International Paper

Investor Roadshow

July 27, 2023

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. Words such as "expects," "anticipates," "believes," "estimates" and similar expressions identify forward-looking statements. These statements are not guarantees of future performance and reflect management's current views and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these statements. Factors which could cause actual results to differ include but are not limited to: (i) 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 GHGs and other environmental, social and governance matters; (ii) the level of our indebtedness and changes in interest rates (including the impact of current elevated interest rate levels); (iii) 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, cyclicality and changes in consumer preferences, demand and pricing for our products, and conditions impacting the credit, capital and financial markets, including possible instability in such markets and/or disruptions to the banking system due to potential or actual bank failures; (iv) domestic and global geopolitical conditions, 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; (v) the amount of our future pension funding obligations, and pension and healthcare costs; (vi) unanticipated expenditures or other adverse developments related to compliance with existing and new environmental, tax, labor and employment, privacy, anti-bribery and anti-corruption, and other U.S. and non-U.S. governmental laws and regulations; (vii) 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; (viii) the impact of the conflict involving Russia and Ukraine, including in connection with related escalated sanctions imposed by the United States, the European Union, G7 and other countries and possible actions by the Russian government, and the impact of such developments on domestic and global economic and geopolitical conditions in general and on us and our Ilim joint venture, which could be materially and adversely affected by such developments, and our inability to predict the full impact of the Russian invasion of Ukraine, current or future sanctions, current or future actions by the Russian government, geopolitical instability and the possibility of broadened military conflict on our Ilim joint venture, on our receipt of dividends from our Ilim joint venture and on our ability to complete the sale of our interest in the Ilim joint venture under the terms of the agreement with our joint venture partners to purchase our interest (and, if we are unable to complete such a sale, on the value of and our ability to sell our interest to another purchaser); (ix) risks inherent in conducting business through joint ventures; (x) our ability to achieve the benefits expected from, and other risks associated with, acquisitions, joint ventures, divestitures, spinoffs and other corporate transactions, (xi) cybersecurity and information technology risks; (xii) loss contingencies and pending, threatened or future litigation, including with respect to environmental related matters; (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, 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 SEC filings. 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 a result of the spin-off of our global Printing Papers business on October 1, 2021, the Printing Papers business segment has been eliminated. Historical results have been adjusted to reflect this business as a discontinued operation. In addition, as a result of our agreement to sell our interest in the Ilim joint venture, as announced on January 24, 2023, current and historical results have been adjusted to reflect Ilim as a discontinued operation.

Ilim JV and Sylvamo Corporation Investment Information

All financial information and statistical measures regarding our 50/50 Ilim joint venture in Russia ("Ilim") and our prior ownership interest in Sylvamo Corporation, other than historical International Paper Equity Earnings and dividends received by International Paper, have been prepared by the management of Ilim and Sylvamo Corporation, respectively. Any projected financial information and statistical measures regarding our 50/50 Ilim joint venture reflect the current views of Ilim management and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such projections. See "Forward-Looking Statements" above.

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Investment Thesis



International Paper

IP Investment Thesis

Our **Vision** is to be among the most successful, sustainable and responsible companies in the world.

Our **Mission** is to improve people's lives, the planet and our company's performance by transforming renewable resources into products people depend on every day.





Investment Thesis | About Us

Who We Are	We are one of the world's leading producers of fiber-based corrugated packaging and absorbent pulp
What We Do	We transform renewable resources into recyclable products people depend on every day
How We Do It	We do the right things, in the right ways, for the right reasons, all of the time

Vision 2030 | 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

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. Regional diversity plans, including 25% minority representation in U.S. salaried positions.

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

International Paper Awards & Recognitions[1]

Fortune Magazine[1]
World's Most Admired Companies® 2023 for 20 years

Ethisphere Institute
World's Most Ethical Companies® 2023 for 17 consecutive years

Member of the FTSE4Good Index Series for demonstrating strong Environmental, Social and Governance (ESG) practices

Women's Choice Award®
2023 Woman's Choice Award Best Companies to Work For Diversity & Millennials

American Opportunity Index
Best Employers 2022

Recognizing outstanding environmental, social and governance (ESG) transparency and performance among the 1,000 largest U.S. public companies

IP Investment Thesis | Strategic Framework

Strategy

Fiber-based Corrugated Packaging and Absorbent Pulp

Advantaged Positions

- Low cost, competitive assets
- Operational excellence
- Availability and access to low cost, sustainable fiber
- Capability to provide differentiated and innovative value propositions
- Opportunity for optimization and productivity gains

Attractive Markets

- Good market growth rates
- Customers and markets that value our products and innovations
- Strong growing supply positions
- Access to the best global customers and segments

Shareholder Value

- Delivers strong and sustainable free cash flows
- Increases intrinsic value with return spreads above our cost of capital (ROIC > WACC)
- Supports policies to return cash to shareholders
- Maintain strong balance sheet

Renewable Natural Resources

IP Investment Thesis | Capital Allocation Framework

Investment Excellence

Strategic Fit | Compelling Value | Disciplined

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

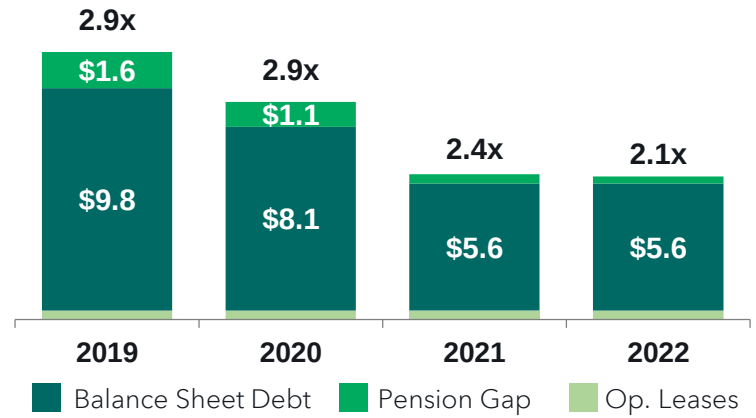
Return Cash to Shareholders

- Sustainable dividend at 40 – 50% of FCF
- Share repurchases

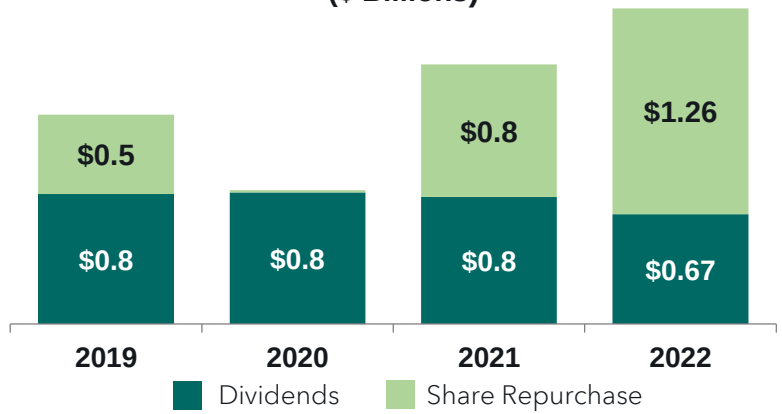
Maintain Strong Balance Sheet

- Target debt to EBITDA[1] 2.5x to 2.8x
- Qualified pension plan fully funded
- Limited near-term maturities

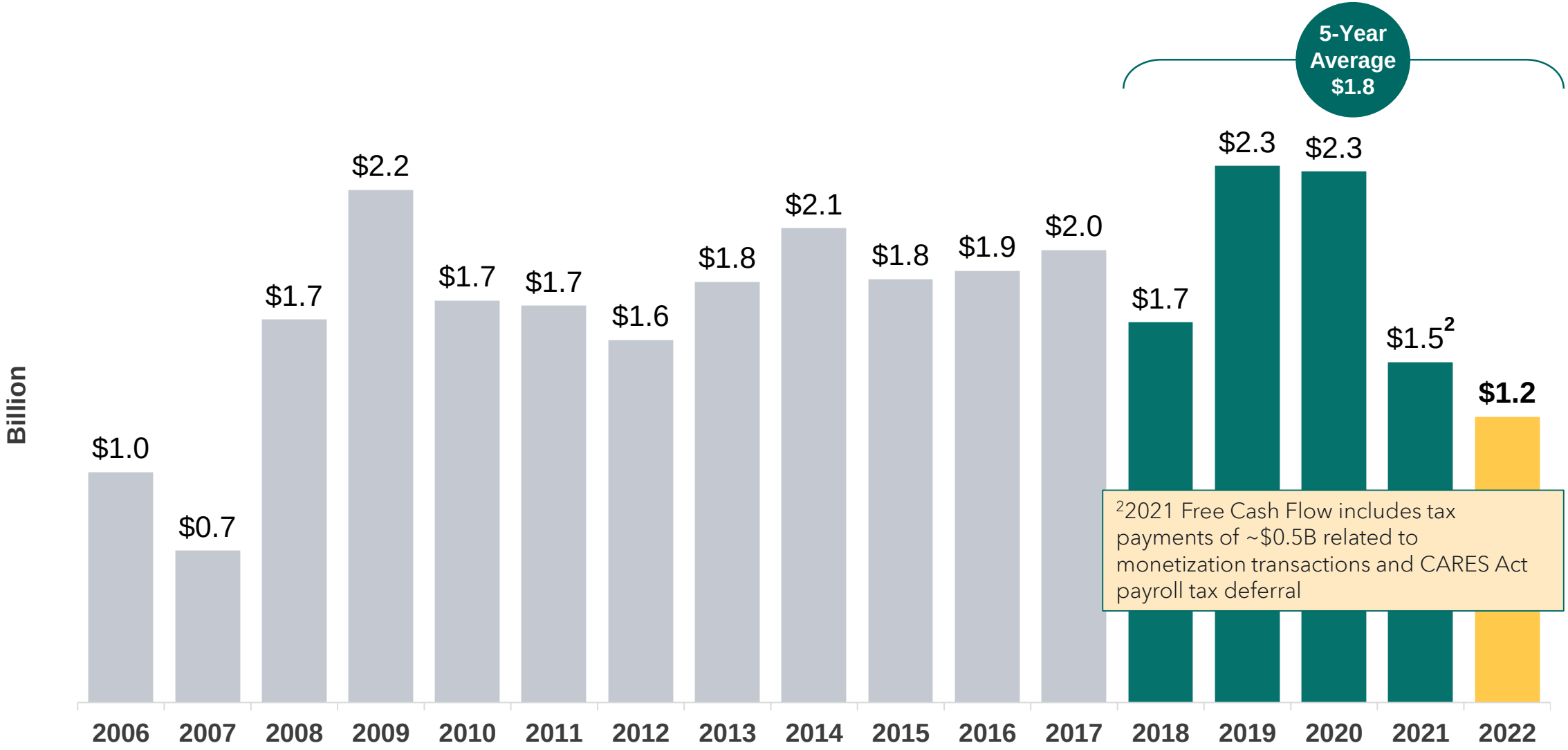
Debt / EBITDA[1]
(Target 2.5 – 2.8x)



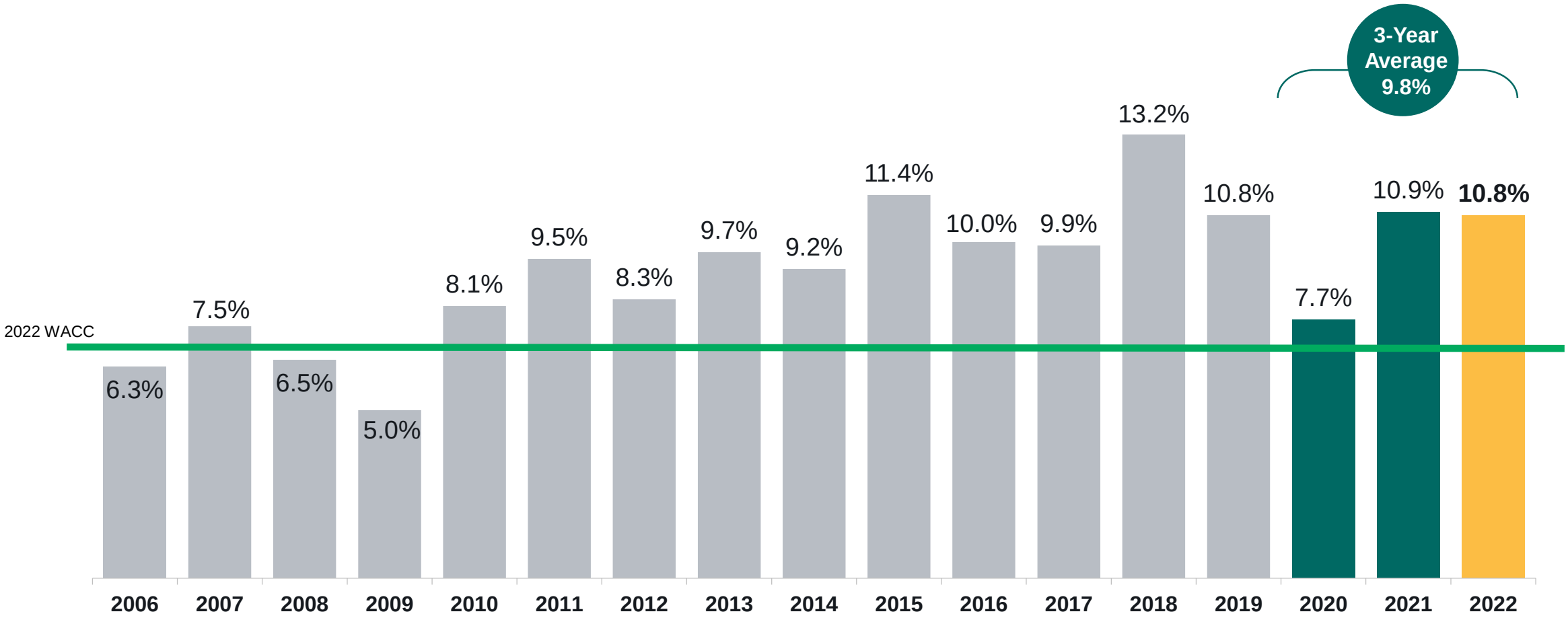
Cash to Shareowners
($ Billions)



Free Cash Flow[1] | Strong, Sustainable Free Cash Flow



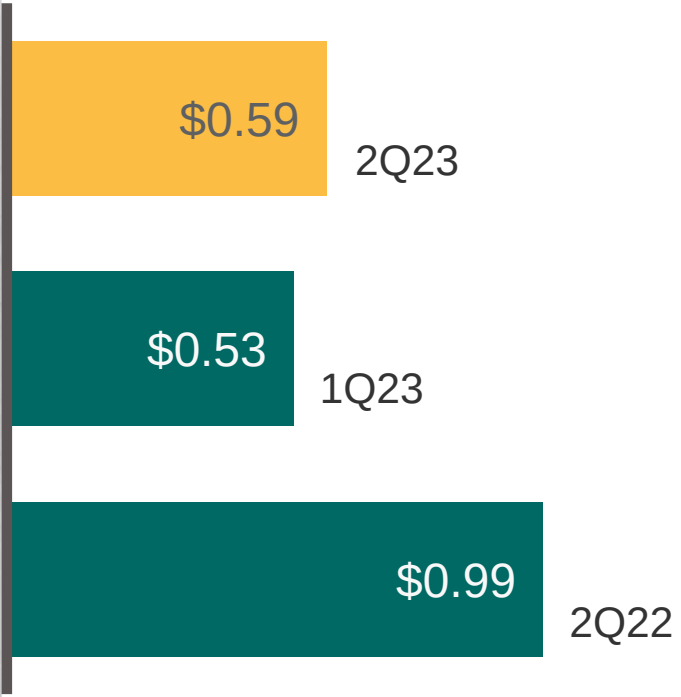
Expanded Spread of Adj. ROIC[1] Above Cost of Capital



Second Quarter 2023 Highlights

- Executed well in a challenging macro environment
- Strong results from Building a Better IP initiatives
- Solid mill operating performance and outage execution
- Margins in both businesses impacted by low volumes and price declines
- Benefits from lower input and distribution costs
- Returned $200 million to shareowners

Adjusted Operating EPS[1]



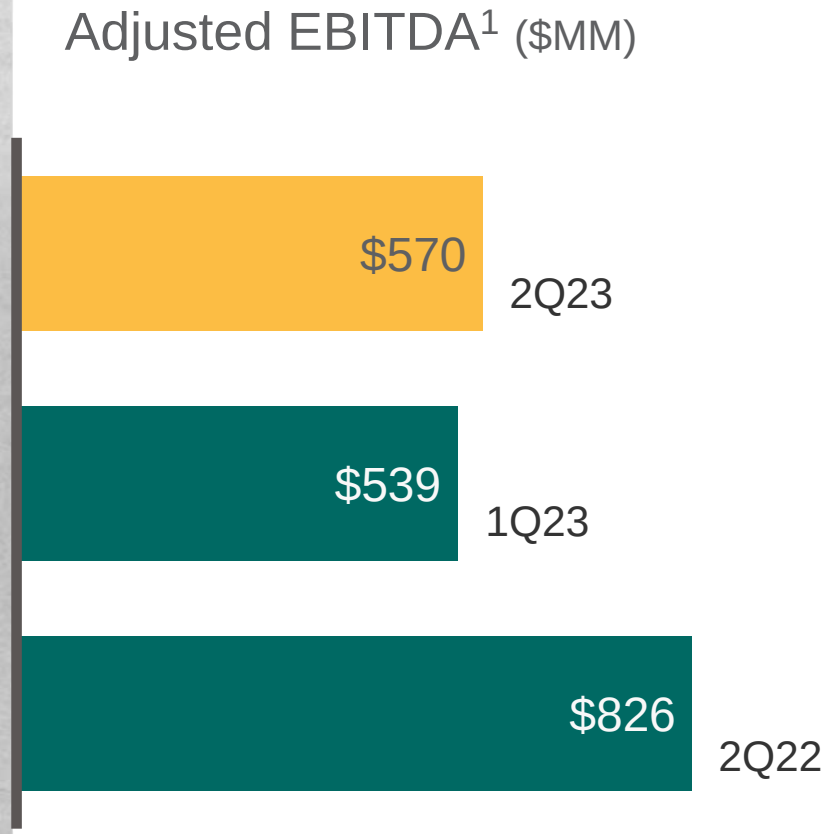
All periods have been adjusted to reflect the Ilim JV as discontinued operations

Second Quarter 2023 Financials

	2Q22	1Q23	**2Q23**
Sales ($B)	$5.4	$5.0	**$4.7**
Adjusted EBIT[1] ($MM)	$559	$298	**$326**
Adjusted Operating EPS[2]	$0.99	$0.53	**$0.59**
Adjusted EBITDA[1] ($MM)	$826	$539	**$570**
Adjusted EBITDA Margin[1]	15.3%	10.7%	**12.2%**
Free Cash Flow[3] ($MM)	$204	$4	**$261**

Free Cash Flow for 1Q'23 includes a $(193)MM final settlement payment to the IRS for Timber Monetization and timing of higher capital expenditures

All periods have been adjusted to reflect the Ilim JV as discontinued operations



2023 Outlook | Navigating an Uncertain Macro Environment

$ Billions (Unless Noted Otherwise)	Prior Outlook	Updated Outlook	Assumptions
Adjusted EBITDA[1]	$2.3 to $2.5	$2.1 to $2.3	▪ Includes the impact of sales price changes to date ▪ Optimizing marginal costs across mill & converting system ▪ Benefits from Building a Better IP ▪ Maintenance outage expense of $600MM ▪ Strategic capex in Industrial Packaging for cost / productivity improvements and future growth ▪ Timber monetization tax settlement = $(193)MM ▪ No further Ilim dividend ▪ In addition to FCF, ~$0.5B proceeds expected from Ilim sale
Capex	$1.0 - $1.2	$1.1 - $1.2	
Free Cash Flow	$0.8 - $0.9 *Includes $(0.2)B timber monetization tax payment*	$0.5 - $0.6	
Corporate Expense	$60MM	$50MM	
Net Interest Expense[2]	$255MM	$255MM	
Effective Tax Rate	23% - 24%	22% - 24%	

Select Financial Metrics[1]

$ Million	2021	2022	2023F
Maintenance Outage Expense	$531	$601	$598
Maintenance & Regulatory	$415	$649	Targeting $1,100 - $1,200
Cost Reduction	$10	$50	
Strategic	$124	$232	
Depreciation & Amortization	$1,097	$1,040	$1,000
Net Interest Expense	$337	$267	$255
Corporate Expense	$134	$34	$50
Effective Tax Rate	19%	24%	22% - 24%

Building a Better IP



International Paper

Creating Value Through Focus

HIGHLY ADVANTAGED CORRUGATED PACKAGING FOCUSED COMPANY

Tailored solutions delivered by our superior converting capabilities and the broadest geographic reach in North America

World-class, low-cost and flexible mill system with unmatched suite of fiber, basis weight and print surface options

POSITION IP TO ACCELERATE VALUE CREATION

Building on strength of our industrial packaging business

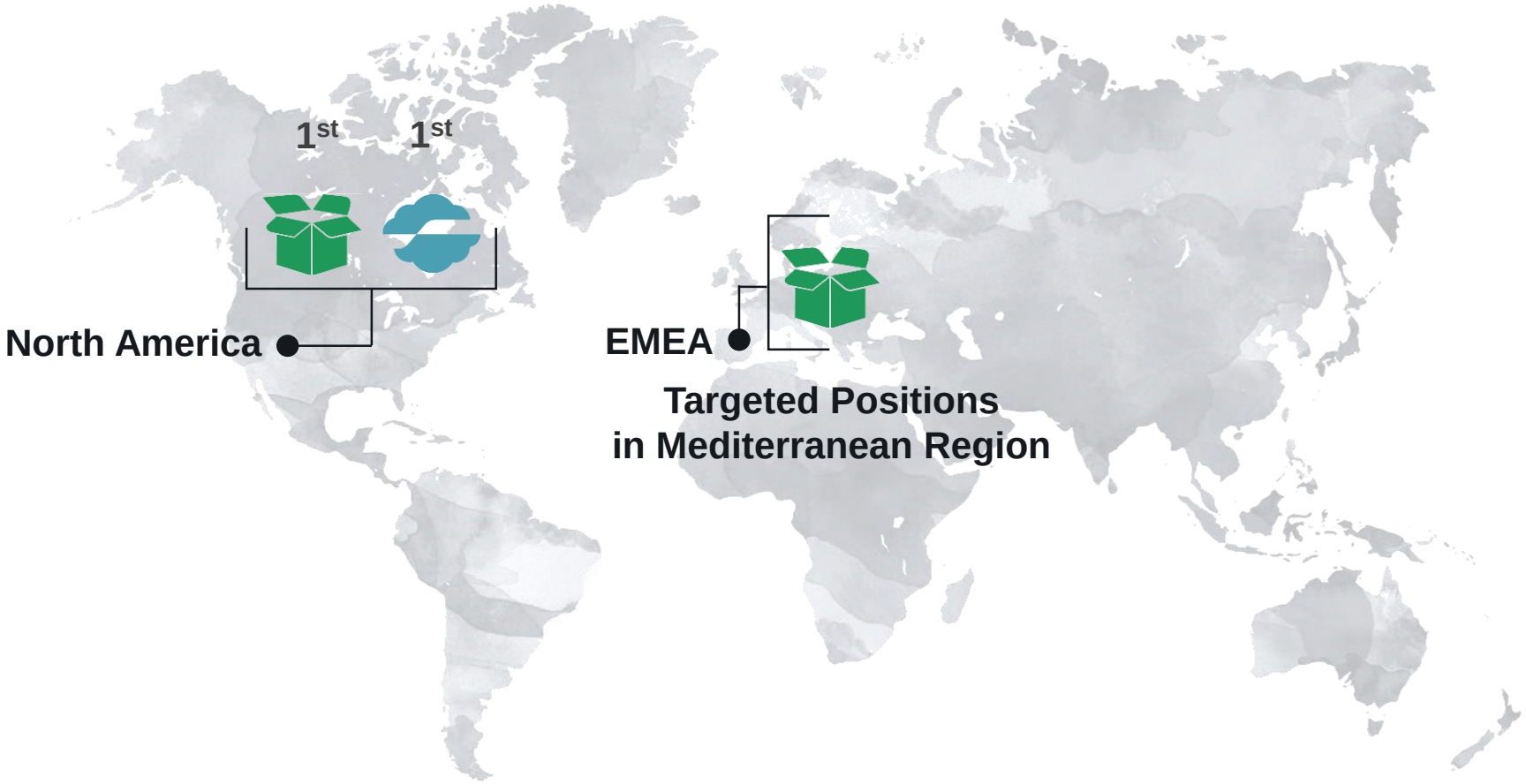
Taking meaningful actions to grow earnings and cash generation

BUILD FOUNDATION FOR LONG-TERM SUCCESS

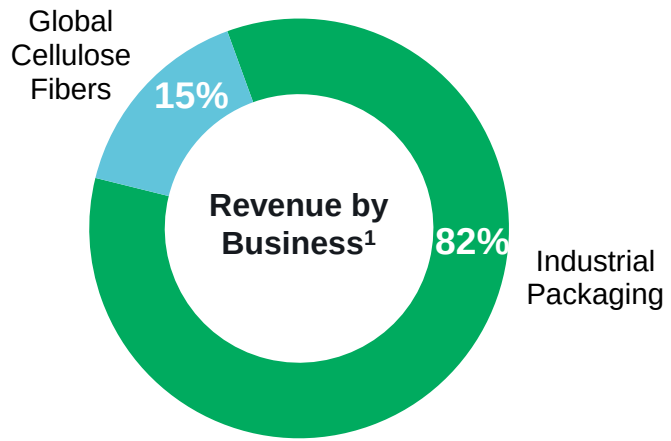
Agile organizational and operating model

Commitment to capital allocation framework and investment excellence

Building a Better IP | Creating Value Through Focus



IP 2022



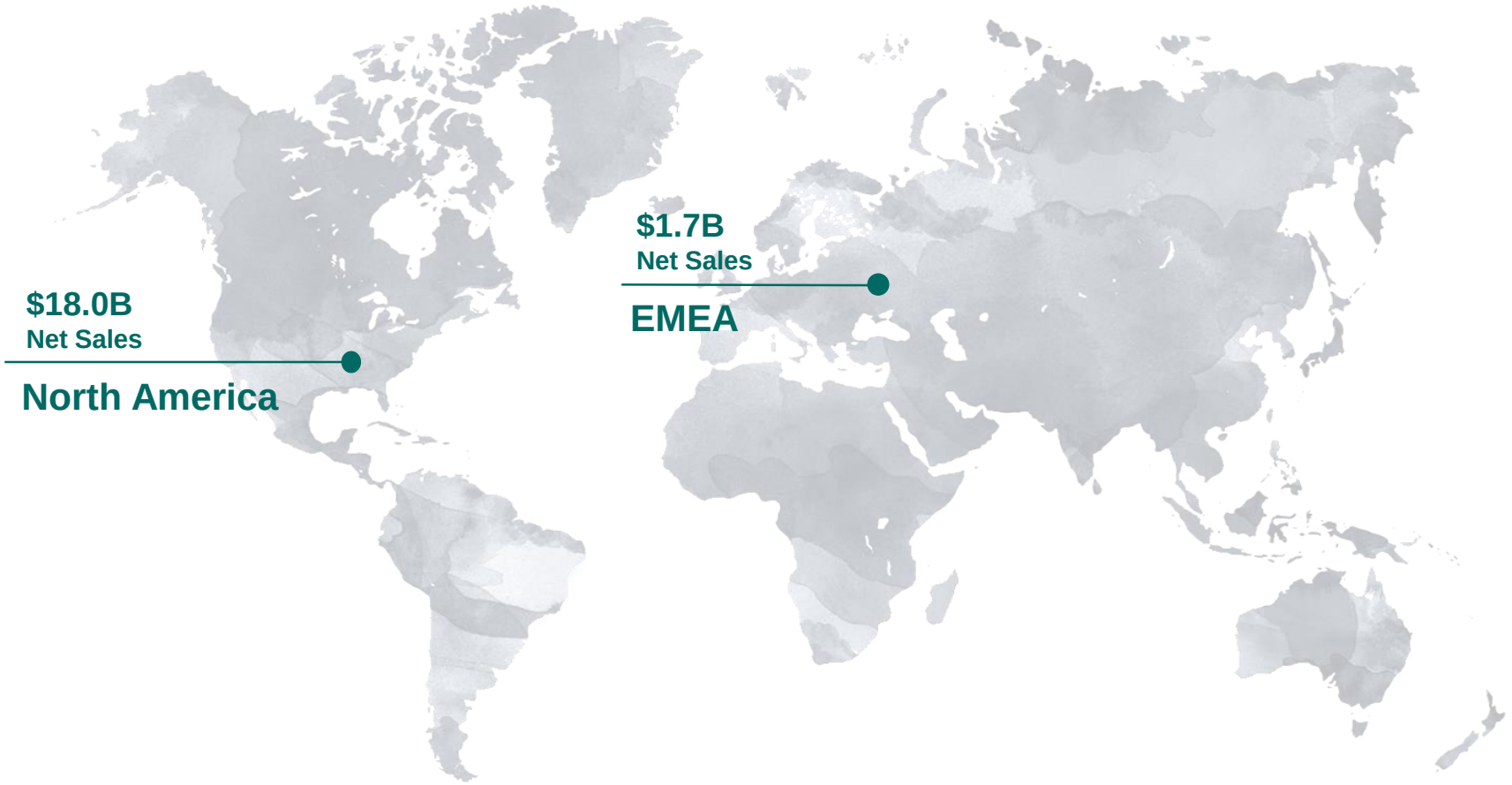
$21.2B Sales

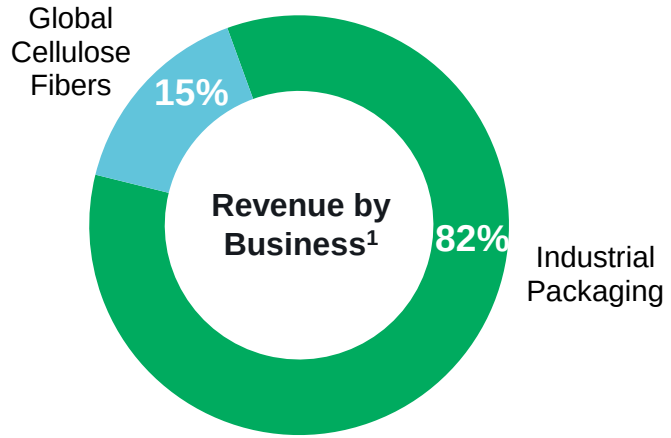
~20,000 Customers

28 Mills | **222** Converting Facilities

International Paper | 2022 Sales in Packaging and Pulp

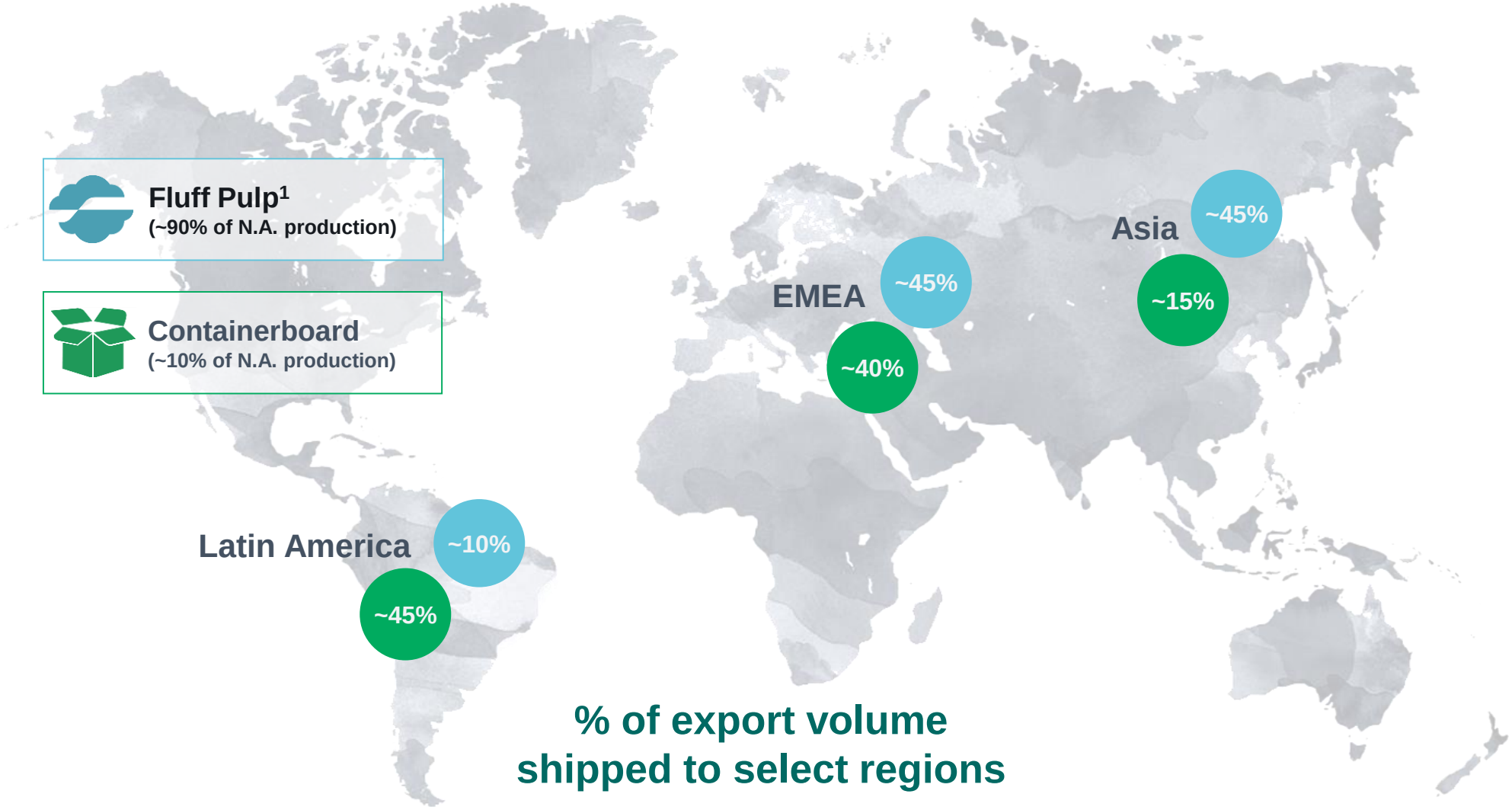
Positioned in attractive markets with low-cost assets that generate strong free cash flow and returns above our cost-of-capital





Full-year 2022 net sales data; does not reflect total company sales of $21.2B

IP N.A. Exports | Leveraging Strategic Export Opportunities



IP | Highly Advantaged Corrugated Packaging Company



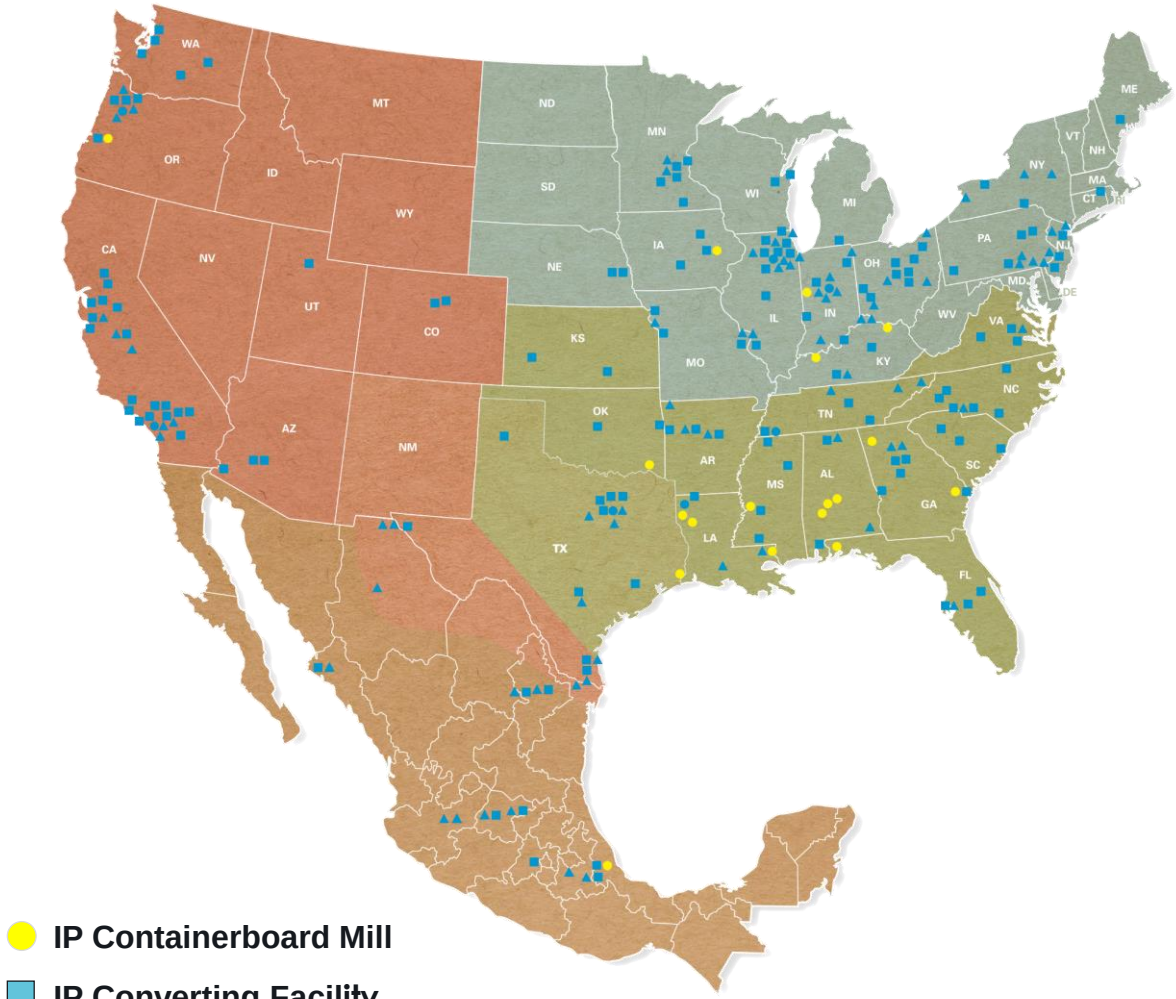
Industrial Packaging

- Strong strategic profile
- Unmatched capabilities and scale
- Significant earnings growth catalysts
- Low-cost and flexible mill system

$17.5B Sales[1]

~20,000 Customers

20 Mills | **221** Converting Facilities



IP | Building on Strength of Corrugated Packaging Business



















Unmatched capabilities and scale
221 converting facilities

Low-cost and flexible mill system
20 mills with ~90% of capacity 1st quartile cost

~20,000	~2 million	~350	~1,000	~3,500
customers	unique box designs	designers	active innovation ideas	packaging formers at customer locations

Industrial Packaging | Taking Actions to Drive Profitable Growth



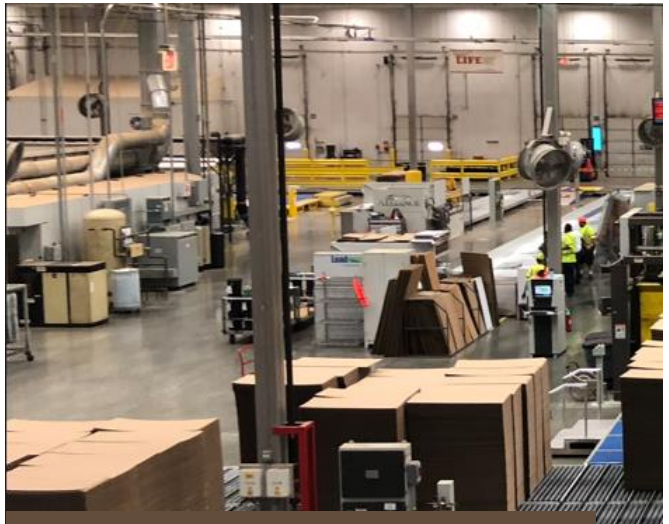
Commercial Excellence

- Improving mix
- Capturing additional value
- Leveraging data analytics to improve margins
- Growing specialty businesses



Operations & Cost

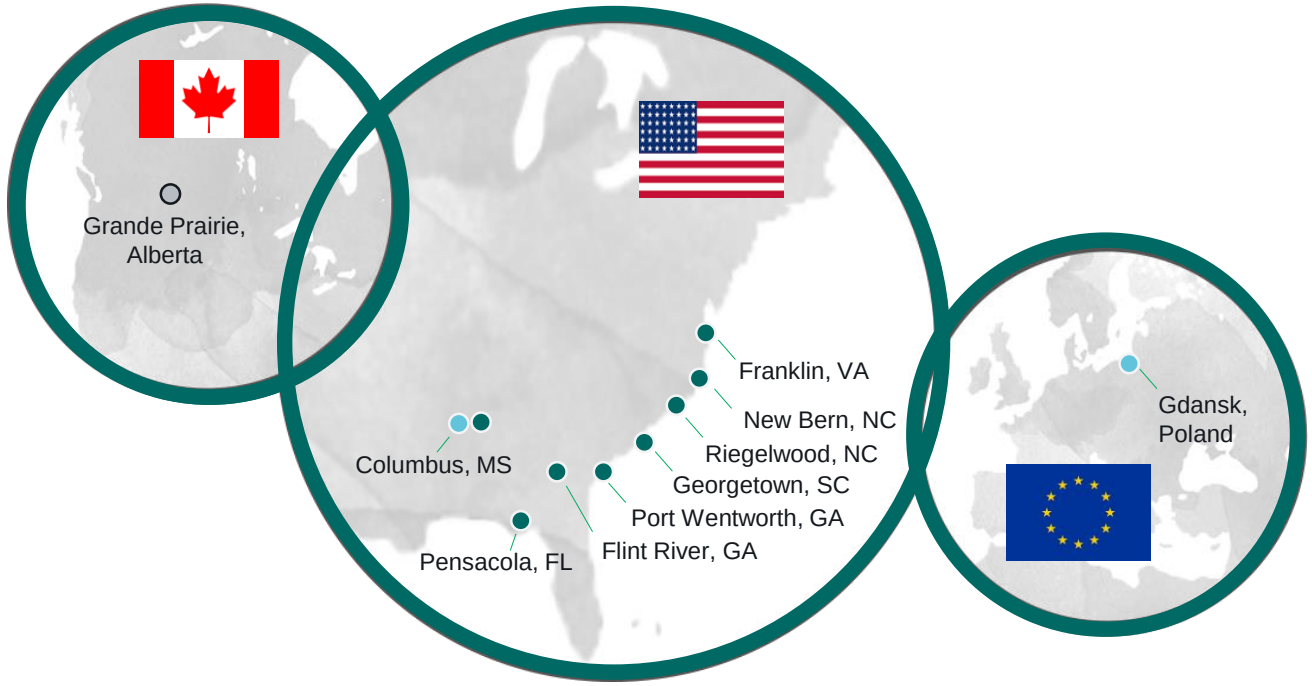
- Reducing marginal costs
- Leveraging advanced technology
  - Sourcing opportunities
  - Process control & reliability
  - Supply chain cost reduction
  - Machine - order scheduling
- Developing workforce skillsets



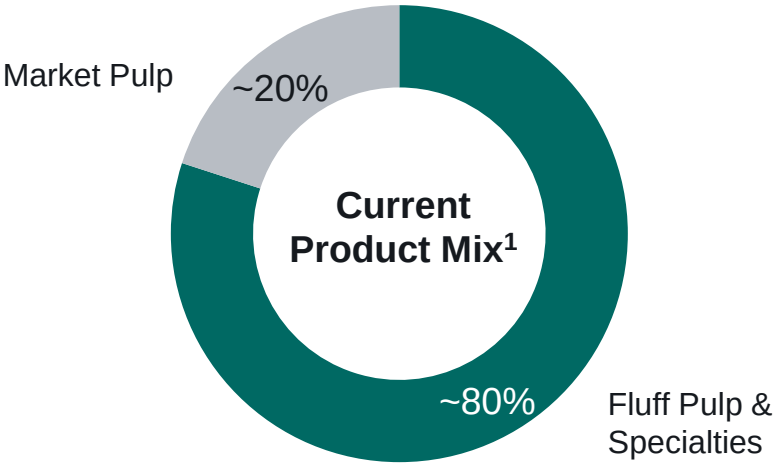
Investments

- Improving productivity
- Expanding capabilities
- Optimizing system flexibility
- Enhancing box system

Global Cellulose Fibers | Business Overview



Total Capacity	~3.4MM MTPY	Targeted Mix
Fluff Pulp & Specialties	2.8MM	83%
Market Pulp	0.6MM	17%



Global Cellulose Fibers | Path to Maximizing Value

Current Environment

- Customer inventory destocking – post pandemic
- Softer demand for Absorbent Hygiene Products
- China slowdown

Actions

- Differentiated value of fluff vs. commodity
- Restructured contracts
- Idling Pensacola machine
- Reducing supply chain costs

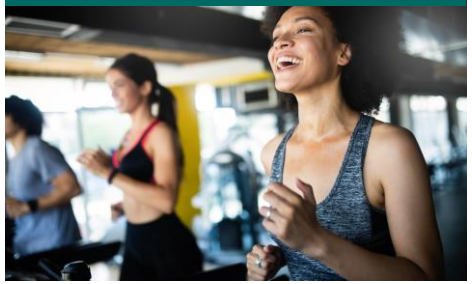
Opportunities

- Reduce exposure to commodity grades
- Align with strategic fluff customers & capture value
- Innovation / grow specialty
- Optimize cost structure

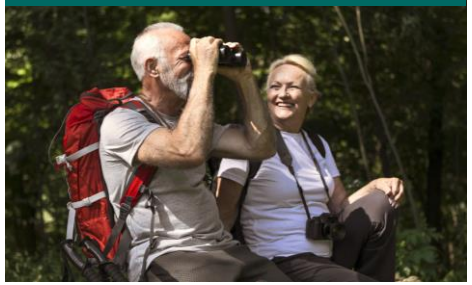
Baby Diapers



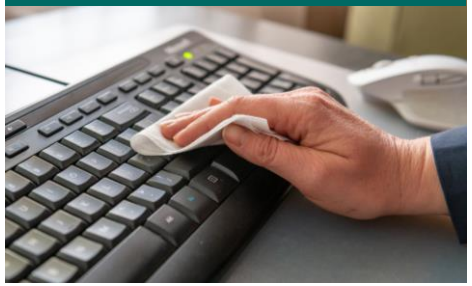
Feminine Care



Adult Incontinence



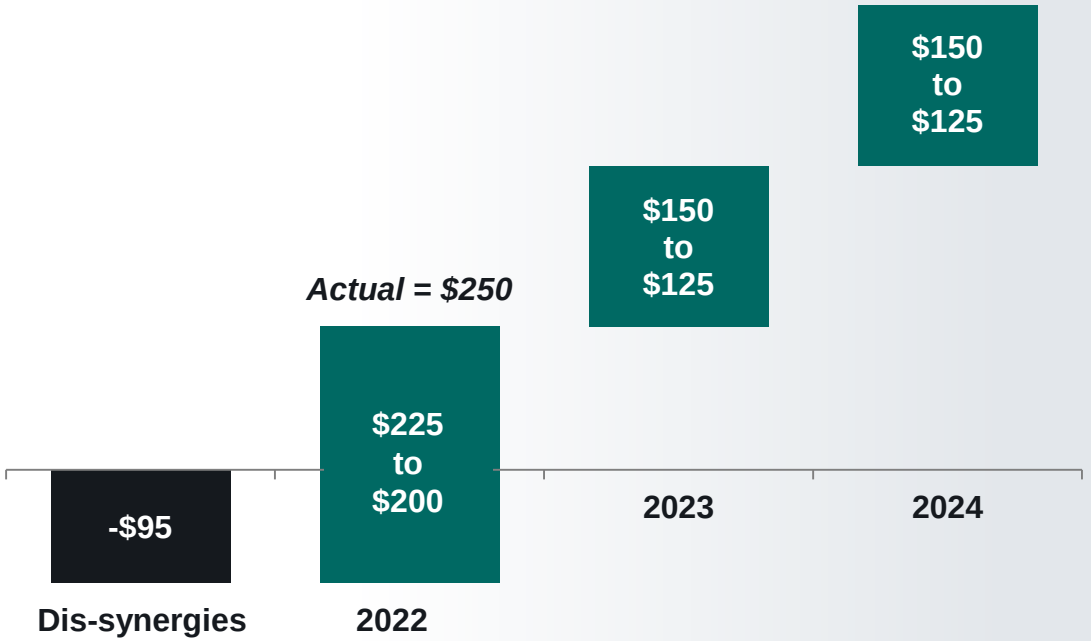
Wipes



Building a Better IP | On Track to Exceed Full Year Target

Incremental Annual Earnings Growth Target

$ Millions



YoY Achievement
$55MM 2Q23 / $120MM YTD

YTD	
84%	**Strategy Acceleration** ▪ Value capture ▪ Profitable growth
11%	**Process Optimization** ▪ Leverage advanced technology & data analytics ▪ Optimize customer order scheduling & transportation planning ▪ Mill monitoring & process control ▪ Sourcing opportunities
5%	**Lean Effectiveness** ▪ Streamline the organization ▪ Overhead spend reduction

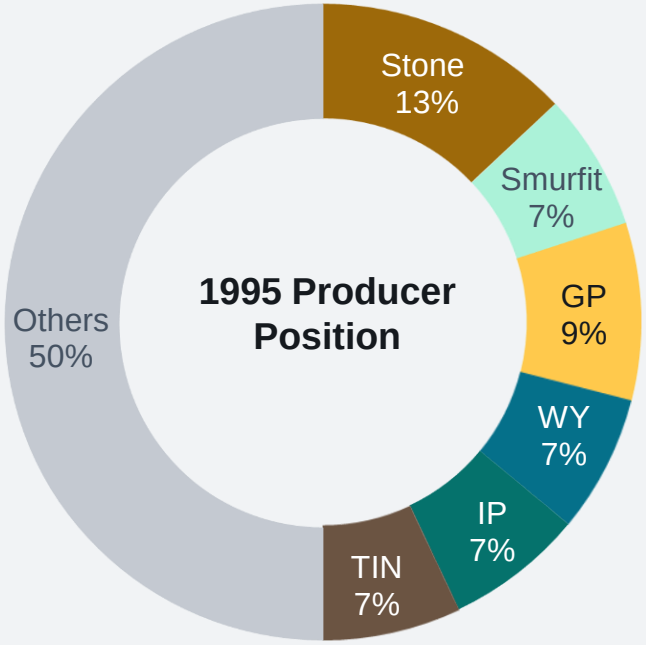
Industrial Packaging

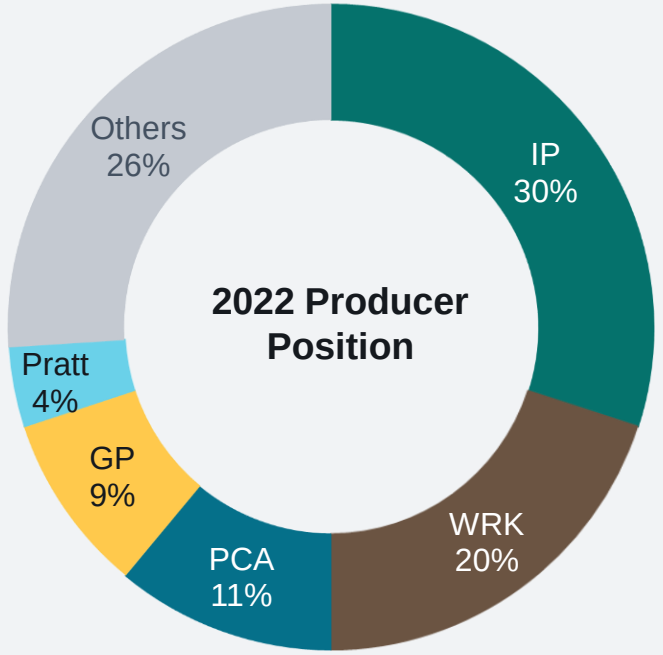


International Paper

N.A. Containerboard | Supply Positions





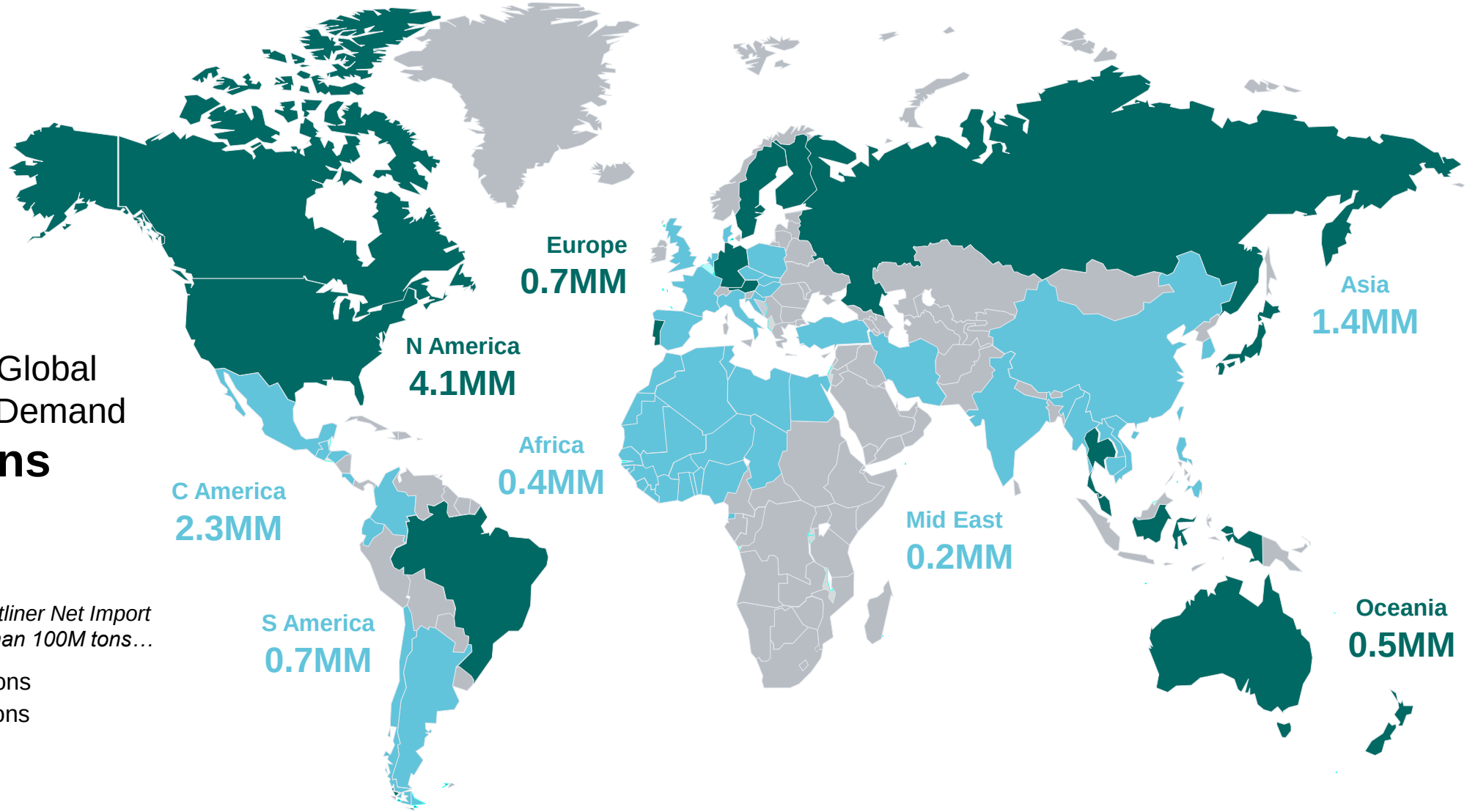


Source: RISI North American Paper Packaging Capacity Report updated May 19, 2022, news releases, and IP data and analysis
Note: RISI estimated North American containerboard capacity by producer for 2021, adjusted for announced capacity changes

Global Containerboard Industry | Total Kraftliner Trade Flows

Estimated 2022 Global Containerboard Demand

= 210MM tons



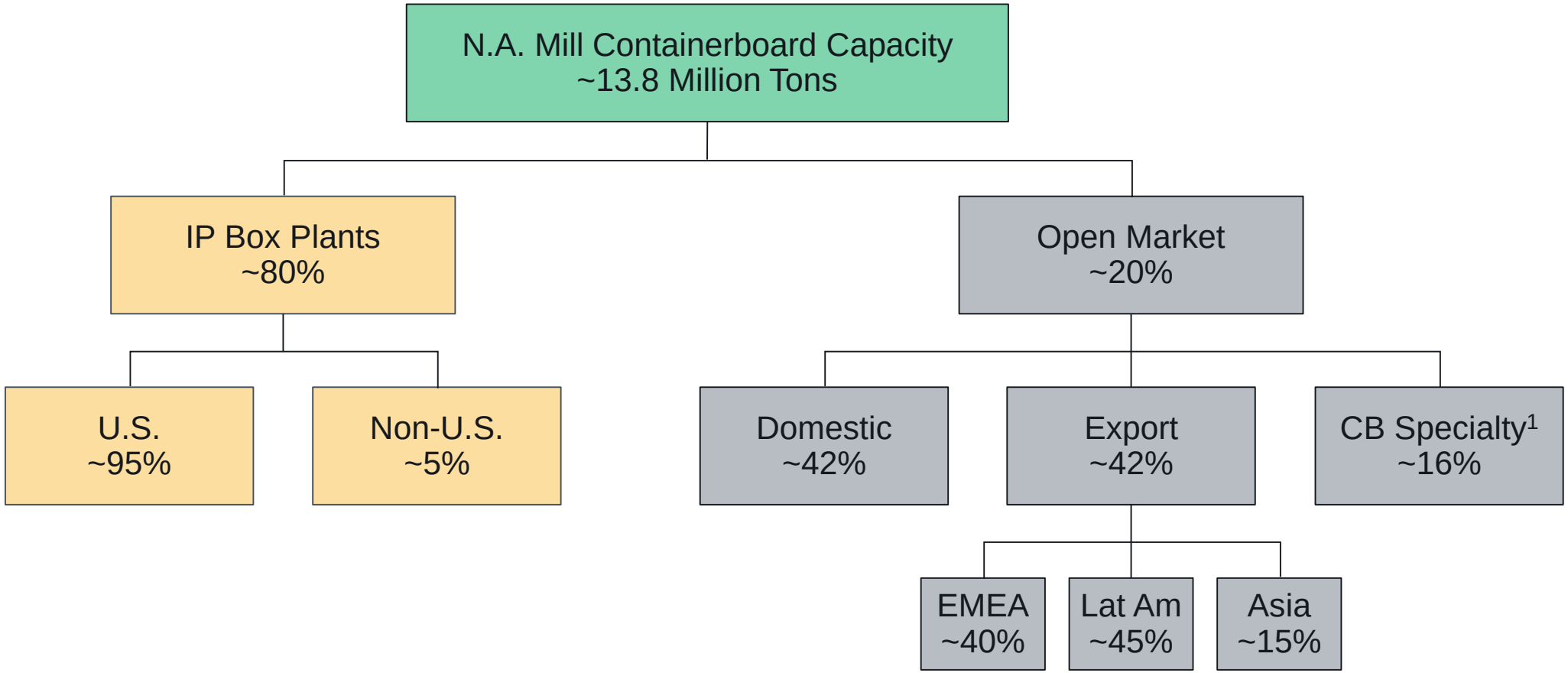
Countries with Kraftliner Net Import or Export greater than 100M tons…

- Net Export, Tons
- Net Import, Tons

Source: RISI World Containerboard Forecast, updated January 20, 2023 and IP analysis

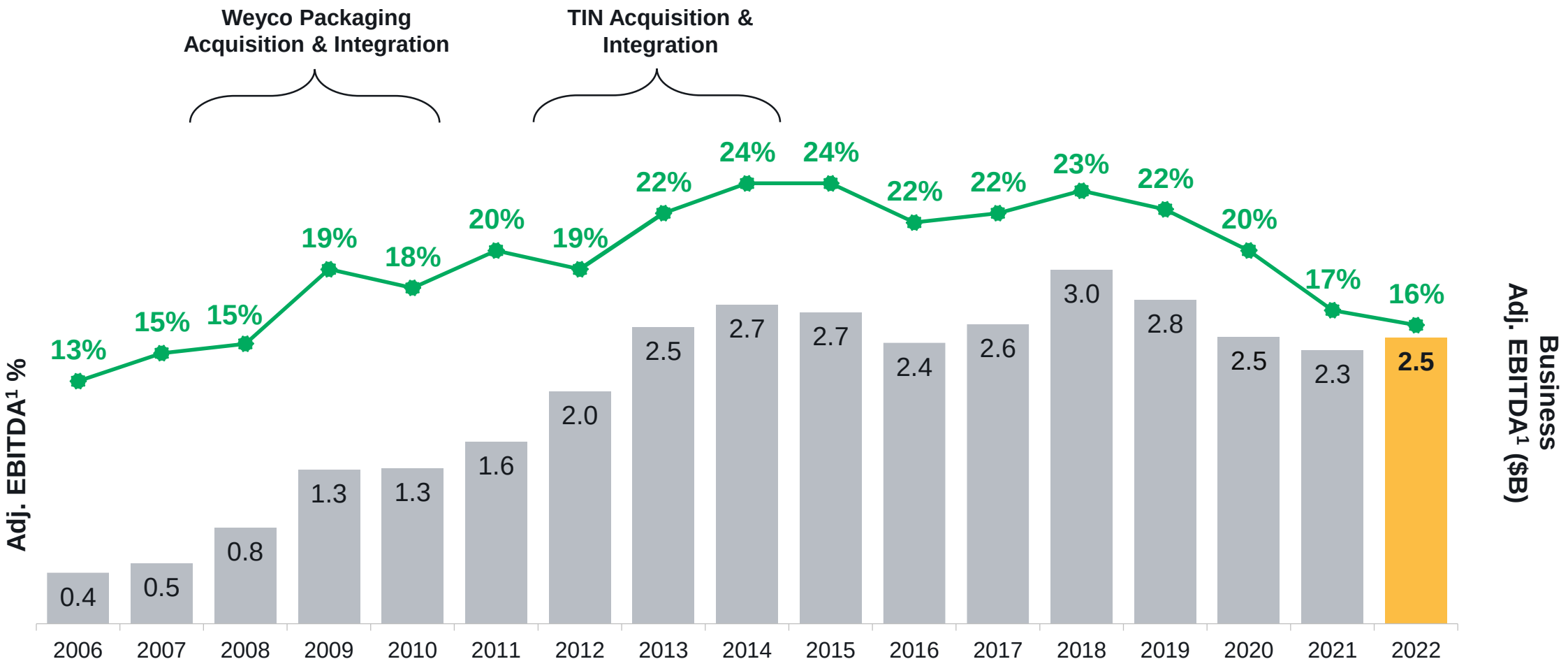
N.A. Industrial Packaging Channels

IP's channels to market provide choices for maximizing value



Source: 2022 IP effective containerboard capacity and sales by channel

N.A. Industrial Packaging



Source: IP data and analysis

Well-Positioned in Attractive Customer Segments

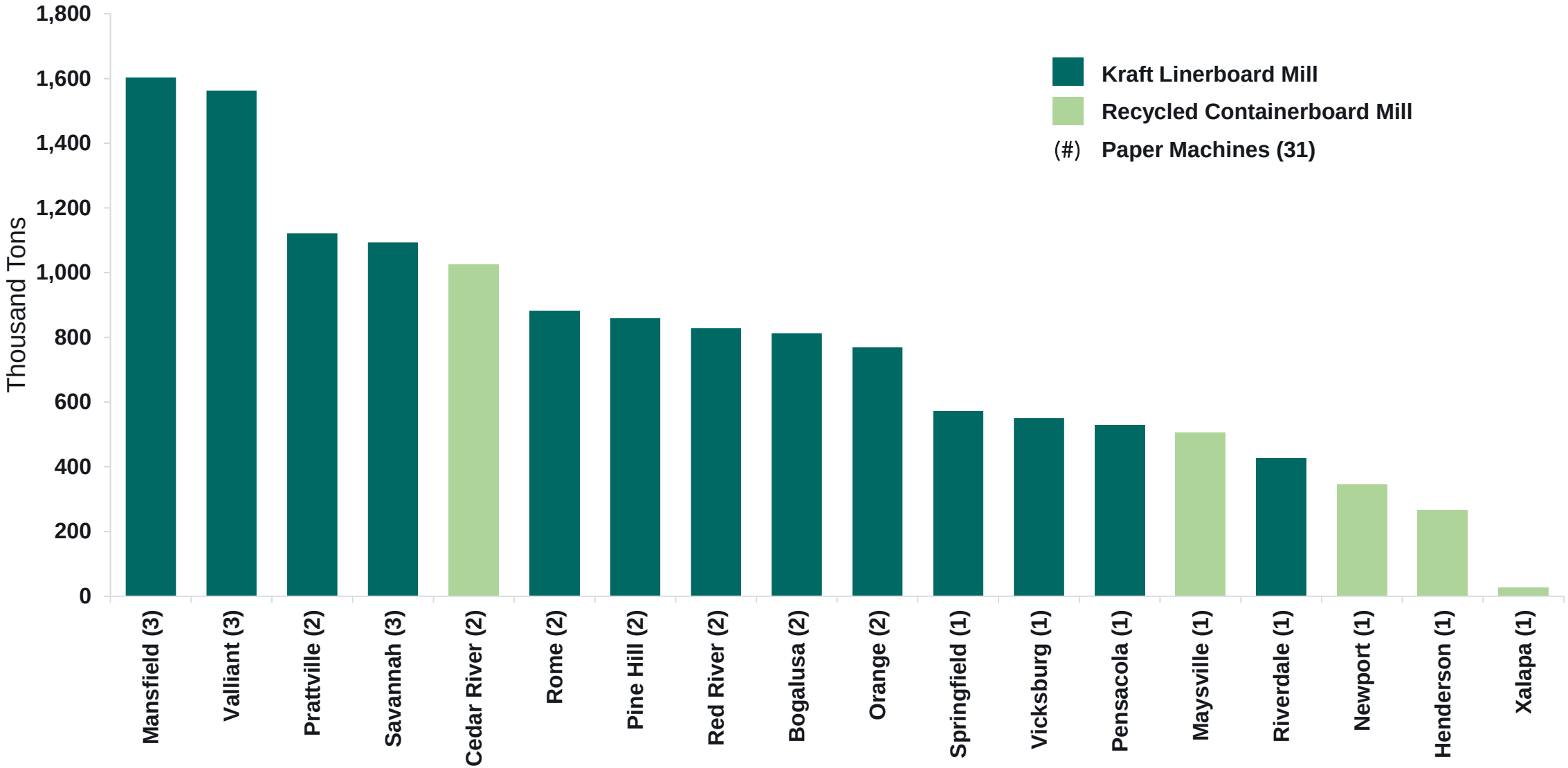
Customer Segment	Industry	IP
Food & Beverage	**~45%**	
Processed Food		
Fresh Produce		✓
Protein (Meat & Poultry)		✓
Beverage		
Other Non-Durables	**~30%**	
Chemicals & Pharmaceuticals		
Paper, Towels & Tissue		
Other Non-Durables		
Durable Goods & Distribution	**~25%**	
E-commerce, Shipping & Distribution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





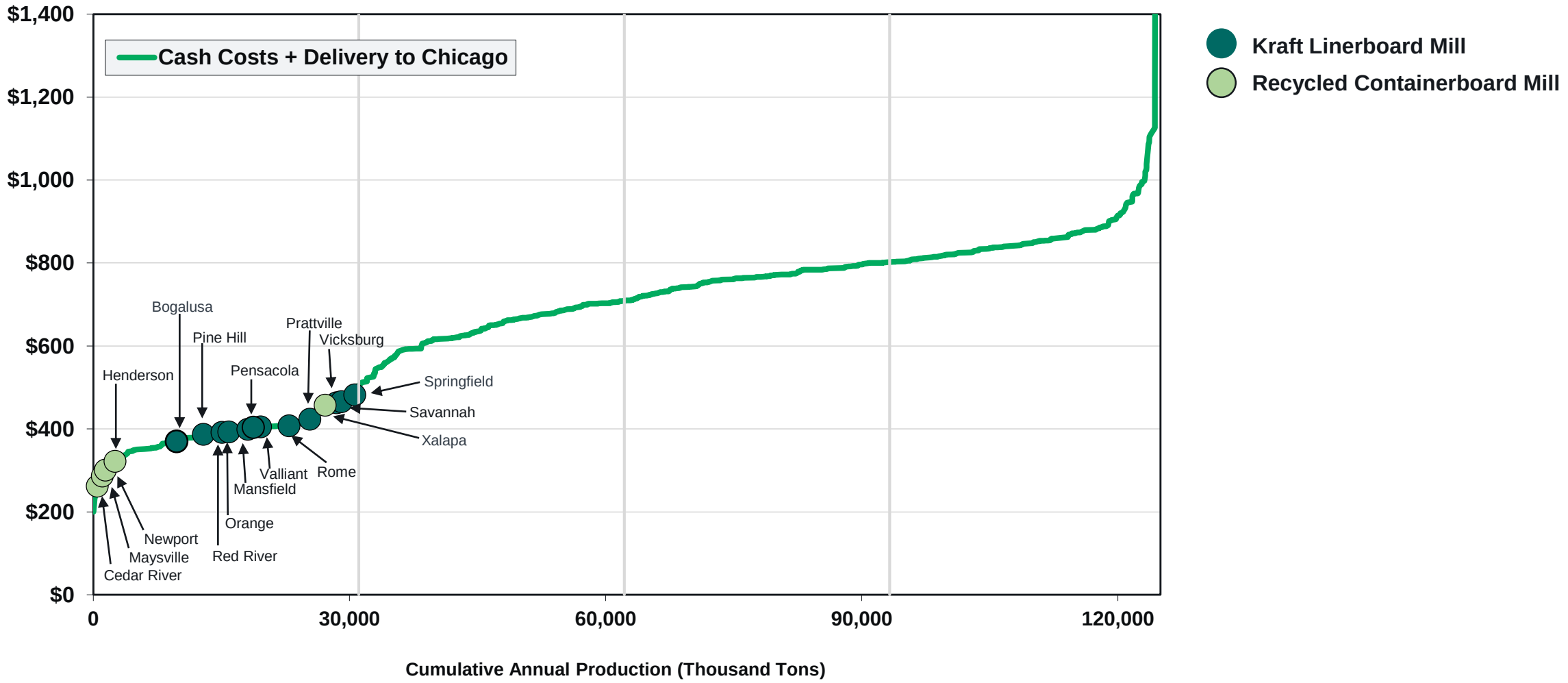


N.A. Containerboard Mill System | ~13.8MM Tons Capacity



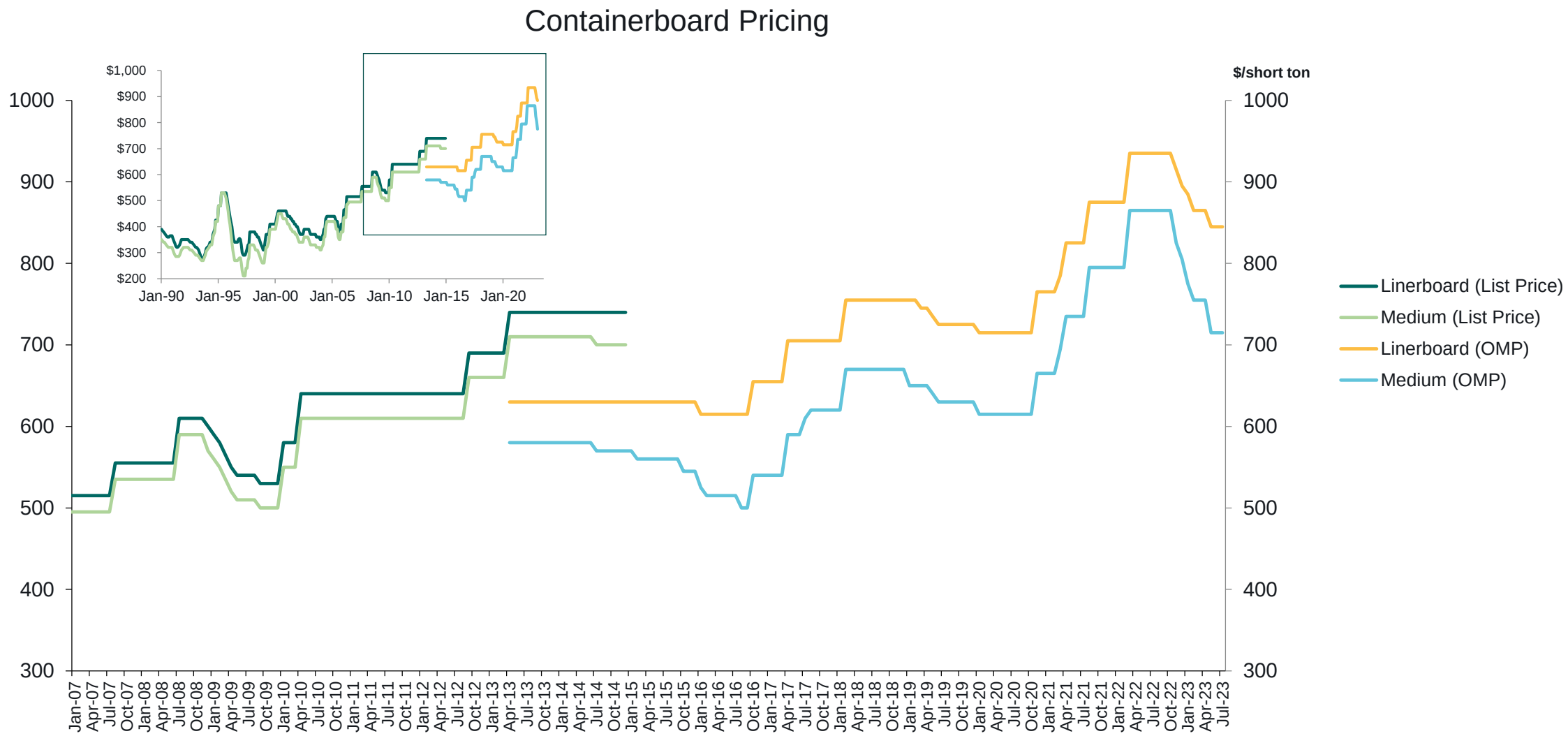
Source: 2023 estimates of effective capacity based on IP data and analysis; chart includes Saturating Kraft & Gypsum liner

Linerboard Global Cost Curve | ~100% of N.A. Capacity in 1st Quartile



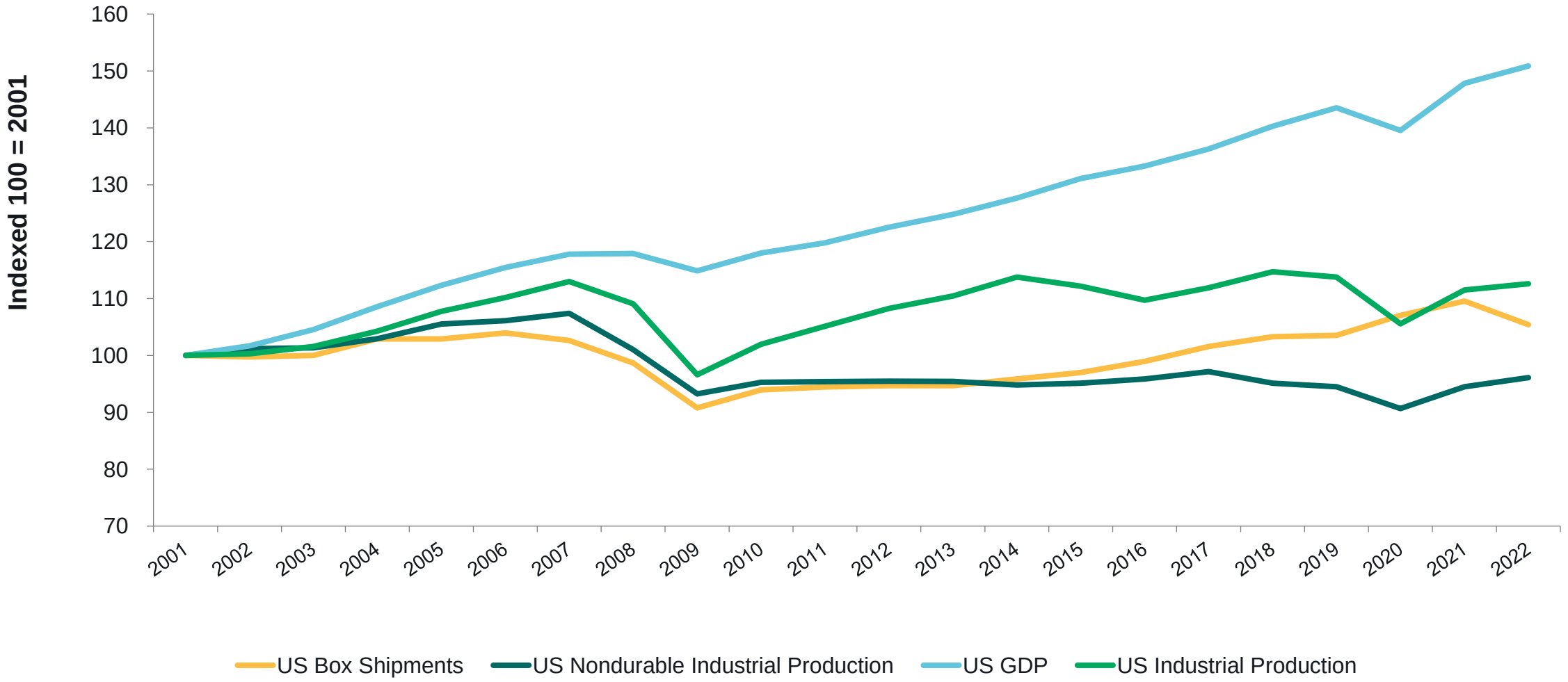
Source: FisherSolve™ 4Q22 data, excluding White Top

U.S. Containerboard | Industry Statistics



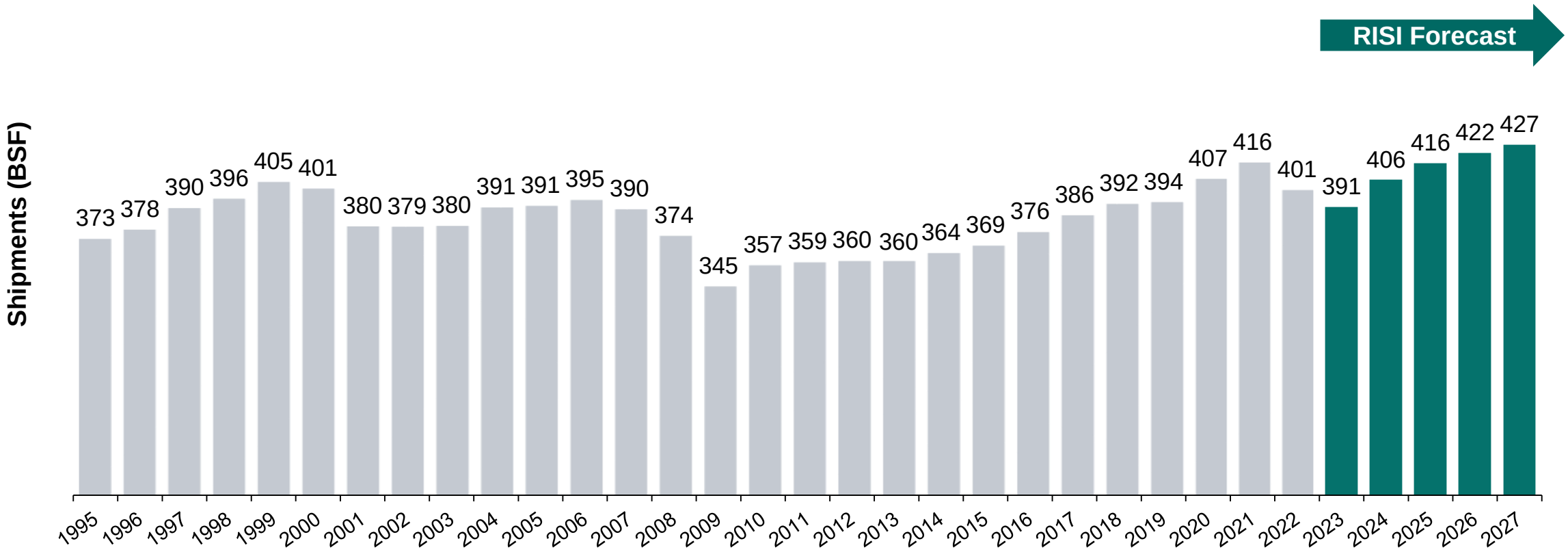
Source: RISI as of July 2023, RISI only reports OMP = Open Market Price
Note: As of January 2015, RISI discontinued publishing their List Price Series

Economic Indicators and U.S. Box Demand



Sources: US Box Shipments – Fibre Box Association (Statistical Bulletin)
US Nondurable Industrial Production, US GDP and US Industrial Production - FRED

U.S. Corrugated Packaging Shipments



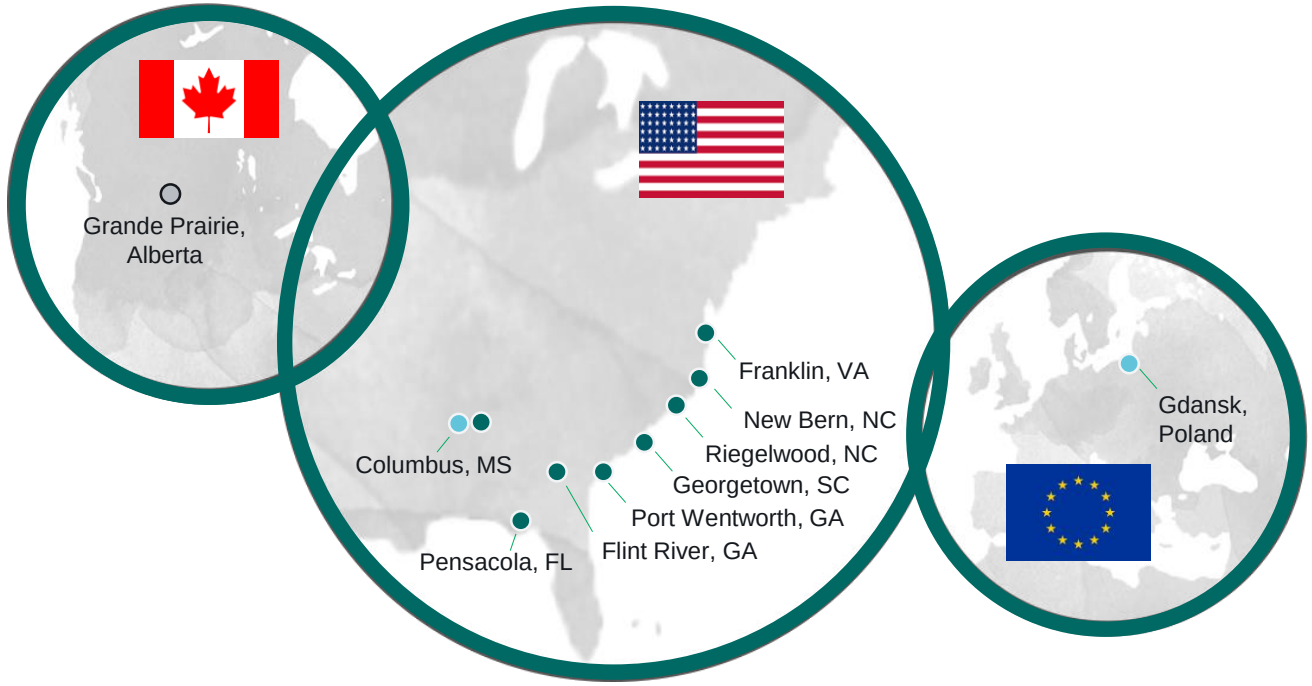
Source: Fibre Box Association, RISI North American Paper Packaging 5-Year Forecast
Note: Historical data from 1995 – 2022 represents U.S. Box Shipments reported by Fibre Box Association in Billion Square Feet. Forecasted shipments based on RISI's forecasted annual growth rates from their North American Paper Packaging 5-Year Forecast published July 18, 2023.

Global Cellulose Fibers

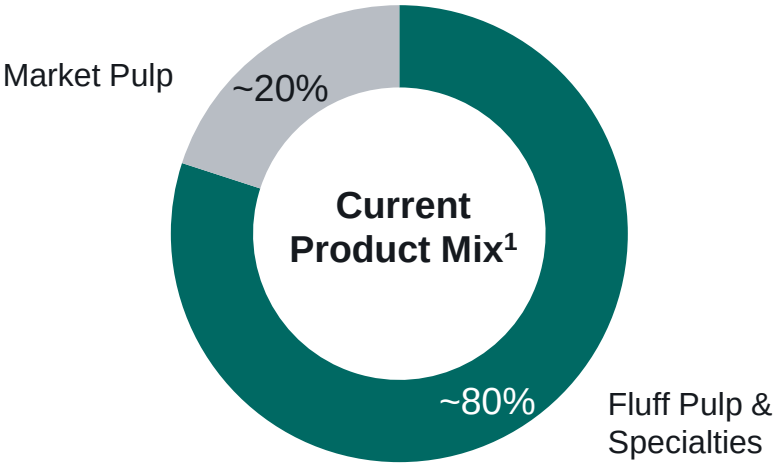


International Paper

Global Cellulose Fibers | Business Overview



Total Capacity	~3.4MM MTPY	Targeted Mix
Fluff Pulp & Specialties	2.8MM	83%
Market Pulp	0.6MM	17%

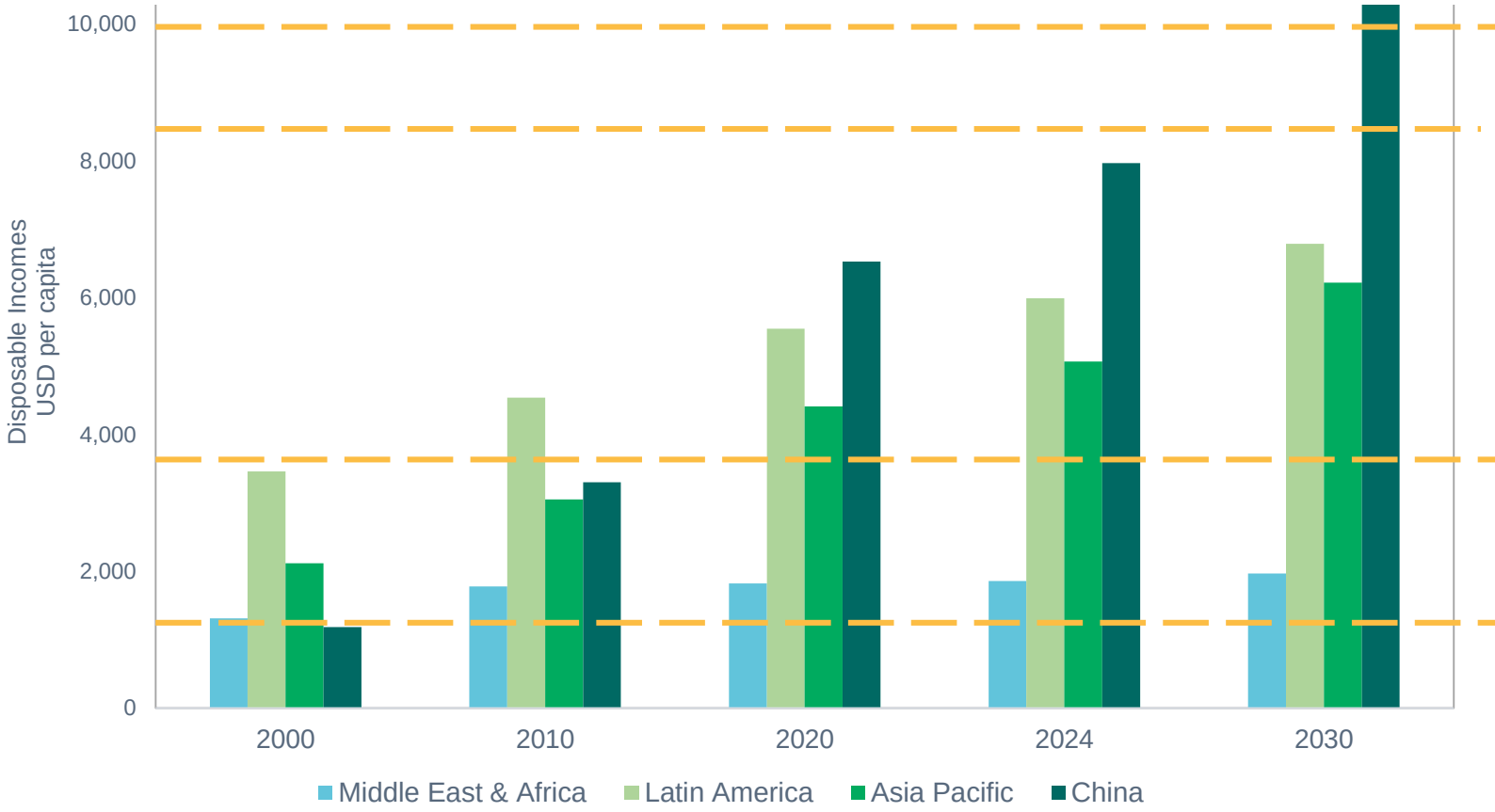


IP Global Pulp Capacity | Total of 3.4MM MTPY



Absorbent Hygiene Products (AHP) Outlook | Demand & Growth

AHP demand linked to disposable incomes in emerging markets





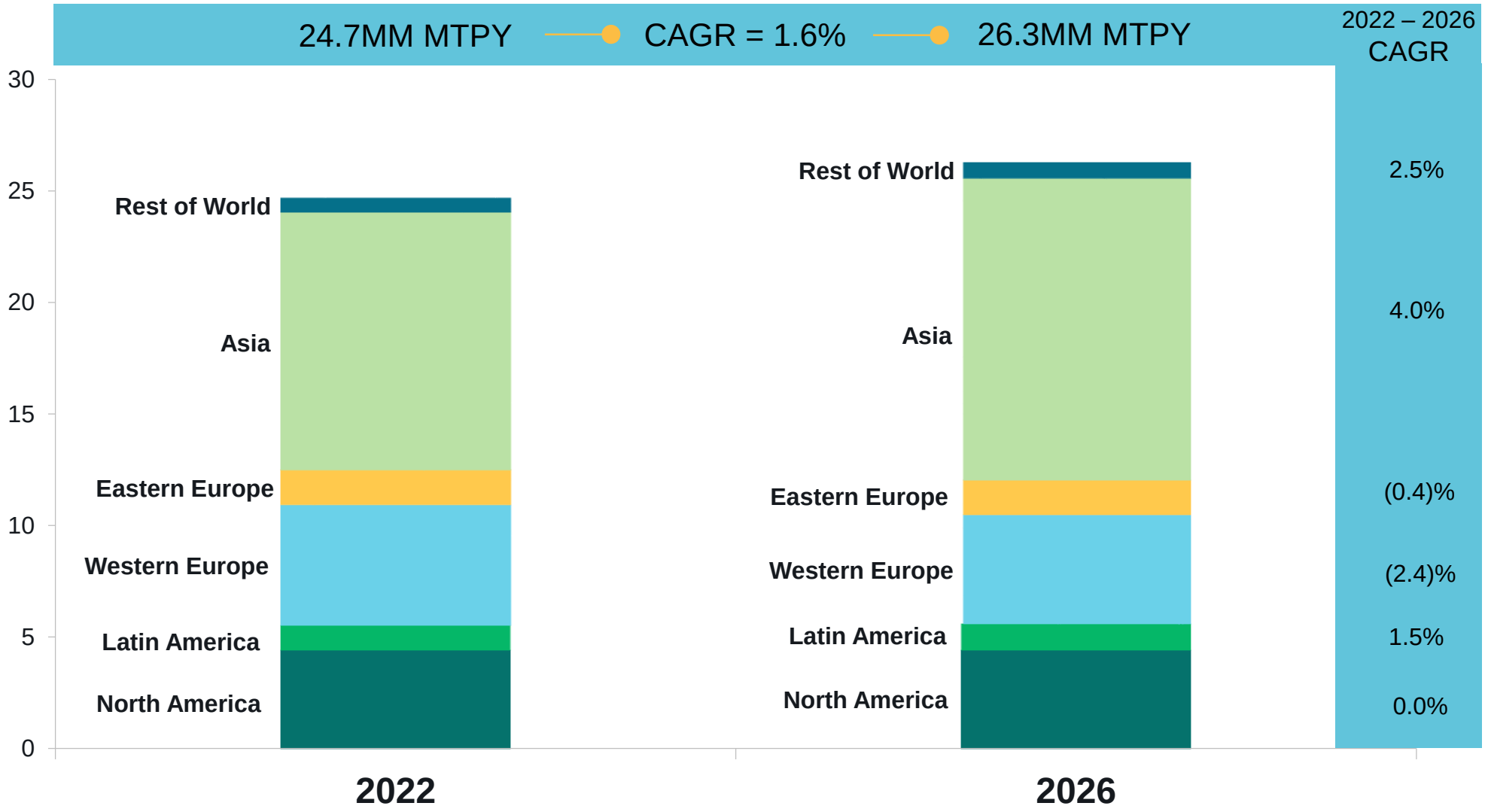






Source: Euromonitor

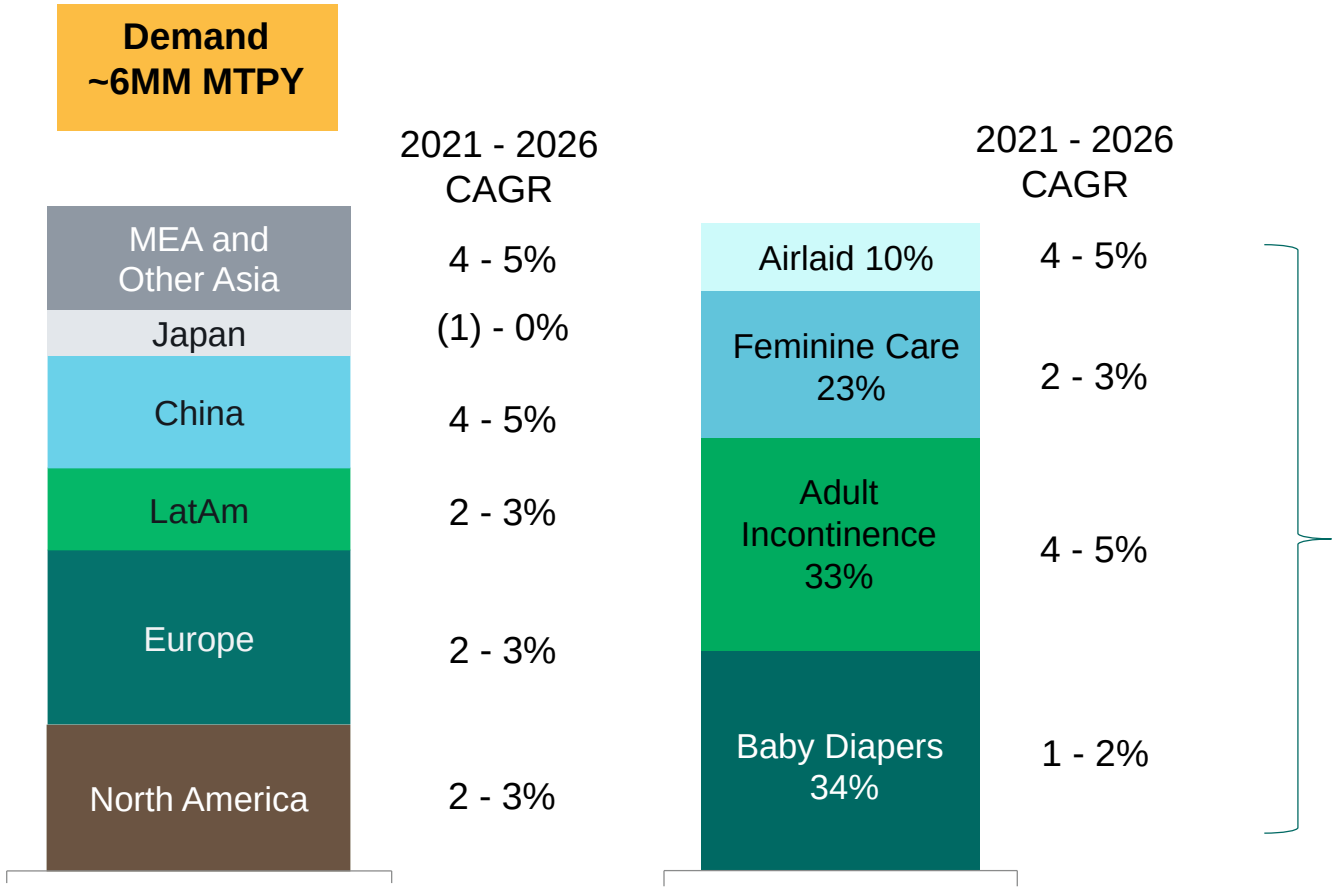
Global Market Pulp Demand Outlook | Bleached Softwood



Source: PPPC November 2022 Chemical Market Pulp Forecast SRN

Global Cellulose Fibers | Advantaged Position in Attractive Markets

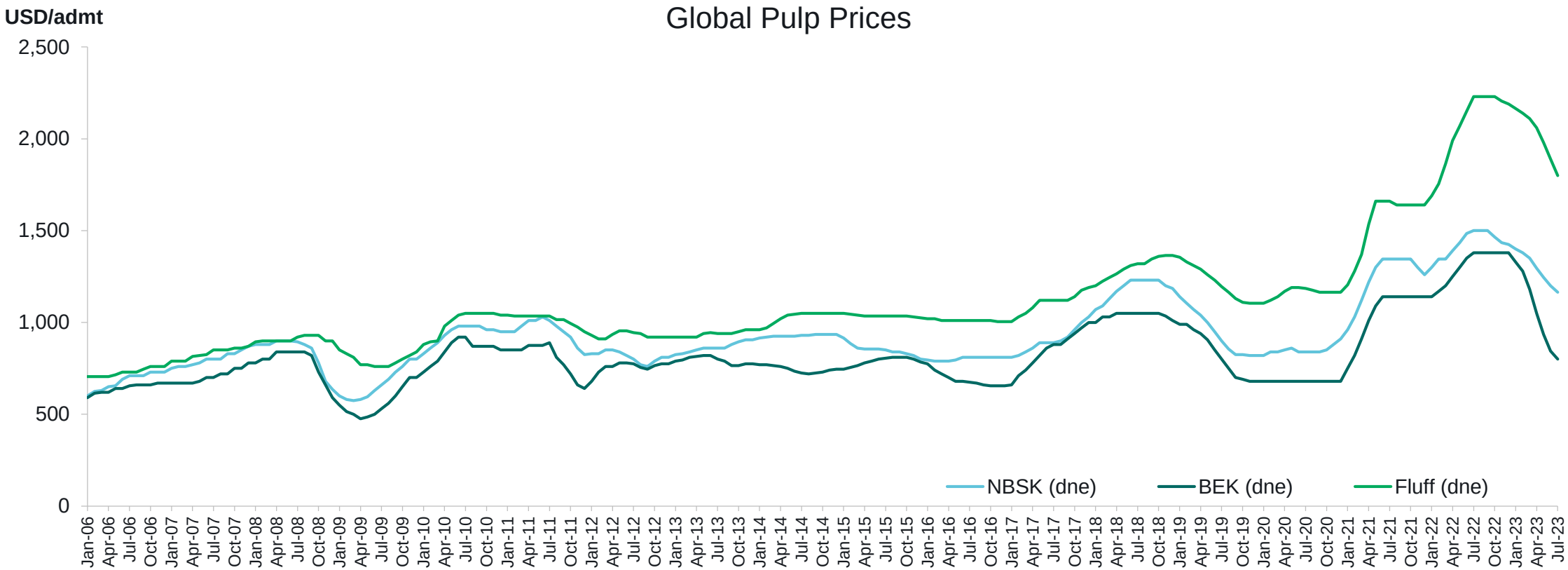
Fluff Demand by Region and End Use



Well positioned to serve growing demand with global, strategic customers

Source: IP analysis, Hawkins Wright

Pulp | Industry Statistics



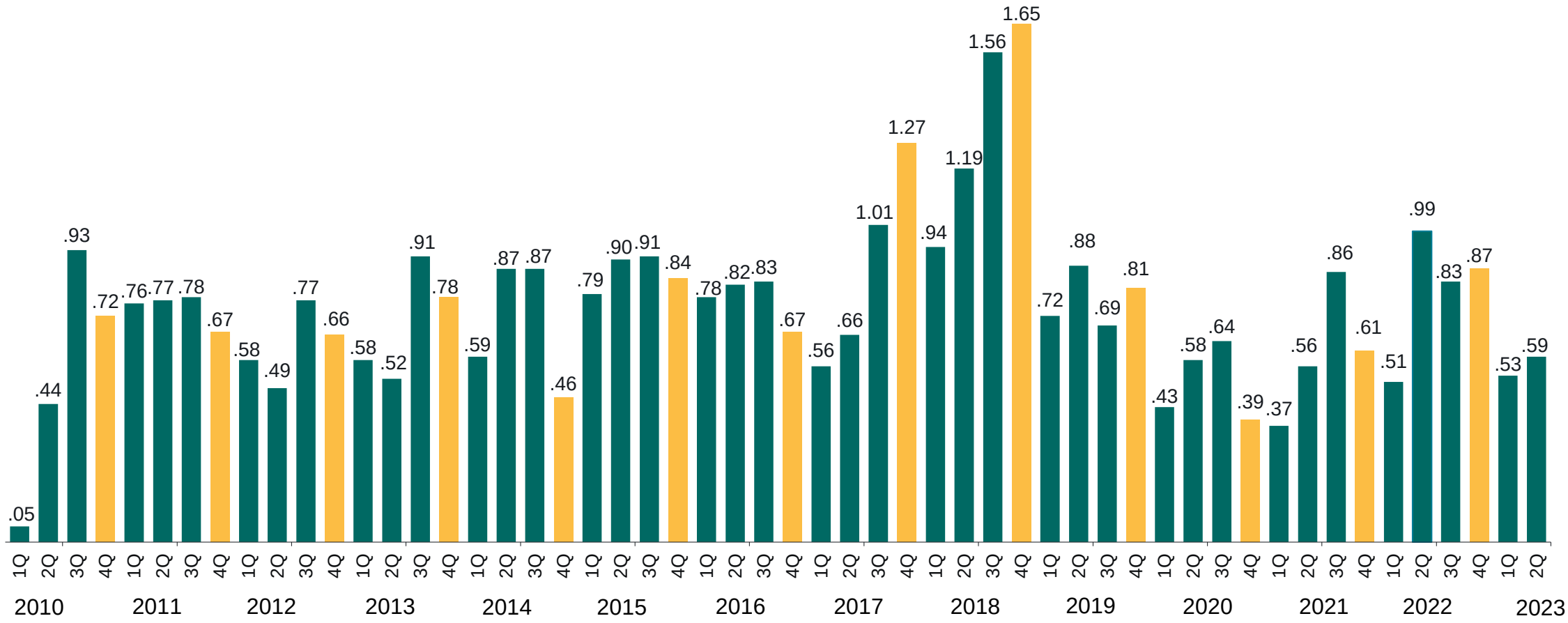
Source: RISI
Global pulp prices delivered to Northern Europe;
Units shown in metric tons

Appendix



International Paper

Adj. Operating EPS[1]



Ilim Joint Venture reflected as Discontinued Ops. 2020 - 2022

Printing Papers reflected as Discontinued Ops. 2019 - 2021

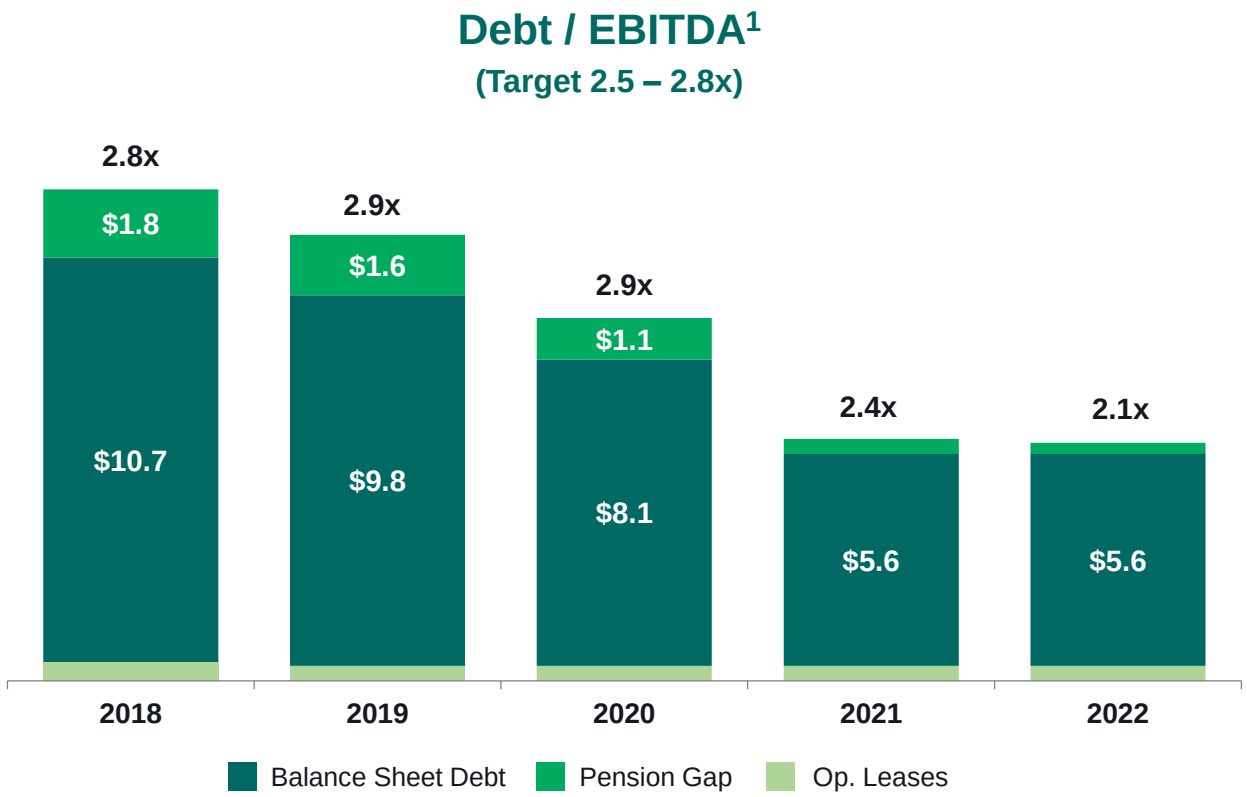
Free Cash Flow

$ Million	2020	2021	2Q22	2022	1Q23	2Q23
Cash Provided by Operations	**$3,063**	**$2,030[1]**	**$390**	**$2,174**	**$345[2]**	**$528**
Cash Invested in Capital Projects, Net of Insurance Recoveries	$(751)	$(549)	$(186)	$(931)	$(341)	$(267)
Free Cash Flow	**$2,312**	**$1,481**	**$204**	**$1,243**	**$4**	**$261**

[1]2021 cash provided by operations includes tax payments of ~$0.5B related to monetization transactions and CARES Act payroll tax deferral

[2]1Q23 cash provided by operations includes tax payments of ~$0.2B related to timber monetization settlement

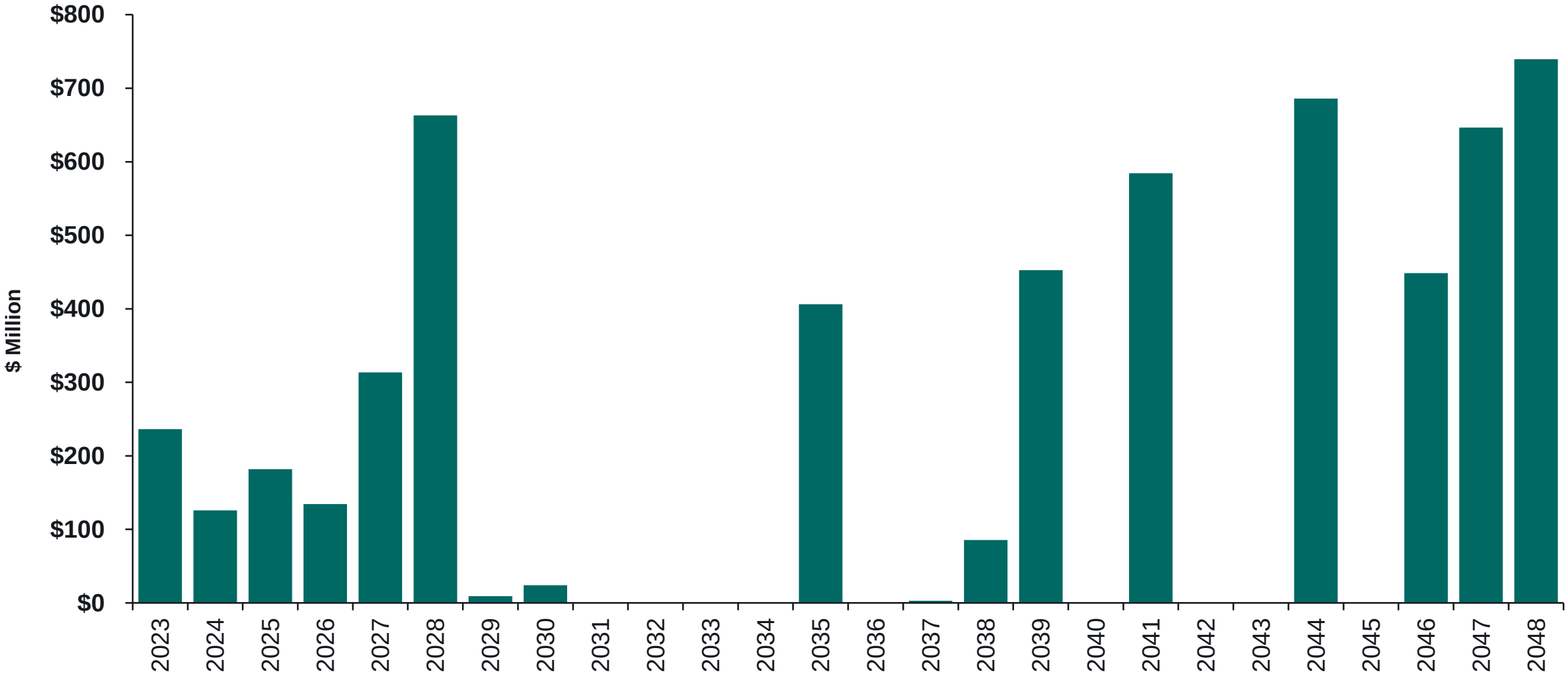
Balance Sheet | Financial Strength



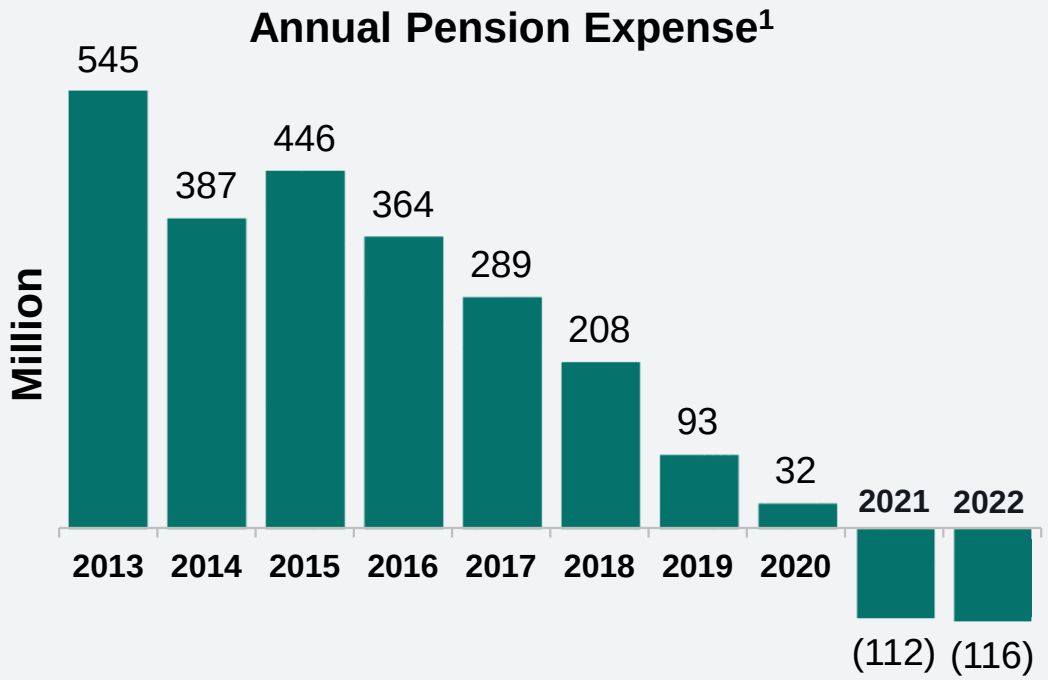
2022 Highlights

- Limited near-term maturities
- Qualified pension plan 103% funded status
- $2.4B of backup liquidity/cash at year end

Debt Maturity Profile | Maturities as of June 30, 2023



Pension Plan Update | as of December 31, 2022



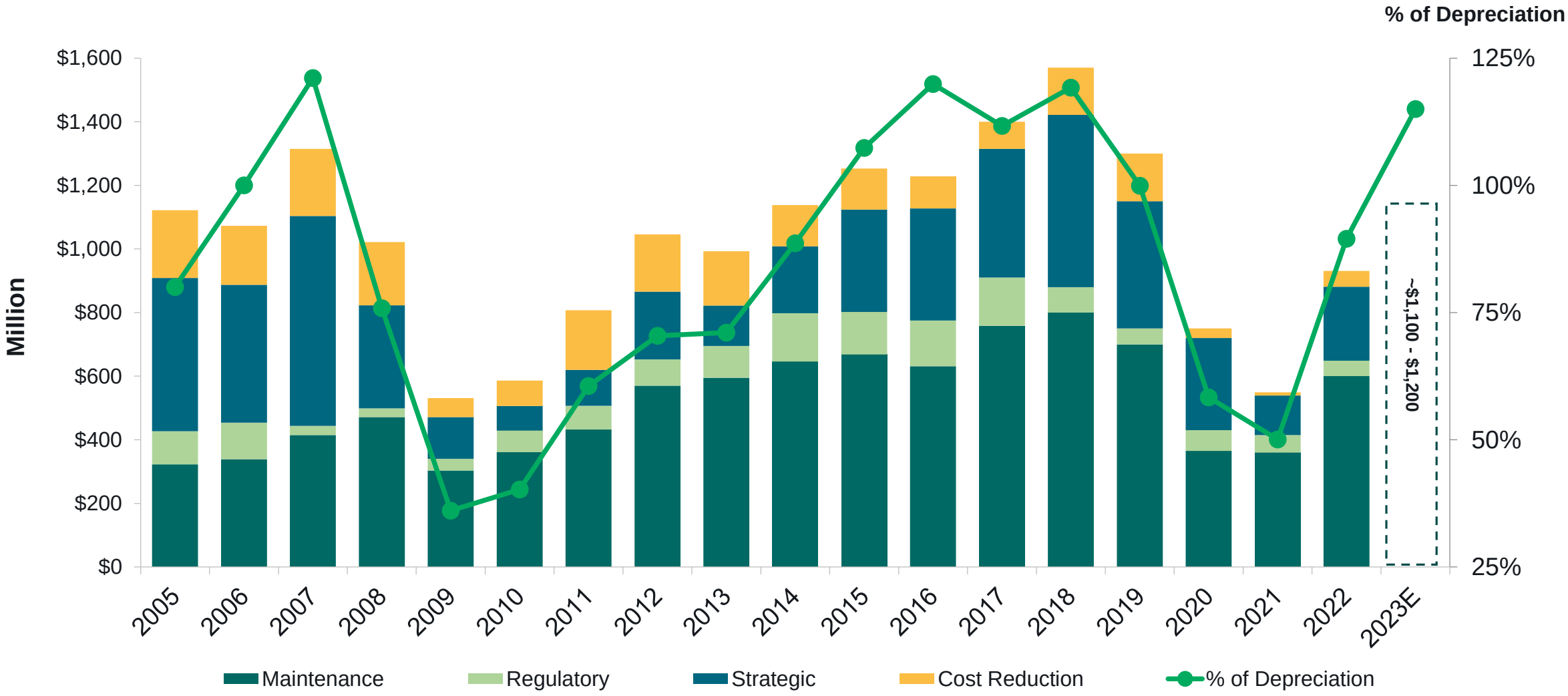
Key Variables	2020	2021	2022
Assumed Rate of Return	7.00%	6.40%	6.00%
Discount Rate	2.60%	2.90%	5.40%

Average Annualized Return[2]	
2022	-22.0%
Past Five Years	4.7%
Past Ten Years	7.1%

Portfolio Asset Allocation

	2022 Target	12/31/2022 Actual	12/31/2021 Actual
Equity	14% - 25%	16%	18%
Bonds	62% - 78%	67%	68%
Real Estate	4% - 11%	9%	8%
Other	2% - 8%	8%	6%

Capital Spending



Reflects continuing operations

2022 Capital Investment

Maintenance & Regulatory

Maintaining world-class, low-cost, advantaged assets

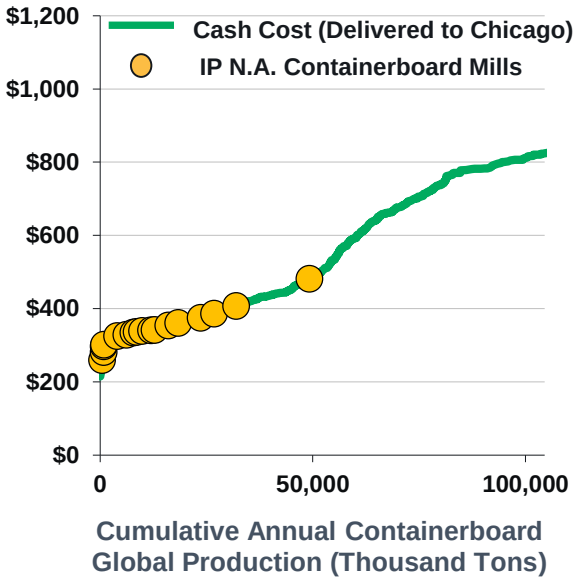
Cost Reduction

Creating value through pipeline of high return projects ≥ 30% IRR

Strategic

Reinvesting in core businesses with higher growth profile





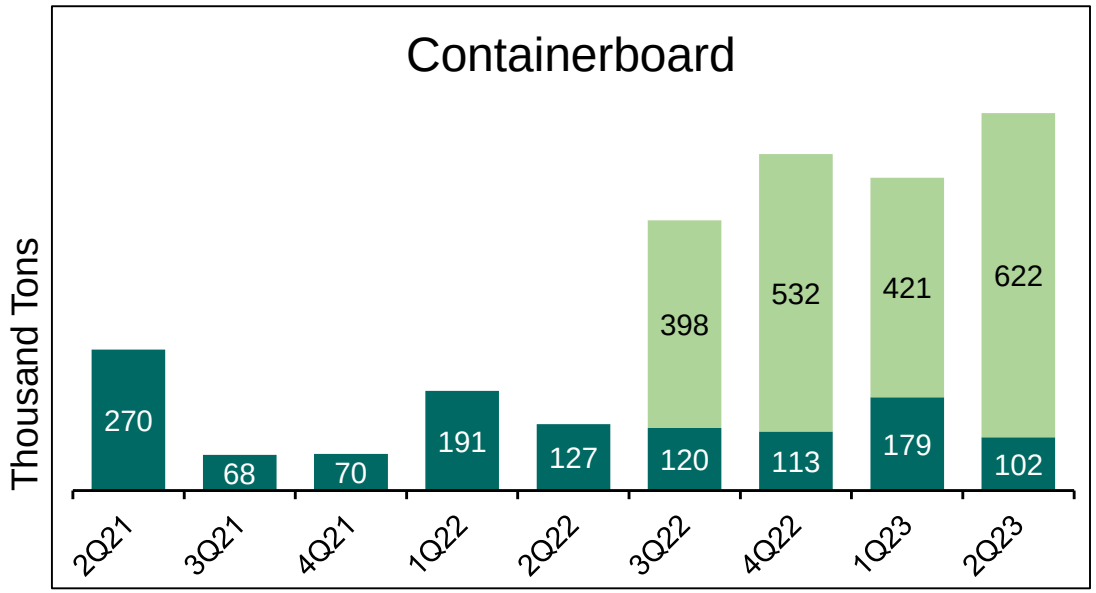


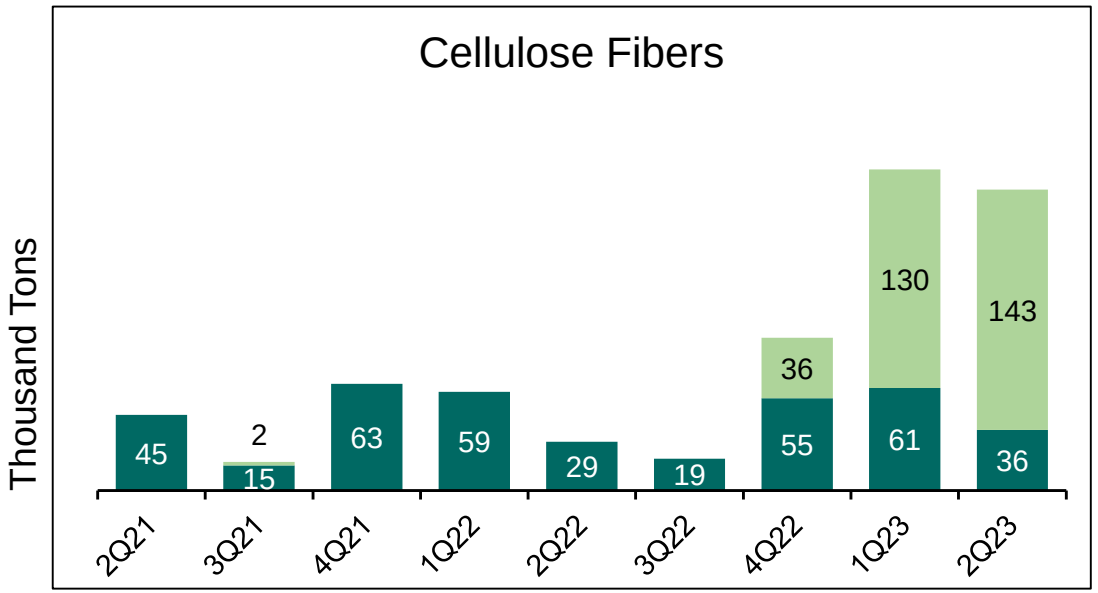
Source: IP Analysis, FisherSolve™ 4Q20 data

Maintenance Outages Expenses | 2023 Forecast

$ Million	1Q23A	2Q23A	3Q23F	4Q23F	2023F
Industrial Packaging	**$161**	**$107**	**$79**	**$60**	**$407**
North America	$161	$86	$78	$57	$382
Riverdale Papers	-	$21	$1	-	$22
EMEA	-	-	-	$3	$3
Global Cellulose Fibers	**$68**	**$34**	**$22**	**$67**	**$191**
North America	$53	$34	$22	$67	$176
Georgetown Papers	$15	-	-	-	$15
Total Impact	**$229**	**$141**	**$101**	**$127**	**$598**

North America Downtime

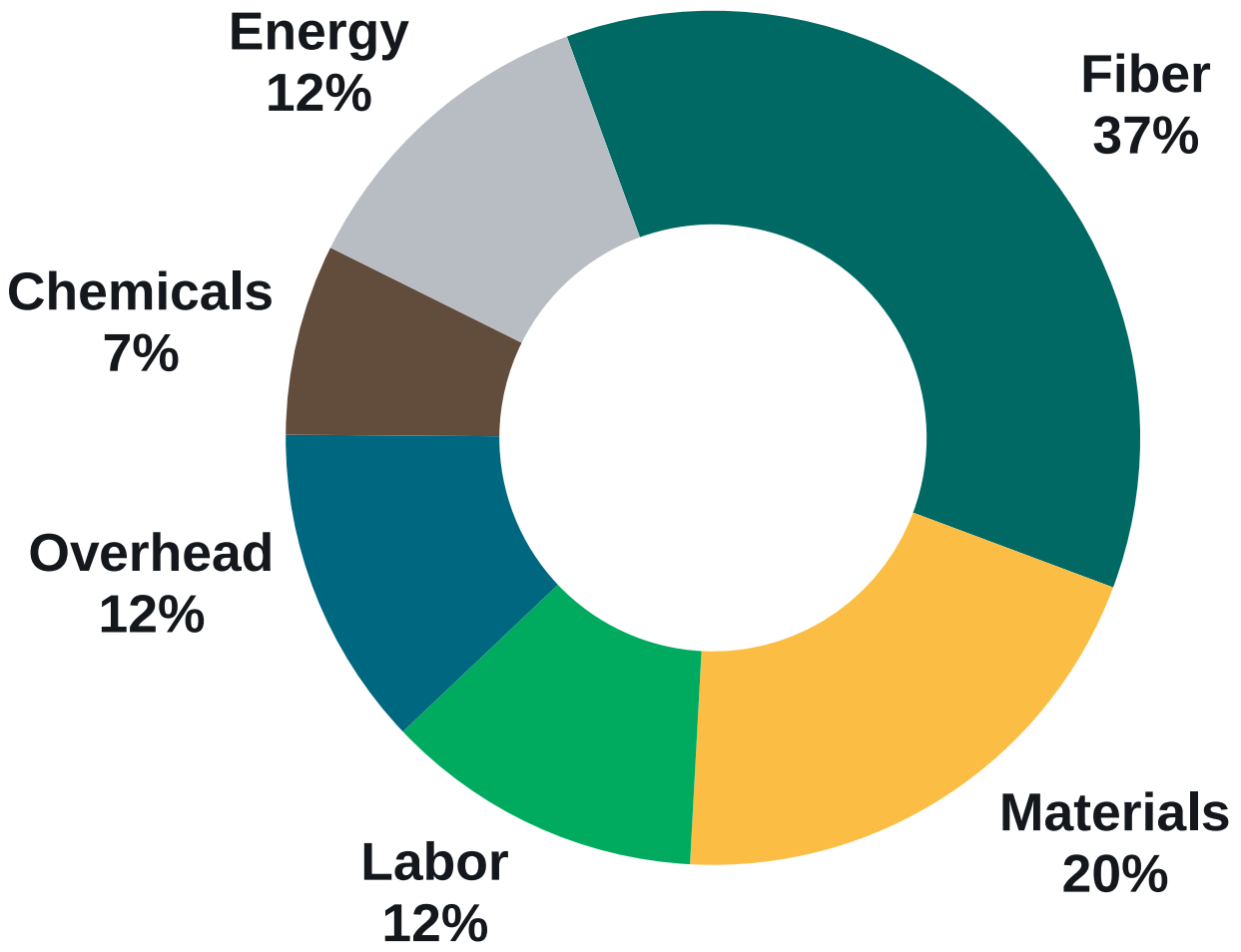




Economic

Maintenance

Total Cash Components | 2022



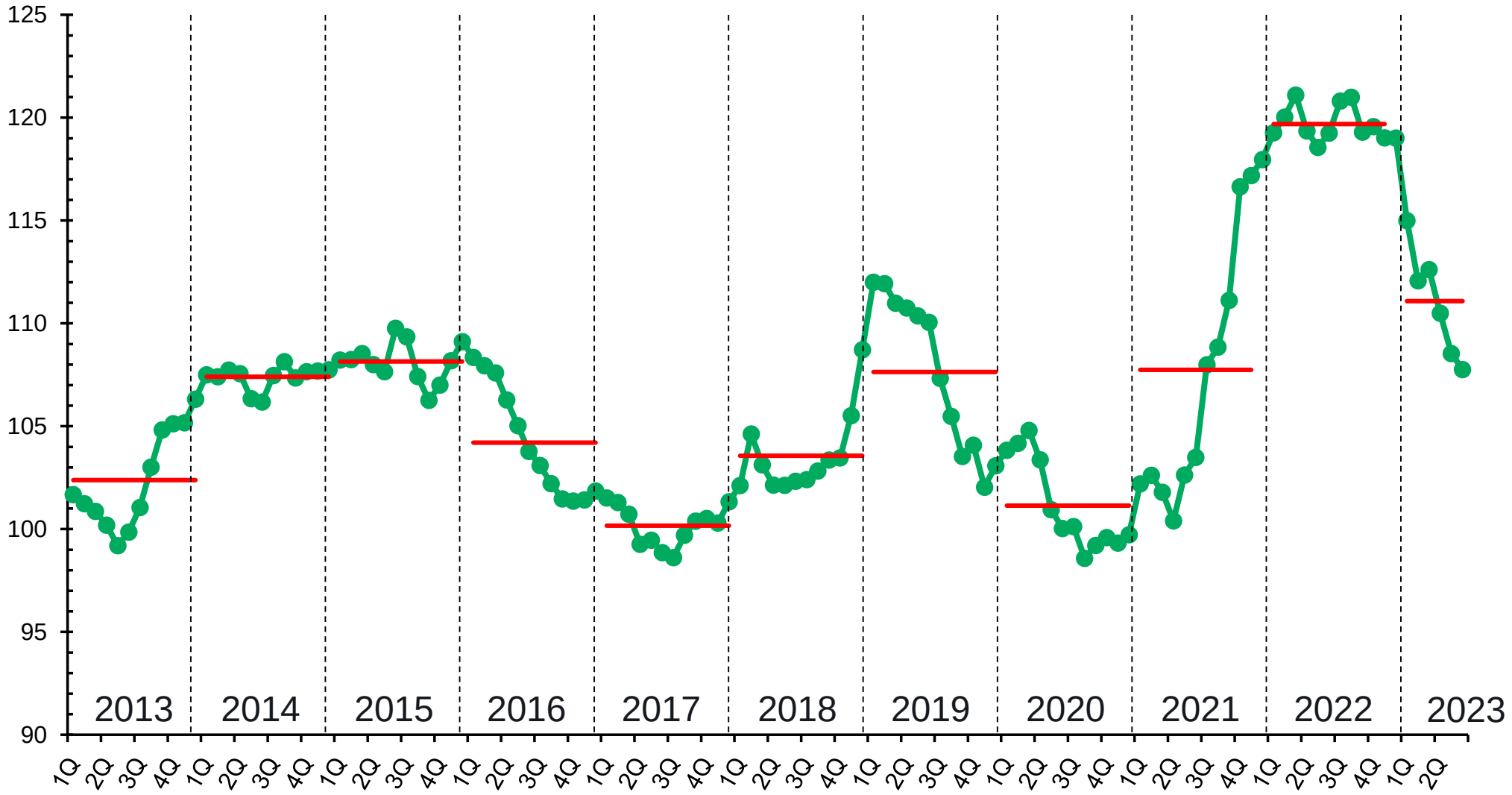
North American mills only

Global Consumption | 2022 Annual Purchases for Key Inputs

	Commodity	North America	EMEA
Energy	Natural Gas (MMBTUs)	85,000,000	2,200,000
	Fuel Oil (Barrels)	252,000	0
Fiber	Wood (Tons)	46,000,000	0
	Old Corrugated Containers / DLK (Tons)	4,700,000	500,000
Chemicals	Caustic Soda (Tons)	360,000	1,500
	Starch (Tons)	240,000	55,000

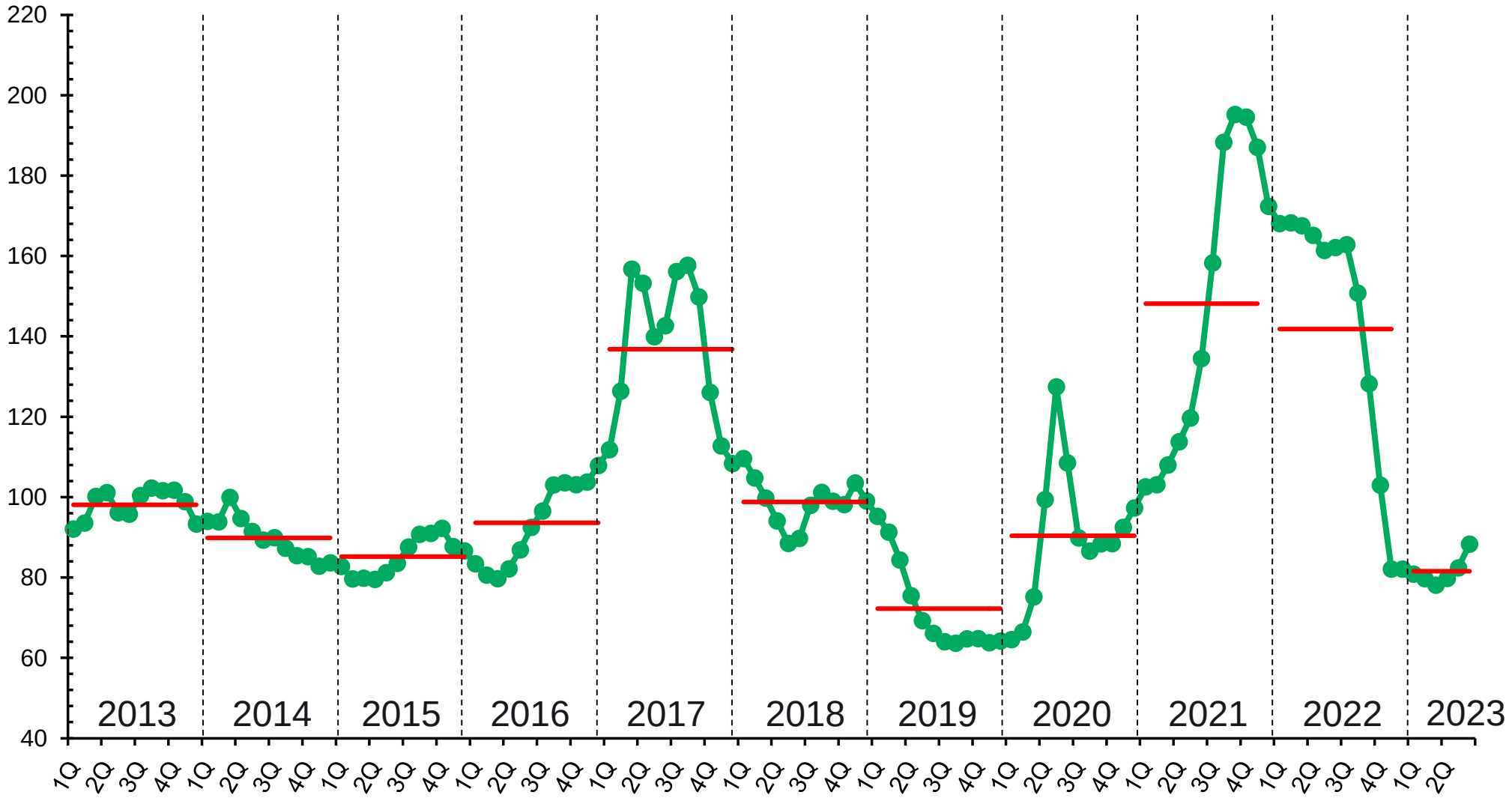
North America excludes converting facilities

U.S. Mill Wood Delivered Cost Trend | 2Q23 Average Cost Down 4% vs. 1Q23



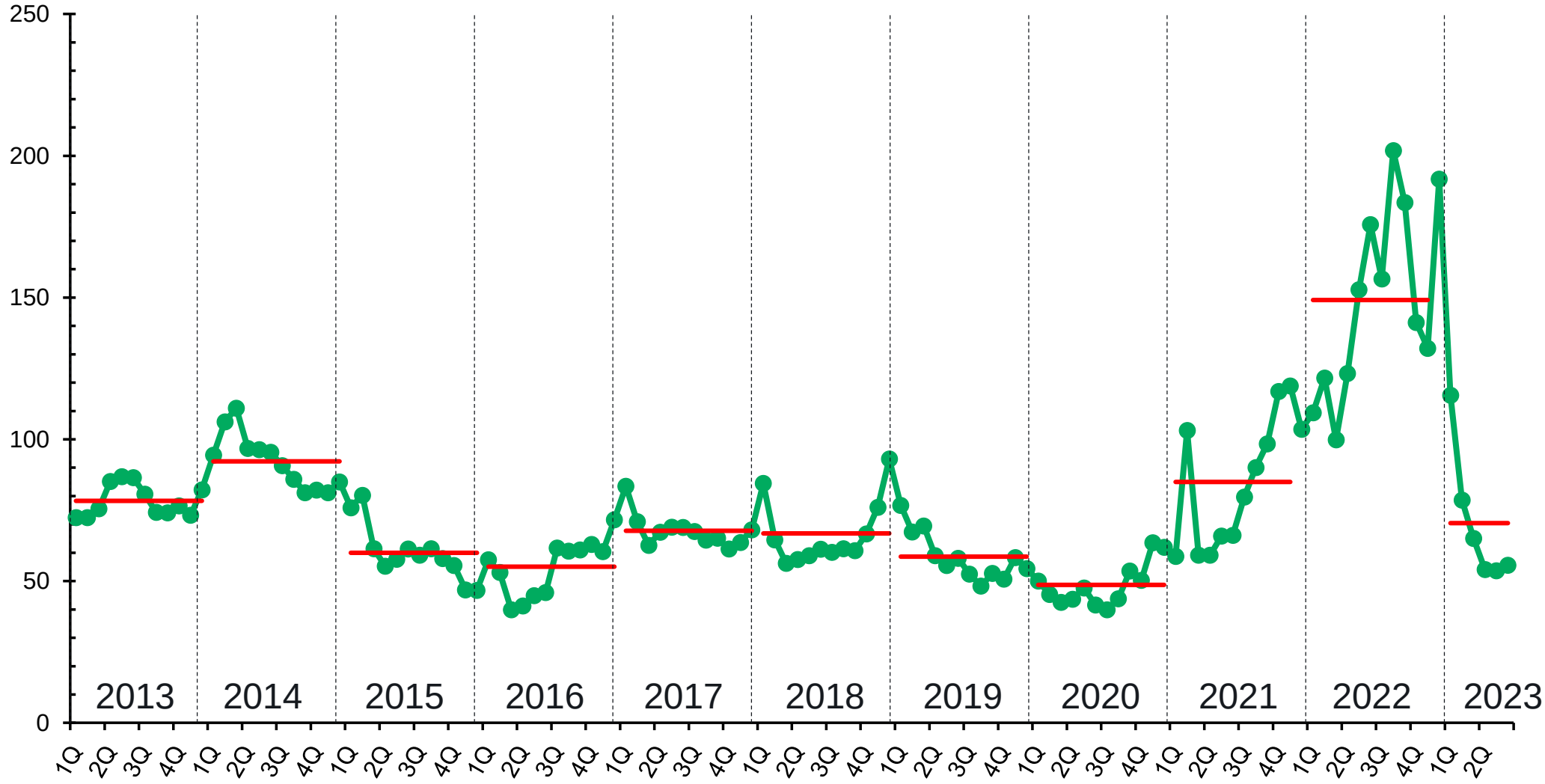
IP data, cost Indexed to January 2008 to December 2012 average value

U.S. OCC Delivered Cost Trend | 2Q23 Average Cost Up 4% vs. 1Q23



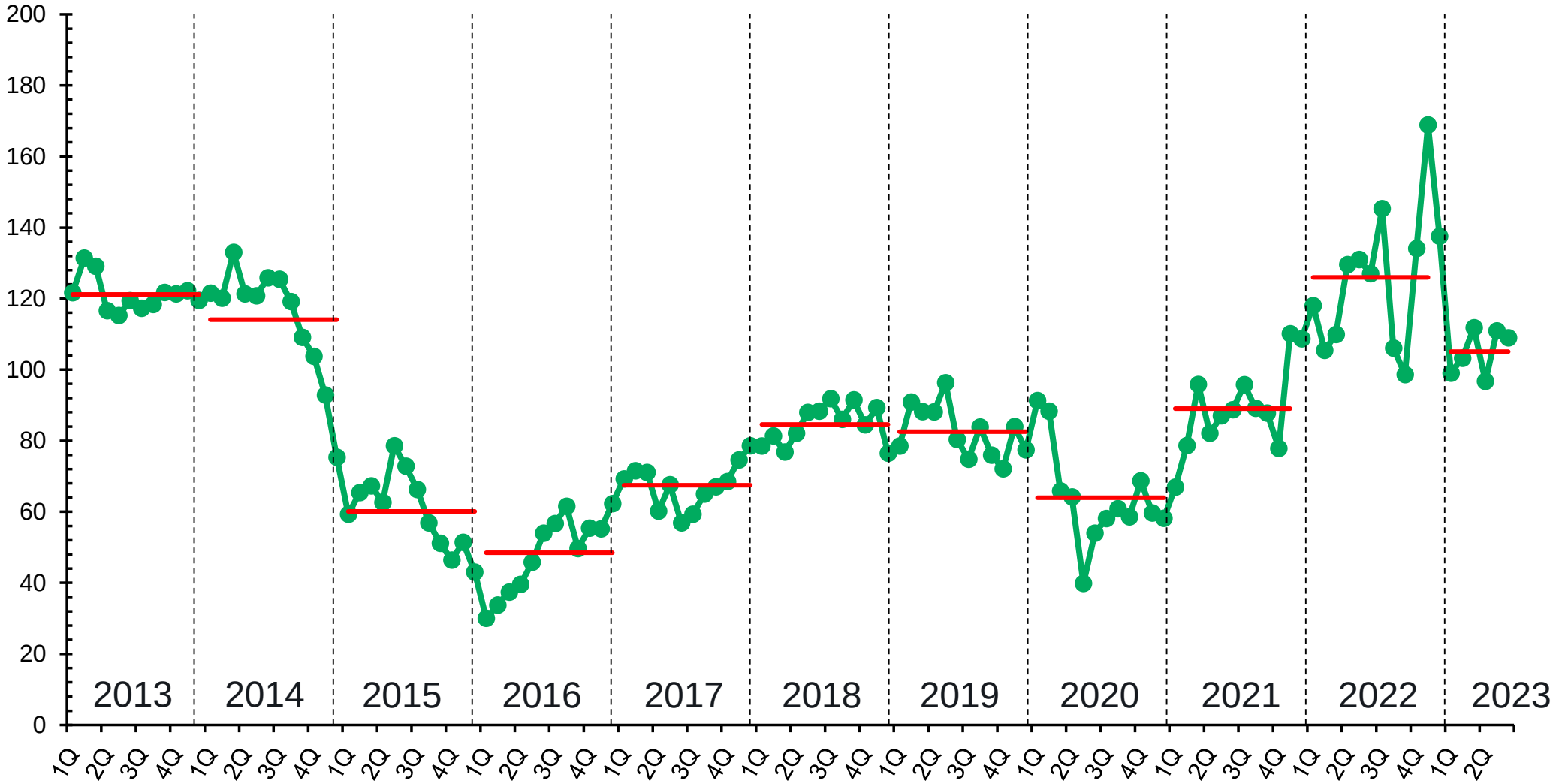
IP data, cost Indexed to January 2008 to December 2012 average value

U.S. Natural Gas Cost Trend | 2Q23 Average Cost Down 37% vs. 1Q23



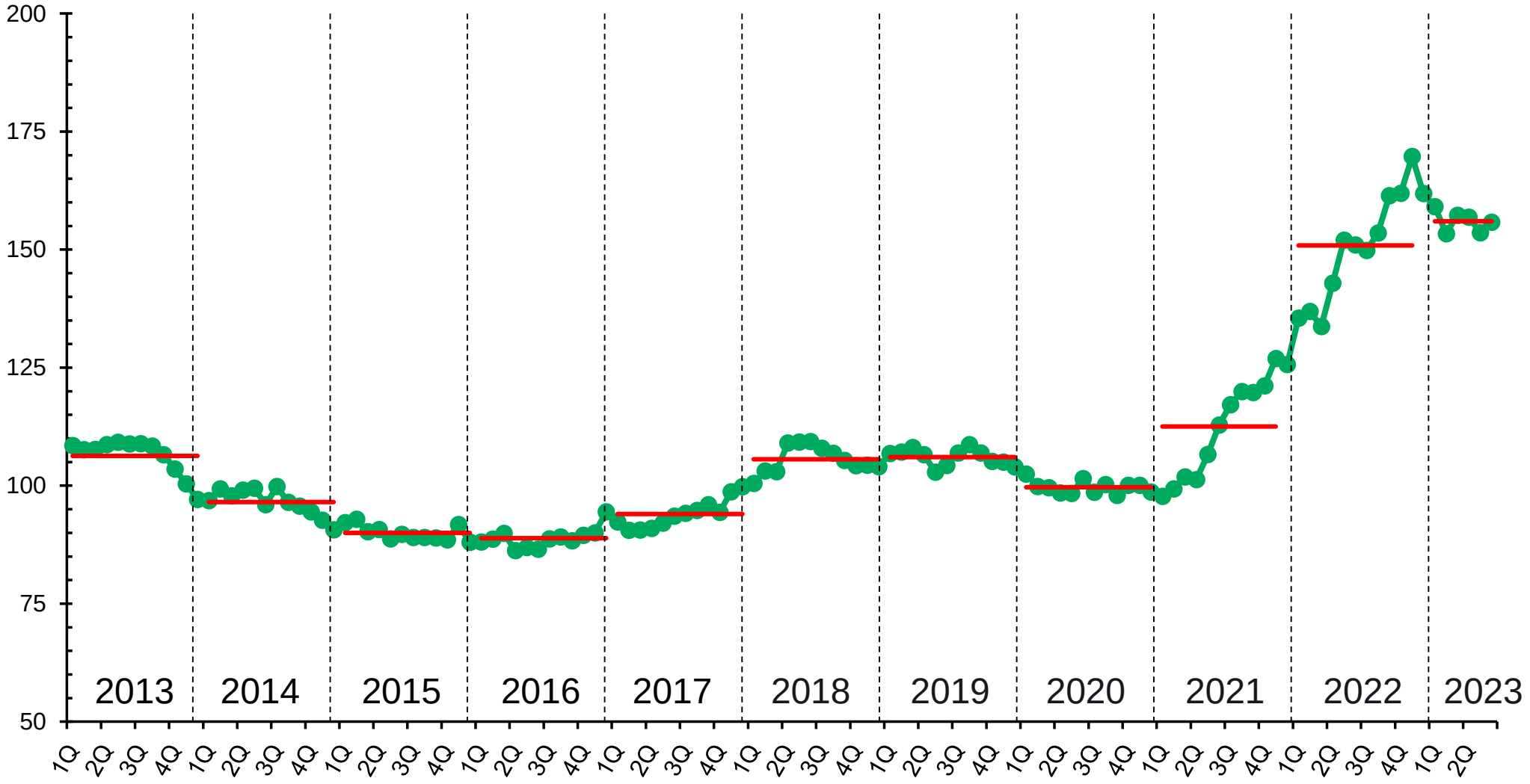
IP data, cost Indexed to January 2008 to December 2012 average value
NYMEX Natural Gas closing prices

U.S. Fuel Oil Cost Trend | 2Q23 Average Cost Up 1% vs. 1Q23



IP data, cost Indexed to January 2008 to December 2012 average value
WTI Crude prices

U.S. Chemical Composite Cost Trend | 2Q23 Average Cost Down 1% vs. 1Q23



IP data, cost Indexed to January 2008 to December 2012 average value
Delivered cost to US facilities: includes Caustic Soda, Sodium Chlorate, Starch and Sulfuric Acid 2007 - 2008 excludes WY PKG

Footnotes

Slide 8

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Slide 10

[1] Includes amounts reported 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).

Slide 11

Free Cash Flow, a non-GAAP financial measure, reflects cash provided by continuing operations for 2006 – 2011, based on data in the 10-K for each year at the time of filing. Free Cash Flow reflects cash provided by operations for 2012 onward. Excludes net cash pension contributions impacting 2006, 2010, 2011, 2013, 2014, 2015, 2016 & 2017, cash flows under European accounts receivable securitization beginning in 2009 and ending in 2011, and cash received from Black Liquor Tax Credits in 2009 and 2010. 2012 excludes $120MM cash paid for Temple-Inland change-in-control agreements, $251MM cash received from unwinding a timber monetization, $44MM cash paid for Temple-Inland pension plan contribution, and $80MM cash paid for Guaranty Bank settlement. 2013 excludes $30MM cash received from Guaranty Bank insurance reimbursements. 2017 excludes $354MM cash paid for Kleen Settlement.

[1] For 2020 onward, see slide #48 for a reconciliation of cash provided by operations to Free Cash Flow, a non-GAAP financial measure

Slide 12

Years 2006-2012 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.

[1] Adjusted ROIC, a non-GAAP financial measure, based on Adjusted Operating Earnings before Interest / Average Invested Capital [Equity (adjusted to remove pension related amounts in OCI, net of tax) + Interest-bearing Debt]

Slide 13

[1] 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))

Slide 14

[1] Before special items and non-operating pension expense (income) (non-GAAP)

[2] 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))

[3] See slide #48 for a reconciliation of cash provided by operations to Free Cash Flow, a non-GAAP financial measure

Footnotes

Slide 15

[1] Before special items and non-operating pension expense (income) (non-GAAP)

[2] Before special items

Slide 16

[1] Before special items

Slide 19

[1] Based on 2022 sales; excludes corporate and intercompany eliminations

Slide 20

[1] Based on 2022 sales, excludes corporate and intercompany eliminations

Slide 21

[1] Includes modified absorbent products

Slide 22

[1] 2022 Industrial Packaging full-year sales

Slide 25

[1] North American production. Combined businesses, with Riegelwood PM18 running SW market pulp.

Slide 31

[1] Includes Saturating Kraft / Gypsum Liner

Slide 32

Excludes the Recycling Business and revenue from trade volumes

[1] IP Adjusted EBITDA margins based on North American Industrial Packaging operating profit before special items

Slide 40

[1] North American production. Combined businesses, with Riegelwood PM18 running SW market pulp.

Footnotes

Slide 47

2010-2011 adjusted for elimination of the Ilim JV reporting lag

xpedx is reflected as a Discontinued Operation in all periods

N.A. Consumer Packaging is reflected as a Discontinued Operation from 2013 onward

Printing Papers is reflected as a Discontinued Operation from 2019 onward

Ilim Joint Venture is reflected as a Discontinued Operation from 2020 onward

[1] Adjusted operating EPS, a non-GAAP financial measure based on Adjusted Operating Earnings (defined as Net Earnings from Continuing Operations Attributable to International Paper (GAAP) before net special items and non operating pension expense (income))

Slide 49

[1] Includes amounts reported 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).

Slide 51

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

[1] Non-cash expense for U.S. plans only

[2] Through December 2022

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