filings<sup>1</sup>

## Box business underspent in maintenance expense relative to industry

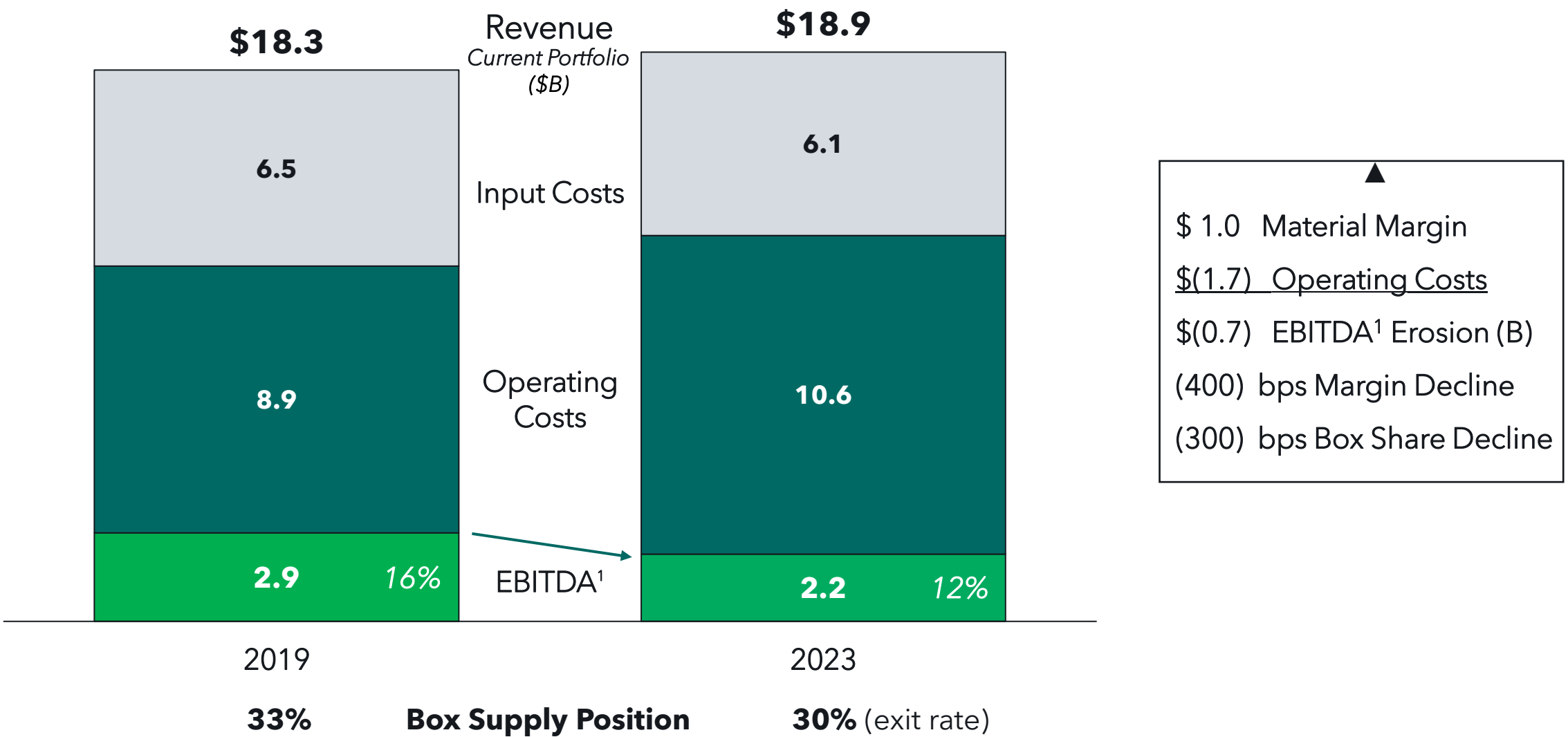
Maintenance \$ per MSF (2018-2023 avg.)



Source: FBA



# ... While Cost Creep and Share Loss Eroded Earnings on Current Portfolio



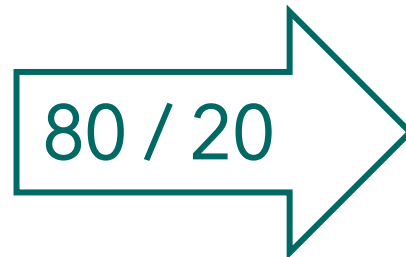
# 90 Day Insights

## Build From

- Ethical culture
- Talented, experienced team
- NA IPG franchise
- Solid balance sheet

## Improve

- Customer-driven strategy
- Cost structure
- Team alignment
- Performance: culture & results



# Performance & Outlook

# Second Quarter 2024 Highlights

	2Q23	1Q24	<b>2Q24</b>
Sales (\$B)	\$4.7	\$4.6	<b>\$4.7</b>
Adjusted EBIT <sup>1</sup> (\$MM)	\$326	\$147	<b>\$300</b>
Adjusted Operating EPS <sup>2</sup>	\$0.59	\$0.17	<b>\$0.55</b>
Adjusted EBITDA <sup>1</sup> (\$MM)	\$570	\$420	<b>\$561</b>
Adjusted EBITDA Margin <sup>1</sup>	12.2%	9.1%	<b>11.9%</b>
Free Cash Flow <sup>3</sup> (\$MM)	\$261	\$144	<b>\$167</b>

All earnings metrics have been adjusted to reflect the prior Ilim JV as discontinued operations. Please see the footnotes at the end of this presentation as well as the Investors section of our website ([www.internationalpaper.com](http://www.internationalpaper.com)) for more information on non-GAAP financial measures, definitions and reconciliations to most comparable U.S. GAAP measures.

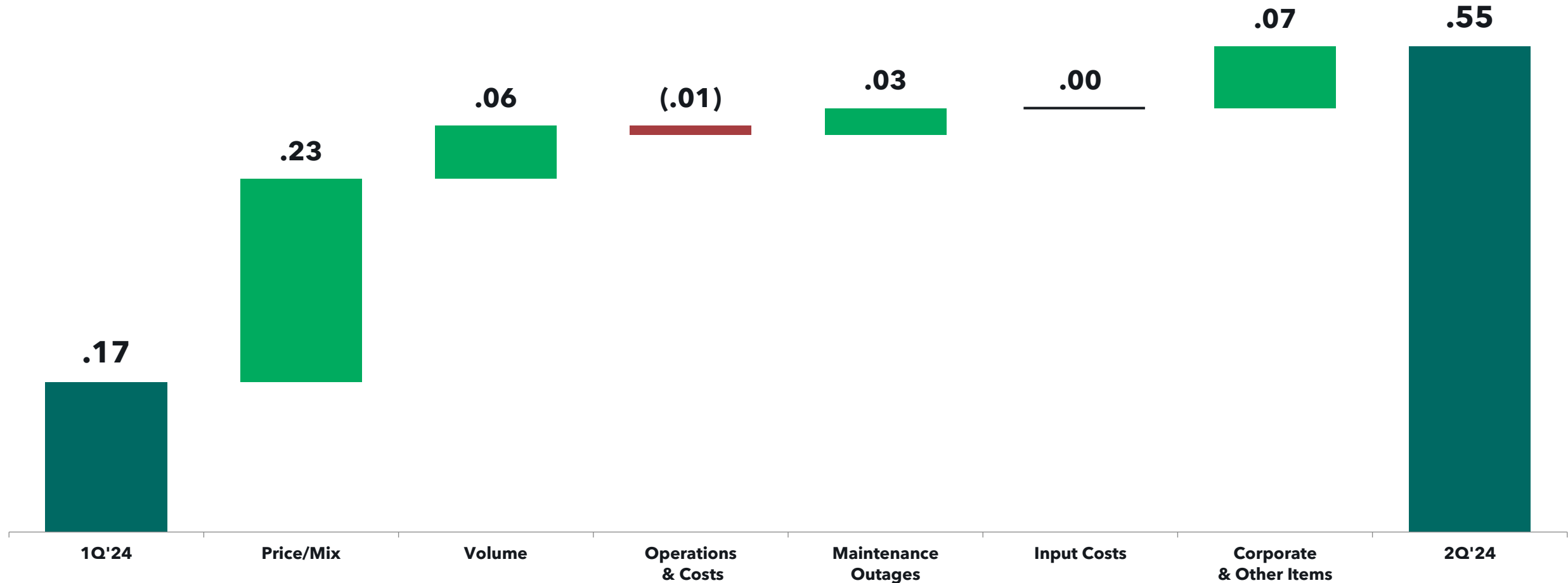
## 2Q24 Performance

- Sequential earnings increased; flat YoY
- Higher sales prices and seasonally stronger packaging volume
- Stable to moderate demand growth; IP lagging industry from Box Go-to-Market strategy
- Higher spending for reliability

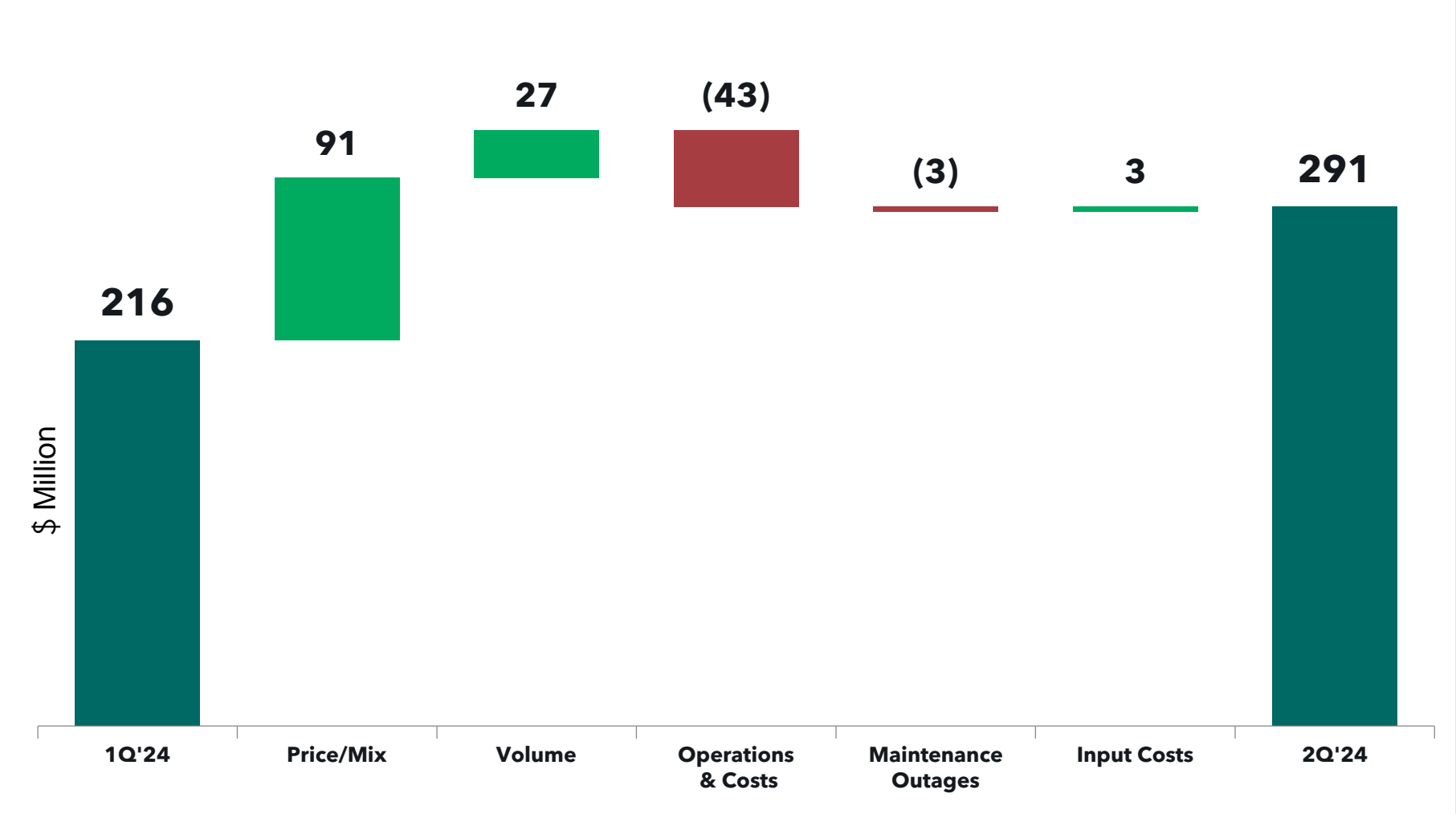
## 3Q24 Outlook

- Expect sequentially lower earnings due to volume decline and higher costs, offsetting benefits from prior price index increases

# 2Q24 vs 1Q24 Adjusted Operating EPS<sup>1</sup>



# Industrial Packaging | 2Q24 vs 1Q24 Adjusted EBIT<sup>1</sup>



Higher price/mix, including:  
 \$45MM Index movement  
 \$25MM Box Go-to-Market strategy  
 \$21MM Higher export & mix

Demand trends stable to improving

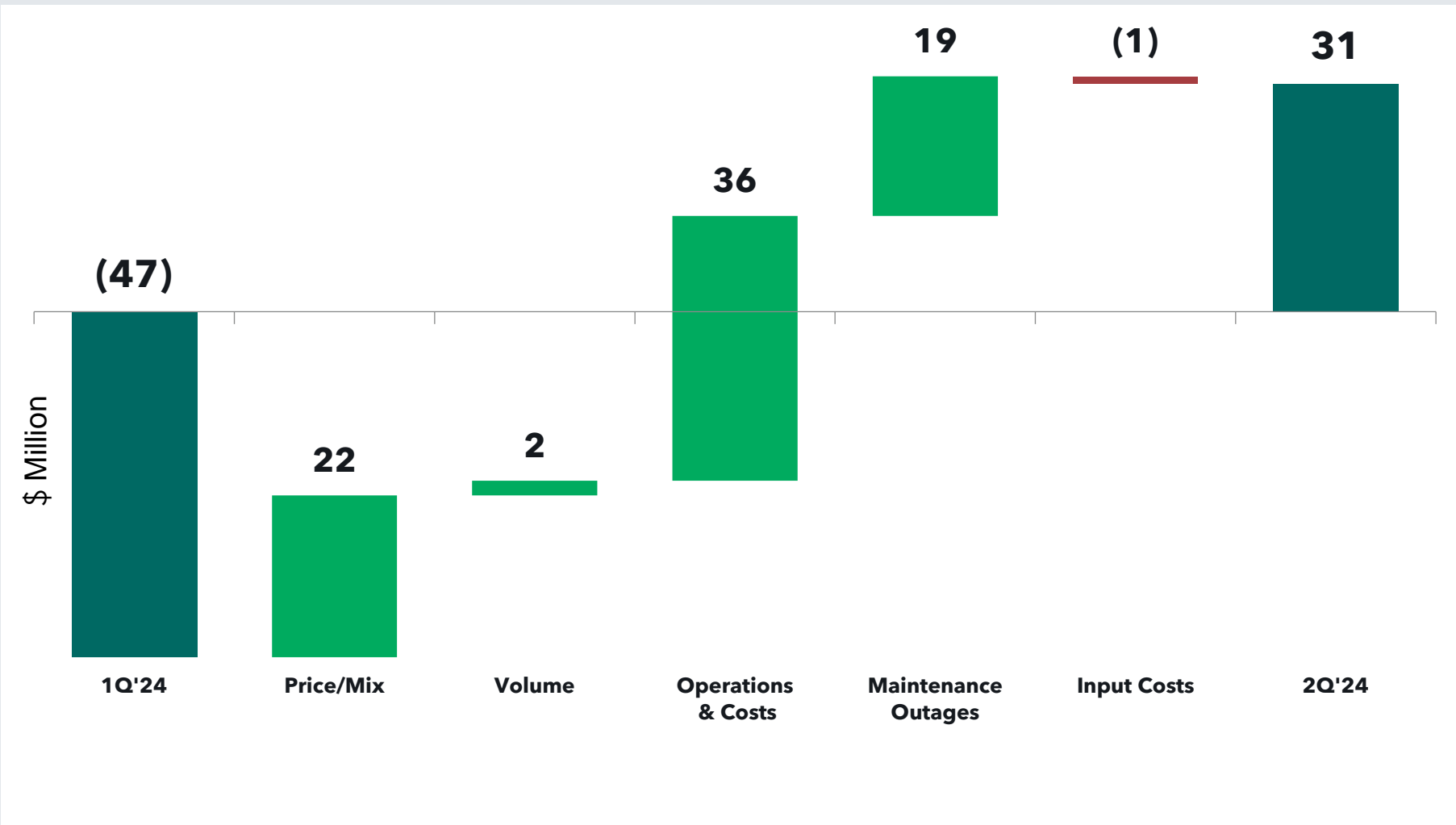
Seasonally stronger volume plus one additional shipping day vs. 1Q

IP U.S. box shipments -7.2% YoY /day, impacted by Box Go-to-Market strategy

Ops & Costs impacted by inflation, higher S&A, and spending to improve reliability

Lower energy offset higher OCC

# Global Cellulose Fibers | 2Q24 vs 1Q24 Adjusted EBIT<sup>1</sup>



Higher price/mix from price index movement and Optimization strategy

Higher fluff volume, offset by reduction in commodity pulp

Ops & Costs favorably impacted by mill efficiencies following pulp machine closure, and timing

# Third Quarter Earnings Outlook | Changes from 2Q24

	Industrial Packaging	Cellulose Fibers
Price & Mix	Prior index movement & export YTD (+) Box Go-to-Market strategy (+)	Prior index movement (+)
Volume	N.A. 1 less day (-) Seasonality (-) Box Go-to-Market strategy (-)	Seasonality (-)
Ops & Costs	Reliability spending (-) Seasonal labor/benefits & timing (-) Higher unabsorbed fixed costs (-)	Distribution costs & timing (-) Higher unabsorbed fixed costs (-)
Maintenance Outages	\$44MM higher	\$25MM lower
Inputs & Freight	Higher energy, OCC and chemicals (-)	Stable
Other	<ul style="list-style-type: none"> <li>FY24 corporate expense of \$70MM - \$80MM</li> <li>FY24 interest expense of ~\$220MM</li> <li>FY24 operational tax rate outlook of 20% - 22%<sup>1</sup></li> </ul>	



# 80/20 Strategic Approach

Improved Focus & Alignment  
Drives Significant Improvement

# Four Steps to 80/20



## 1. Simplify

Choose our crops



## 2. Segment

Separate tomatoes and pumpkins



## 3. Resource

Only water as needed

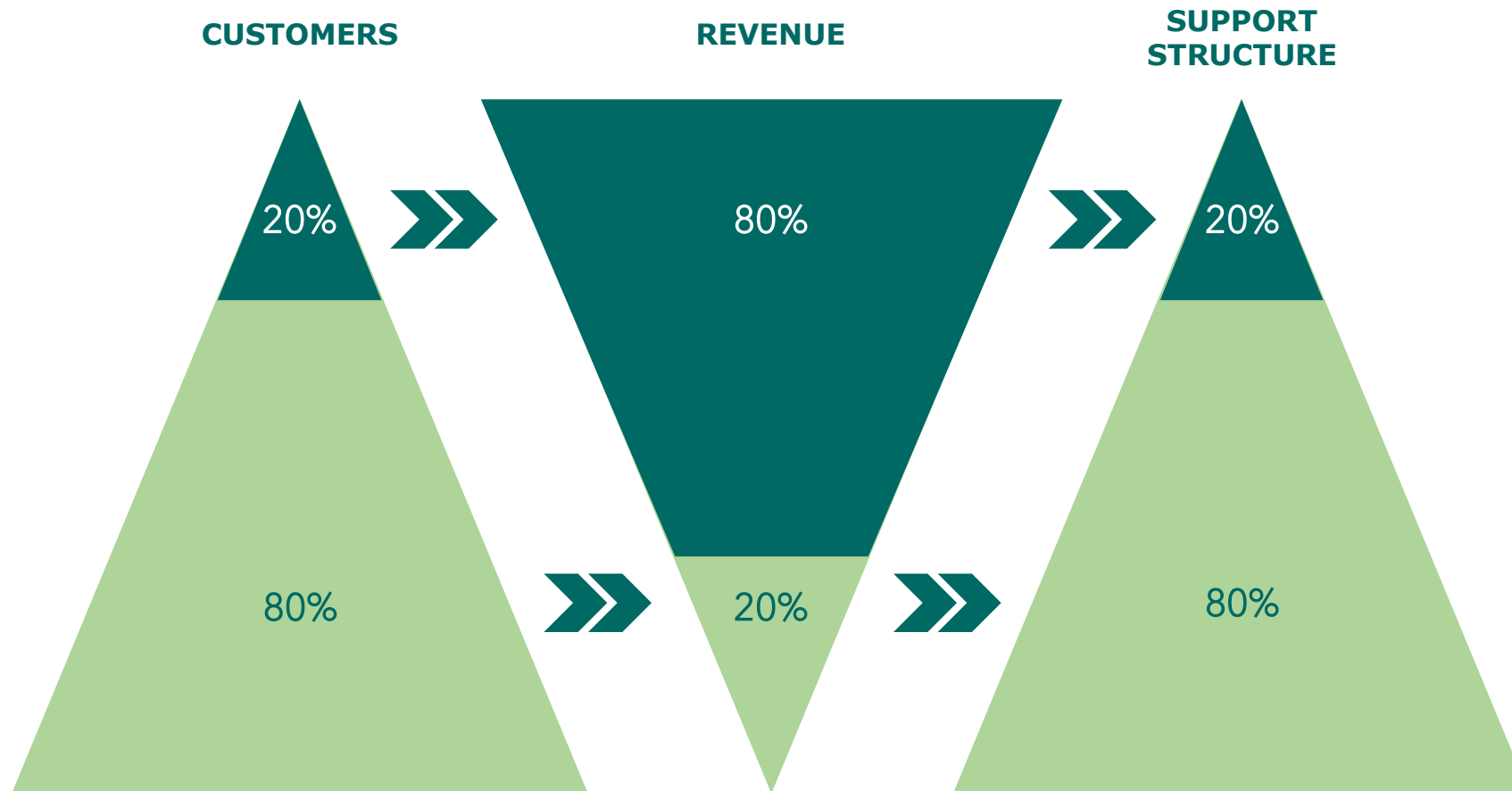


## 4. Growth

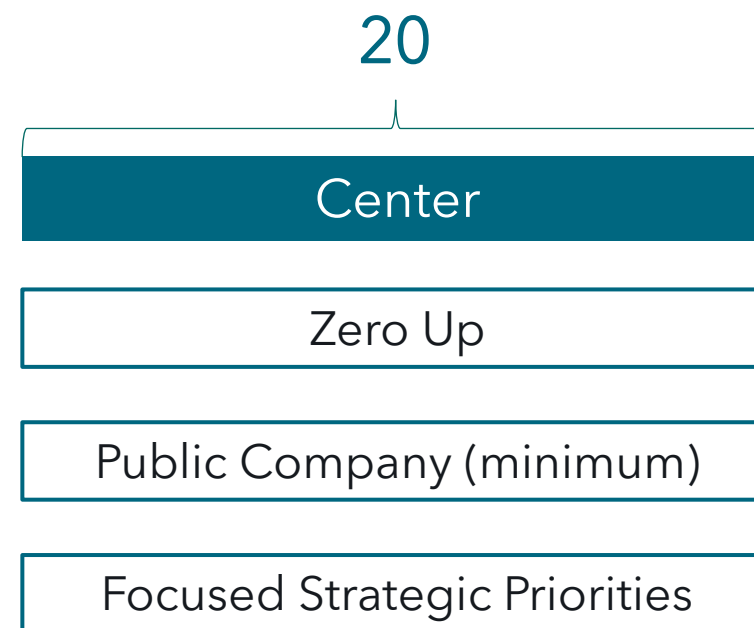
Fertilize & Harvest

*A Differentiated Approach to Winning*

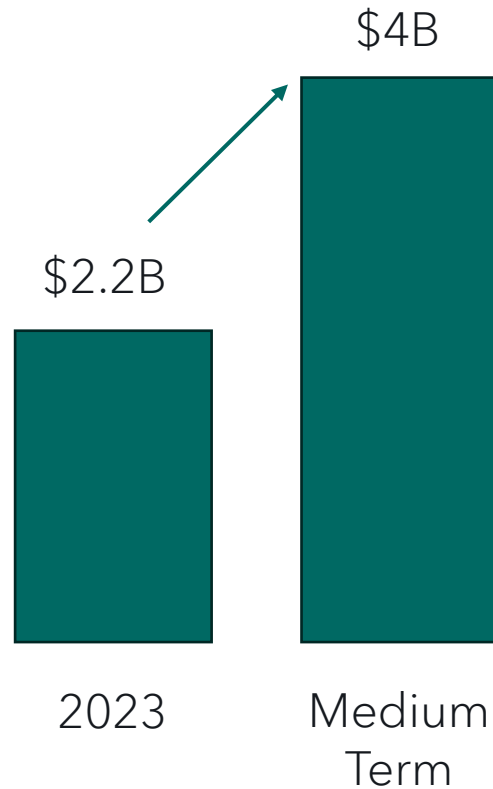
# Aligning Resources with Opportunity



# IP's 80/20 Approach to Resource Allocation - Future State



# 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

# Next Steps

- Accelerate 80/20 strategy work
- Investor roadshow
- Shareholder vote – DS Smith
- October update – earnings call
- Investor Day

# Q&A



# International Paper

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# Appendix & Footnotes



# N.A. Corrugated Packaging | Demand Trends

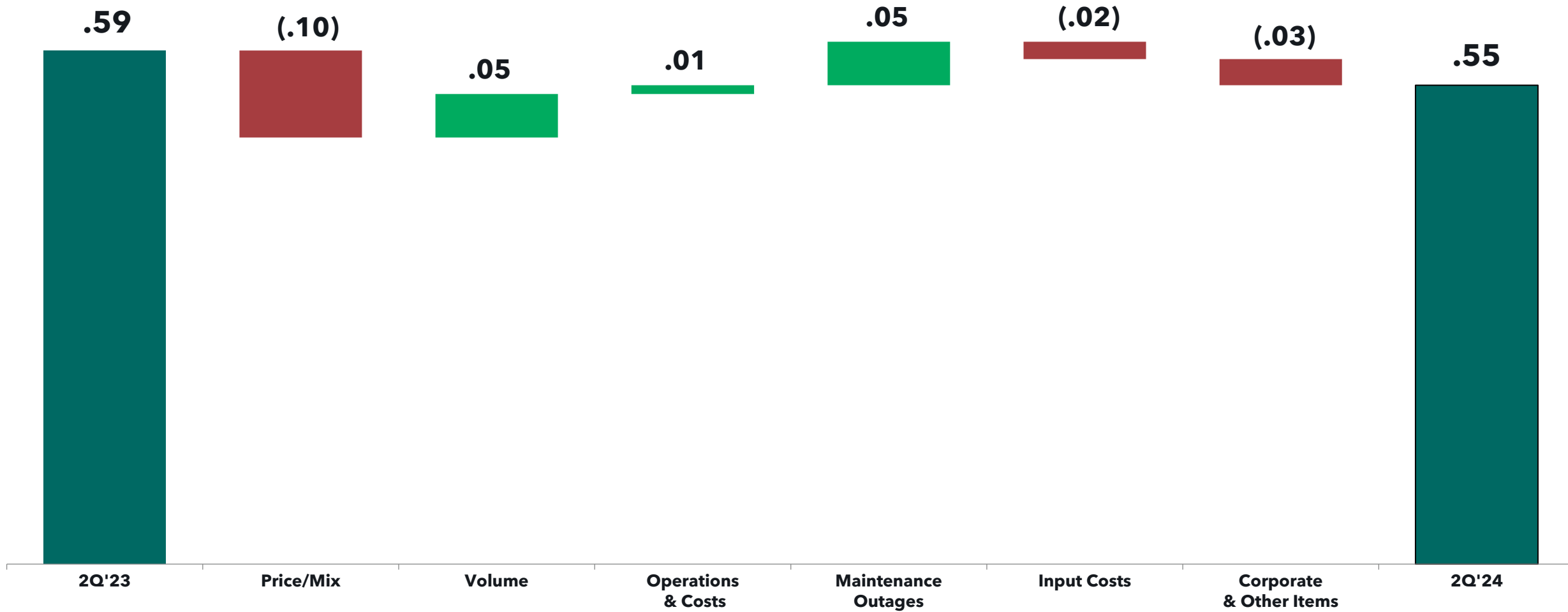
Customer Segment	Industry Mix	IP View of Demand Trends
<b>E-commerce, Shipping &amp; Distribution</b> E-commerce Shipping & Distribution	~20%	<b>Improving</b> Strong growth from consumer preferences for online retail Favorable trend post destocking
<b>Food &amp; Beverage</b> Fresh Produce Processed Food & Beverage Protein	~45%	<b>Stable w/ expected improvement</b> "Make at home" focus; Favorable harvest season in 2Q Push for volume as producers / retailers run promotions Improving production with some supply chain headwinds
<b>Durables &amp; Non-Durables</b> Chemicals & Pharmaceuticals Paper, Towels & Tissue Other Non-Durables Durables	~35%	<b>Soft w/ signs of improvement</b> Consumer focus on essentials & value impacting entire segment; improving with inventory normalization Will grow as housing starts improve

Expect industry box demand growth of ~1% to ~2% in '24

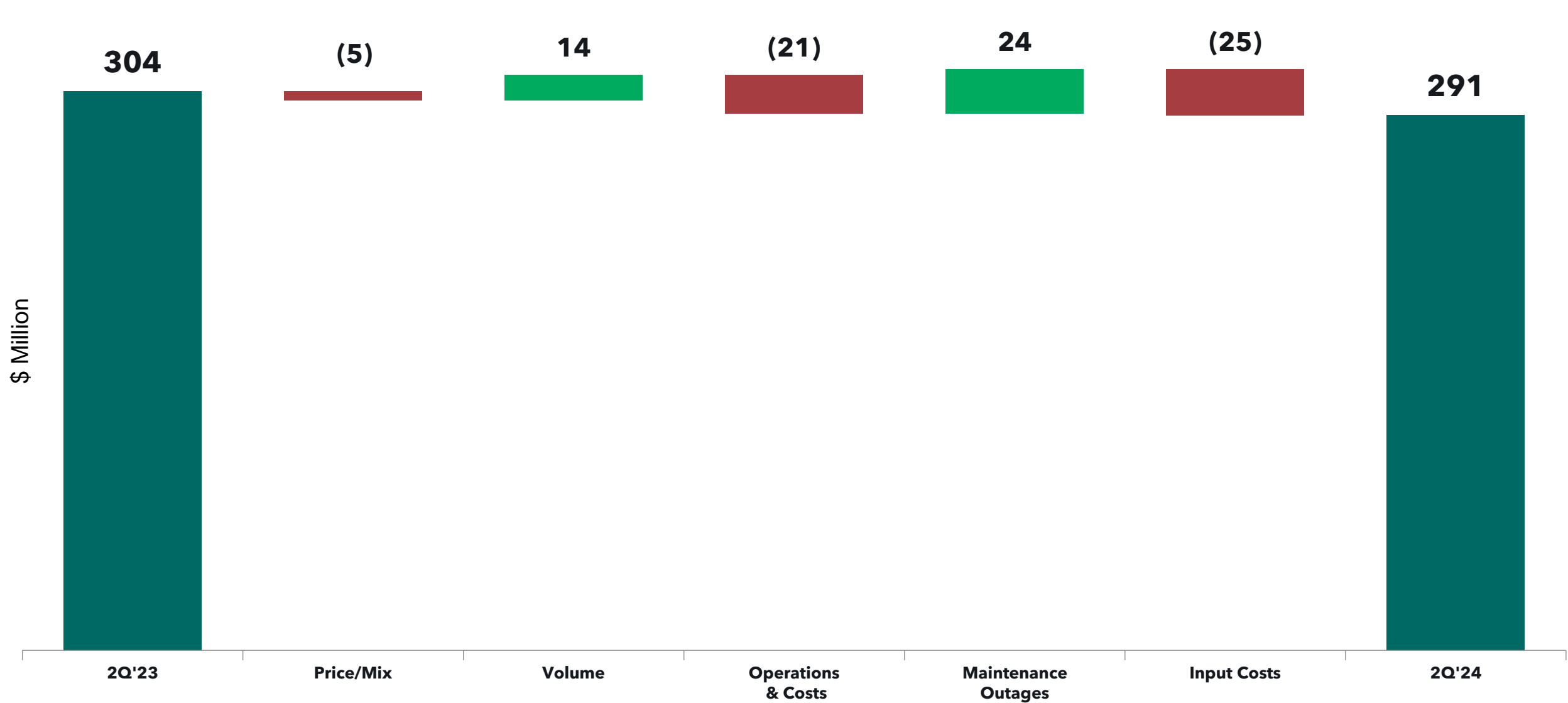
# Geographic Business Segment Operating Results | Quarterly

\$ Million	Sales			D & A	Business Segment Operating Profit <sup>1</sup>		
	2Q23	1Q24	2Q24	2Q24	2Q23	1Q24	2Q24
<b>North America</b>	\$3,550	\$3,486	\$3,628	\$186	\$284	\$192	\$281
<b>EMEA</b>	\$351	\$348	\$328	\$16	\$20	\$24	\$10
<b>Global Cellulose Fibers</b>							
<b>Global Cellulose Fibers</b>	\$698	\$704	\$717	\$59	\$30	\$(47)	\$31

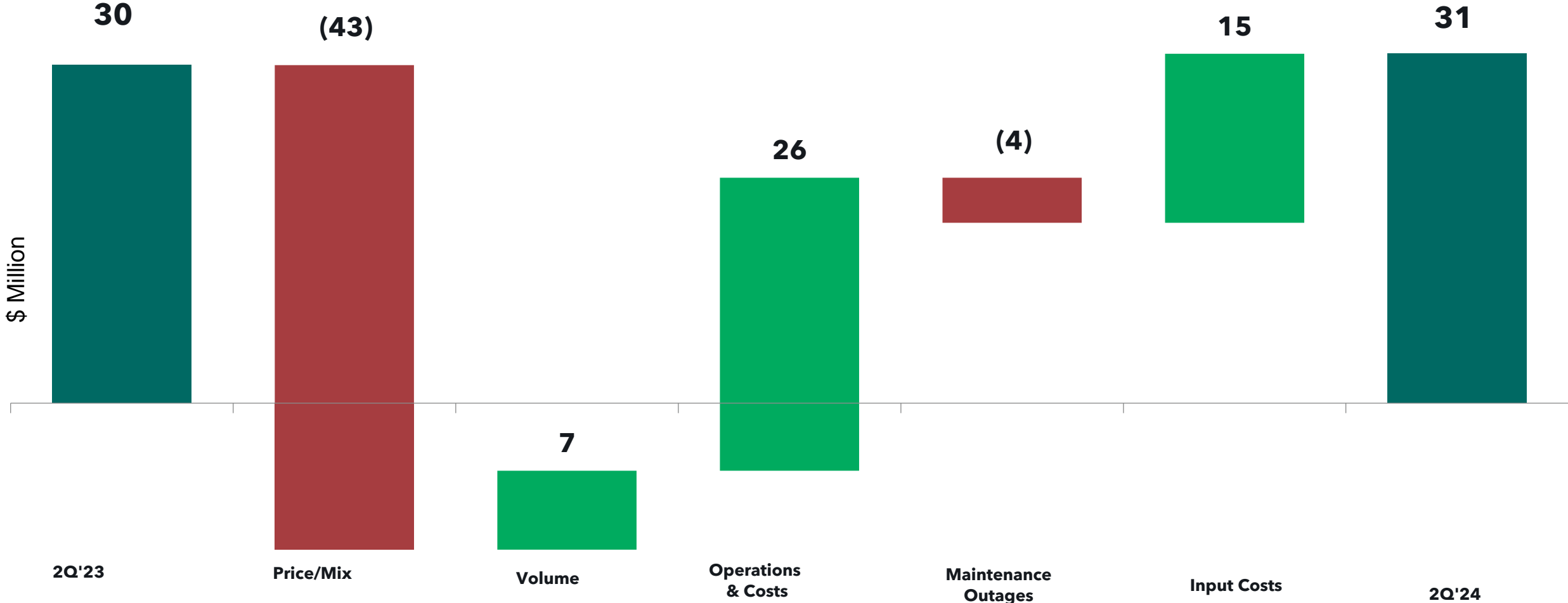
# 2Q24 vs 2Q23 Adjusted Operating EPS<sup>1</sup>



# Industrial Packaging | 2Q24 vs 2Q23 Adjusted EBIT<sup>1</sup>



# Global Cellulose Fibers | 2Q24 vs 2Q23 Adjusted EBIT<sup>1</sup>



# Business Segment Operating Profit (Loss)

	\$ Million	2Q23	1Q24	2Q24
<b>Business Segment Operating Profit (Loss)</b>				
Industrial Packaging <sup>1</sup>		\$304	\$216	\$291
Global Cellulose Fibers <sup>1</sup>		\$30	\$(47)	\$31

# 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	
	<b>Cost Reduction</b>		\$50	\$85	Targeting \$800 - \$1,000
	<b>Strategic</b>		\$232	\$241	
<b>Depreciation &amp; Amortization<sup>2</sup></b>			\$1,040	\$1,432	\$1,040
<b>Net Interest Expense<sup>3</sup></b>			\$267	\$234	\$220
<b>Corporate Expense</b>			\$34	\$27	\$70 - \$80



# Maintenance Outages Expenses | 2024 Forecast

\$ Million	1Q24A	2Q24A	3Q24F	4Q24F	2024F
<b>Industrial Packaging</b>	<b>\$77</b>	<b>\$80</b>	<b>\$124</b>	<b>\$93</b>	<b>\$374</b>
North America	\$77	\$59	\$124	\$91	\$351
Riverdale Papers	-	\$18	-	-	\$18
EMEA	-	\$3	-	\$2	\$5
<b>Global Cellulose Fibers</b>	<b>\$57</b>	<b>\$38</b>	<b>\$13</b>	<b>\$51</b>	<b>\$159</b>
North America	\$33	\$38	\$13	\$51	\$135
Georgetown Papers	\$24	-	-	-	\$24
<b>Total Impact</b>	<b>\$134</b>	<b>\$118</b>	<b>\$137</b>	<b>\$144</b>	<b>\$533</b>

# Free Cash Flow<sup>1</sup>

<b>\$ Million</b>	<b>2021</b>	<b>2022</b>	<b>2Q23</b>	<b>2023</b>	<b>1Q24</b>	<b>2Q24</b>
<b>Cash Provided by Operations</b>	<b>\$2,030<sup>2</sup></b>	<b>\$2,174</b>	<b>\$528</b>	<b>\$1,833</b>	<b>\$395</b>	<b>\$365</b>
Cash Invested in Capital Projects	\$(549)	\$(931)	\$(267)	\$(1,141)	\$(251)	\$(198)
<b>Free Cash Flow</b>	<b>\$1,481</b>	<b>\$1,243</b>	<b>\$261</b>	<b>\$692</b>	<b>\$144</b>	<b>\$167</b>

<sup>2</sup>2021 cash provided by operations includes tax payments of ~\$0.5B related to monetization transactions and CARES Act payroll tax deferral

# Capital Allocation | Maximizing Value Creation



## Highlights

### Solid balance sheet

- Debt / EBITDA<sup>1</sup> at 2.6x (Moody's basis) YE 2023
- Limited short & medium-term debt maturities
- Liquidity & cash = \$3B YE 2023

### Qualified pension plan fully funded

### Returned \$839MM to shareowners in 2023

### Investing to create value

- 2023 capex of \$1.1B
- Continued focus on cost reduction and future growth in Packaging business

Balances as of fiscal year end 12/31/2023

# 2024 Operating Earnings

	Pre-Tax \$MM	Tax \$MM	Non- controlling Interest \$MM	Equity Earnings \$MM	Net Income \$MM	Average Shares MM	Diluted EPS <sup>1</sup>
<b>Net Earnings from Continuing Operations</b>							
1Q24	\$85	\$(27)	-	\$(2)	\$56	349	\$0.16
2Q24	\$206	\$293	-	\$(1)	\$498	353	\$1.41
<b>Net Special Items</b>							
1Q24	\$18	\$(4)	-	-	\$14	349	\$0.04
2Q24	\$49	\$(346)	-	-	\$(297)	353	\$(0.84)
<b>Non-Operating Pension Expense</b>							
1Q24	\$(12)	\$3	-	-	\$(9)	349	\$(0.03)
2Q24	\$(10)	\$2	-	-	\$(8)	353	\$(0.02)
<b>Adj. Operating Earnings</b>							
1Q24	\$91	\$(28)	-	\$(2)	\$61	349	\$0.17
2Q24	\$245	\$(51)	-	\$(1)	\$193	353	\$0.55

# Special Items Before Tax | Continuing Operations

Special Items Pre-Tax \$(Million)		2Q23	1Q24	2Q24
<b>Industrial Packaging</b>	Mill Closure		\$(4)	
	Net Gain/(Loss) on Miscellaneous Land Sales			<b>\$5</b>
<b>Global Cellulose Fibers</b>	Machine Closures		\$(4)	
<b>Corporate</b>	Legal Reserve Adjustments		\$(10)	
	Net Gain/(Loss) on Miscellaneous Land Sales		\$(5)	
	Interest Related to Settlement of Tax Audits	\$6	\$10	
	Environmental Remediation Adjustment			<b>\$(25)</b>
	DS Smith Combination Costs		\$(5)	<b>\$(17)</b>
	Strategic Advisory Fees			<b>\$(12)</b>
<b>Total Special Items Before Tax</b>		<b>\$6</b>	<b>\$(18)</b>	<b>\$(49)</b>

# Special Items Net of Tax

	2Q24	
	\$ Million	EPS
<b>Earnings Before Special Items</b>	<b>\$193</b>	<b>\$0.55</b>
<b>Special Items Net of Taxes:</b>		
Environmental Remediation Adjustment	\$(19)	
Net Gain/(Loss) on Miscellaneous Land Sales	\$4	
Internal Legal Entity Restructuring	\$338	
DS Smith Combination Costs	\$(17)	
Strategic Advisory Fees	\$(9)	
<b>Total Special Items Net of Taxes</b>	<b>\$297</b>	<b>\$0.84</b>
<b>Non-Operating Pension (Expense) Income</b>	<b>\$8</b>	<b>\$0.02</b>
<b>Earnings (Loss) from Continuing Operations</b>	<b>\$498</b>	<b>\$1.41</b>

# Sales Volume by Product | Preliminary and Unaudited

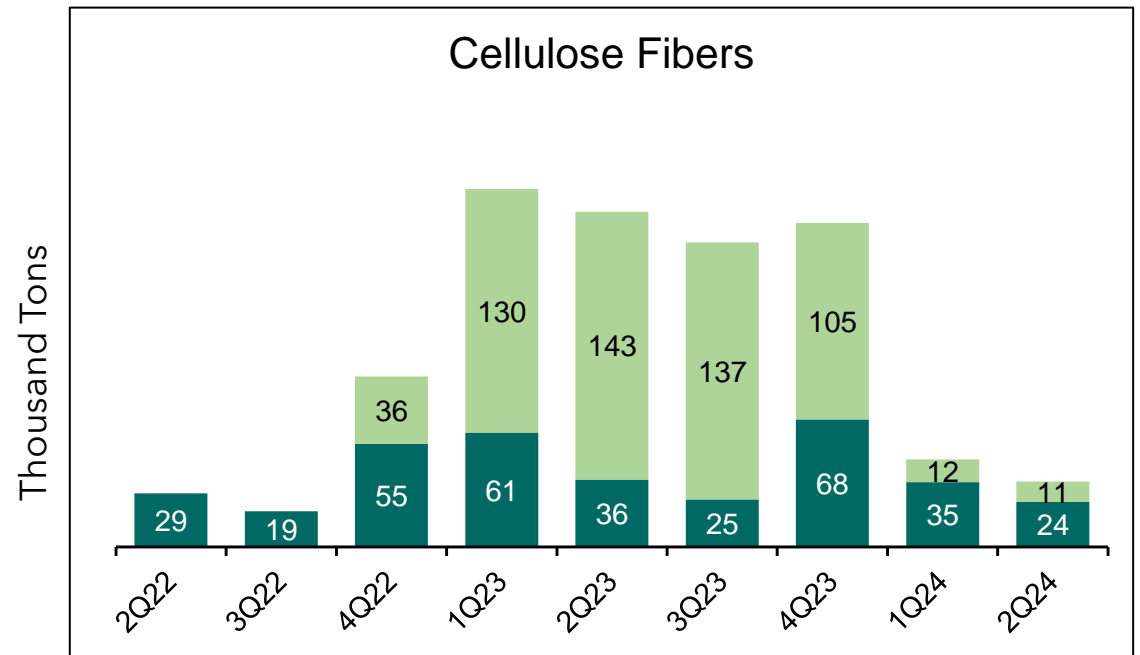
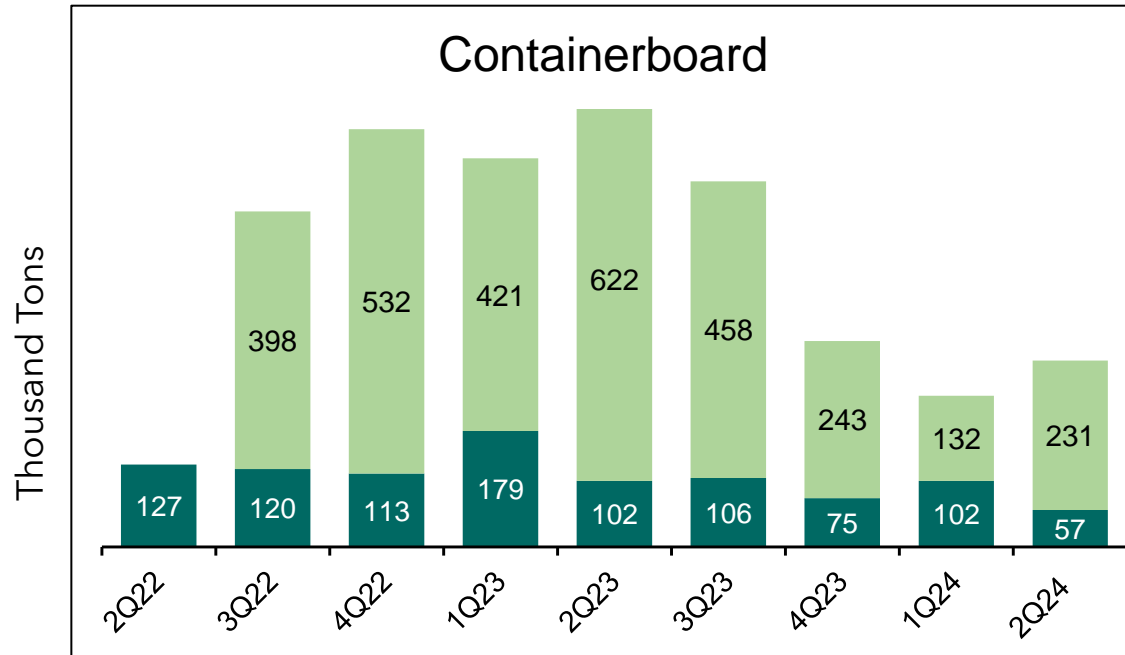
	Three Months Ended June 30,		Three Months Ended March 31,	Six Months Ended June 30,	
	2024	2023	2024	2024	2023
<b>Industrial Packaging</b> (In thousands of short tons)					
Corrugated Packaging (b)	2,255	2,393	2,232	4,487	4,774
Containerboard	791	600	739	1,530	1,144
Recycling	552	528	575	1,127	1,088
Saturated Kraft	49	44	47	96	78
Gypsum /Release Kraft	67	61	58	125	121
EMEA Packaging (b)	323	317	340	663	652
<b>Industrial Packaging</b>	<b>4,037</b>	<b>3,943</b>	<b>3,991</b>	<b>8,028</b>	<b>7,857</b>
<b>Global Cellulose Fibers</b> (In thousands of metric tons) (c)					
	684	625	729	1,413	1,313

(a) Sales volume include third party and inter-segment sales and excludes sales of equity investees

(b) Volumes for corrugated box sales reflect consumed tons sold ("CTS"). Board sales by these businesses reflect invoiced tons.

(c) Includes North American volumes and internal sales to mills.

# North America Downtime

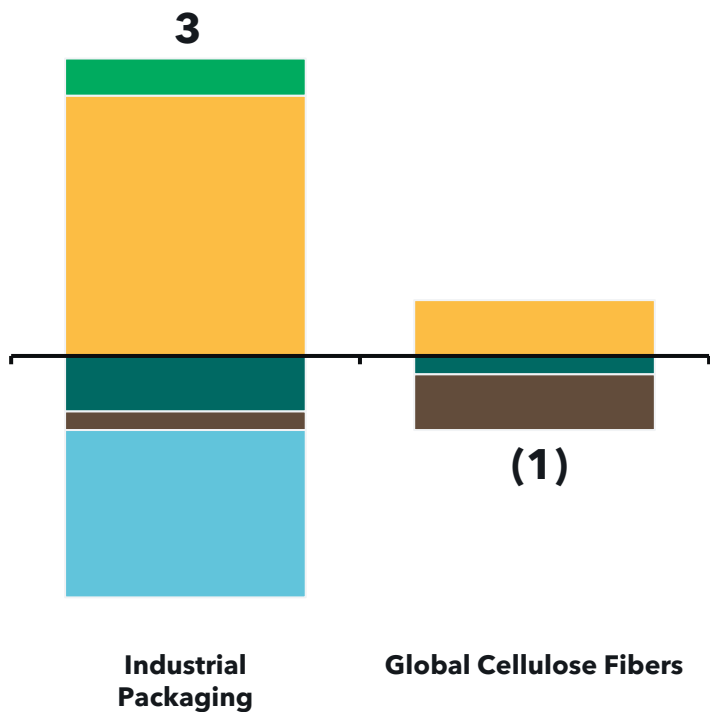


■ Economic  
■ Maintenance

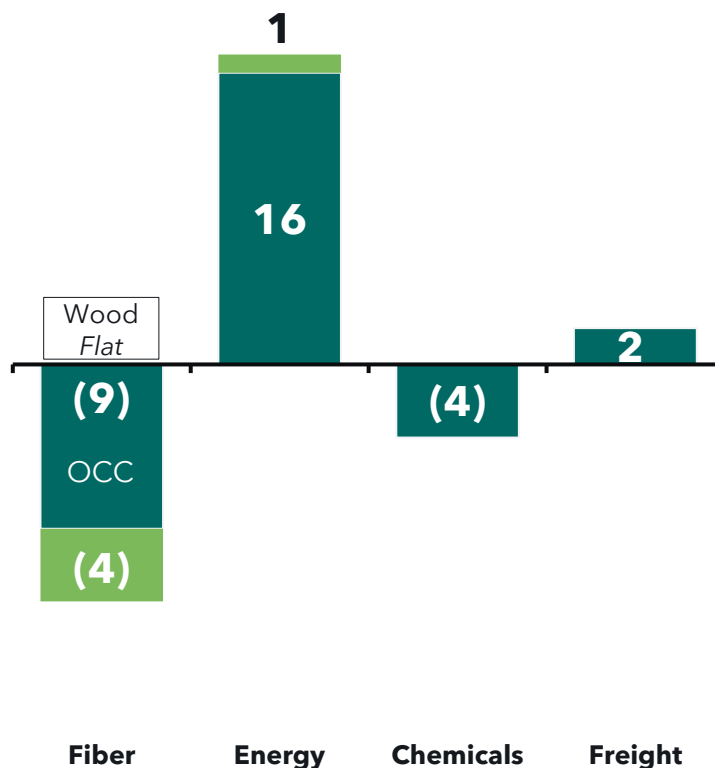


# Global Input Costs 2Q24 vs 1Q24 | \$2MM Favorable, \$0.00 per share

### By Business



### By Input Type



### U.S Average Cost vs 1Q24

Wood	-1%	▼
OCC	11%	▲
Natural Gas	-19%	▼
Electricity	-2%	▼
Chemical Composite	1%	▲

Energy Wood Chemicals Freight OCC

North America Outside North America

# Footnotes

## Slide 6

<sup>1</sup>All metrics are as previously disclosed. 2013 includes xpedx. Years 2013-2017 are inclusive of N.A. Consumer Packaging. 2021 excludes Papers.

A reconciliation of these non-GAAP measures to the most directly comparable GAAP measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

## Slide 7

<sup>1</sup> Amount excludes amounts related to Consumer Packaging Group and Printing Papers transactions.

## Slide 9

<sup>1</sup>Before special items and non-operating pension expense/(income) (non-GAAP). A reconciliation of these 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 12

<sup>1</sup> 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>.

<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 #34 for a reconciliation of cash provided by operations to Free Cash Flow, a non-GAAP financial measure.

## Slide 13

<sup>1</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>.

## Slide 14

<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.

## Slide 15

<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.

# Footnotes

## Slide 16

<sup>1</sup> No reconciliation of the anticipated operational effective income tax rate for 2024, a forward-looking non-GAAP financial measure, to the most comparable GAAP measure, is included in this presentation because we are unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts, including forecasting net income for 2024.

## Slide 21

<sup>1</sup>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.

## Slide 27

Does not reflect total company sales. Sales as reported is a U.S. GAAP metric. For North American Industrial Packaging, this metric includes Recycling Business Sales and Trade Sales.

A reconciliation of this U.S. GAAP metric to a non-U.S. GAAP metric of Sales excluding these items for North American Industrial Packaging is available as a Non-GAAP reconciliation on our website at <http://www.internationalpaper.com/performance/presentations-events/webcasts-presentations>.

<sup>1</sup> Business segment operating profit defined as earnings (loss) 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

## Slide 28

<sup>1</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>.

## Slide 29

<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.

## Slide 30

<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.

# Footnotes

## Slide 31

<sup>1</sup> Business segment operating profit defined as earnings (loss) 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.

## Slide 32

<sup>1</sup> Before special items

<sup>2</sup> Includes expense of \$422 million for 2023 associated with mill closures and machine shutdown costs.

<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.

## Slide 34

<sup>1</sup> Free cash flow is a non-GAAP financial measure, which equals cash provided by operations less cash invested in capital projects.

## Slide 35

<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).

## Slide 36

<sup>1</sup> A non-GAAP reconciliation to GAAP EPS is available at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.