



# International Paper

## Fourth Quarter & Full Year 2024 Earnings

January 30, 2025

## Forward-Looking Statements

Certain statements in this presentation that are not historical in nature may be considered “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements can be identified by the use of forward-looking or conditional words such as “expects,” “anticipates,” “believes,” “estimates,” “could,” “should,” “can,” “forecast,” “intend,” “look,” “may,” “will,” “remain,” “confident,” “commit” and “plan” or similar expressions. These statements are not guarantees of future performance and reflect management’s current views and speak only as to the dates the statements are made and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these statements. All statements, other than statements of historical fact, are forward-looking statements, including, but not limited to, statements regarding anticipated financial results, economic conditions, industry trends, future prospects, and the anticipated benefits, execution and consummation of corporate transactions or contemplated acquisitions, including our proposed business combination with DS Smith Plc, which we plan to close 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 proposed business combination with DS Smith Plc; (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) risks with respect to climate change and global, regional, and local weather conditions, as well as risks related to our targets and goals with respect to climate change and the emission of greenhouse gases and other environmental, social and governance matters, including our ability to meet such targets and goals; (iv) loss contingencies and pending, threatened or future litigation, including with respect to environmental related matters; (v) the level of our indebtedness, risks associated with our variable rate debt, and changes in interest rates (including the impact of current elevated interest rate levels); (vi) the impact of global and domestic economic conditions and industry conditions, including with respect to current 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, cyclicalities and changes in consumer preferences, demand and pricing for our products, and conditions impacting the credit, capital and financial markets; (vii) risks arising from conducting business internationally, domestic and global geopolitical conditions, military conflict (including the Russia/Ukraine conflict, the conflict in the Middle East, the 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 proposed business combination with DS Smith Plc, trade policies (such as protectionist measures and increased 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; (viii) the amount of our future pension funding obligations, and pension and healthcare costs; (ix) the costs of compliance, or the failure to comply with, existing, evolving or new environmental (including with respect to climate change and greenhouse gas 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); (x) any material disruption at any of our manufacturing facilities or other adverse impact on our operations due to severe weather, natural disasters, climate change or other causes; (xi) our ability to realize expected benefits and cost savings associated with restructuring initiatives; (xii) cybersecurity and information technology risks, including as a result of security breaches and cybersecurity incidents; (xiii) our exposure to claims under our agreements with Sylvamo Corporation; (xiv) the qualification of such spin-off as a tax-free transaction for U.S. federal income tax purposes; (xv) risks associated with our review of strategic options for our Global Cellulose Fibers business; (xvi) our ability to attract and retain qualified personnel and maintain good employee or labor relations; (xvii) our ability to maintain effective internal control over financial reporting; and (xviii) 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.

## Use of Materials

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**See slide 30 for footnoted material referenced throughout the presentation**



International  
Paper

+



DS  
Smith



*The combination of IP and DS Smith will create the global leader in sustainable packaging solutions, focused on the attractive and growing North American and EMEA regions.*

# Our Purpose

## MISSION

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

## VALUES

Safety

Ethics

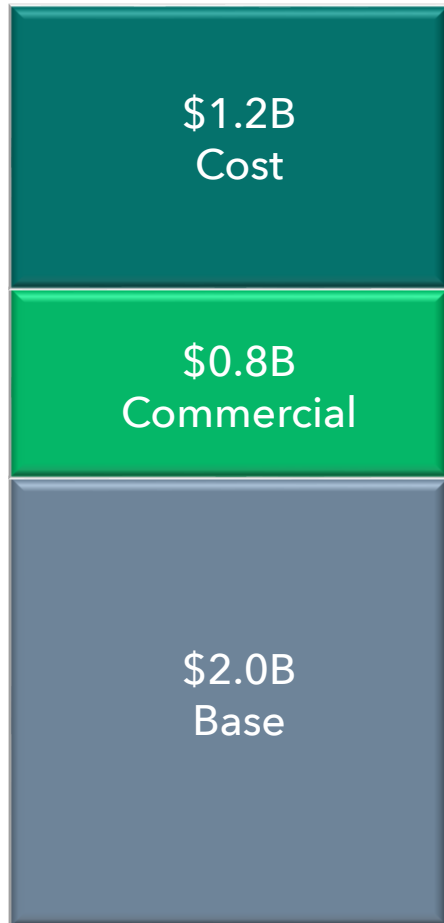
Excellence

## STRATEGY

Through **great teams working safely** with an **80/20 mindset**, we deliver **profitable market share growth** as the **low-cost producer** by providing North American and EMEA customers the most reliable and innovative sustainable **packaging solutions**.

# Path to \$4 Billion EBITDA<sup>1</sup> excluding DS Smith and synergies

## \$4B Target\*



## Cost Improvement

### Actions Taken

- ✓ Enterprise resource alignment \$120MM
- ✓ 5 box plant closures \$40MM
- ✓ Georgetown Mill closure \$70MM
- ✓ 20% productivity improvement at two lighthouses

### More to Do

- ❑ Improve mill performance
- ❑ Mill and box system productivity and structural cost out
- ❑ Reduce organizational complexity
- ❑ Sourcing / supply chain cost reduction
- ❑ Cost reduction capital investments

## Commercial Improvement

### Actions Taken

- ✓ Go-to-Market value over volume reset
- ✓ New sales incentive programs
- ✓ Improving on-time delivery and customer satisfaction
- ✓ Bulk plant acquisition

### More to Do

- ❑ Invest for profitable market share growth
- ❑ Expand sales force
- ❑ Improve customer mix

# Pursuing Investments for Profitable Growth



\* Rendering, not actual building design

## Waterloo, Iowa Box Plant Greenfield

- Strategic and growing market
- State-of-the-art sustainable packaging plant
- Attractive returns
- Potential startup mid-2026



## West Monroe, Louisiana Bulk Plant Acquisition

- Attractive market and growing segment
- Increasing capacity for specialty products
- Attractive returns
- Expect acquisition to be completed on January 31

# Performance & Outlook



# Full Year 2024 Highlights

	2023	2024
Sales (\$B)	\$18.9	<b>\$18.6</b>
Adjusted EBIT <sup>1</sup> (\$B)	\$0.8*	<b>\$0.7</b>
Adjusted Operating EPS <sup>2</sup>	\$1.25*	<b>\$1.13</b>
Adjusted EBITDA <sup>1</sup> (\$B)	\$2.2	<b>\$2.0</b>
Adjusted EBITDA Margin <sup>1</sup>	11.8%	<b>10.7%</b>
Free Cash Flow <sup>3</sup> (\$B)	\$0.7	<b>\$0.8</b>

\*Adjusted due to inclusion of accelerated depreciation consistent with current presentation

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

Please see the footnotes at the end of this presentation as well as the Investors section of our website ([www.internationalpaper.com](http://www.internationalpaper.com)) for more information on non-GAAP financial measures, definitions and reconciliations to most directly comparable U.S. GAAP measures.

## FY24 Performance

- Earnings lower YoY on strategy reset
- Improved price on go-to-market execution and positive index moves
- Lower volume from commercial contract restructuring
- Mill ops/reliability headwinds
- Accelerated depreciation on closures

## 2025

- Transformational year
- Performance ramp up throughout the year as cost and commercial improvements accelerate through 80/20



# Fourth Quarter 2024 Highlights

	4Q23	3Q24	<b>4Q24</b>
Sales (\$B)	\$4.6	\$4.7	<b>\$4.6</b>
Adjusted EBIT <sup>1</sup> (\$MM)	\$(154)*	\$233	<b>\$6</b>
Adjusted Operating EPS <sup>2</sup>	\$(0.51)*	\$0.44	<b>\$(0.02)</b>
Adjusted EBITDA <sup>1</sup> (\$MM)	\$535	\$500	<b>\$505</b>
Adjusted EBITDA Margin <sup>1</sup>	11.6%	10.7%	<b>11.0%</b>
Free Cash Flow <sup>3</sup> (\$MM)	\$187	\$309	<b>\$137</b>

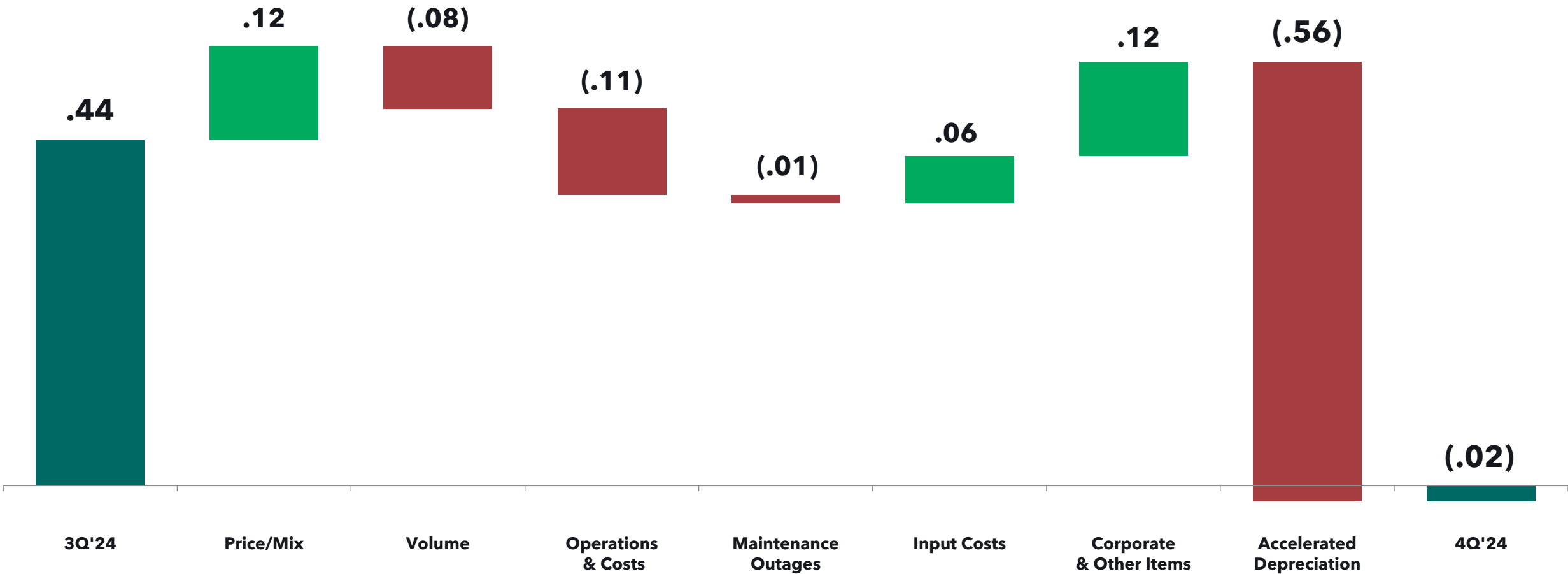
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## 4Q24 Performance

- EBITDA and margin in line sequentially
- Higher sales prices across the portfolio
- Lower volume due to commercial contract restructuring
- Mill ops / reliability headwinds
- Accelerated depreciation on closures

# 4Q24 vs 3Q24 Adjusted Operating EPS<sup>1</sup>



# Industrial Packaging | 4Q24 vs 3Q24 Adjusted EBIT<sup>1</sup>



Prices increased in all channels:  
\$39MM Index movement  
\$8MM Exports

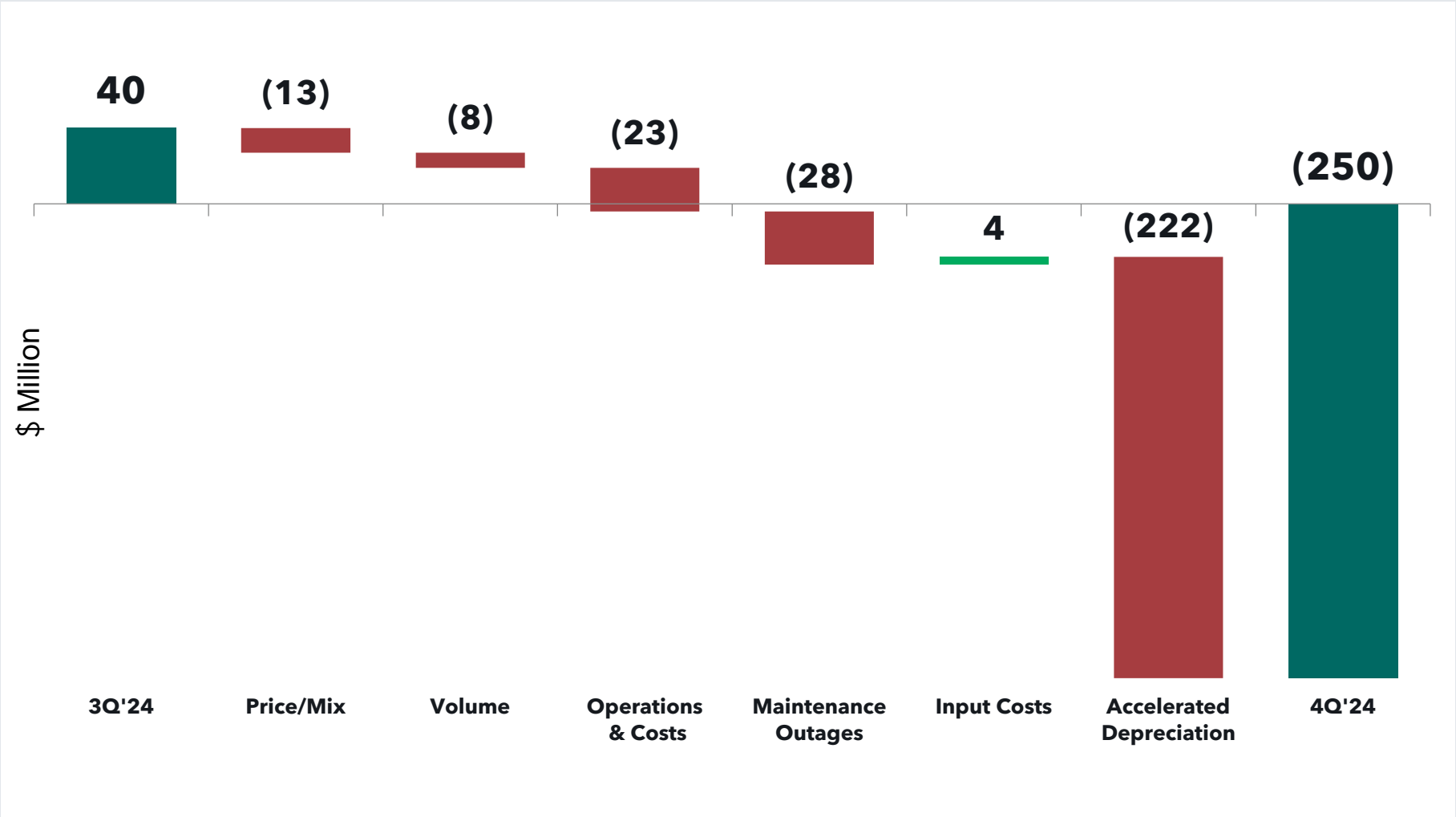
Volume impacted by two fewer shipping days and lower export shipments

IP U.S. box shipments -11% YoY /day, impacted by contract restructuring

Ops & Costs impacted by seasonally higher costs, insurance recovery stepdown, and reliability incidents

Lower OCC & wood costs

# Global Cellulose Fibers | 4Q24 vs 3Q24 Adjusted EBIT<sup>1</sup>



Lower price from index movement

Ops & Costs impacted by mill reliability incidents and seasonally higher costs

Accelerated depreciation expense related to Georgetown Mill closure in 4Q24

# First Quarter Earnings Outlook\* | Changes from 4Q24

	Industrial Packaging	Cellulose Fibers
<b>Price &amp; Mix</b>	Export price and mix YTD (-)	Prior index movement (-)
<b>Volume</b>	N.A. 2 more days (+)	Stable
<b>Ops &amp; Costs</b>	Cost reduction initiatives (+) Non-repeats (+) Wage inflation (-)	Improved performance (+) Non-repeats (+)
<b>Accelerated Depreciation</b>	Non-repeat (+) <i>5 plant closures 4Q24</i>	Non-repeat (+) <i>Georgetown Mill closure 4Q24</i>
<b>Maintenance Outages</b>	\$6MM lower	\$26MM higher
<b>Inputs &amp; Freight</b>	Higher energy cost (-) Lower OCC (+)	Stable
<b>Other</b>	<ul style="list-style-type: none"> <li>FY25 interest expense of ~\$230MM</li> <li>FY25 operational tax rate outlook of 24% - 26%<sup>1</sup></li> </ul>	

\*1Q25 Outlook for current IP portfolio, without giving effect to impact of DS Smith business upon completion of acquisition.

Fourth Quarter & Full-Year 2024 Earnings 1/30/2025



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# Investor Day 2025

Tuesday, March 25  
New York City

*Formal invitations and  
webcast registration details  
to follow in coming weeks*



# Appendix & Footnotes



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# International Paper

## Investor Relations

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# Capital Allocation | Maximizing Value Creation



## Highlights

### Solid balance sheet

- Debt / EBITDA<sup>1</sup> at 2.7x (Moody's basis)
- Limited short & medium-term debt maturities
- Liquidity & cash = \$3B

### Qualified pension plan fully funded

### Returned \$643MM to shareowners in 2024

### Investing to create value

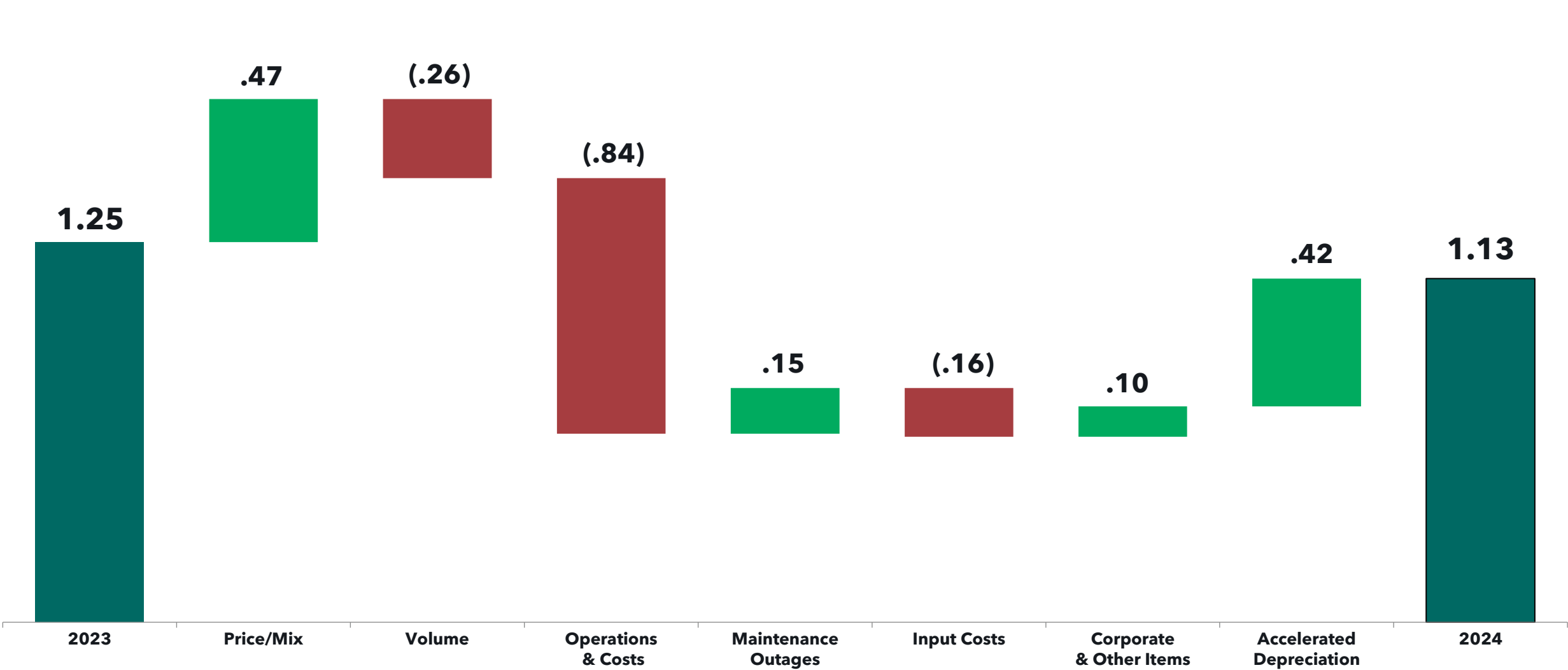
- 2024 capex of \$0.9B
- Continued focus on cost reduction and future growth in Packaging business

Balances as of fiscal year end 12/31/2024

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

\$ Million		2023	2024	2025F
<b>Maintenance Outage Expense</b>		\$593	\$522	\$555
<b>Capex</b>	<b>Maintenance &amp; Regulatory</b>	\$815	\$761	Targeting \$1,200
	<b>Cost Reduction</b>	\$85	\$48	
	<b>Strategic</b>	\$241	\$112	
<b>Depreciation &amp; Amortization<sup>2</sup></b>		\$1,432	\$1,300	\$1,030
<b>Net Interest Expense<sup>3</sup></b>		\$234	\$218	\$230

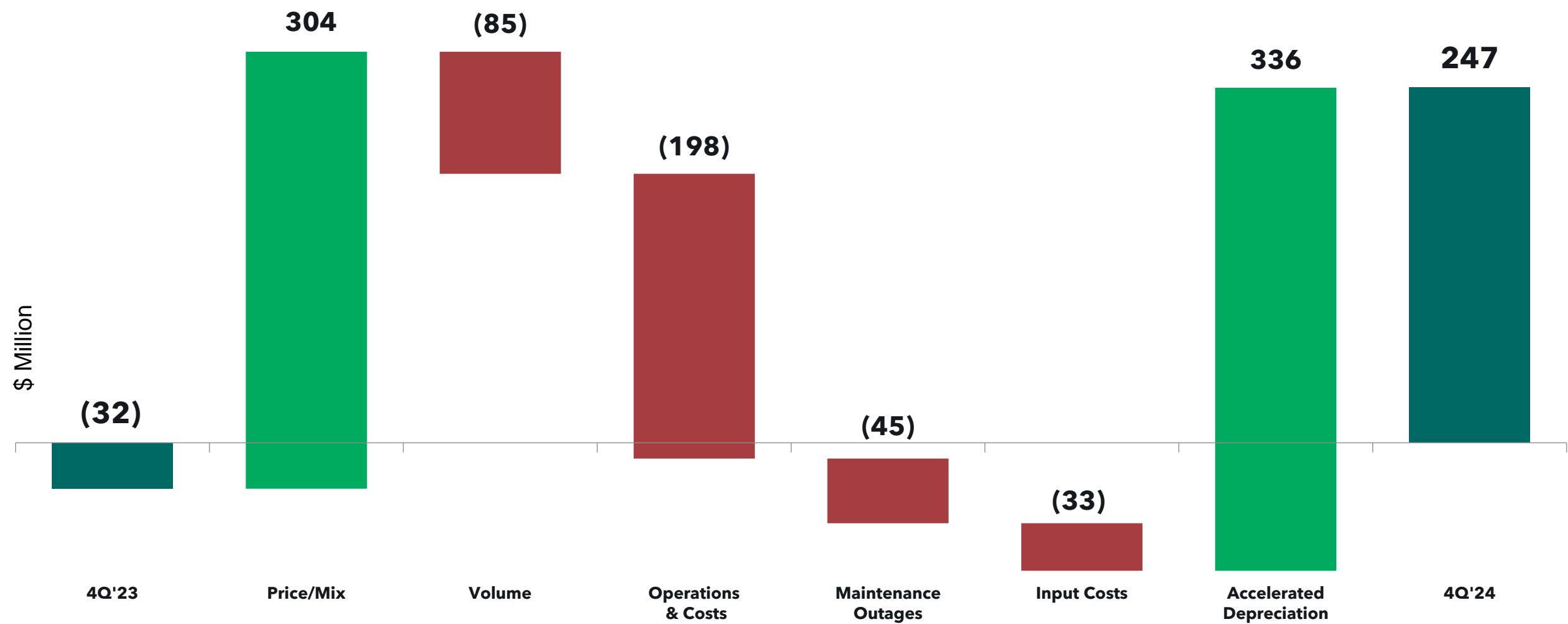
# 2024 vs 2023 Adjusted Operating EPS<sup>1</sup>



# 4Q24 vs 4Q23 Adjusted Operating EPS<sup>1</sup>



# Industrial Packaging | 4Q24 vs 4Q23 Adjusted EBIT<sup>1</sup>



# Global Cellulose Fiber | 4Q24 vs 4Q23 Adjusted EBIT<sup>1</sup>





# Geographic Business Segment Operating Results | Quarterly

	\$ Million	Sales			D & A	Business Segment <sup>1</sup> Operating Profit		
		4Q23	3Q24	4Q24		4Q24	4Q23	3Q24
North America		\$3,528	\$3,640	\$3,539	\$205	\$(60)*	\$190	\$228
EMEA		\$340	\$322	\$357	\$16	\$28	\$7	\$19
Global Cellulose Fibers								
Global Cellulose Fibers		\$656	\$710	\$662	\$278	\$(133)*	\$40	\$(250)

# Maintenance Outages Expenses | 2024

\$ Million	1Q24A	2Q24A	3Q24A	4Q24A	2024A
<b>Industrial Packaging</b>	<b>\$77</b>	<b>\$80</b>	<b>\$118</b>	<b>\$96</b>	<b>\$371</b>
North America	\$77	\$59	\$118	\$94	\$348
Riverdale Papers	-	\$18	-	-	\$18
EMEA	-	\$3	-	\$2	\$5
<b>Global Cellulose Fibers</b>	<b>\$57</b>	<b>\$38</b>	<b>\$14</b>	<b>\$42</b>	<b>\$151</b>
North America	\$33	\$38	\$14	\$42	\$127
Georgetown Papers	\$24	-	-	-	\$24
<b>Total Impact</b>	<b>\$134</b>	<b>\$118</b>	<b>\$132</b>	<b>\$138</b>	<b>\$522</b>

# Maintenance Outages Expenses | 2025 Forecast

\$ Million	1Q25F	2Q25F	3Q25F	4Q25F	2025F
<b>Industrial Packaging</b>	<b>\$90</b>	<b>\$141</b>	<b>\$60</b>	<b>\$105</b>	<b>\$396</b>
North America	\$90	\$114	\$60	\$104	\$368
Riverdale Papers	-	\$23	-	-	\$23
EMEA	-	\$4	-	\$1	\$5
<b>Global Cellulose Fibers</b>	<b>\$68</b>	<b>\$59</b>	<b>\$7</b>	<b>\$25</b>	<b>\$159</b>
North America	\$68	\$59	\$7	\$25	\$159
Georgetown Papers	-	-	-	-	-
<b>Total Impact</b>	<b>\$158</b>	<b>\$200</b>	<b>\$67</b>	<b>\$130</b>	<b>\$555</b>

# 2024 Operating Earnings

	Pre-Tax \$MM	Tax \$MM	Non- controlling Interest \$MM	Equity Earnings \$MM	Net Income \$MM	Average Shares MM	Diluted EPS <sup>1</sup>
<b>Net Earnings from Continuing Operations</b>							
1Q24	\$85	\$(27)	-	\$(2)	\$56	349	\$0.16
2Q24	\$206	\$293	-	\$(1)	\$498	353	\$1.41
3Q24	\$80	\$71	-	\$(1)	\$150	353	\$0.42
4Q24	\$(224)	\$78	-	\$(1)	\$(147)	347	\$(0.42)
<b>Net Special Items<sup>3</sup></b>							
1Q24	\$18	\$(4)	-	-	\$14	349	\$0.04
2Q24	\$49	\$(346)	-	-	\$(297)	353	\$(0.84)
3Q24	\$114	\$(102)	-	-	\$12	353	\$0.04
4Q24	\$182	\$(36)	-	-	\$146	347	\$0.42
<b>Non-Operating Pension Expense</b>							
1Q24	\$(12)	\$3	-	-	\$(9)	349	\$(0.03)
2Q24	\$(10)	\$2	-	-	\$(8)	353	\$(0.02)
3Q24	\$(12)	\$3	-	-	\$(9)	353	\$(0.02)
4Q24	\$(8)	\$2	-	-	\$(6)	347	\$(0.02)
<b>Adj. Operating Earnings<sup>2</sup></b>							
1Q24	\$91	\$(28)	-	\$(2)	\$61	349	\$0.17
2Q24	\$245	\$(51)	-	\$(1)	\$193	353	\$0.55
3Q24	\$182	\$(28)	-	\$(1)	\$153	353	\$0.44
4Q24	\$(50)	\$44	-	\$(1)	\$(7)	347	\$(0.02)

# Sales Volume by Product<sup>(a)</sup> | Preliminary and Unaudited

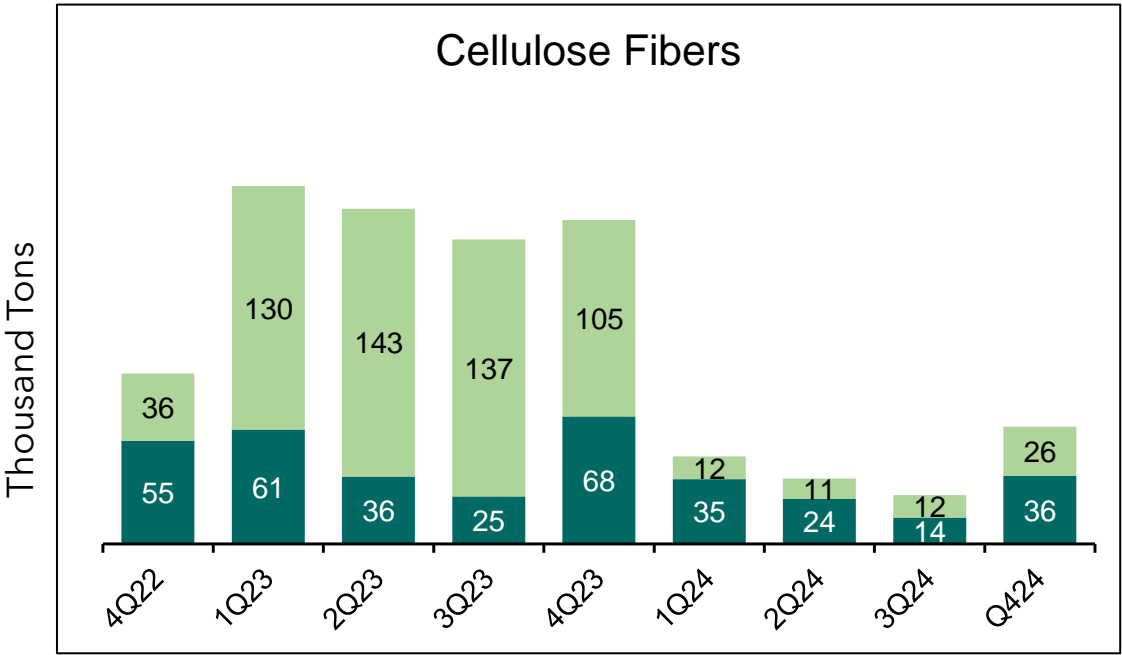
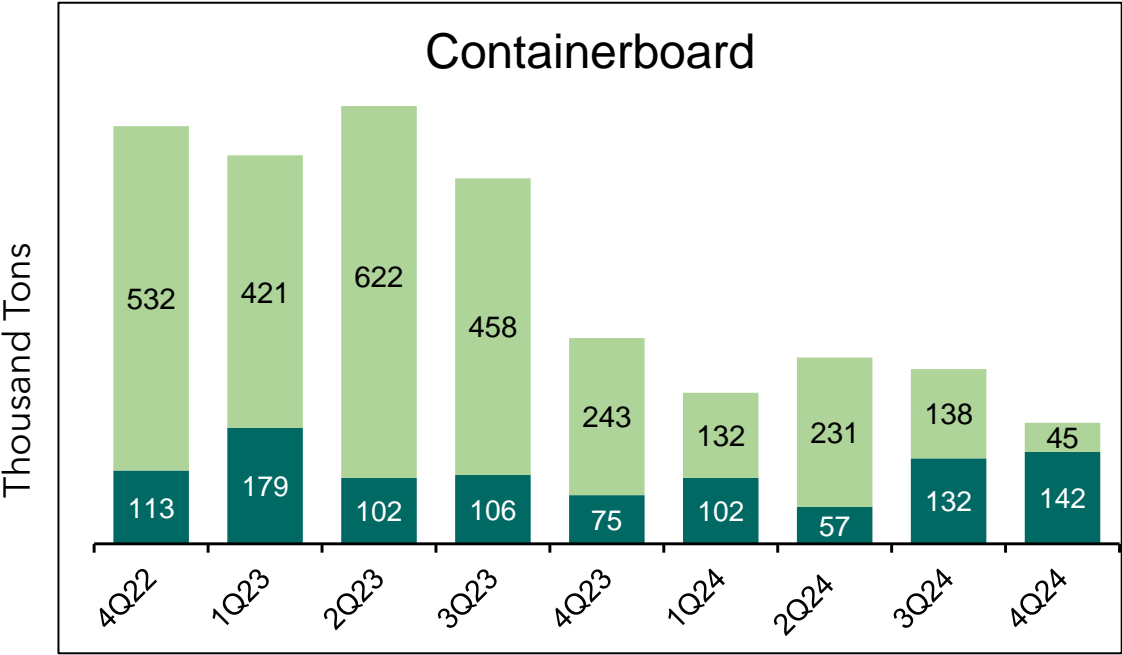
	Three Months Ended December 31,		Three Months Ended September 30,	Twelve Months Ended December 31,	
	2024	2023	2024	2024	2023
Industrial Packaging (In thousands of short tons)					
Corrugated Packaging (b)	2,132	2,325	2,192	8,811	9,428
Containerboard	715	783	772	3,017	2,604
Recycling	504	535	532	2,163	2,152
Saturated Kraft	44	42	51	191	160
Gypsum /Release Kraft	53	58	57	235	237
EMEA Packaging (b)	352	331	309	1,324	1,282
Industrial Packaging	3,800	4,074	3,913	15,741	15,863
Global Cellulose Fibers (In thousands of metric tons) (c)	623	676	648	2,684	2,681

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

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

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

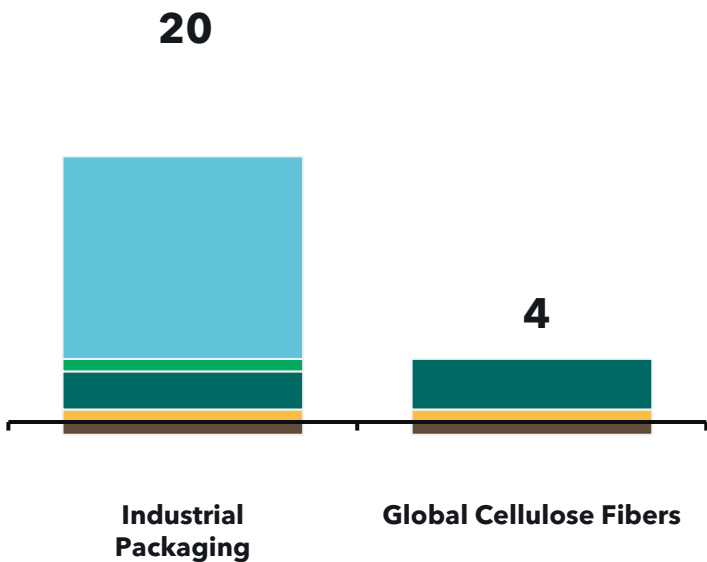
# North America Downtime



Economic  
Maintenance

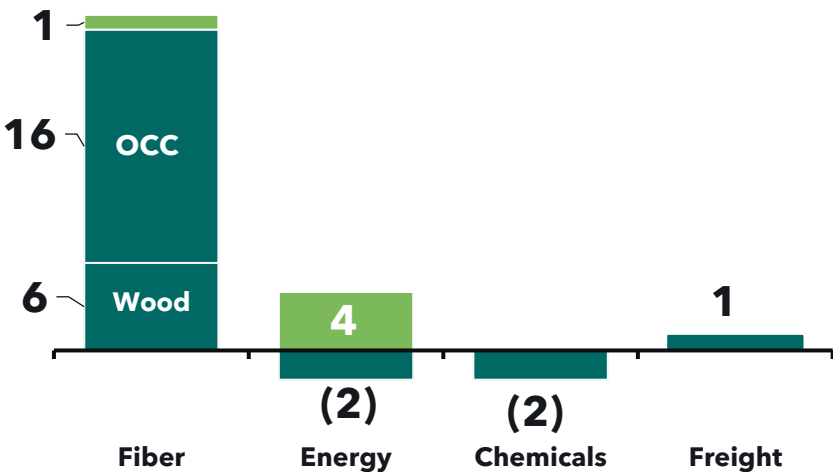
# Global Input Costs 4Q24 vs 3Q24 | \$24MM Favorable, \$0.06 per share

By Business



Energy Wood Chemicals Freight OCC

By Input Type



North America Outside North America

U.S Average Cost  
4Q24 vs 3Q24

Wood	- %	-
OCC	(12)%	▼
Natural Gas	21%	▲
Electricity	(6)%	▼
Chemical Composite	- %	-



# Footnotes

## Slide 5

<sup>1</sup> The Company is unable to provide a reconciliation of this anticipated medium-term Adjusted EBITDA benefit, a forward-looking non-GAAP financial measure, on a fiscal year run rate basis associated with the actions described on this slide, as presented, without unreasonable efforts. This is due to the inherent difficulty in forecasting generally and quantifying certain types of expenses that would be required to be included in the GAAP measure. In addition, actual results may differ from this amount for a variety of reasons, including known and unknown risks and uncertainties.

## Slide 8 & Slide 9

<sup>1</sup> Before special items and non-operating pension expense (income) (non-GAAP). A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>. Adjusted EBIT no longer excludes accelerated depreciation expense related to strategic mill actions. As such, these figures for the year ended December 31, 2023, as presented herein have been adjusted to conform to the current presentation, and now reflect the pre-tax charge for \$422 million (\$317 million after tax) incurred in this period for accelerated depreciation relating to strategic mill actions.

<sup>2</sup> Adjusted operating EPS, a non-GAAP financial measure based on Adjusted Operating Earnings (defined as Net Earnings from Continuing Operations (GAAP) before net special items and non-operating pension expense (income)). All periods have been adjusted to reflect the Ilim JV as discontinued operations. A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>. Adjusted Operating EPS no longer excludes accelerated depreciation expense related to strategic mill actions. As such, these figures for the year ended December 31, 2023, as presented herein have been adjusted to conform to the current presentation, and now reflect the pre-tax charge for \$422 million (\$317 million after tax) incurred in this period for accelerated depreciation relating to strategic mill actions.

<sup>3</sup> Free cash flow is a non-GAAP financial measure, which equals cash provided by operations less cash invested in capital projects. A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

## Slide 10

<sup>1</sup> Adjusted operating EPS, a non-GAAP financial measure based on Adjusted Operating Earnings (defined as Net Earnings from Continuing Operations (GAAP) before net special items and non-operating pension expense (income)). All periods have been adjusted to reflect the Ilim JV as discontinued operations. A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

## Slide 11 & Slide 12

<sup>1</sup> Adjusted EBIT at a segment level is Business Segment Operating Profit for such segment defined as earnings (loss) from continuing operations before income taxes and equity earnings, but including the impact of less than wholly owned subsidiaries, and excluding interest expense, net, corporate expenses, net, net special items and non-operating pension expense. Business segment operating profit at a segment level is a measure reported to our management for purposes of making decisions about allocating resources to our business segments and assessing the performance of our business segments and is presented in our financial statement footnotes in accordance with ASC 280.

## Slide 13

<sup>1</sup> No reconciliation of the anticipated operational effective income tax rate for 2025, a forward-looking non-GAAP financial measure, to the most comparable GAAP measure is included in this presentation because we are unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts, including forecasting net income for 2025.

## Slide 17

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

# Footnotes

## Slide 18

<sup>1</sup> Before special items

<sup>2</sup> Includes expense of \$422 million for 2023 associated with mill closures and machine shutdown costs and \$233 million for 2024 associated with mill closure and plant closures.

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

## Slide 19 & Slide 20

<sup>1</sup> Adjusted operating EPS, a non-GAAP financial measure, based on Adjusted Operating Earnings (defined as Net Earnings from Continuing Operations (GAAP) before net special items and non operating pension expense (income)). All periods have been adjusted to reflect the Ilim JV as discontinued operations. A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>. Adjusted Operating EPS no longer excludes accelerated depreciation expense related to strategic mill actions. As such, these figures for the year ended December 31, 2023, as presented herein have been adjusted to conform to the current presentation, and now reflect the pre-tax charge for \$422 million (\$317 million after tax) incurred in this period for accelerated depreciation relating to strategic mill actions.

## Slide 21 & Slide 22

<sup>1</sup> Adjusted EBIT at a segment level is Business Segment Operating Profit for such segment defined as earnings (loss) from continuing operations before income taxes and equity earnings, but including the impact of less than wholly owned subsidiaries, and excluding interest expense, net, corporate expenses, net, net special items and non-operating pension expense. Business segment operating profit at a segment level is a measure reported to our management for purposes of making decisions about allocating resources to our business segments and assessing the performance of our business segments and is presented in our financial statement footnotes in accordance with ASC 280. Adjusted EBIT no longer excludes accelerated depreciation expense related to strategic mill actions. As such, these figures for the year ended December 31, 2023, as presented herein have been adjusted to conform to the current presentation, and now reflect the pre-tax charge for \$422 million (\$317 million after tax) incurred in this period for accelerated depreciation relating to strategic mill actions.

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

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

<sup>1</sup> Business segment operating profit defined as earnings (loss) before income taxes and equity earnings, but including the impact of less than wholly owned subsidiaries, and excluding interest expense, net, corporate expenses, net, net special items and non-operating pension expense. Business segment operating profit at a segment level is a measure reported to our management for purposes of making decisions about allocating resources to our business segments and assessing the performance of our business segments and is presented in our financial statement footnotes in accordance with ASC 280. Business segment operating profit no longer excludes accelerated depreciation expense related to strategic mill actions. As such, these figures for the year ended December 31, 2023, as presented herein have been adjusted to conform to the current presentation, and now reflect the pre-tax charge for \$422 million (\$317 million after tax) incurred in this period for accelerated depreciation relating to strategic mill actions.

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

<sup>2</sup> Adjusted Operating Earnings, a non-GAAP financial measure, is net earnings from continuing operations under GAAP before net special items and non-operating pension expense (income). A reconciliation of all presented historical non-GAAP measures to the most directly comparable GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

<sup>3</sup> Special items no longer include accelerated depreciation expense related to strategic mill actions.