



International  
Paper



# Investor Day 2025

MARCH 25 | NEW YORK CITY

# Welcome and Opening Remarks



**José María Rodríguez Meis**

VP, Investor Relations

# Forward-looking Statements

Certain statements in these presentations 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,” “target,” “attractive,” “upside,” “confident,” “commit,” “positioned,” 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, opportunities and future prospects, and the anticipated benefits, execution and consummation of corporate transactions or contemplated acquisitions, including our recently completed business combination with DS Smith Plc, subsequently re-registered as DS Smith Limited (“DS Smith”), which closed on January 31, 2025. 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 business combination with DS Smith; (ii) our ability to integrate and implement our plans, forecasts, and other expectations with respect to the combined company, including in light of our increased scale and global presence; (iii) our failure to comply with the obligations associated with being a public company listed on the New York Stock Exchange and the London Stock Exchange and the costs associated therewith; (iv) 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 (“GHG”) and other environmental, social and governance matters, including our ability to meet such targets and goals; (v) loss contingencies and pending, threatened or future litigation, including with respect to environmental related matters; (vi) 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); (vii) the impact of global and domestic economic conditions and industry conditions, including with respect to current challenging macroeconomic conditions, recent 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; (viii) 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 further expansion of such conflicts, and the geopolitical and economic consequences associated therewith), changes in currency exchange rates, including in light of our increased proportion of assets, liabilities and earnings denominated in foreign currencies as a result of our recently completed business combination with DS Smith, trade policies (such as protectionist measures and increased tariffs and retaliatory tariffs) and trade tensions, downgrades in our credit ratings, and/or the credit ratings of banks issuing certain letters of credit, issued by recognized credit rating organizations; (ix) the amount of our future pension funding obligations, and pension and healthcare costs; (x) the costs of compliance, or the failure to comply with, existing, evolving or new environmental (including with respect to climate change and GHG emissions), tax, trade, labor and employment, privacy, anti-bribery and anti-corruption, and other U.S. and non-U.S. governmental laws, regulations and policies (including but not limited to those in the United Kingdom and European Union); (xi) 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; (xii) our ability to realize expected benefits and cost savings associated with restructuring initiatives; (xiii) cybersecurity and information technology risks, including as a result of security breaches and cybersecurity incidents; (xiv) our exposure to claims under our agreements with Sylvamo Corporation; (xv) the qualification of such spin-off as a tax-free transaction for U.S. federal income tax purposes; (xvi) risks associated with our review of strategic options for our global cellulose fibers business; (xvii) our ability to attract and retain qualified personnel and maintain good employee or labor relations; (xviii) our ability to maintain effective internal control over financial reporting; and (xix) our ability to adequately secure and protect our intellectual property rights. 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 these 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 financial 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 in Russia 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 Ilim, other than historical International Paper Equity Earnings and dividends received by International Paper, have been prepared by the management of Ilim.

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# Today's Agenda

## 9:00 am **Welcome and Opening Remarks**

José María Rodríguez Meis | VP, Investor Relations

### **Company Vision and Strategic Direction**

Transforming into a Differentiated and Sustainable Global Packaging Company

Andy Silvernail | Chairman & CEO

### **North American Packaging Solutions Overview**

Taking Action Designed to Accelerate Our Path to Sustainable Profitable Growth

Tom Hamic | EVP & President, North American Packaging Solutions

### **NORTH AMERICAN PACKAGING SOLUTIONS PANEL DISCUSSION**

**Moderator:** Tom Hamic | EVP & President, North American Packaging Solutions

**Panelist:** Murry Franklin | Region General Manager, Upper Midwest

**Panelist:** Ram Kumar | Complex General Manager, Atlanta Region

## 10:15 am **BREAK**

## **EMEA Packaging Overview and DS Smith Update**

Capturing Opportunity to Create a Winning Position

Tim Nicholls | CFO & EVP, International Paper; President, DS Smith - An International Paper Company<sup>1</sup>

### **DS SMITH (EMEA) PANEL DISCUSSION**

**Moderator:** Tim Nicholls | CFO; EVP & President, DS Smith - An International Paper Company<sup>1</sup>

**Panelist:** Stefano Rossi | Head of Packaging, EMEA

**Panelist:** Marc Chiron | Sales, Marketing, and Innovation Director - Packaging EMEA

### **Executing a Focused Plan to Step Up Profitability for Sustainable Growth**

Andy Silvernail | Chairman & CEO

## 11:15 am **Q&A SESSION**

### **Closing Remarks**

Andy Silvernail | Chairman & CEO

# International Paper Video



# Company Vision and Strategic Direction

Transforming into a Differentiated and Sustainable Global Packaging Company



**Andy Silvernail**

Chairman & CEO

# Company Vision and Strategic Direction Key Messages

## Taking Bold Steps to Accelerate Our Growth

1

Building on strong foundation to **achieve above-market growth potential**

2

Prioritizing the **right geographies, customers, and products**

3

Applying **80/20** to **drive strategy and focus resources**

4

**Winning in attractive markets** through decisive initiatives across **our virtuous cycle**

## Driving Sustainable Value Creation Through Clear Actions

# Transforming IP Through Strategic Focus and a Culture of Accountability Rooted in Our Mission and Values

## MISSION

Together with our customers, we make the world safer and more productive, one sustainable packaging solution at a time.

PROUD  
TO BE  
IP

## VALUES



### SAFETY

Above all, we care about people. We look out for each other to ensure everyone is physically and emotionally safe.



### ETHICS

We act honestly and operate with integrity and respect. We promote a culture of transparency and accountability.



### EXCELLENCE

We set high expectations and deliver outstanding results for each other, our customers, and our shareholders.

**A Great Place to Work Driving Customer Excellence and Profitable Growth**



# Sustainability is Woven Throughout Our Business

## OUR SUSTAINABILITY JOURNEY

### Building on Where We Are Today to be Stronger Together Well into the Future

- Sustainability is core to success at both International Paper and DS Smith
- Embarking on a new chapter as a combined company in 2025 focused on:
  - Analyzing and consolidating sustainability data and roadmaps
  - Developing new framework reflecting current and future identity
  - Acting as a diligent steward of our forests, responsible custodian of our environment, and force for good in our communities

#### Balanced Resource Management

- Protecting forests through responsible stewardship
- Improving value chain footprint by enhancing energy efficiency and expanding use of renewable energy

#### Sustainable Packaging Solutions

- Creating innovative solutions for a circular world that are reuseable, recyclable, or compostable
- Striking a balance between economic growth and environmental responsibility

#### Strong, Responsible Governance

- Integrating sustainability across organization through robust governance structures
- Prioritizing employee safety and community wellbeing

**Creating Long-term Value by Further Integrating Sustainability into Our Strategy**

# International Paper Snapshot (NYSE: IP, LSE: IPC)

**MEMPHIS, TN**

GLOBAL HQ

**~51,000**

CUSTOMERS

**\$27.5B<sup>1</sup>**

MARKET-CAP

**41**

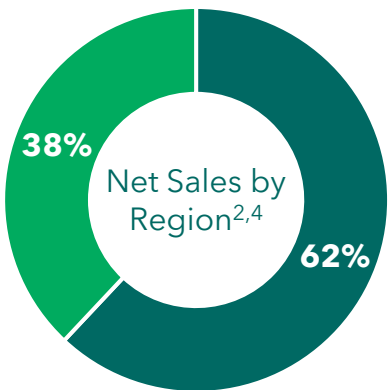
MILLS

**\$27.1B<sup>2</sup>**

SALES

**~450**

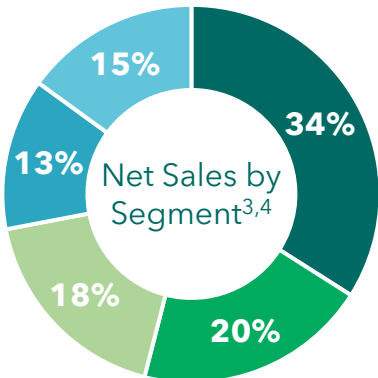
OPERATING FACILITIES



■ North America  
■ EMEA

**\$24.0B<sup>2</sup>**

PACKAGING  
SOLUTIONS  
NET SALES



■ Processed Food & Beverage  
■ Fresh Food  
■ E-commerce & Logistics  
■ Non-durables  
■ Durables

## WHY IP

Committed to Maximizing Shareholder Value

➔ Focused portfolio serving attractive and growing markets

➔ Strategic and diverse customer relationships

➔ Significant capabilities, scale, and competitive assets

➔ Executing strategy to unlock step change in earnings potential

**Significant Growth Opportunity in Attractive Geographies**

# Resilient Markets with Steady Demand Growth and Significant Addressable Market Opportunity



**NORTH AMERICA<sup>1</sup>**  
TAM: ~\$50B | Long-term Growth: ~3.0% - 4.0%

- **#1 position** in the leading profit pool
- **~1.0% - 1.5%** demand growth<sup>2</sup> driven by manufacturing GDP and megatrends
- **~2.0% - 2.5%** historical price growth<sup>2</sup> trend



**EMEA<sup>3</sup>**  
TAM: ~\$40B | Long-term Growth: ~3.0% - 4.0%

- **#1 position** in the second largest profit pool
- **~1.5% - 2.0%** demand growth<sup>4</sup> driven by sustainability trends
- **~1.5% - 2.0%** historical price<sup>5</sup> growth trend

## Enablers to Grow Above Market across Both Geographies

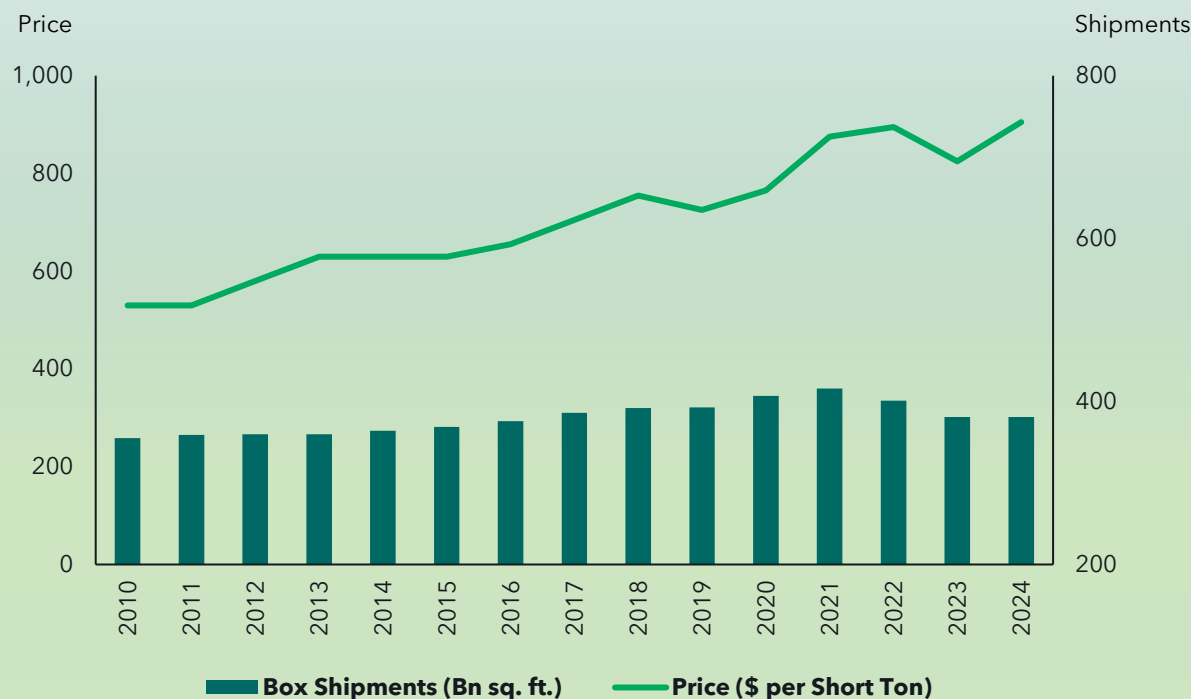
TREND		IP ADVANTAGE
Stronger E-commerce demand through shift away from brick and mortar	➔	<b>Strong position in fastest growing sector</b>
Upside in fresh foods corrugated intensity due to consumer health trends	➔	<b>Best-in-class offerings in fresh protein and produce</b>
Growing demand for fiber-based plastic alternatives	➔	<b>Combined resources of highly innovative companies</b>
North American manufacturing supply chain onshoring	➔	<b>Unmatched scale to enable repatriated manufacturing</b>
Greater emphasis on retail shelf-ready packaging	➔	<b>Strong capability, especially in Europe</b>

**Taking Deliberate Actions to Play and Win with Ability to Grow Above Market**

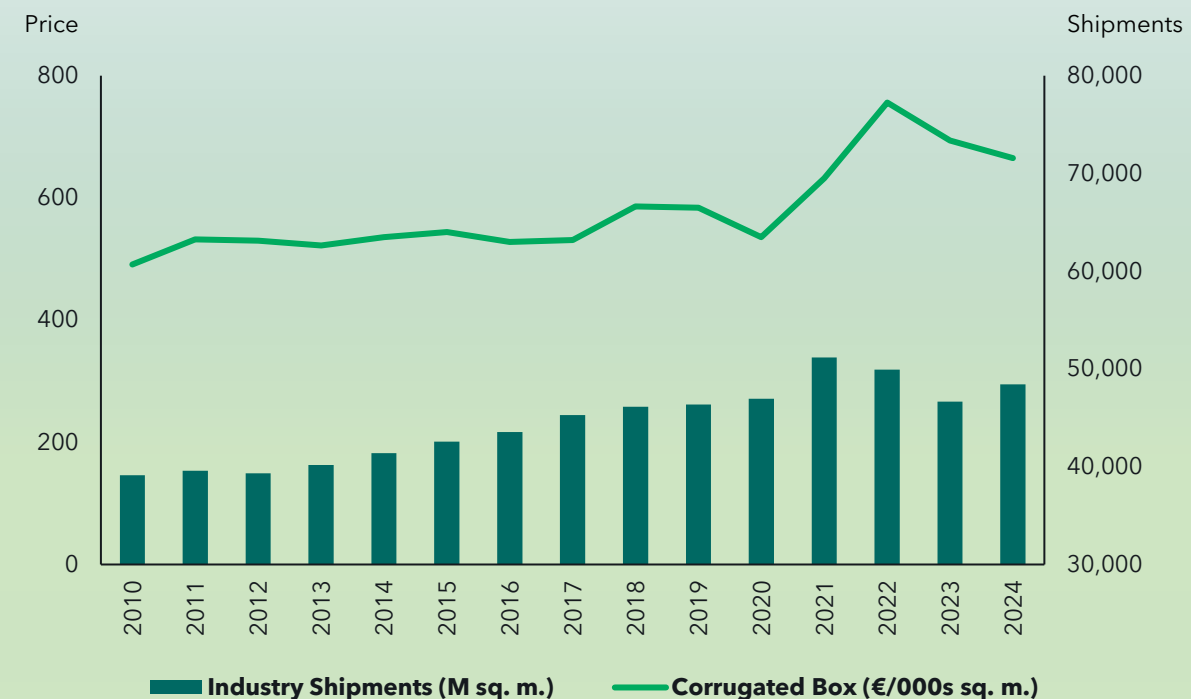
<sup>1</sup> Source: FBA, Numera Analytics, trade associations, customs agencies, and IP analysis. <sup>2</sup> Based on FBA, Fastmarkets RISI, Oxford Economics, and IP analysis.  
<sup>3</sup> Source: ICCA, FEFCO, and DS Smith estimates for smaller countries. <sup>4</sup> Source: Noa Prism, Fastmarkets RISI, Numera Analytics, CEPI Containerboard and IP / DS Smith analysis.  
<sup>5</sup> Source: Fastmarkets RISI.

# Stable Market Dynamics

U.S. Corrugated Packaging Shipments vs. Industry Price<sup>1,2,3</sup>



EMEA Industry Shipments vs. Corrugated Box Price<sup>4,5</sup>



Expect Continued, Steady Shipment Volume and Historical Price Trend

<sup>1</sup> Source: RISI, FBA annual report, Oxford Economics, and IP marketing analysis. <sup>2</sup> Box shipments based on FBA U.S. Shipments and Oxford Economics. <sup>3</sup> Historical price trend based on RISI 42# Kraft Linerboard U.S. East. <sup>4</sup> Industry shipments based on ICCA and FEFCO data and DS Smith estimates for smaller countries. <sup>5</sup> Corrugated Box historical price trend based on Fastmarkets RISI.



# Update on DS Smith Acquisition

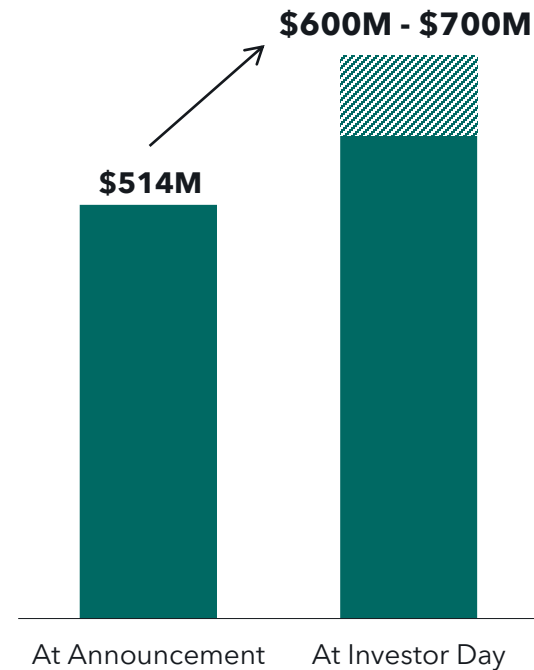
## ➤ Lower 2025 Expectations Compared to Proxy Assumptions Given Softer Market Environment

- **Price decline** in second half of 2024
- **Lower volumes** than anticipated due to lower industrial production
- Significantly higher **inflationary impact**

## ➤ Strategic and Financial Rationale Remain Intact

- **Creates significant shareholder value** with a focus on attractive and growing European and North American regions
- **Strengthens customer value proposition** through enhanced offerings, reliable service, differentiated innovation, and greater geographic reach
- **Drives stronger sustainability** through combined commitment and approach

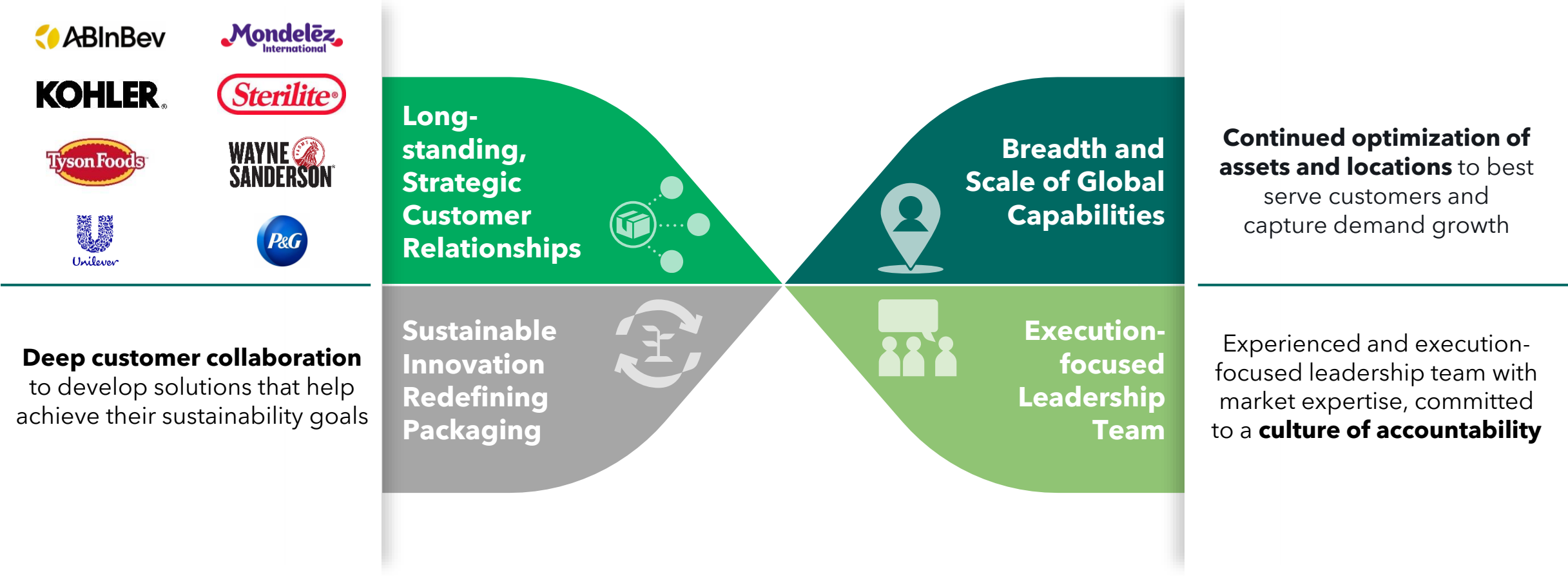
## Expect to Achieve Greater Synergy<sup>1</sup> Targets Through Clear Improvement Drivers



- **Applying 80/20** strategic approach in EMEA
- **Greater operational improvements:** mill and box plant optimization
- **Increased reduction** in overhead costs
- **Lower opex and capex spending** through procurement optimization

## Creating Global Leader in Sustainable Packaging Solutions

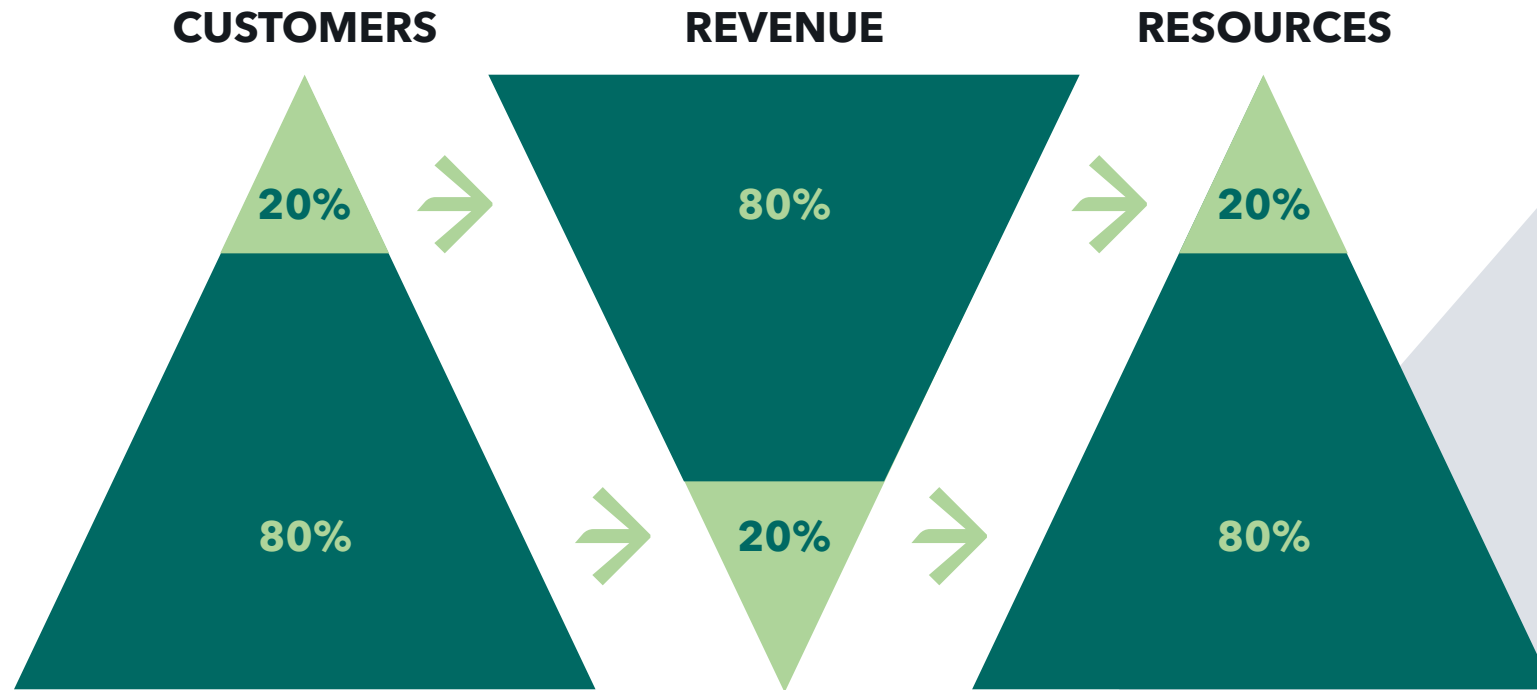
# Maximizing Value Through Our Competitive Differentiators



On the Right Path to Strengthen Advantages Enabled by 80/20 Performance System

# Aligning Resources with 80/20 Performance System

## A Proven Enabler and Methodology for Success



### 80/20 ZERO UP

- **Aligning right resources** with what matters most
- **Driving greater leadership accountability** and empowerment at mill and box plant level through increased decision-making capabilities
- **Fueling a performance-driven culture** and higher employee satisfaction

**Building a Performance-driven and Accountable Culture**

# 80/20 in Action: Driving Our Cultural Transformation

## Applying Learnings across the Business

SIMPLIFY	SEGMENT	RESOURCE	GROW
<b>Reduce Complexity</b> <ul style="list-style-type: none"><li>▪ Push resources and decision making closer to customer</li><li>▪ Streamline processes</li><li>▪ Increase engagement</li><li>▪ Improve agility and speed</li></ul>	<b>Implement Lighthouses</b> <ul style="list-style-type: none"><li>▪ Segment customers and products while enhancing focus via tailored approach</li><li>▪ Track KPIs, action plans, and “Jobs to be Done”</li></ul>	<b>Allocate Capital and Talent</b> <ul style="list-style-type: none"><li>▪ Drive disciplined deployment of capital to overserve key customers and drive innovation</li><li>▪ Develop and deploy talent</li></ul>	<b>Drive Commercial Excellence</b> <ul style="list-style-type: none"><li>▪ Improve sales incentives</li><li>▪ Build and refine prospecting tools and capabilities</li></ul>
<i>Eliminating complexity in internal processes</i>	<i>Building on strategy learnings from pilot projects</i>	<i>Aligning right resources to 80s customers</i>	<i>Elevating and deploying customer support resources</i>

Early Stages of Capturing Significant Opportunity



# Focusing Actions Around Two Key Themes to Deliver Profitable Above-market Growth

## **WHERE TO PLAY**

Focusing Efforts on Most Attractive Opportunities within a Market

## **HOW TO WIN**

Positioning Ourselves to Win by Creating a Virtuous Cycle

# Where to Play: Applying a Disciplined Formula

## OUR FORMULA FOR SUCCESS

### GEOGRAPHIES

With Attractive Profit Pools and Favorable Supply and Demand Dynamics



### CUSTOMERS

We Are Well-positioned to Serve and Who Differentially Value What We Are Good At



### PRODUCTS

That Allow Us to Differentiate and Earn Above Cost of Capital Returns

## Targeted Initiatives Driving Our Transformation

- **Applying 80/20 Performance System** to drive profitable growth by moving resources to most attractive customers and markets
- Investing for **reliability, productivity, and innovation**
- **Enhancing go-to-market approach** to better understand overserved and underserved markets as well as our relative supply position (i.e., price to value)





# Where to Play in Action: Identify Markets with Attractive Demand Trends to Serve with Differentiated Solutions

WHERE  
TO PLAY

## OUR FORMULA FOR SUCCESS

### GEOGRAPHIES

With Attractive Profit Pools and Favorable Supply and Demand Dynamics

### CUSTOMERS

We Are Well-positioned to Serve and Who Differentially Value What We Are Good At

### PRODUCTS

That Allow Us to Differentiate and Earn Above Cost of Capital Returns



#### Acquired West Monroe, Louisiana bulk plant

- Attractive location given proximity to high-growth, high-volume protein industry players
- Opportunity to optimize mill and box network to better serve demand



#### Serving high-volume protein customers requiring reliable service

- Expanding capacity and capabilities through brownfield investment in West Monroe facility
- Unlocks ability to grow specialty business

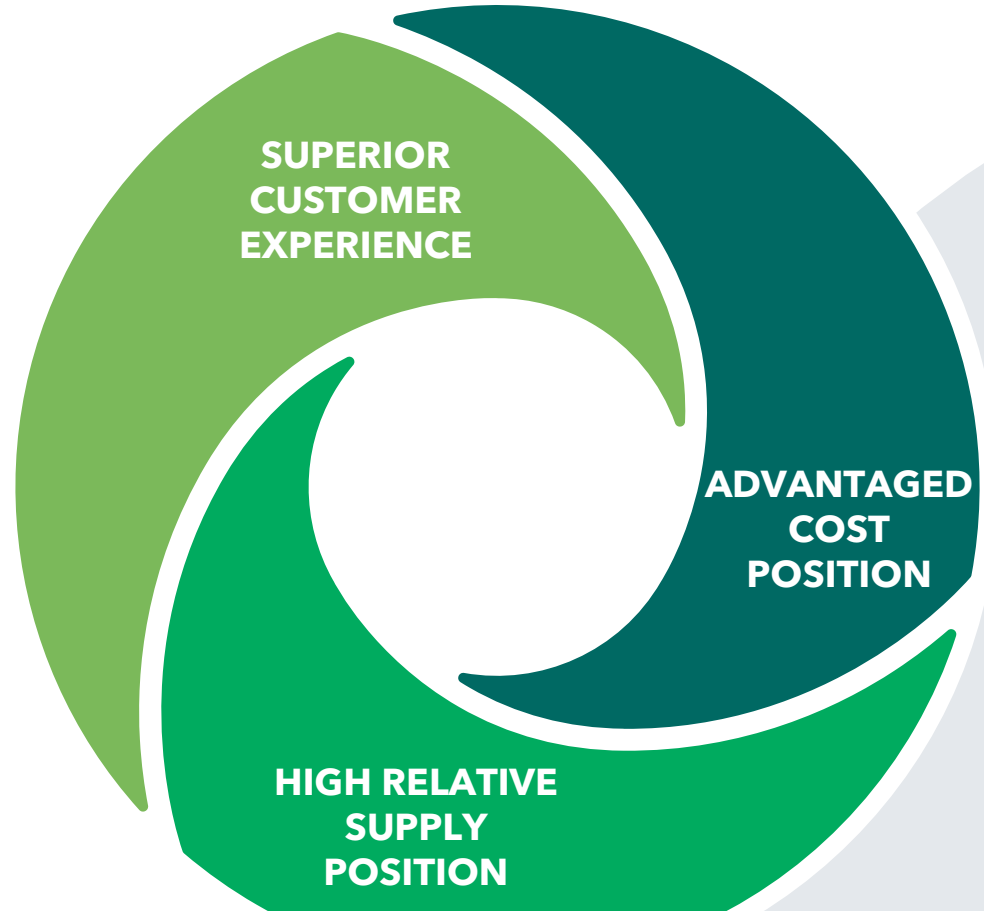


#### Develop innovative OptiBin® bulk packaging solution to meet needs

- A 100% recyclable packaging solution designed exclusively for the poultry industry
- Designed with moisture-resistant coating safe for direct food contact

**Applying 80/20 to Identify the Right Geographies, Customers, and Products**

# How to Win: Virtuous Cycle to Drive Sustainable Value Creation



## Advantaged Cost Position

- Strengthens market position
- Expands margins and financial returns
- Funds investment to secure volume growth in attractive markets

## High Relative Supply Position (RSP)

- Builds advantaged capabilities and customer offerings
- Drives even lower cost through experience and scale

## Superior Customer Experience

- Investing in our customers
- Earns customer loyalty and willingness to pay
- Delivers additional volume growth with targeted customers

**Accelerating Value-based Pricing, Volume Growth, and Margin Expansion**



# Controlling the Controllable Through Advantaged Cost Position

## Simplifying Structure to Align Resources and Assets with the Right Customers

- ✓ **Implement Zero Up program** to reset our underlying cost position
- ✓ **Drive operational excellence** through 80/20 Performance System and footprint optimization
- ✓ **Targeted investments to increase productivity** and **strengthen advantages** across mill and box plant network

## KEY ACTIONS IN PLAY

- **Streamlining enterprise overhead structure**
- **Optimizing North American and European footprints** to structurally reduce fixed costs
- **Exiting lower margin segments** (e.g., non-strategic exports) to reallocate capital in more profitable areas
- **Reinvesting savings** from cost initiatives
  - **Driving greater productivity** while **reducing complexities** across mill and box plant network
  - **Allocating capital to expand our reach** by enhancing customer-centric capabilities
  - **Improving capital effectiveness** to target higher ROI

**Restore Our Advantaged Cost Position and Free Up Capital for Reinvestment**

# Maximizing Opportunities and Benefits in Geographies with High Relative Supply Position

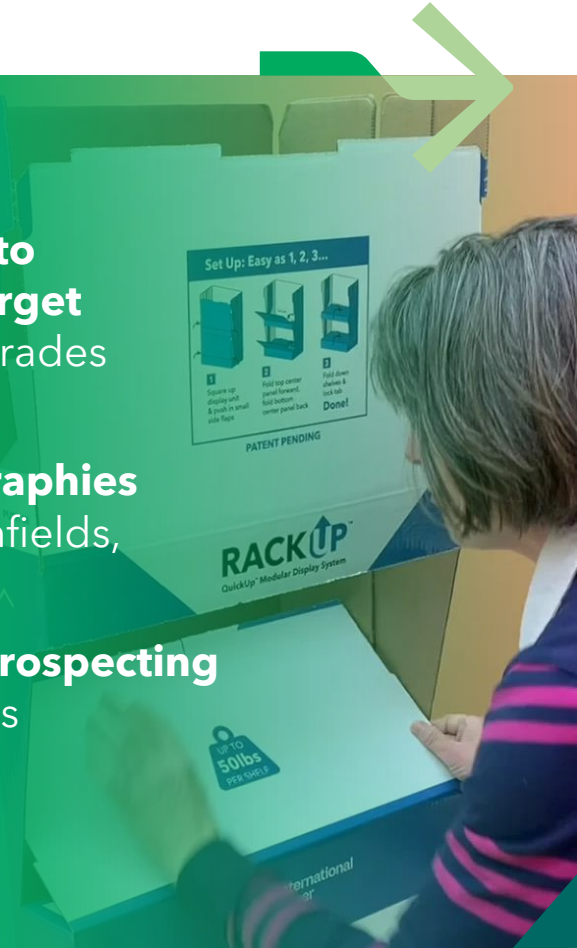
HOW  
TO WIN

## Invest in Go-to-Market Capabilities and Capacity in Appealing Geographies

- ✓ **Overserve and grow** with 80s customers in North America and EMEA
- ✓ **Optimize footprint** toward attractive geographies
- ✓ **Allocate capital and resources** to innovation and commercial support

## KEY ACTIONS IN PLAY

- **Investing across box plant network to increase productivity and scale in target geographies** through equipment upgrades and new production lines
- **Building capabilities in target geographies to accelerate strategy** through brownfields, greenfields, and bolt-on M&A
- **Adding commercial resources and prospecting tools** and aligning sales incentive plans
- **Enhancing innovation and customer experience** capabilities



**Focused Investments to Drive Profitable Growth**

# Delivering a Superior Customer Experience

## Re-establish Service Excellence Through Clear Transformative Initiatives

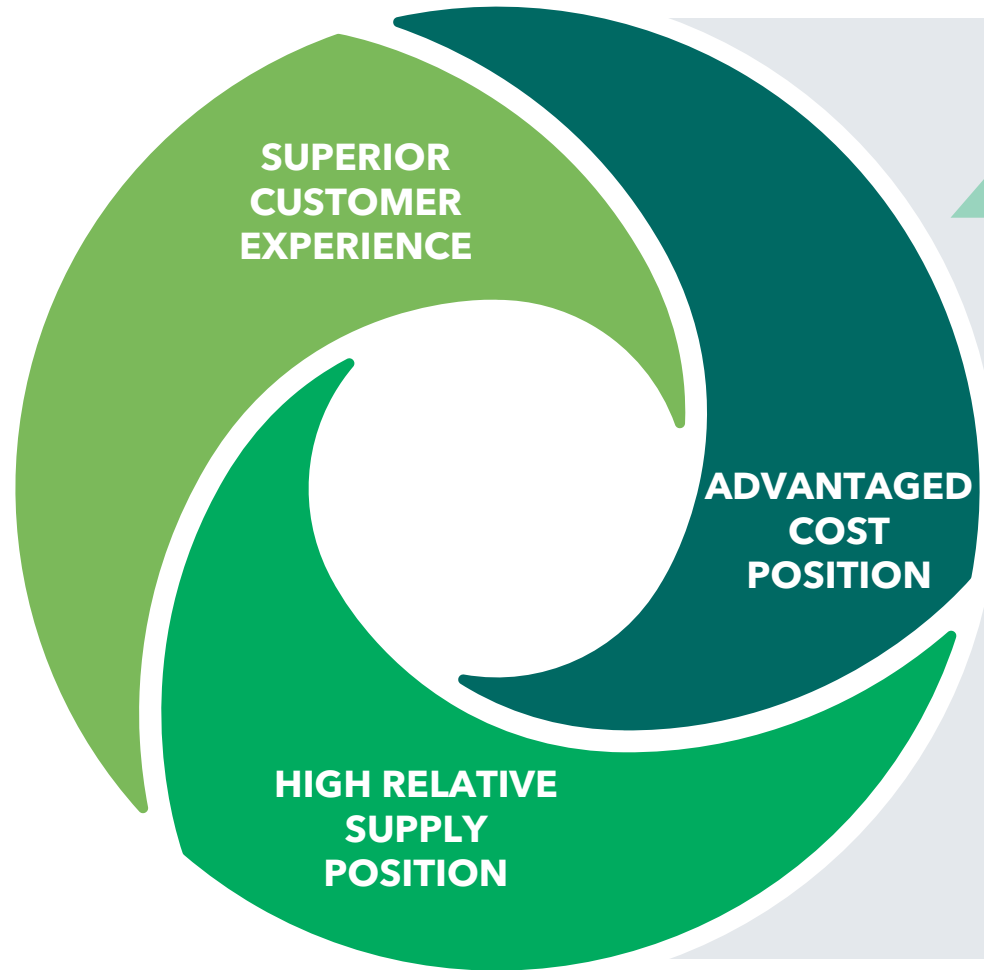
- ✓ **Reduce organizational complexity**
- ✓ **Invest in more reliable service, quality, and product innovation** to deliver an unmatched leading customer experience
  - **Partner strategically with customers to develop innovative packaging solutions** for their biggest challenges
  - **Provide individualized, high-touch customer service** through resource assessment by facility

## KEY ACTIONS IN PLAY

- **Reallocating resources** to further maximize our scale and customer offering
  - **Drive higher on-time delivery**
  - **Expand commercial capabilities** for 80s accounts
- **Delivering tangible customer benefits** through differentiated value proposition
  - **Increase sales** by developing innovative solutions that align to business priorities
  - **Manage risk** throughout supply chain
  - **Reduce total cost of ownership** across value chain
  - **Provide circular** packaging solutions

**Meaningful Upside Through Innovative Solutions and Greater On-time Delivery**

# How to Win in Action: Applying Our Virtuous Cycle



## SPOTLIGHT

### Waterloo, Iowa Box Plant Development

**Background and actions:** redeploying capital from footprint restructuring to meet significant unmet demand in growing market

- ✓ State-of-the-art facility expected to be operational by mid-2026
- ✓ Strategically located close to 80s customers, serving attractive protein segment
- ✓ Freight-advantaged distance from one of our mills



**Expected outcome: 20% lower cost**, increased capacity and service in a critical market





# Unlocking Our Future Potential

Driving Enhanced Financial Performance Through  
Strategy Implementation and Disciplined Execution

# 2027 Performance Targets<sup>1</sup>

**Net Sales<sup>2</sup>**



**\$26.0B - \$28.0B**

**Adjusted EBITDA<sup>3</sup>**



**\$5.5B - \$6.0B**

**Free Cash Flow<sup>3,4</sup>**



**\$2.0B - \$2.5B**

**On-time Delivery**



**98%+**

**Safety** (Serious Injuries and Fatalities)



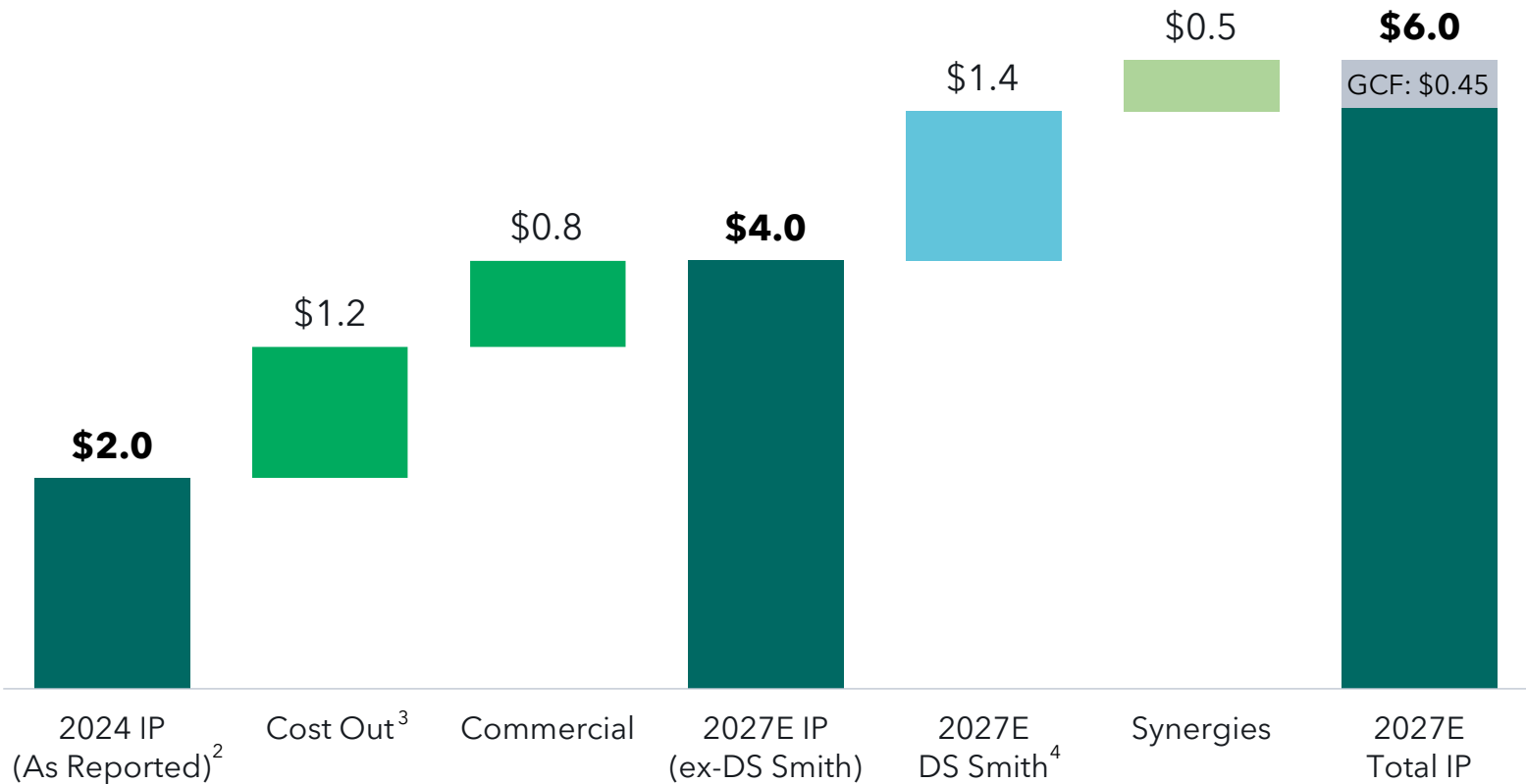
**ZERO**



**Potential to Create Sustainable Value by Focusing on Where to Play and How to Win**

# INITIAL VIEW

## 2027E Total IP Adj. EBITDA<sup>1</sup> Bridge (\$B)



### EARNINGS DRIVERS

#### Cost out drives structural advantage

- Footprint rationalization
- Operations optimization
- Overhead reduction (Zero Up)

#### Commercial improvement beyond market

- Mid-cycle price and demand environment
- Above-market volume growth
- Price to value enhances margins

#### Enhance DS Smith earnings through 80/20

#### DS Smith synergies in EMEA and NA

- Overhead, procurement, and operations
- Additional upside potential

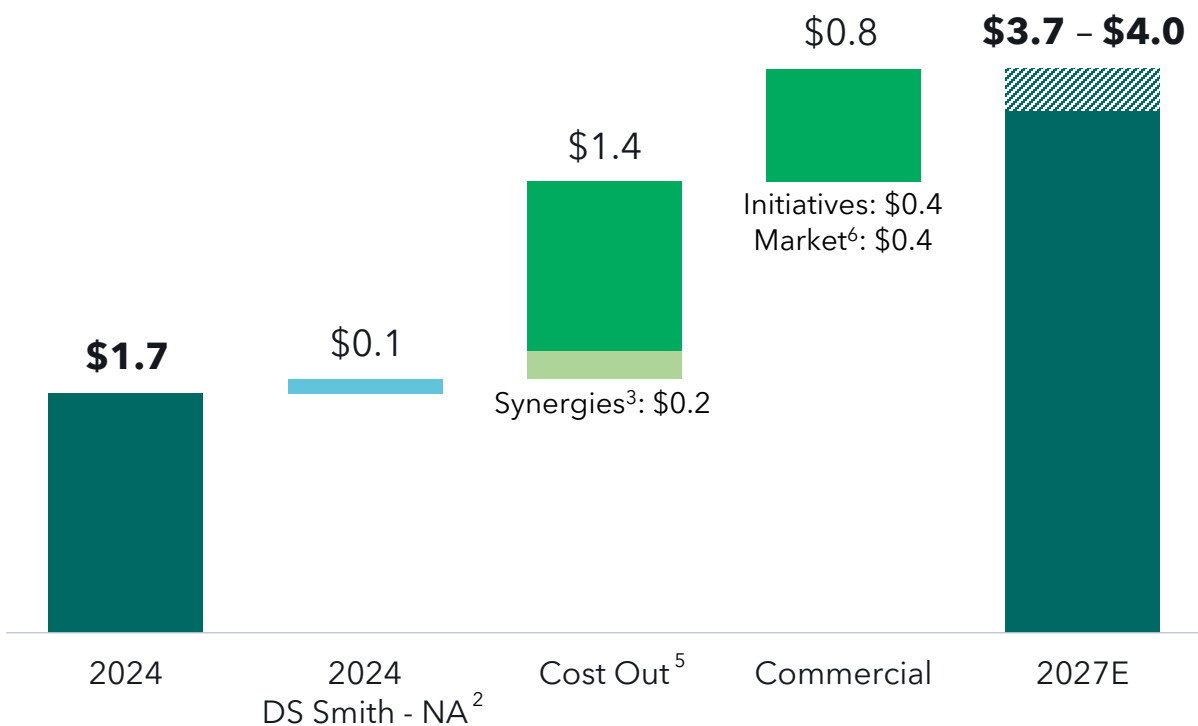
#### Intent to exit Global Cellulose Fibers (GCF)

Driving Profitability Step Change

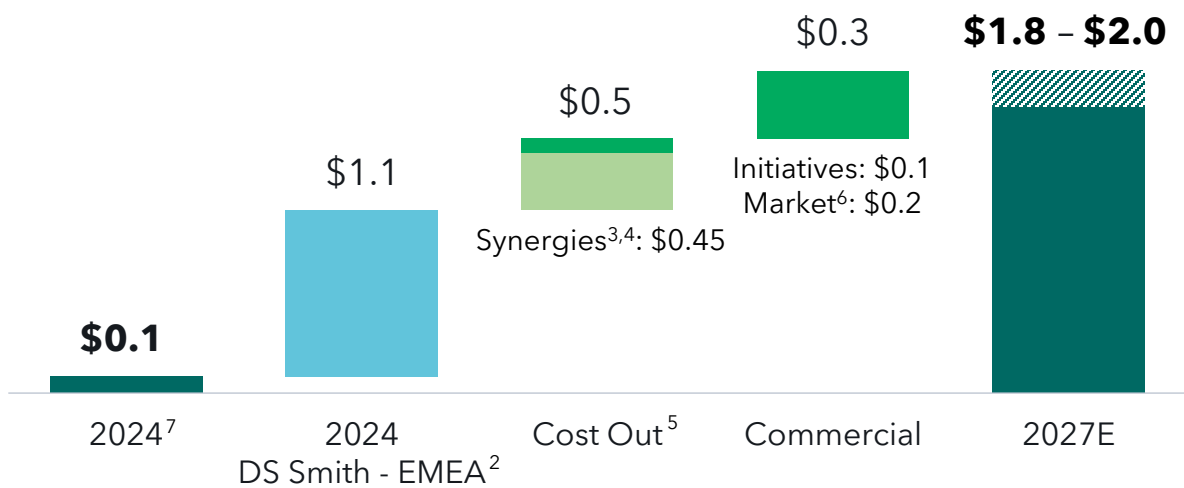
# CURRENT VIEW

## 2027E Total Adj. EBITDA<sup>1</sup> Bridge by Region (\$B)

### North American Packaging Solutions



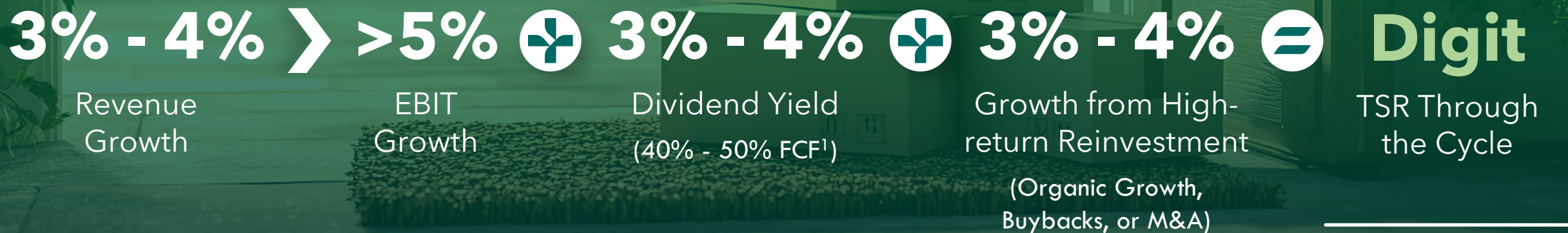
### EMEA Packaging Solutions



Targeting \$5.5B - \$6.0B Adj. EBITDA<sup>1</sup> across Packaging Solutions Businesses

<sup>1</sup> Please see Appendix 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 directly comparable U.S. GAAP measures. <sup>2</sup> 2024 (calendar year) DS Smith EBITDA included at an exchange rate of £1/\$1.278 on IFRS basis before U.S. GAAP Adjustments. <sup>3</sup> Represents midpoint of \$600M - \$700M synergy target range. <sup>4</sup> Includes 80/20 benefits. <sup>5</sup> Cost out net of inflation (labor and general inflation). <sup>6</sup> Market equals mid-cycle sales price net of PPV. <sup>7</sup> Excludes profit from the planned divestiture of five European box plants, which was agreed upon to gain European Commission clearance.

# Committed to Our TSR Algorithm and Targets



## Optimizing Our Business to Generate Sustainable Returns



# Key Takeaways

## Taking Bold Steps to Accelerate Our Growth

1

Building on strong foundation to **achieve above-market growth potential**

2

Prioritizing the **right geographies, customers, and products**

3

Applying **80/20** to **drive strategy and focus resources**

4

**Winning in attractive markets** through clear initiatives across **our virtuous cycle**

## Driving Sustainable Value Creation Through Clear Actions

# North American Packaging Solutions Video



# North American Packaging Solutions Overview

Taking Action Designed to Accelerate Our Path to Sustainable Profitable Growth



**Tom Hamic**

EVP & President, North American Packaging Solutions

# North American Packaging Solutions Key Messages

## Taking Actions to Accelerate Our Growth Potential

1

**Building on our advantaged foundation** and strong market dynamics to achieve above-market growth potential

2

**Re-establishing cost leadership** by applying 80/20 to focus resources and drive strategy

3

**Optimizing footprint and reinvesting** to build scale and increase margin potential

4

**Enhancing customer experience** through reliable service and innovation to increase willingness to pay

## Driving Sustainable Value Creation

# North American Packaging Solutions Snapshot

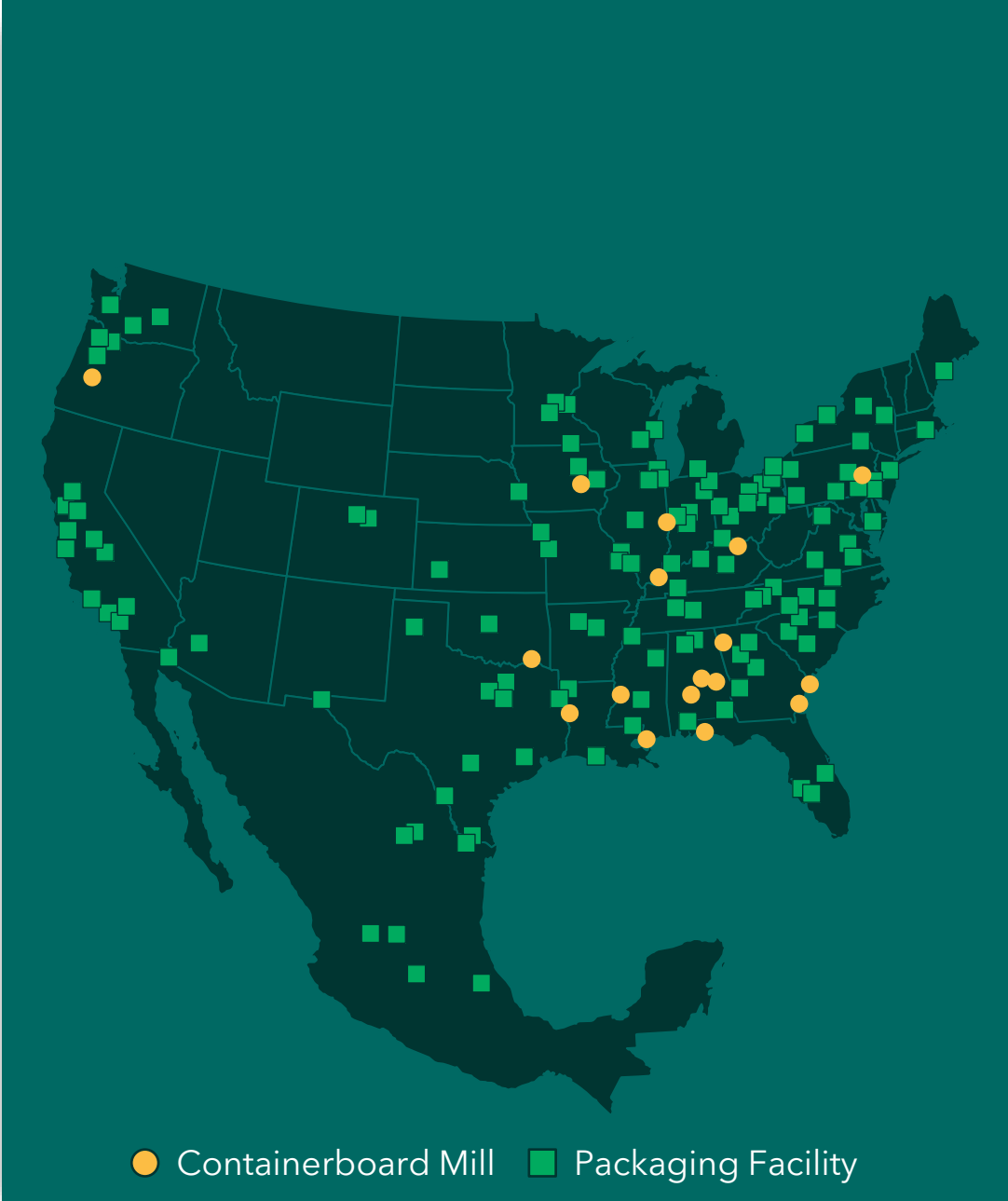
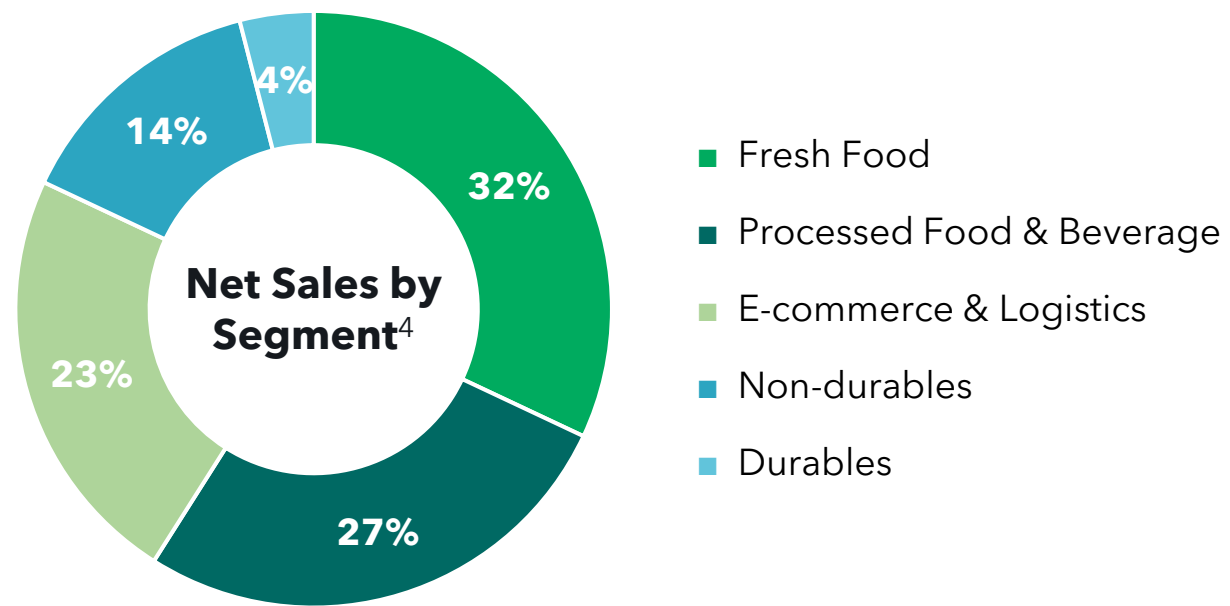
## Decisive Actions to Transform and Realize Full Potential

**\$15.1B**  
NET SALES<sup>1,2</sup>

**\$1.8B**  
ADJ. EBITDA<sup>2,3</sup>

**11.9%**  
ADJ. EBITDA  
MARGIN<sup>1,2,3</sup>

**~200**  
MILLS & PLANTS



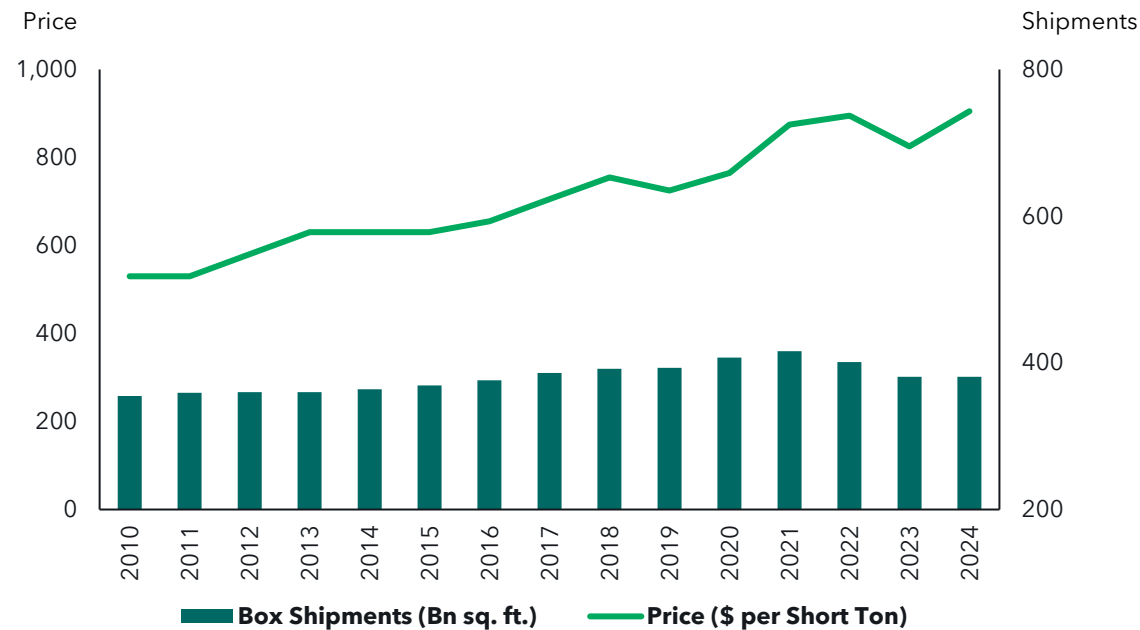
Note: Data as of 12/31/2024 and includes DS Smith NA. <sup>1</sup> Net Sales and Adjusted EBITDA margin calculation do not include elimination of sales between DS Smith and IP. <sup>2</sup> Calendar year 2024 DS Smith included at an exchange rate of £1/\$1.278, DS Smith presented on IFRS basis and combined with IP U.S. GAAP basis. <sup>3</sup> Please see Appendix 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 directly comparable U.S. GAAP measures. <sup>4</sup> Calendar year 2024 DS Smith included at an exchange rate of €1/\$1.082 and DS Smith presented on IFRS basis and combined with IP U.S. GAAP basis.



# Solid Industry Fundamentals Supported by Positive Trends

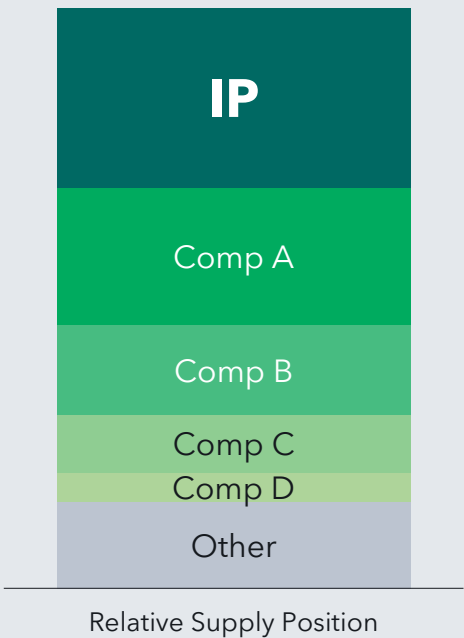
## U.S. Corrugated Packaging Shipments vs. Industry Price<sup>1,2,3</sup>

Anticipate Continued, Steady Shipment Volume and Historical Price Trend



## Attractive North American Industry Structure

Leading Provider of Sustainable Packaging Solutions



- ✓ Resilient **demand growth** (~1.0% - 1.5%)
  - Highly correlated with mfg. GDP
  - Megatrends provide upside growth
- ✓ Diverse customer base with **low individual concentration**
- ✓ Strong historical **unit price growth**
- ✓ Essential to a **healthy economy**

Enabling Delivery of Goods, Which is Essential to Economy and Supply Chains

<sup>1</sup> Source: RISI, FBA annual report, Oxford Economics, and IP marketing analysis. <sup>2</sup> Box shipments based on FBA U.S. shipments and Oxford Economics. <sup>3</sup> Historical price trend based on RISI 42# Kraft Linerboard U.S. East.

# Well-positioned to Capitalize on Growth Trends

**TAM<sup>1</sup> of ~\$50B | Long-term Growth: 3% - 4%**

**IP Position<sup>2</sup>: ~31% | Expect to Grow Above Market**

## Where to Play: North American Packaging Solutions Strategic Opportunities

- **E-commerce expansion:** proximity to customers and ability to flex capacity in demand surges
- **Recyclability and plastic substitution:** solutions to reduce customers' reliance on single-use plastic
- **Demand for fresh food choices:** reliable packaging solutions that optimize cost
- **Demand for retail-ready packaging:** innovative, easy stocking and displaying solutions
- **Onshoring:** performance and bulk packaging

## Why IP Wins: Sustainable Capabilities and Solutions

- **Customer proximity via significant scale and geographic reach** optimizes supply chain costs, provides security of supply, and enables flexibility in demand peaks
- **Broad set of innovative, segment-tailored solutions and capabilities** to serve both local and national customer needs
- **Differentiated customer experience** focused on best-in-class reliability and flexibility to meet ever-evolving needs

**Winning Through Focus on the Right Opportunities with the Right Capabilities**



# Value Proposition in Action: Segment-tailored Capabilities and Differentiated Solutions



## E-commerce

- Dedicated team, **manufacturing scale**, and **warehouse infrastructure** to support seasonal demand surge
- **E-commerce Box Optimization Service** (EBOS) customer box size optimization tool



## Protein

- **Mechanical packaging technicians** optimize customer manufacturing operations
- Facility network provides **surety of supply** with redundant capacity
- **Supply chain expertise** and technology
- **Sustainable coatings** for supply chains



## Produce

- **Mechanical packaging machinery** for customers
- **Shed systems minimize customer labor** and work-in-process
- Manufacturing facilities **aligned to growing seasons** across multiple geographies
- **Sustainable coatings** for supply chains
- **Product traceability** solutions



## Processed Food & Beverage

- Facility network provides **surety of supply** with redundant capacity
- **Printing solutions** enable promotional selling
- **Full-suite graphics** for product lifecycle
- **Dedicated support** for 80s customers
- **Expert design team** delivers differentiated retail-ready solutions



## Retail Channel

- Fulfillment operations for **multi-vendor displays**
- **Expert teams** for display projects from concept to execution
- **Full-suite graphic capabilities** enable in-house sourcing
- Fast concept **prototyping** for large retailers

**Well-positioned to Meet Customer and Market Needs**

# 80/20 in Action: Driving Our Cultural Transformation

## Applying Learnings across the Business

### SIMPLIFY

#### Reduce Complexity

- Streamlined business and eliminated select overhead
- Reduced layers of approval and bureaucracy
- Simplified policies and procedures to drive efficiency
- Aligning KPIs and action plans across organization

### SEGMENT

#### Implement Lighthouses

- Intensified focus on 80s customers, increased productivity, and realigned assets in Atlanta and Chicago
- Driving capital efficiency across fewer facilities
- Scaling across box network
- Piloting at Pensacola and Maysville mills

### RESOURCE

#### Redesign Organization and Incentive Plans

- Realigned functional resources to support business strategy
- Embedded responsibility and accountability deeper in the business and closer to the customer
- Aligned incentives directly to specific business unit results

### GROW

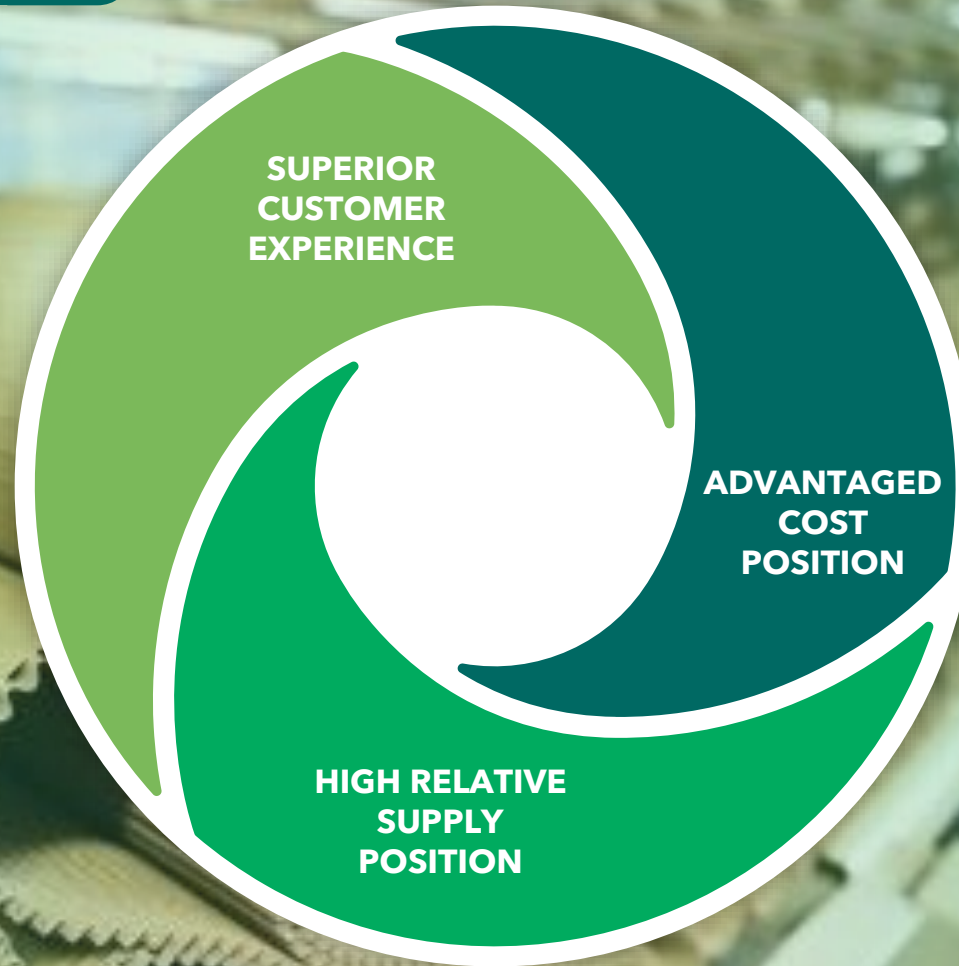
#### Drive Commercial Excellence

- Increased salesforce 25%
- Assigned dedicated support resources for 80s customers
- Improved sales incentives and development tools
- Executing innovation sprints and “1 to Perfect” service model for 80s customers

**Early Stages of Capturing Significant Opportunity Through 80/20**



# How to Win: Our Virtuous Cycle to Drive Sustainable Value Creation







Advantaged  
Cost Position

# Transforming Box Plant Operations

## FEWER, BIGGER, AND BETTER BOX PLANTS

- **Optimize asset network** to drive performance and reinvest capital organically or inorganically
  - 7 plants closed to date with no customer impact
  - Boosts overall system capacity with fewer plants
  - Lowers total fixed and variable costs per MSF
  - Increases capital efficiency and productivity
- **Drive greater consistency and reliability** to meet evolving customer expectations
- **Design best-in-class facilities** aligned to customer needs
- **Improve delivered cost and supply chain reliability** through phased optimization efforts and strategic outsourcing

## SPOTLIGHT

### Network Optimization via Lighthouses

- **Launched pilots** to achieve advantaged cost position by segmenting complexity
  - **Increased productivity and effectiveness** through product and customer mix optimization
  - **Redesigned business process** to drive greater focus on customer reliability, quality, and innovation
  - **Enabled footprint optimization and profitable growth** through highly targeted capital investment
- Achieved average productivity uplift of ~20% at Lighthouses and eliminated \$20M+ of fixed costs; **expect future roll out across 20+ markets over next 12 - 15 months**



**Potential to Realize \$400M - \$500M<sup>1</sup> Cost Out Through 80/20 Implementation, Including Footprint Rationalization and Optimization and Productivity**



Advantaged  
Cost Position

# Optimizing Mill Operations

## FEWER, BIGGER, AND BETTER MILLS

- **Drive mill efficiencies**
  - Align containerboard capabilities with targeted core box demand
  - Exit select non-strategic containerboard segments
  - Reinvest in remaining assets to enhance efficiency and capability
- **Reduce operational costs and increase operating rates** through focused production
- **Invest fixed cost savings in remaining mills** to drive improved cost position, grow with demand, and develop capabilities to support customers

## SPOTLIGHT Network Optimization

- **Launched targeted initiatives** to improve capacity and reliability
  - **Optimizing mill system and reducing fixed cost** by closing ~800K tons of excess capacity at Red River mill
  - **Adopting Box Lighthouse approach** at Maysville and Pensacola mills to test strategy to achieve lowest cost
  - **Implementing redesigned process** to drive reliability, quality, waste reduction, and product optimization
  - **Enabled footprint optimization and profitable growth** through highly targeted capital investment
- Achieved ~\$190M of run rate benefits from lower fixed cost and improved operating rate by 6% across system;  
**U.S. mills initial roll out over next 12 - 15 months**



**Potential to Realize \$500M - \$600M<sup>1</sup> Cost Out Through 80/20 Implementation, Including Footprint Rationalization and Optimization and Productivity**

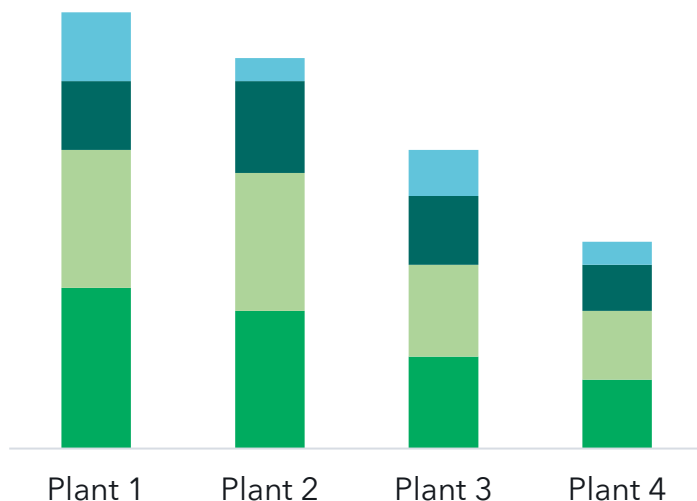


High Relative  
Supply Position

# Focus on 80s Customers Enables Investment in Differentiation

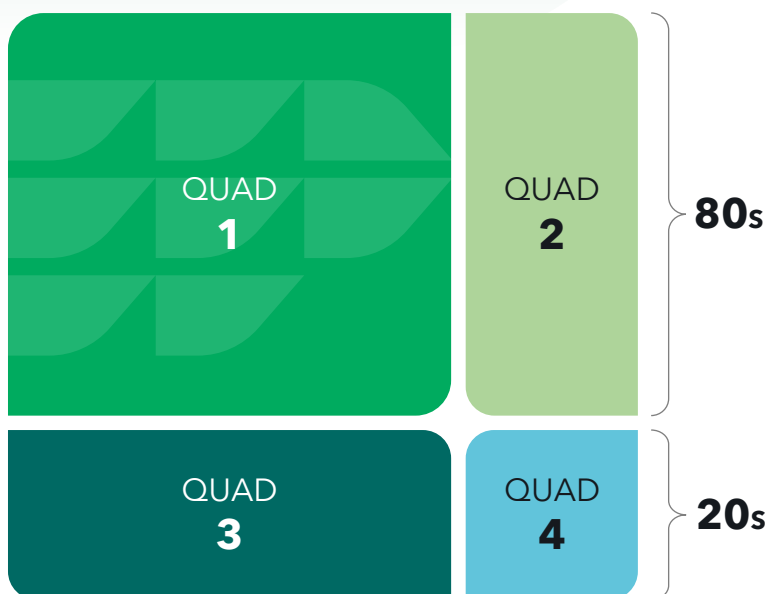
## HISTORICAL

All plants within a given region ran the same relative mix, optimized for customer proximity



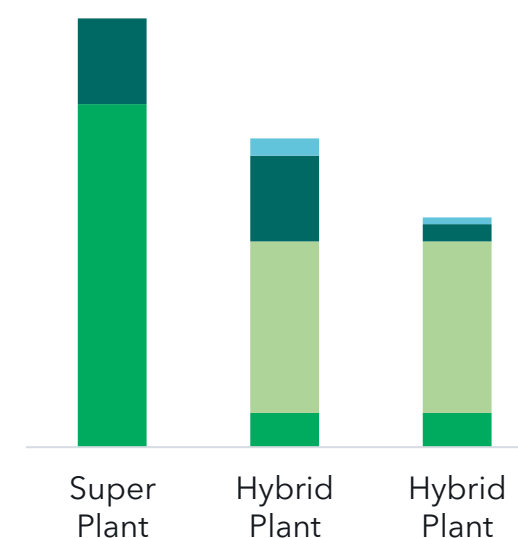
## ACTIONS BEING TAKEN

Applying 80/20 to focus on sizeable customers with less complexity



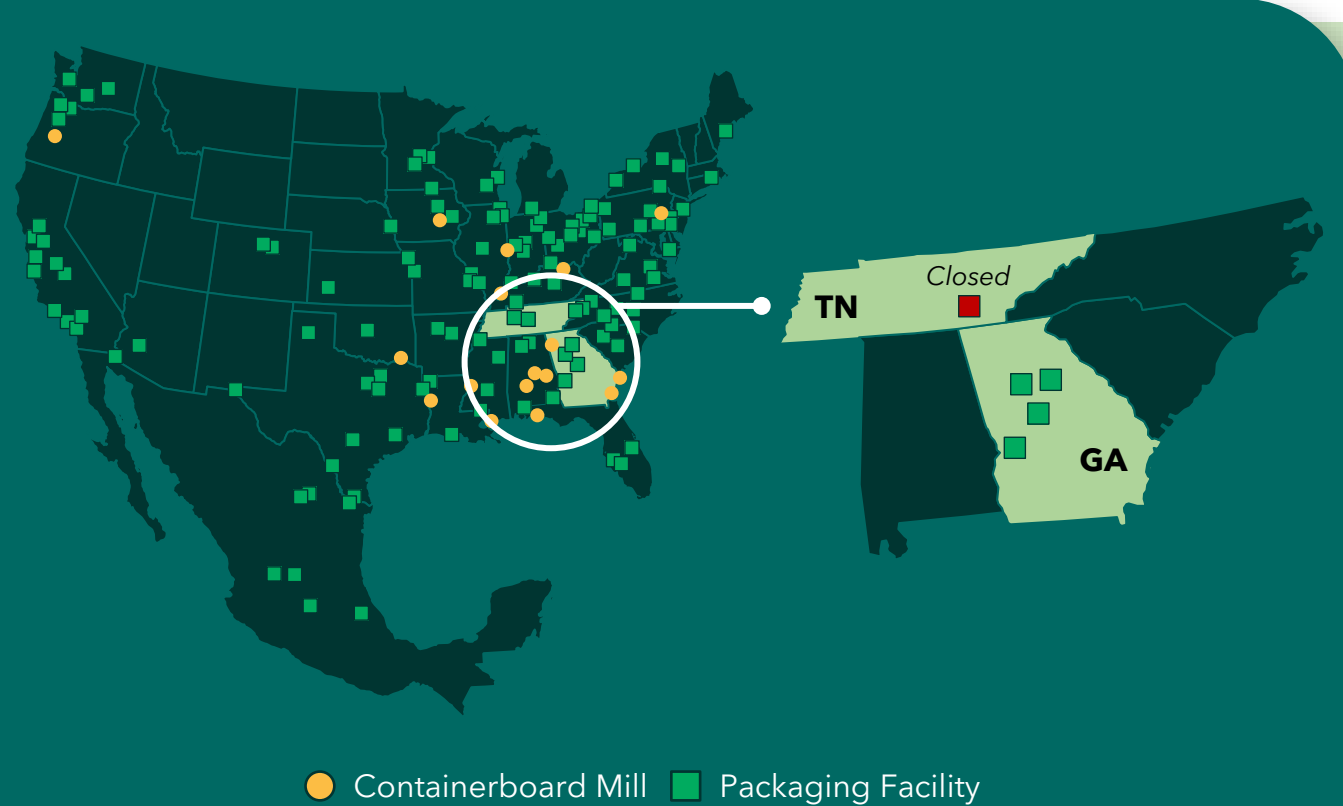
## FUTURE STATE

Providing reliable service at scale through customer mix optimization and investment, while operating more productively with fewer plants



**Greater Focus Improves Customer Experience and Productivity**

# Strategy in Action: Investing in Advantaged Plants and Reallocating Resources to Grow with 80s Customers



## SPOTLIGHT: ATLANTA REGION Regional Scale with High Plant Concentration

- ✓ **Exited Cleveland, TN plant** in 4Q24
- ✓ **Reallocated ~1,000 items** to 4 remaining plants within Atlanta region
- ✓ **Segmented operations** by customer and product complexity
- ✓ **Improved net productivity ~20%** across Lighthouses
- ✓ **Achieved \$9M** fixed cost take-out
- ✓ **Redeploying capital** for higher returns

**Building Differentiated Scale and Customer-centric Capabilities in Selected Regions**

# Delivering a Superior Customer Experience to Increase Willingness to Pay and Enable Above-market Growth



Superior Customer  
Experience

## Seamless Reliability

Quality boxes arrive on-time without customers having to think about it

- **Reinvesting in remaining assets** following footprint rationalization to provide more reliable service
- **Tracking critical reliability metrics** to drive improved customer service and satisfaction

**92% → 95%**  
On-time Delivery  
YoY

## Unparalleled Capabilities

Overserve 80s customers with unmatched reach and capabilities

- **Hiring sales and customer support resources** to increase touchpoints with targeted 80s customers
- **Aligning business to customer base** through streamlined operations and embedded leaders

**+30**  
Commissioned  
Resources Added to  
Serve 80s Customers

## Pricing Excellence

Consistent application of price to value strategy

- **Understanding and actioning on what customers need** to price for value
- **Realizing premium potential** for exceptional performance and innovative solutions

**94%**  
Increase in  
NPS Since 2022

## Potential to Realize \$400M<sup>1</sup> Through Commercial Initiatives



# Strategy in Action: Reliability Enables Next-level Customer Discussions About Value



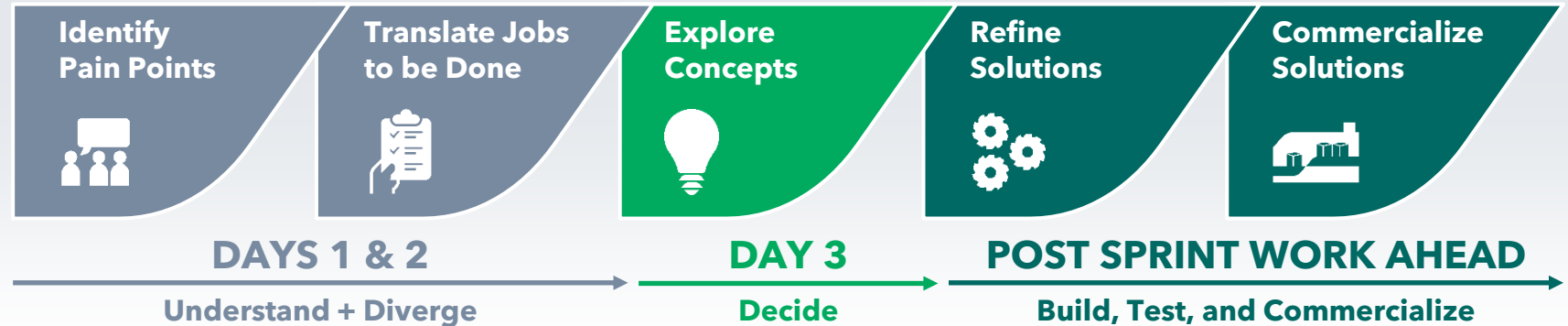
Superior Customer  
Experience

## BACKGROUND

- **Large Consumer Packaging Goods (CPG) company**
  - 30+ year relationship
  - ~\$90M annual spend
- **Collaborated closely with company's cross-functional team** to develop a comprehensive understanding of their challenges and objectives

## OUR UNIQUE APPROACH HOSTED 3-DAY INNOVATION SPRINT

**Objective: Discover Innovative Packaging Solutions in Pursuit of Solving Pain Points**



## ACTIONABLE OUTCOMES

**18**  
Concrete Solutions Created  
Addressing Needs

**~\$10M+**  
Additional IP Revenue  
from Prioritized Projects

**100%**  
Positive Feedback and  
Greater Trust in IP

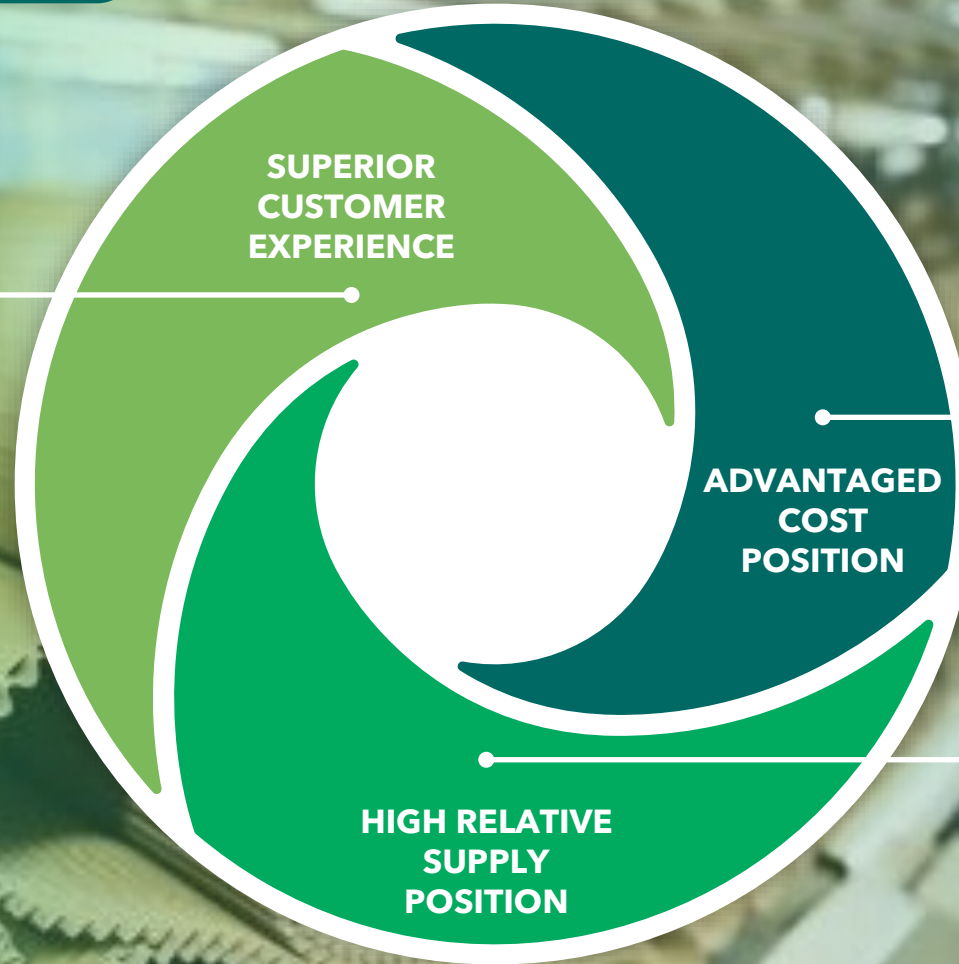


*This process has differentiated itself from innovation sessions we've done in the past. The process created a relaxed space to allow for candid conversations to **identify problems and actionable solutions.***

DIRECTOR OF PACKAGING PROCUREMENT FOR THE CPG

# How to Win: Our Virtuous Cycle to Drive Sustainable Value Creation

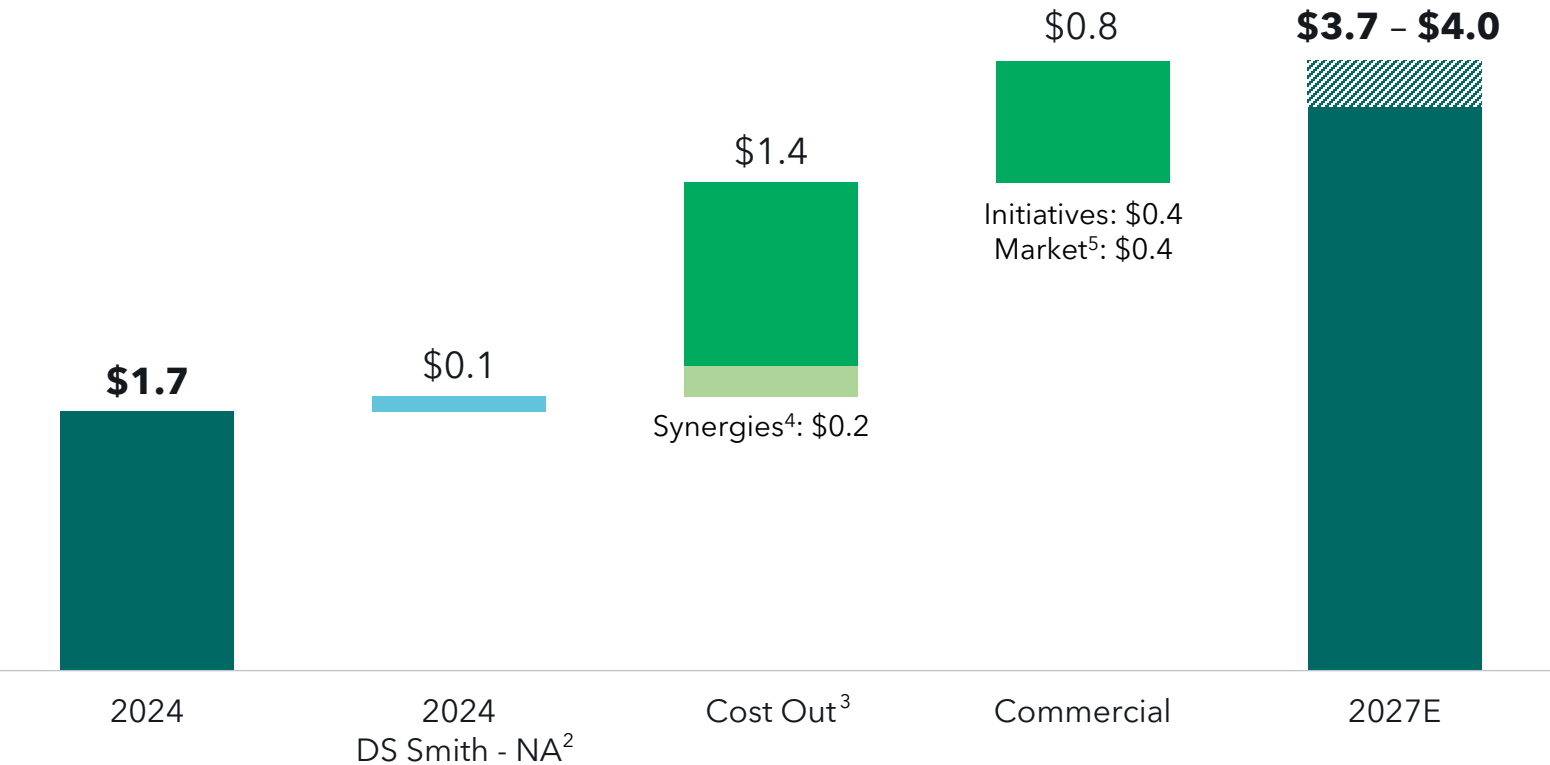
**Value Creation via  
Problem Solving  
and Innovation**



**Scale**

**80/20  
Mindset**

# 2027E North American Packaging Solutions Adj. EBITDA Bridge<sup>1</sup> (\$B)



## EARNINGS DRIVERS

### Cost out drives structural advantage

- Footprint rationalization
- Operations optimization
- Overhead reduction (Zero Up)

### Commercial improvement beyond market

- Mid-cycle price and demand environment
- Above-market volume growth
- Price to value enhances margins

### DS Smith North America synergies with upside potential

- Overhead
- Procurement
- Operations
- 80/20 optimization

Driving a Step Change in North American Packaging Solutions Profitability

<sup>1</sup> Please see Appendix 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 directly comparable U.S. GAAP measures. <sup>2</sup> 2024 (calendar year) DS Smith EBITDA included at an exchange rate of €1/\$1.082 on IFRS basis before U.S. GAAP Adjustments. <sup>3</sup> Cost out net of inflation (labor and general inflation). <sup>4</sup> Represents North American Packaging Solutions portion of total IP \$600M - \$700M synergy target range at the midpoint. <sup>5</sup> Market equals mid-cycle sales price net of PPV.

# Key Takeaways

## Taking Actions to Accelerate Our Growth Potential

1

**Building on our advantaged foundation** and strong market dynamics to achieve above-market growth potential

2

**Re-establishing cost leadership** by applying 80/20 to focus resources and drive strategy

3

**Optimizing footprint and reinvesting** to build scale and increase margin potential

4

**Enhancing customer experience** through reliable service and innovation to increase willingness to pay

## Driving Sustainable Value Creation





# North American Packaging Solutions Panel Discussion



# Today's Distinguished Panelists

## MODERATOR



**Tom Hamic**

EVP & President,  
North American  
Packaging Solutions



**Murry Franklin**

Region General Manager,  
Upper Midwest



**Ram Kumar**

Complex General Manager,  
Atlanta Region

# Targeted Redeployment of Resources

## Spotlight: Chicago and Atlanta Lighthouse Approach



**IMPROVING CUSTOMER EXPERIENCE**



**OPTIMIZING RESOURCES AND PRODUCTIVITY**



**ENGAGING OUR TALENTED WORKFORCE**



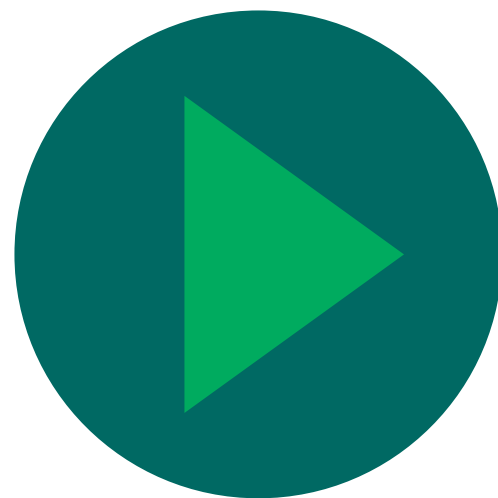
*I am thrilled we have been selected as an initial 'Get to Perfect' customer and look forward to building on our initial success. Through the first several months of this initiative, we've experienced on-time deliveries consistently meeting our high expectations, which enables us to reliably serve our equally demanding customers. The reduction in defects is equally impactful to our line operators, allowing us to focus our collective time on what matters most - making and selling more tasty products! The feedback from my team is unanimous that IP's entire team is completely engaged in making this the most successful supply chain in our operations, and I look forward to building on this solid foundation.*

**VP OF PROCUREMENT,  
LARGE REGIONAL PACKAGED  
FOODS COMPANY**

A smiling woman with dark skin and braided hair, wearing an orange t-shirt and a black smartwatch, is packing a cardboard box with light blue tissue paper. The background is a blurred office or home workspace with shelves and binders.

# BREAK

# EMEA Packaging Video





# EMEA Packaging Overview and DS Smith Update

Capturing Opportunity to Create a Winning Position



**Tim Nicholls**

CFO & EVP, International Paper; President, DS Smith - An International Paper Company<sup>1</sup>



# EMEA Packaging Key Messages

## Abundance of Opportunities to Accelerate Our Growth Potential

1

**Capturing large, long-term market opportunity**

despite softer than expected near-term macro environment

2

**Improving cost structure** through productivity actions across our mill and box plant network

3

**Creating a clear 80/20 roadmap** to streamline portfolio and drive targeted reinvestment

4

**Deepening customer partnerships** by leveraging DS Smith's best-in-class sustainable packaging solutions

## Clear Strategic Actions Driving Sustainable Value Creation

# EMEA Packaging Snapshot

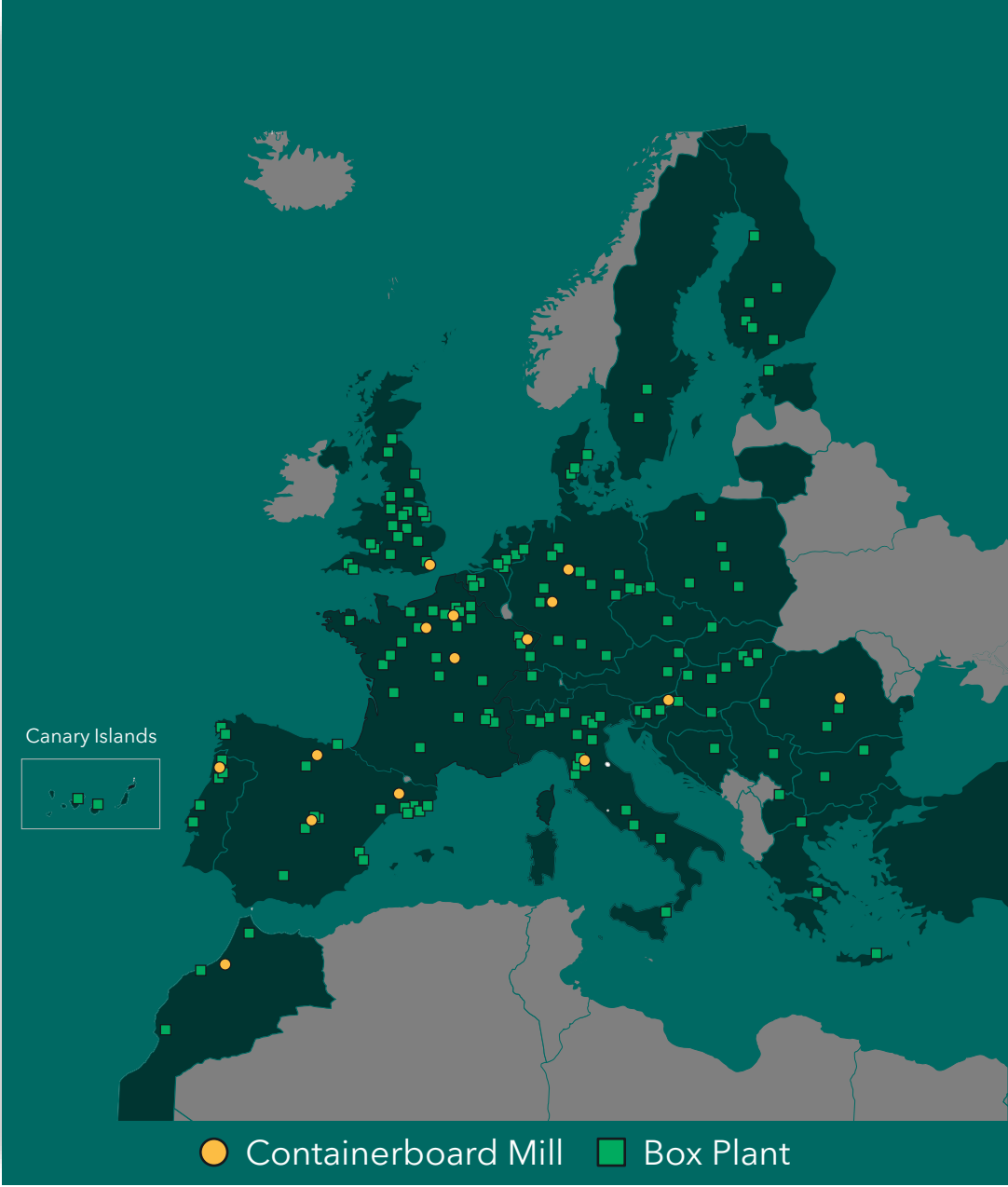
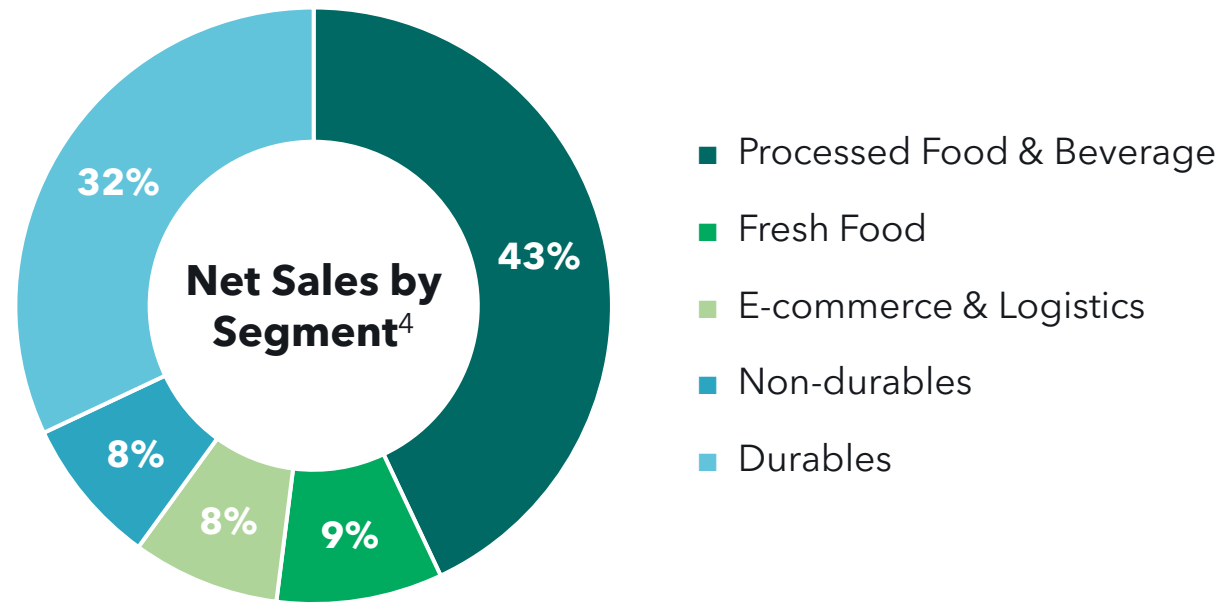
## Extensive Presence across Geographies and Segments

**\$9.1B**  
NET SALES<sup>1,2</sup>

**\$1.2B**  
ADJ. EBITDA<sup>2,3</sup>

**12.9%**  
ADJ. EBITDA  
MARGIN<sup>1,2,3</sup>

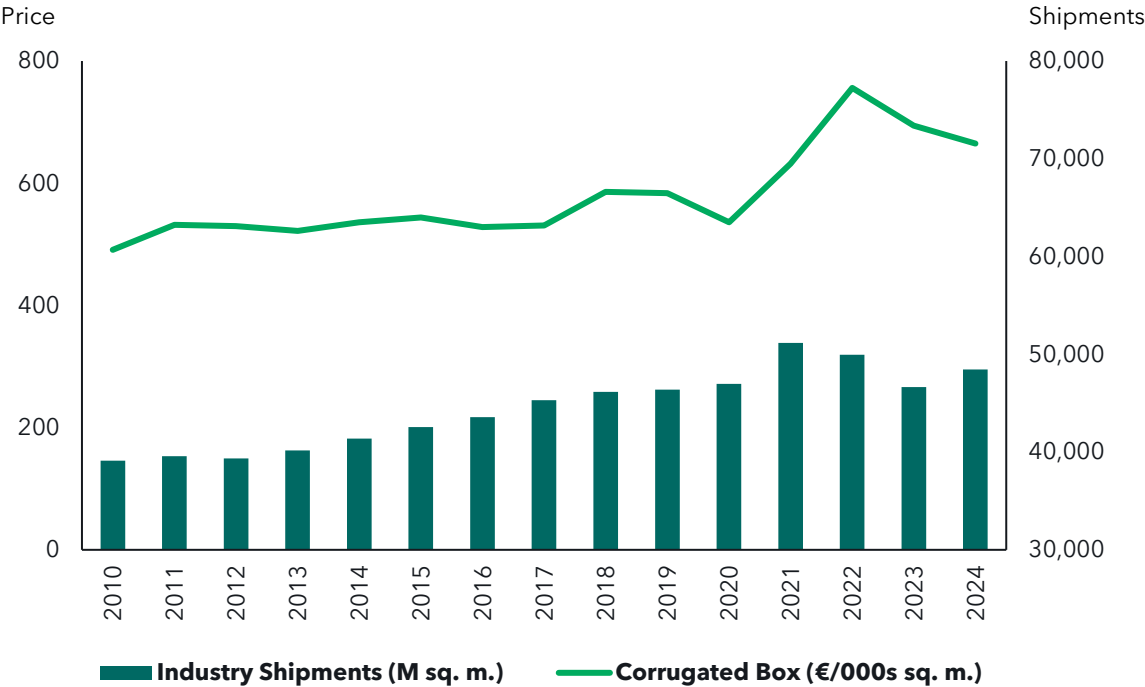
**~250**  
MILLS & PLANTS



Note: Stats as of year end 2024. <sup>1</sup> Net Sales and Adjusted EBITDA margin calculation do not include elimination of sales between DS Smith and IP. <sup>2</sup> Calendar year 2024 DS Smith included at an exchange rate of £1/\$1.278, DS Smith presented on IFRS basis and combined with IP U.S. GAAP basis. <sup>3</sup> Please see Appendix 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 directly comparable U.S. GAAP measures. <sup>4</sup> Calendar year 2024 DS Smith sales included at an exchange rate of €1/\$1.082 and DS Smith presented on IFRS basis and combined with IP U.S. GAAP basis.

# Expected Resilient Demand Growth in Targeted Segments

EMEA Industry Shipments vs. Corrugated Box Price<sup>1,2</sup>



Remain Focused on Faster Growing Segments<sup>3</sup>

	Percentage of Overall EMEA Industry Supply	Long-term Expected Growth Rate
Food & Beverage	~35% - 40%	~3% p.a.
Non-durables	~10%	~2% p.a.
E-commerce & Logistics	~10%	~4% p.a.
Fresh Food	~5%	1% - 2% p.a.
Other Segments		
Industrial	~25% - 30%	~1% p.a.
Durables	~10%	Flat

Well-positioned to Capture Opportunity from Growing Segments

# Well-positioned to Capitalize on Growth Trends

**TAM<sup>1</sup> of ~\$40B | Long-term Growth: 3% - 4%**

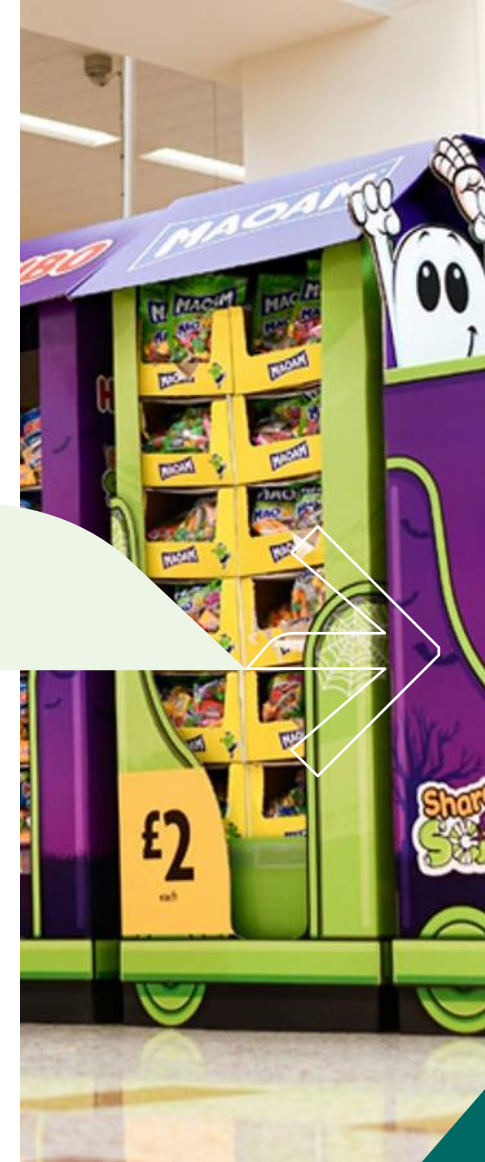
**IP DS Smith (EMEA) Position: ~20% | Expect to Grow Above Market**

## Where to Play: EMEA Packaging Solutions Strategic Opportunities

- **Plastic substitution:** powerful fiber-based packaging value proposition
- **Retail-ready growth:** greater demand for innovative shelf-ready packaging that optimizes costs and drives on-shelf performance
- **E-commerce expansion:** shift to ultra-lightweight corrugated materials

## Why IP Wins: Creating Winning Positions in Sustainable Packaging Solutions

- **Leading positions** in fastest growing segments
- **Industry-leading, sustainable packaging solutions** for global and regional customers
- **Best-in-class innovation** scaled across wide customer base
- **Implementing 80/20 Performance System** to delight strategic customers with quality and reliable service



**DS Smith Combination Accelerates Opportunity to Win in Fastest Growing Markets**

# Opportunity to Build on Existing DS Smith Value Proposition by Applying 80/20 Performance System

## CUSTOMER BENEFITS OF OUR VALUE PROPOSITION

- Sustainable packaging solutions that meet customer needs **generate higher sales**
- Strong relative supply position ensures **reliable service and quality**
- Segment-tailored innovations focused on **reducing unnecessary costs**
- **Solutions designed for a circular economy** by maximizing use of renewable materials and recycled inputs

## SPOTLIGHT

### Transferring North American Packaging Solutions Learnings to EMEA

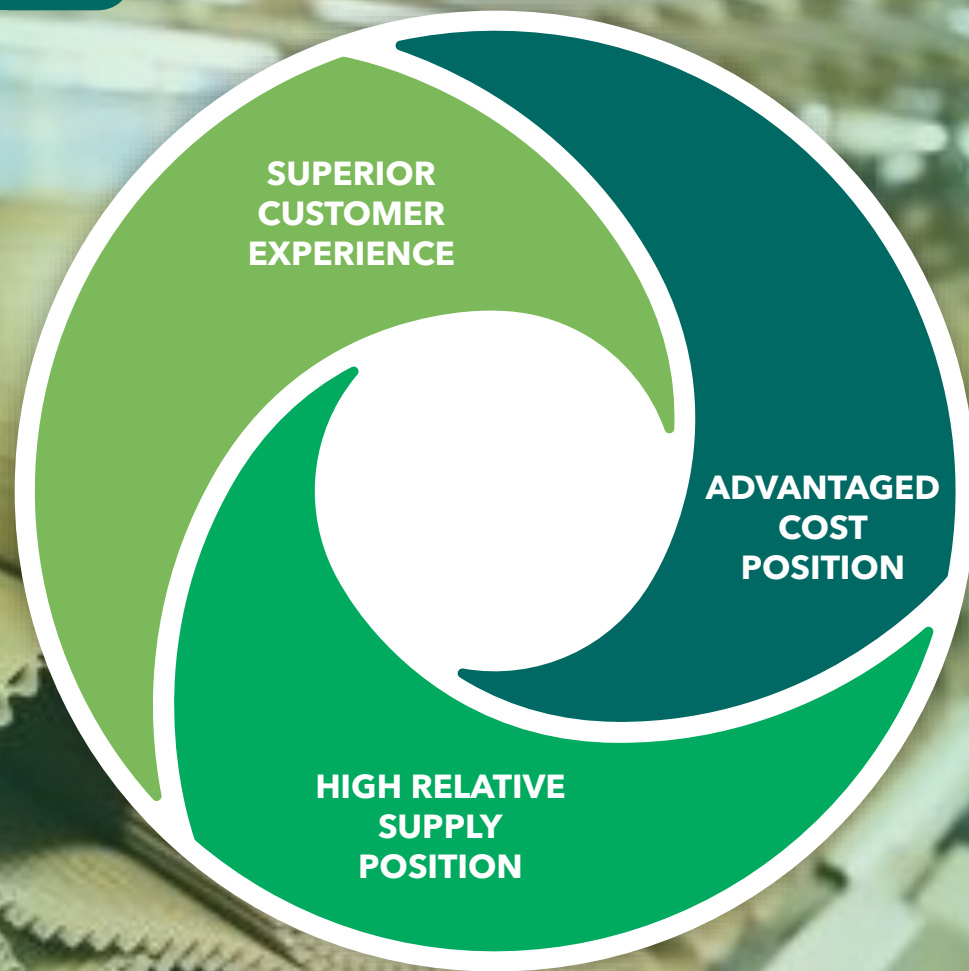
- **Evaluate and implement incentive programs** to drive performance improvement and alignment
- **Understand product segmentation approaches** and how to efficiently align manufacturing footprint to support each segment
- **Apply best practices for evaluating capital requirements** to build capabilities by region



**Combination of Companies Enables Significant Long-term Growth Potential**



# How to Win: Our Virtuous Cycle to Drive Sustainable Value Creation





Advantaged  
Cost Position

# Systematically Improving Cost Base Through Efficiencies



## Initiatives Launched to Fuel Our Transformation and Gain Efficiencies

- ✓ **Delivering solutions cost effectively** for customers
  - **Improve integrated mills to box cost position** through upgrades to our containerboard system and box operations
  - **Enhance ability to meet customer needs** through regional footprint optimization and supply chain optimization
- ✓ **Rightsizing overhead** through Zero Up reset to apply resources where they matter
- ✓ **Leveraging combination opportunity** to drive extensive sourcing benefits

## KEY ACTIONS IN PLAY

- **Delivering benefits of previous mill investment programs**
- **Optimizing comprehensive box plant footprint**
- **Assessing portfolio of assets and capabilities**



**Accelerating Ability to Serve Customers While Driving Additional Costs Savings**

# Strategy in Action: Capturing Benefits from Well-invested Converting System



Advantaged  
Cost Position

## STATE-OF-THE-ART, COST-ADVANTAGED CONVERTING SYSTEM

- ✓ **Large-scale greenfield box plants** with capacity to support growth
- ✓ **Energy-efficient technologies** that support sustainability by lowering costs and emissions
- ✓ **Lean manufacturing practices** systematically driving performance improvements
- ✓ **Digitally connected with our network of Innovation Hubs** to bring innovative solutions and design improvements to the market faster

**Bełchatów,  
Poland**



**Castelfranco,  
Italy**



**Aligning High-performance Systems to Win with 80s Customers**



# Strategy in Action: Realizing Advantaged Costs in Converting System Through Recent Mill Investments



Advantaged  
Cost Position

## CUSTOMER-LED INVESTMENT DRIVING EFFICIENCY AND GROWTH

- ✓ **Leveraging customer-centric approach** to accelerate investment across value chain
- ✓ **Meeting evolving market demands** through advanced light weight and high-performing grade capabilities
- ✓ **Helping customers achieve their sustainability goals** through start-of-the-art technologies and solutions
- ✓ **Reducing carbon footprint** by adopting biomass energy solutions

**Lucca,  
Italy**



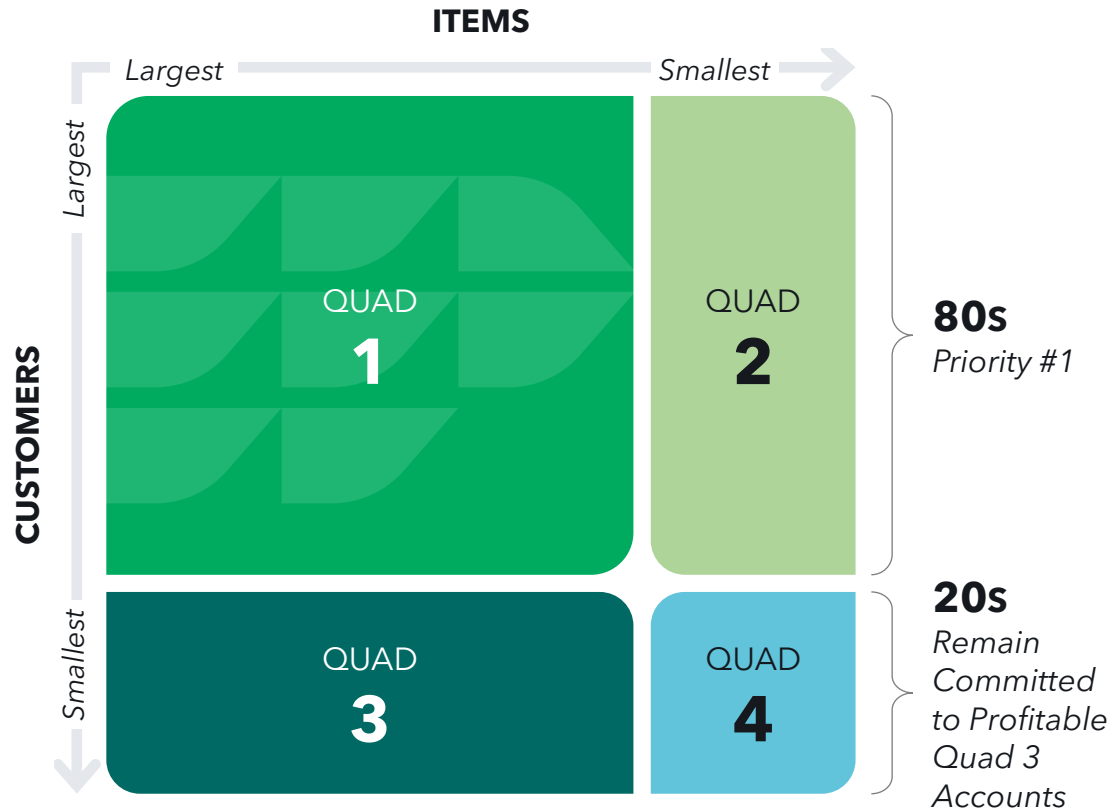
**Rouen,  
France**



## Optimizing End-to-End Value Creation

# Strategy in Action: Improving Reliability and Productivity

Applying  
80/20 to  
Focus on  
Sizeable  
Customers  
with Less  
Complexity



## SPOTLIGHT: 80/20 IBERIA PILOT Positive Initial Performance Results

- ✓ **22% increase** in key customer volume
- ✓ **19pp improvement** in on-time delivery
- ✓ **11% gain** in productivity
- ✓ **15% elimination** of waste
- ✓ **72% reduction** in inventory leading to lower working capital

Enhancing Efficiency While Maintaining Superior Customer Experience



# 80/20 Roadmap: Driving Transformation in EMEA

## OUTLINE

### Initiate Go-forward Plan with 80/20 Mindset

- Assess customer portfolio and operational footprint in key regions
- Conduct first Zero Up analysis
- Consolidate initial view of P&L and cash impact on 2027 Adj. EBITDA ambition

✓ **COMPLETE**

## DEFINE

### Create Execution Plan and Establish 80/20 Targets

- Assess portfolio and secure key customers
- Prepare organization and operating model blueprint
- Review commercial plans and customer engagement

**IN PROCESS**

## EXECUTE

### Implement Clear Action Plans in the Near and Long Term

- Execute quick wins
- Roll out training and communications
- Deploy 80/20 rapidly by region
- Optimize assets

**STARTING IN 2Q25**

**Early Stages of Capturing Significant Opportunity**

# Strategy in Action: Building on Strong Foundation to Strengthen Position with Customers



## Advantaged Position in Key Geographies



## Significant Opportunity to Grow and Drive Operational Efficiency in Key Regions

- ✓ **Focus on existing and targeted** large, growing customers
- ✓ **Reallocate resources** to drive enhanced, quality service and innovation to 80s customers
- ✓ **Accelerate innovation** of sustainable packaging solutions for fast moving consumer goods customers
- ✓ **Drive further efficiency improvements** through footprint optimization efforts

## Replicable Playbook to Win across Key Regions



Superior Customer  
Experience

# Creating Greater Customer Value via 80/20 and Innovation



## Capitalizing on High NPS

- ✓ **Grow existing 80s customers** by ensuring an outstanding experience at each touchpoint of their end-to-end journey
- ✓ **Evolve our systems and capabilities** to match the growing expectations of our strategic customers
- ✓ **Respond to increased sustainability requirements** through innovation, services, and data provision

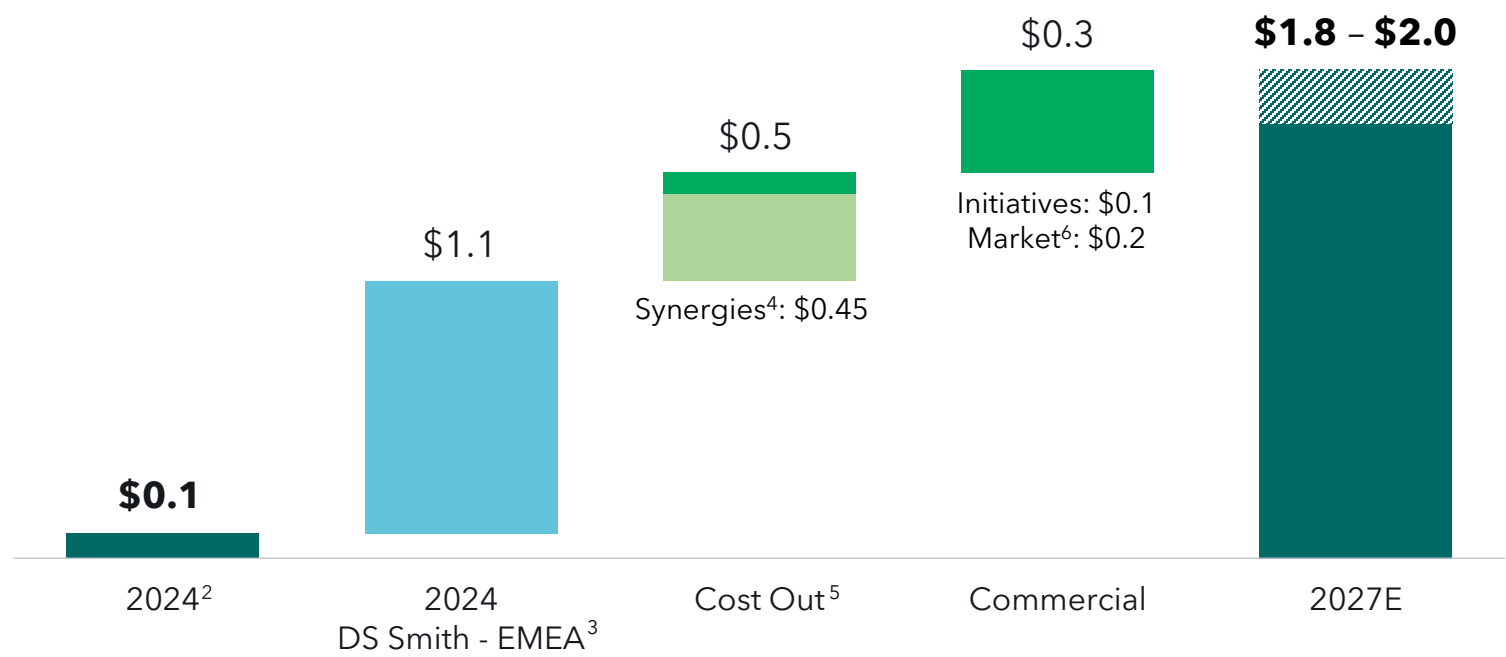
## KEY ACTIONS IN PLAY

- **Assigning the right resources to delight our 80s customers while optimizing the cost to serve**
  - Continuing to focus on being a customer-centric and data-driven organization
- **Accelerating our cutting-edge innovation agenda to meet customers' evolving needs**
  - Offering solutions with added technology and product innovation



**Deepening Partnerships with Enhanced Customer Experience**

# 2027E EMEA Adj. EBITDA Bridge<sup>1</sup> (\$B)



## EARNINGS DRIVERS

### Cost out drives structural advantage

- Footprint rationalization
- Operations optimization
- Overhead reduction (Zero Up)

### Commercial improvement beyond market

- Mid-cycle price and demand environment
- Above-market volume growth
- Price to value enhances margins
- Accelerate growth with 80s customers

### DS Smith synergies in EMEA with upside potential

- Overhead
- Procurement
- Operations
- 80/20 optimization

## Driving a Step Change in EMEA Profitability

<sup>1</sup> Please see Appendix 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 directly comparable U.S. GAAP measures. <sup>2</sup> Excludes profit from the planned divestiture of five European box plants, which was agreed upon to gain European Commission clearance. <sup>3</sup> 2024 (calendar year) DS Smith EBITDA included at an exchange rate of £1/\$1.278 on IFRS basis before U.S. GAAP Adjustments. <sup>4</sup> Represents EMEA portion of total IP \$600M - \$700M synergy target range at the midpoint. Includes 80/20 benefits. <sup>5</sup> Cost out net of inflation (labor and general inflation). <sup>6</sup> Market equals mid-cycle sales price net of PPV.

# Key Takeaways

## Abundance of Opportunities to Accelerate Our Growth Potential

1

**Capturing large, long-term market opportunity** despite softer than expected near-term macro environment

2

**Improving cost structure** through productivity actions across our mill and box plant network

3

**Creating a clear 80/20 roadmap** to streamline portfolio and drive targeted reinvestment

4

**Deepening customer partnerships** by leveraging DS Smith's best-in-class sustainable packaging solutions

## Clear Strategic Actions Driving Sustainable Value Creation





# EMEA Panel Discussion

# Today's Distinguished Panelists

## MODERATOR



**Tim Nicholls**

CFO & EVP, International Paper;  
President, DS Smith - An  
International Paper Company<sup>1</sup>



**Stefano Rossi**

Head of Packaging,  
EMEA



**Marc Chiron**

Sales, Marketing, and  
Innovation Director -  
Packaging EMEA

# Replicable Model to Build and Maintain Durable Customer Relationships

## Spotlight: Mondelez Partnership



**Sole**

Supplier Corrugate  
(2014 to 2029)

**50+**

Factories Supplied  
Across 16 Countries

**~100**

Markets Served  
across the Globe

**>1B**

Packaging Solutions  
Provided Annually

**25%**

YoY Improvement on  
Key Quality Metric

**Leading**

On-time, In-full  
Performance

*We are tremendously excited about our next venture with DS Smith and grateful for the collaborative journey we have shared over the last ten years. The mutual trust we have built over time and transparency and dedication exhibited by both teams has been the secret recipe of our success.*

VP Procurement, Europe



# Delivering Market-leading, Segment-tailored Solutions for Our Customers

## Spotlight: DS Smith Round Wrap

**\$700M**

Annual European Market Opportunity<sup>1</sup>

**Higher**

Purchase Intention via On-shelf Differentiation

**20%+**

Reduction in CO<sub>2</sub>e via Lightweight Materials

**Improved**

Pallet Stability

**Innovative**

Rounded Corner Design Leads to Less Damage

**100%**

Recyclable Materials Utilized in Solution



*Our products reach stores and our consumers perfectly packaged thanks to this. It plays an important part in maintaining the image of our brands.*

**Packaging Development Manager**





# Developing Innovative and Sustainable Packaging Solutions for Our Customers

## Spotlight: DS Smith Lift Up

**\$300M**

Annual European Market Opportunity<sup>1</sup>

**1<sup>st</sup> Mover**

at Scale for Paper-based Bundling Solutions

**40%+**

Less CO<sub>2</sub>e Versus Standard Shrink Film Pack

**360°**

Branding Canvas Offers Great Product Visibility

**Low**

Operational Cost via High-speed Packing Lines

**Proven**

to Survive Demanding Retail Supply Chains

*This is the first-ever packaging solution of its kind for 1.5 litre multipacks of Coca-Cola, Fanta and Sprite. It's the result of our entrepreneurial mindset, an absolute belief in collaborating with trusted partners and our focus on reaching net zero emissions by 2040.*

**Chief Corporate Affairs and Sustainability Officer**



<sup>1</sup> Source: Euromonitor / DS Smith assumptions.



# Executing a Focused Plan to Step Up Profitability for Sustainable Growth



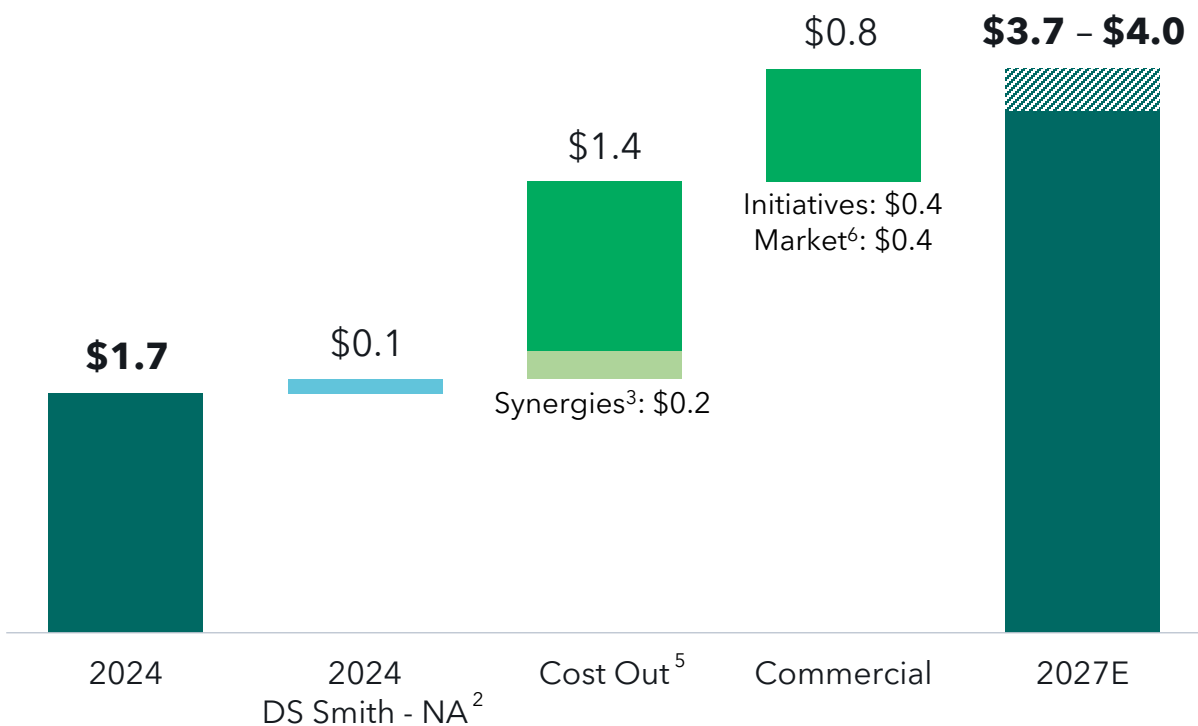
**Andy Silvernail**

Chairman & CEO

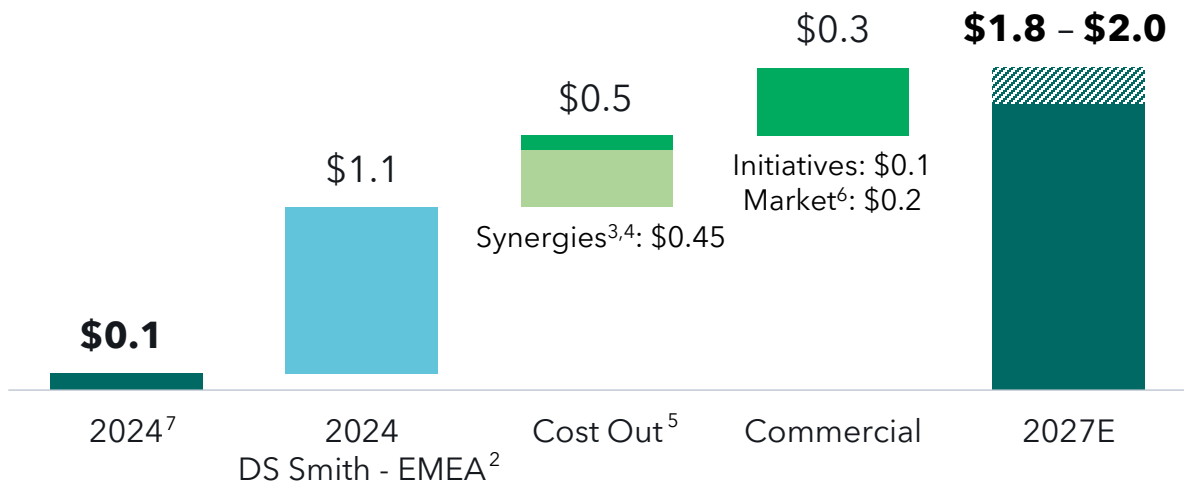
# Bridging to Sustained, Profitable Growth

# 2027E Total Adj. EBITDA<sup>1</sup> Bridge by Region (\$B)

## North American Packaging Solutions



## EMEA Packaging Solutions



**Targeting \$5.5B - \$6.0B Adj. EBITDA<sup>1</sup> across Packaging Solutions Businesses**

<sup>1</sup> Please see Appendix 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 directly comparable U.S. GAAP measures. <sup>2</sup> 2024 (calendar year) DS Smith EBITDA included at an exchange rate of £1/\$1.278 on IFRS basis before U.S. GAAP Adjustments. <sup>3</sup> Represents midpoint of \$600M - \$700M synergy target range. <sup>4</sup> Includes 80/20 benefits. <sup>5</sup> Cost out net of inflation (labor and general inflation). <sup>6</sup> Market equals mid-cycle sales price net of PPV. <sup>7</sup> Excludes profit from the planned divestiture of five European box plants, which was agreed upon to gain European Commission clearance.

# 2025 Will be a Transformational Year

	North American Packaging Solutions	EMEA Packaging Solutions (DS Smith)	GCF	TOTAL IP
Market Demand	Predict return to 1.0% - 1.5% demand growth	Lower demand than anticipated	Stable consumer demand	
Price	Realization of prior publication increases	Lower containerboard prices in 2H24 have affected expected box price increases	Realization of prior price communications	
Targeted Revenue (\$B)	~\$15.5	~\$9.0	~\$2.5	~\$27.0
Targeted Adj. EBITDA <sup>1</sup> (\$B)	~\$2.3 - \$2.5	~\$0.9 - \$1.1	~\$0.3 - \$0.4	~\$3.5 - \$4.0

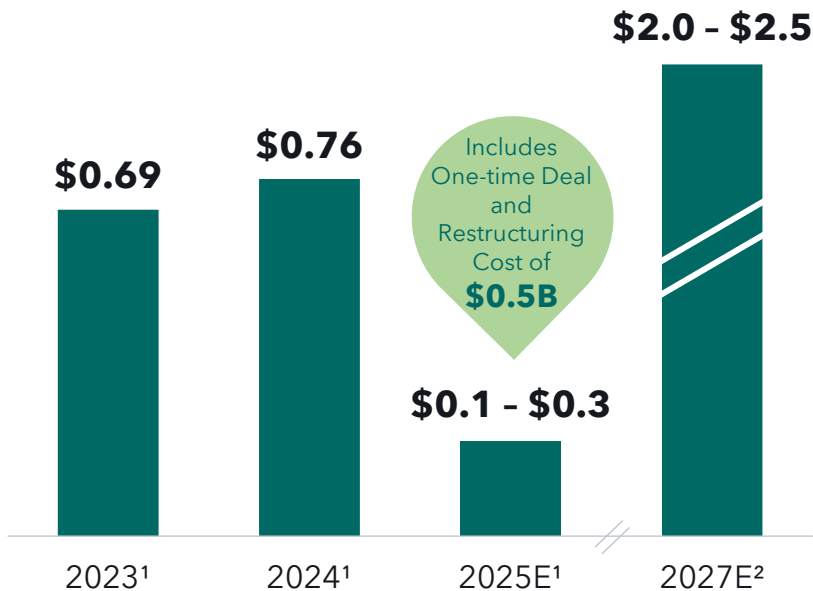
**Performance Ramp Up as 80/20 Cost and Commercial Improvements Accelerate**



# Unlocking Long-term Opportunity Through Targeted Investments

## 2025 Investments Enable Potential Sustained Future Cash Generation

Free Cash Flow (\$B)



## DRIVING PRODUCTIVITY, COST REDUCTION, AND PROFITABLE GROWTH

- **Continued implementation of 80/20 mill and box plant optimization** from customer and product segmentation to increase margins
- **Improved capital effectiveness** from footprint optimization and targeted investments
- **Anticipated capex spend**
  - 2025-2027: ~\$1.9B per year
  - Ongoing rate: ~6.5% of sales

## Near-term Investments Strengthen Future Free Cash Flow Generation



# Healthy Balance Sheet Enables Near-term Investment...

## BALANCE SHEET HIGHLIGHTS

(As of 12/31/24)

Cash & Temporary Investments ~\$1.2B

Net Debt ~\$4.4B

Shareholders' Equity ~\$8.2B

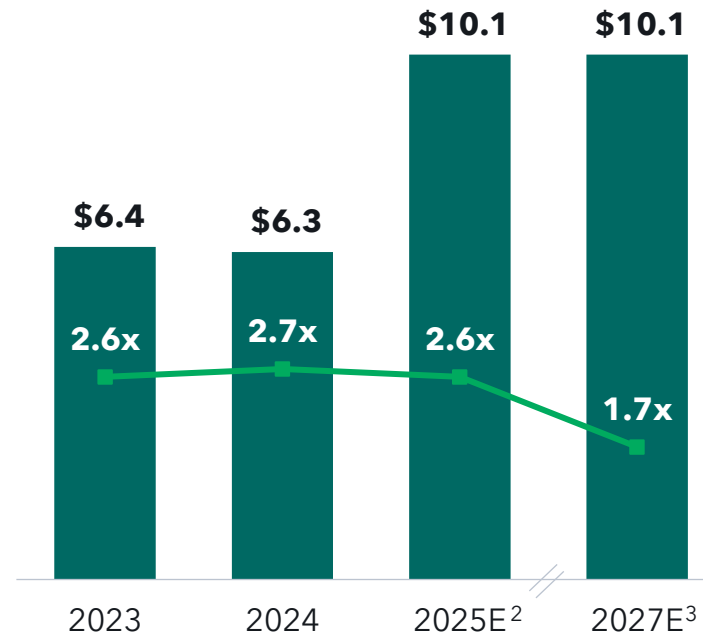
Debt / Adj. EBITDA (Moody's Basis)<sup>1</sup> 2.7x

## LIQUIDITY

Available Credit Under Revolving Credit Facility ~\$1.4B

Total Liquidity & Cash ~\$3.1B

## Total Debt (\$B) and Debt / Adj. EBITDA<sup>1</sup>



## Well-positioned for Future Growth

- Debt / Adj. EBITDA<sup>1</sup> targeted range of ~2.5x - 2.8x
  - Levers: earnings growth from cost out and commercial initiatives in NA and EMEA with intent to exit GCF
- Sufficient liquidity and manageable near-term debt maturities
- Commitment to investment grade credit ratings
  - Baa2: Moody's / BBB: S&P

## ...and Future Capital Allocation Optionality to Drive Shareholder Value

# Realizing IP's Profit Potential

# Sustainable Financial Playbook

## Executing Our TSR Algorithm to Drive Results and Value Creation

1

Defining where to play and how to win to **drive revenue and EBIT growth**

2

Utilizing 40% - 50% of cash flow to provide **reliable dividends to shareholders**

3

**Reinvesting remaining cash flow with discipline** to maximize shareholder value

4

**Delivering double-digit returns through the cycle**, compounding value

**Expect to Deliver \$5.5B - \$6.0B<sup>1</sup> Adj. EBITDA<sup>2</sup> Target by Year End 2027**

# Our TSR Algorithm: Foundational Above-market Growth Expected to Enable Flexible Capital Deployment

3% - 4%

Revenue  
Growth

>5%

EBIT  
Growth



3% - 4%

Dividend Yield



3% - 4%

Growth from High-  
return Reinvestment



Double  
Digit

TSR Through  
the Cycle

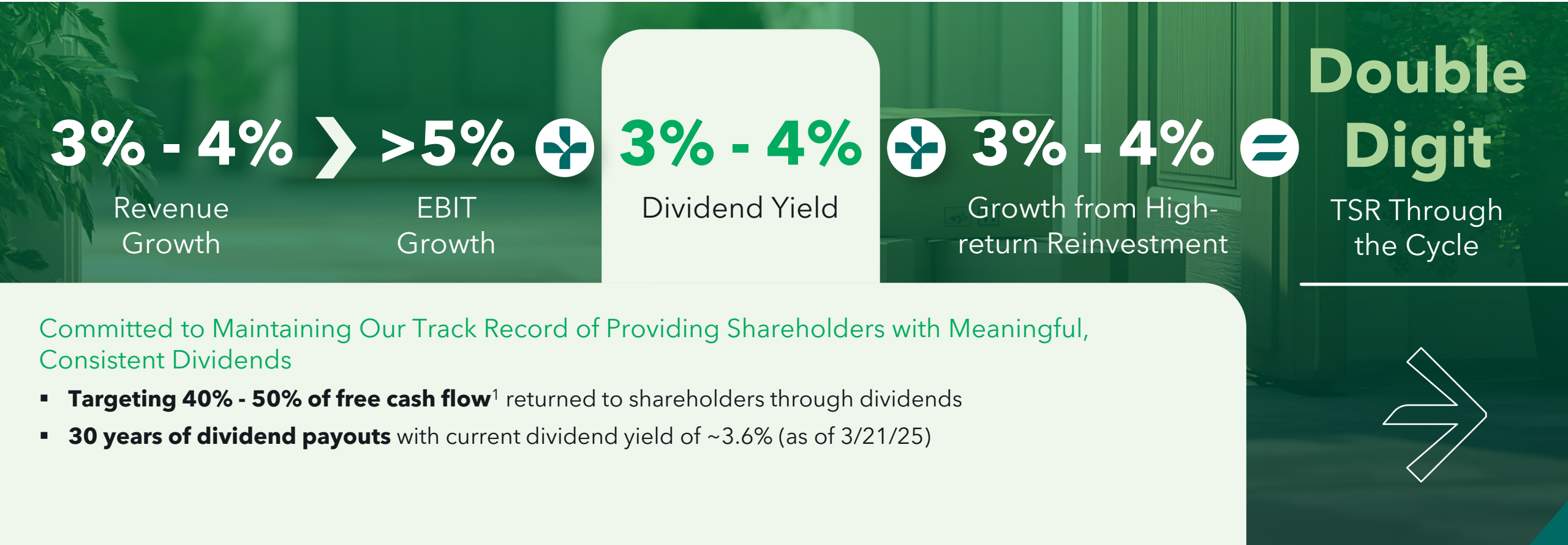
Driving Revenue and EBIT Growth by Executing Our Long-term Strategy Focused on  
Where to Play and How to Win

- **Applying our “where to play formula”** (geographies + customers + products) via targeted initiatives such as 80/20, productivity investments, and go-to-market strategy enhancements to drive transformation
- **Incorporating 80/20 Performance System** to fuel faster decision making and execution excellence
- **Creating value through virtuous cycle** – advantaged cost position, high relative supply position, and superior customer experience – to drive volume growth and margin expansion



**Setting Up the Opportunity to Drive Significant Value Creation**

# Our TSR Algorithm: Expecting to Leverage Revenue and Earnings Growth to Fund Reliable Dividend

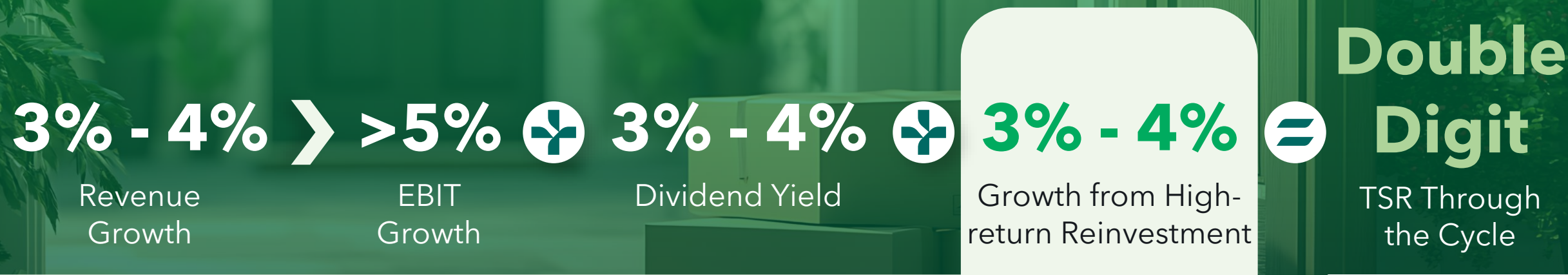


## Balanced Approach to Returning Cash to Shareholders

Note: All percentages and values are targets. <sup>1</sup> Please see Appendix 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 directly comparable U.S. GAAP measures.



# Our TSR Algorithm: Remaining Cash Flow Provides Capital Deployment Optionality



Maximizing Shareholder Value with Flexibility to Return Cash



Creating Projected Double Digit Returns Through Clear Linkage across TSR Algorithm

# Disciplined Approach to Value Creation

## Organic Growth

- **Reinvesting in business** to drive value for customers
  - Strengthen core customer-centric capabilities
  - Develop innovative solutions
  - Drive reliability of box plant and mill operations while enhancing productivity
- **Investing in go-to-market capabilities** and **capacity expansion** in targeted regions

## Share Repurchases

- Accelerating share repurchases when **stock trades below intrinsic value**
- Disciplined approach to help ensure **share repurchases are at attractive price and value**
- Current share repurchase **authorization of \$3.0B** (as of 3/5/25)

## Inorganic Growth

- **Opportunistically targeting bolt-on M&A** as an accelerator of strategy and targeted double-digit returns
- **Meets or exceeds** our strategic filters and financial criteria

**Supported by Strong, Investment Grade Balance Sheet**

# Key Takeaways

## Executing Our TSR Algorithm to Drive Results and Value Creation

- 1 Defining where to play and how to win to **drive revenue and EBIT growth**
- 2 Utilizing 40% - 50% of cash flow to provide **reliable dividends to shareholders**
- 3 **Reinvesting remaining cash flow with discipline** to maximize shareholder value
- 4 **Delivering double-digit returns through the cycle**, compounding value

<sup>1</sup> Excludes GCF; DS Smith presented on IFRS basis combined with IP on U.S. GAAP basis.

<sup>2</sup> Assumes mid-cycle environment. <sup>3</sup> Please see Appendix 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 directly comparable U.S. GAAP measures. <sup>4</sup> Excludes GCF and one-time item of deferred taxes paid related to timber monetization.

## 2027 PERFORMANCE TARGETS<sup>1</sup>



Net Sales <sup>2</sup>	<b>\$26.0B - \$28.0B</b>
Adj. EBITDA <sup>3</sup>	<b>\$5.5B - \$6.0B</b>
Free Cash Flow <sup>3,4</sup>	<b>\$2.0B - \$2.5B</b>
On-time Delivery	<b>98%+</b>
Safety (Serious Injuries and Fatalities)	<b>ZERO</b>

A photograph of a modern office environment. In the foreground, a man with a grey beard and glasses, wearing a blue shirt, is smiling and looking towards the right. He is holding a white mug. In the background, two other people are visible: a man in a white shirt and a woman in a dark top, both smiling. The office has large windows and glass partitions.

# Q&A Session

All Presenters



# Closing Remarks



**Andy Silvernail**

Chairman & CEO



# Invest With Us

1

**Transforming International Paper into a differentiated, sustainable packaging company**

2

**Taking bold steps to accelerate our growth potential**

3

**Driving a significant step up in sustainable value creation through clear actions**





# Appendix

## Glossary and Reconciliation Tables

# Glossary

## FINANCIAL AND ECONOMIC TERMS

**CAGR:** Compound Annual Growth Rate

**EBIT:** Earnings before Interest and Taxes

**EBITDA:** Earnings before Interest, Taxes, Depreciation, and Amortization

**FCF:** Free Cash Flow

**GDP:** Gross Domestic Product

**M:** Millions

**M&A:** Mergers and Acquisitions

**PPV:** Purchase Price Variance

**ROI:** Return on Investment

**TAM:** Total Addressable Market

**TSR:** Total Shareholder Return

## BUSINESS TERMS

**EMEA:** Europe, Middle East, and Africa

**FMCG:** Fast Moving Consumer Goods

**GCF:** Global Cellulose Fibers

**KPI:** Key Performance Indicator

**MSF:** Million Square Feet

**NPS:** Net Promoter Score

**RSP:** Relative Supply Position

# Calculation of Adjusted EBITDA (Actual)

	NA Pkg Solutions Including DS Smith 2024	EMEA Pkg Solutions Including DS Smith 2024
<i>\$ Millions</i>		
Business segment operating profit	\$ 891	\$ 60
Depreciation and amortization	786	64
DS Smith EBITDA	110	1,047
Adjusted EBITDA	1,787	1,171
Net Sales as reported	14,293	1,355
DS Smith Net Sales	779	7,725
Total Net Sales	\$ 15,072	\$ 9,080
EBITDA Margin	11.9%	12.9%

Note: Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin are all non-GAAP financial measures presented as supplemental measures of our performance and the most directly comparable GAAP measure for Adjusted EBIT and Adjusted EBITDA is earnings (loss) from continuing operations before income taxes and equity earnings. They are not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company believes these measures provide additional meaningful information in evaluating the Company's performance over time, and that other companies use these and/or similar measures for similar purposes. However, Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for analysis of our results as reported under GAAP. In addition, in evaluating Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin, you should be aware that in the future we will incur expenses such as those used in calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

We use the non-GAAP financial measures Adjusted EBITDA and Adjusted EBITDA margin at a segment level, along with other factors, to evaluate our segment performance against our peers. We believe that investors use they measures to evaluate our performance relative to our peers.

# Calculation of Adjusted EBITDA (Target)

	IP Consolidated Estimate 2025	IP Consolidated Estimate 2027
<i>\$ Millions</i>		
Earnings (loss) from continuing operations before income taxes and equity earnings	\$1,430 - \$1,930	\$3,640 - \$4,140
Interest expense, net	420	410
Adjusted EBIT	\$1,850 - \$2,350	\$4,050 - \$4,550
Depreciation and amortization	1,650	1,450
Adjusted EBITDA	\$3,500 - \$4,000	\$5,500 - \$6,000

Note: Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin are all non-GAAP financial measures presented as supplemental measures of our performance and the most directly comparable GAAP measure for Adjusted EBIT and Adjusted EBITDA is earnings (loss) from continuing operations before income taxes and equity earnings. They are not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company believes these measures provide additional meaningful information in evaluating the Company's performance over time, and that other companies use these and/or similar measures for similar purposes. However, Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for analysis of our results as reported under GAAP. In addition, in evaluating Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin, you should be aware that in the future we will incur expenses such as those used in calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

We use the non-GAAP financial measures Adjusted EBITDA and Adjusted EBITDA margin at a segment level, along with other factors, to evaluate our segment performance against our peers. We believe that investors use these measures to evaluate our performance relative to our peers.



# Calculation of Adjusted EBITDA by Business Segment (Target)



	NA Pkg Solutions 2025	EMEA Pkg Solutions 2025	GCF 2025	NA Pkg Solutions 2027	EMEA Pkg Solutions 2027
<i>\$ Millions</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>
Business segment operating profit	\$1,450 - \$1,650	\$325 - \$525	\$80 - \$180	\$2,900 - \$3,200	\$1,175 - \$1,375
Depreciation and amortization	850	575	220	800	625
Adjusted EBITDA	\$2,300 - \$2,500	\$900 - \$1,100	\$300 - \$400	\$3,700 - \$4,000	\$1,800 - \$2,000

Note: Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin are all non-GAAP financial measures presented as supplemental measures of our performance and the most directly comparable GAAP measure for Adjusted EBIT and Adjusted EBITDA is earnings (loss) from continuing operations before income taxes and equity earnings. They are not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company believes these measures provide additional meaningful information in evaluating the Company's performance over time, and that other companies use these and/or similar measures for similar purposes. However, Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for analysis of our results as reported under GAAP. In addition, in evaluating Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin, you should be aware that in the future we will incur expenses such as those used in calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

We use the non-GAAP financial measures Adjusted EBITDA and Adjusted EBITDA margin at a segment level, along with other factors, to evaluate our segment performance against our peers. We believe that investors use they measures to evaluate our performance relative to our peers.

# Reconciliation of Cash Provided by (Used for) Operating Activities to Free Cash Flow



	2025	2027
<i>\$ Millions</i>	<i>Estimate</i>	<i>Estimate</i>
Cash provided by (used for) operating activities	\$2,000 - \$2,200	\$3,900 - \$4,400
Adjustments:		
Cash invested in capital projects	1,900	1,900
2027 Target Free Cash Flow	\$100 - \$300	\$2,000 - \$2,500

Note: Free cash flow is a non-GAAP financial measure which equals cash provided by (used for) operating activities less cash invested in capital projects. The most directly comparable GAAP measure is cash provided by (used for) operating activities. Management utilizes this measure in connection with managing our business and believes that free cash flow is useful to investors as a liquidity measure because it measures the amount of cash generated that is available, after reinvesting in the business, to maintain a strong balance sheet, pay dividends, repurchase stock, service debt and make investments for future growth. It should not be inferred that the entire free cash flow amount is available for discretionary expenditures.

A man with glasses and a beard, wearing a white t-shirt and dark overalls, is holding a large, vertical sheet of white paper. He is looking at the paper with a focused expression. The background is a blurred industrial setting, likely a paper mill, with various pipes, machinery, and structural elements visible. The lighting is bright and even.

# Appendix

## Presenter Bios

# Andy Silvernail

Chairman &  
Chief Executive  
Officer



Andrew "Andy" Silvernail joined International Paper as Chief Executive Officer on May 1, 2024. He became chairman of the International Paper Board of Directors on October 1, 2024.

Silvernail has two decades of experience leading global companies in the manufacturing and technology sectors. He joins IP from KKR & Co., Inc., a global investment firm, where he served as an executive advisor. Silvernail served as the Chairman and CEO of Madison Industries, one of the world's largest privately held companies. Prior to that, Silvernail 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. Silvernail previously held executive positions at Rexnord Industries, Newell Rubbermaid and Danaher Corporation. He serves on the Board of Directors of Stryker Corporation.

Silvernail earned a bachelor's degree in government from Dartmouth College and an M.B.A. from Harvard Business School.



# Tom Hamic

EVP & President,  
North American  
Packaging Solutions



Tom Hamic joined International Paper in 1991. Over the course of his career, he has served in a variety of sales, marketing, finance, strategic planning and leadership roles in the United States and Europe.

In 2009, Hamic was named a company officer, and in 2018, he was elected senior vice president. From 2020 to 2022, Hamic led IP's Global Cellulose Fibers business and the company's commercial efforts. In 2023, Hamic was named senior vice president, North American Container and Chief Commercial Officer, and in 2024, he took on an elevated role as Executive Vice President, International Paper and President, North American Sustainable Packaging Solutions.

Hamic holds a Bachelor of Arts degree in economics and a Masters of Business Administration – both from the University of Virginia.





# Tim Nicholls

CFO & EVP,  
International Paper;  
President, DS Smith –  
An International Paper  
Company<sup>1</sup>



Tim Nicholls currently holds the role of Chief Financial Officer and Interim EMEA Leader but was recently named Executive Vice President and President of DS Smith, an International Paper company, reporting to Chairman and Chief Executive Officer Andy Silvernail, effective April 1, 2025. For the past several months, he has led the integration efforts for the acquisition of DS Smith in addition to his CFO responsibilities.

Tim has nearly three decades of experience in the packaging and paper industry. He was elected International Paper's senior vice president and chief financial officer in June 2018, a position he previously held from 2007 to 2011. He joined International Paper in 1999 through the company's acquisition of Union Camp, where he held a series of finance, business planning and leadership positions. He has held numerous roles at International Paper including senior vice president, industrial packaging the Americas, leading the company's papers and pulp the Americas business and serving as vice president and chief financial officer for International Paper Europe. He was also president of Weldwood, formerly a wholly-owned subsidiary of International Paper in Vancouver, British Columbia.