Safety, Ethics and Stewardship are our core values. Together with The IP Way, they serve as our guideposts as we mobilize our people, products and resources to improve lives, the planet and our company’s performance.”

Mark S. Sutton, Chairman and CEO

We do the right things, in the right ways, for the right reasons, all of the time — this is The IP Way.
The IP Way Forward is how we go beyond just doing the right things; it’s how we create value for all stakeholders for generations to come.

Vision
To be among the most successful, sustainable and responsible companies in the world

Mission
To improve people’s lives, the planet and our company’s performance by transforming renewable resources into products people depend on every day
We transform renewable resources into products that people depend on every day.

**Industrial Packaging**

International Paper is the world’s premier manufacturer of containerboard and corrugated packaging. Our containerboard mills, box plants and converting operations across the globe allow us to meet the most challenging customer sales, shipping, storage and display requirements.

Industrial Packaging also includes our North American recycling business, which recovers, processes and sells several million tons of corrugated packaging and paper annually. Additionally, it includes our EMEA coated paperboard business, which supplies high-quality folding boxboard and liquid packaging board to customers in a variety of market segments.

**Segments**

- eCommerce
- Protein
- Fruit & vegetables
- Distribution
- Processed food & beverage
- Durable/non-durable goods

**Revenue by region**

87% North America  
11% EMEA  
2% Brazil
International Paper is a premier producer of fluff pulp for absorbent hygiene products like baby diapers, feminine care, adult incontinence and other non-woven products, as well as pulp used for tissue and paper products. Our innovative, specialty pulps are used for non-absorbent end uses including textiles, filtration, construction material, paints and coatings, reinforced plastics and more. Our cellulose fibers products serve diverse, global customers who share a common need for confidence in the quality and convenience of personal hygiene and household products, and who value innovative solutions.

**Segments**
- Absorbent hygiene products
- Paper & tissue
- Textiles
- Reinforced plastics
- Filtration
- Paints & coatings

**Revenue by region**
- 44% North America
- 29% EMEA
- 23% Brazil
- 4% India

---

International Paper is the world’s largest producer of uncoated freesheet. Our global Papers businesses manufacture a wide variety of uncoated papers for commercial printing, imaging and converting segments. Customers rely on our signature brands including Accent®, Chamex®, Hammermill®, POL™, PRO-DESIGN® and REY® to educate, communicate and advertise.

**Segments**
- Consumers
- Schools
- Businesses
- Commercial printing
- Book publishing
- Advertising
- Direct mail, bills & statements
- Office products
- Retail packaging & labeling applications

**Revenue by region**
- 44% North America
- 29% EMEA
- 23% Brazil
- 4% India
We are a leading producer of renewable fiber-based packaging, pulp and paper products.

$22 Billion total revenue in 2017

52,000 employees

Operations in more than 24 countries

Europe, Middle East, Africa and Russia
$3.0 Billion net sales

North America
$17.6 Billion net sales

India
$0.2 Billion net sales

Brazil
$1.2 Billion net sales
Sustaining Forests

Our entire business depends upon the sustainability of forests. We will continue to lead the world in responsible forest stewardship to ensure healthy and productive forest ecosystems for generations to come.

“International Paper took the initiative to increase and expand its certified fiber supply by supporting small private landowners – benefiting its customers, its suppliers and its businesses.”

Donna Harman
President and CEO
American Forest & Paper Association

% increase in third-party certified fiber since 2010

Forestland Collaborations

Forestland Stewards, our conservation collaborative with the National Fish and Wildlife Foundation

World Wildlife Fund’s Global Forest and Trade Network, an initiative to eliminate illegal logging and drive improvements in forest management

The Carolinas Working Forest Conservation Collaborative, formed by American Forest Foundation, International Paper, The Procter & Gamble Company and 3M Company
International Paper has systems in place to ensure our products contain wood fiber that has been responsibly managed and harvested.”

Sarah Gibson
Fiber Specialist
Mansfield, Louisiana
It’s more important for my colleagues to go home every day alive and well, and to be able to hug their children, rather than produce boxes quickly and bypass safety rules.”

Giuseppe Valerio Labbia
Sales Manager
Catania, Italy
Investing in People

We make sustainable investments to protect and improve the lives of our employees and mobilize our people, products and resources to address critical needs in the communities where our employees live and work.

Safety is a core value

Above all, we care about our people. Our most important measure of success is ensuring all employees, contractors and visitors arrive home safely every day.

More than 60% reduction in serious safety incidents since 2012

Addressing critical needs

More than $19 million donated to address hunger, education, health and wellness and disaster relief, including $3.2 million raised through employee giving and fundraising

“I love how International Paper provides access for all employees to learn and grow across the organization.”

Alex Vaughan
Deliberate Improvement Process Lead
Memphis, Tennessee
Improving our Planet

We tackle the toughest issues in our value chain, improve our environmental footprint and promote the long-term sustainability of natural capital.

Improving Water Quality

- 100% of the water used at the Madrid, Spain mill is recycled, saving 2.4 million cubic meters of water each year

- 23% decrease in oxygen-depleting substances since 2010

- More than 90% of water returned to waterways
Nearly 75% of mill energy derived from renewable biomass residuals.

Reducing Emissions

21% reduction GHG emissions since 2010

27% reduction in air emissions since 2010
Product Highlights

**EConTray®**: an innovative, sustainable corrugated packaging solution designed to improve the logistics of packaging and shipping protein, fruit and vegetables.

**SpaceKraft®**: a leading sustainable bulk container for non-hazardous liquids and food safety and aseptic applications, which meets unique filling and dispensing requirements and has a flexible inner liner that eliminates air exposure.

**THRIVE®**: innovative wood-fiber solutions that enhance performance and provide a more environmentally friendly solution for reinforced plastic composites.
Innovative Products

We create innovative, sustainable and recyclable products that help our customers achieve their objectives.

Creating innovative products is the cornerstone for how we grow and maximize value. By linking strong commercial knowledge with exceptional operational execution, we create products and provide services that our customers value.

Innovation in Action

Our IP4D app incorporates augmented reality technology into print designs produced on Accent® Opaque 120 lb. Cover to help customers create more impact.

Our diverse technical teams at the Global Cellulose Fibers Innovation Center partner with groups across the company to develop sustainable products and innovative solutions for current and future customers.”

Jody Gancas
Scientist
Federal Way, Washington
Inspired Performance

We deliver long-term value for all stakeholders by establishing advantaged positions in attractive market segments with safe, efficient manufacturing operations near sustainable fiber sources.

Return On Invested Capital
Five-year average: 10%

<table>
<thead>
<tr>
<th>Year</th>
<th>ROIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>9.7%</td>
</tr>
<tr>
<td>2014</td>
<td>9.2%</td>
</tr>
<tr>
<td>2015</td>
<td>11.4%</td>
</tr>
<tr>
<td>2016</td>
<td>10.0%</td>
</tr>
<tr>
<td>2017</td>
<td>9.9%</td>
</tr>
</tbody>
</table>

Free Cash Flow
Five-year average: $1.9B

<table>
<thead>
<tr>
<th>Year</th>
<th>Free Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$1.8B</td>
</tr>
<tr>
<td>2014</td>
<td>$2.1B</td>
</tr>
<tr>
<td>2015</td>
<td>$1.8B</td>
</tr>
<tr>
<td>2016</td>
<td>$1.9B</td>
</tr>
<tr>
<td>2017</td>
<td>$2.0B</td>
</tr>
</tbody>
</table>

Annualized Dividend
6th consecutive year of dividend increase

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$1.40</td>
</tr>
<tr>
<td>2014</td>
<td>$1.60</td>
</tr>
<tr>
<td>2015</td>
<td>$1.76</td>
</tr>
<tr>
<td>2016</td>
<td>$1.85</td>
</tr>
<tr>
<td>2017</td>
<td>$1.90</td>
</tr>
</tbody>
</table>

As a result of the transfer of the North American Consumer Packaging business, all current year and prior year amounts (with the exception of free cash flow) have been adjusted to reflect this business as a discontinued operation.
Our team’s focus on manufacturing excellence, training initiatives and improved overall reliability allowed us to achieve our year-over-year improvement goals.”

Marcio Bertoldo
Vice President, Manufacturing Latin America

Annual facility investment
Approximately $1.5 billion
spent annually to ensure safe and reliable operations and on strategic investments that create value
Recognitions

We thank our 52,000 employees for their contributions and commitment to pursuing our vision to be among the most successful, sustainable and responsible companies in the world.