Investor Update

2023 Bank of America Global Agriculture and Materials Conference

March 2, 2023

Sylvamo

The World's Paper Company

Cautionary statement concerning forward-looking statements

This presentation contains information that includes or is based upon forward-looking statements. Forward-looking statements forecast or state expectations concerning future events. These statements often can be identified by the fact that they do not relate strictly to historical or current facts. They typically use words such as “anticipate,” “assume,” “could,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “should,” “will” and other words and terms of similar meaning, or they are tied to future periods in connection with discussions of Sylvamo’s performance.

Some examples of forward-looking statements include those relating to: our strategies, plans, expectations and projections concerning our business and performance; future execution of our investment thesis; expected uses of cash, including returning cash to our shareowners and capital spending plans; our 2023 outlook; financial information pertaining to periods after December 31, 2022; and trends and industry information that may have a future impact on us.

Forward-looking statements are not guarantees of future performance. Any or all forward-looking statements may turn out to be incorrect, and actual results could differ materially from those expressed or implied in forward-looking statements. Forward-looking statements are based on current expectations and the current economic environment. They can be affected by inaccurate assumptions or by known or unknown risks, uncertainties and other factors that are difficult to predict. Although it is not possible to identify all of these risks, uncertainties and other factors, the following factors, among others, could cause our actual results to differ from those in the forward-looking statements: the deterioration of economic and political conditions where we operate such as continuing inflation that increases our costs of operating, possible economic recession decreasing demand for our products, and the war in Ukraine potentially spreading or causing significant economic disruption, particularly in Europe where we operate; workforce, natural gas, fuel and transportation shortages experienced by us and our suppliers creating challenges for our and their operations to overcome, increasing suppliers’ prices charged us and increasing our costs of operating; a resurgence of the COVID-19 pandemic or the occurrence of another public health crisis that results in new governmental measures implemented to address it that impede our, our suppliers’ or our customers’ operations, and that exacerbates inflation, workforce and transportation shortages; climate change and physical and financial risks to us associated with fluctuating regional and global weather conditions or patterns; reduced truck, rail and ocean freight availability resulting in higher costs to us or poor service; information technology risks related to potential breaches of security which may result in the distribution of company, customer, employee and vendor information; extensive environmental laws and regulations, as well as tax and other laws, in the United States, Brazil and other countries in which we operate, which could result in substantial costs to us as a result of compliance with, violations of or liabilities under these laws; failure to attract and retain senior management and other key and skilled employees, particularly in the current tight labor market; the loss of our commercial agreements with International Paper; failure of our separation from International Paper to qualify as a tax-free transaction for U.S. federal income tax purposes; our indebtedness and its impact on our ability to operate and satisfy our debt obligations; the limited trading history of our common stock; and the factors disclosed in Item 1A. Risk Factors in our annual report on Form 10-K for the year ended December 31, 2022, as such disclosures may be amended, supplemented or superseded from time to time by other reports that we file with the Securities and Exchange Commission, including subsequent quarterly reports on Form 10-Q, annual reports on Form 10-K and current reports on Form 8-K.

We assume no obligation to update any forward-looking statements made in this presentation to reflect subsequent events, circumstances or actual outcomes.

Statement relating to non-U.S. financial GAAP measures

While Sylvamo reports its financial results in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"), during the course of this presentation, certain non-U.S. GAAP financial measures are presented. Management believes that these non-U.S. GAAP financial measures, when used in conjunction with information presented in accordance with U.S. GAAP, can facilitate a better understanding of the impact of various factors and trends on Sylvamo's financial condition and results of operations. Management also uses these non-U.S. GAAP financial measures in making financial, operating and planning decisions and in evaluating Sylvamo's performance. The non-U.S. GAAP financial measures in this presentation have limitations as analytical tools and should not be considered in isolation or as a substitute for, or superior to, an analysis of our results presented in accordance with U.S. GAAP. In addition, because not all companies use identical calculations, our presentation of non-U.S. GAAP financial measures in this presentation may not be comparable to similarly titled measures disclosed by other companies, including companies in our industry. These slides, including the reconciliation, are also available on Sylvamo Corporation's website at sylvamo.com.

The following is a list of all non-U.S. GAAP financial measures included in this presentation. See the Appendix for a reconciliation of all presented non-U.S. GAAP measures (and their components) to U.S. GAAP financial measures.

- Adjusted EBITDA and Adjusted EBITDA Margin
- Adjusted Operating Earnings per Share
- Free Cash Flow
- Return on Invested Capital (ROIC)

We are executing on our Investment Thesis

The World's Paper Company

We are the world's paper company, the **employer, supplier** and **investment of choice**

We believe in the promise of paper and are confident in our ability to create long-term value for shareowners.

Our Three-pronged Strategy

Commercial Excellence	We focus on commercial excellence to remain the supplier of choice for customers.
Operational Excellence	We will remain a responsible, low-cost, agile company.
Financial Discipline	We will be the investment of choice by delivering consistently on our compelling investment thesis.

We have created substantial shareowner value since the spinoff

Maintain Strong Financial Position

- >$500 million (35%) debt reduction
- Improved gross debt-to-adjusted EBITDA from 3.2x to 1.4x
- <$1 billion gross debt

Return Cash to Shareowners

- Paid $21 million in cash dividends
- Repurchased 1.8 million shares for $90 million
- Addressing restricted payments covenants to increase cash returns

Reinvest in Our Business

- Acquired the Nymolla mill at an attractive price
- Investing in high-return capital projects
- Strengthening our low-cost assets

Starting October 1, 2021 through January 31, 2023
In January 2023 the company paid $11 million in cash dividends and repurchased 201,896 shares for $10 million, resulting in 42.4 million shares outstanding as of 1.31.23

We are well-positioned to create additional shareowner value in 2023

2023 Outlook $ Million	
Adjusted EBITDA	**Free Cash Flow**
$760 - $840	**$300 - $330**

- Slightly favorable price & mix vs. input costs
- Relatively stable volume
- Energy, input and transportation costs trending favorably
- Higher planned maintenance outage expense

We will continue to execute on our Investment Thesis

A Simple, Focused Plan

We focus on uncoated freesheet and will create long-term value through:

- **Talented teams**
- **Iconic brands**
- **Low-cost mills in favorable locations**

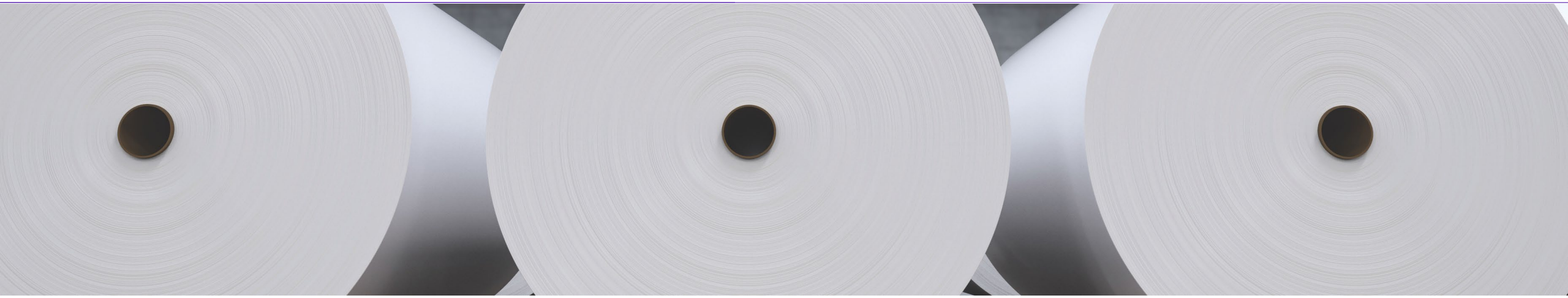
A Cash Flow Story

We leverage our strengths to drive high returns on invested capital and generate free cash flow. We use that cash to increase shareowner value:

- **Maintain a strong financial position**
- **Return cash to shareowners**
- **Reinvest in our business**

Appendix

UFS Industry Fundamentals



	Western Europe	Latin America	North America
Demand Growth (2022 vs. 2021)	(2%)	+19%	+5%
Imports (2022 vs. 2019)	+7%	(13%)	+11%
Capacity Change (2022 vs. 2019)	(20%)	(10%)	(21%)

Source: Pulp and Paper Products Council - Imports as of November YTD for Western Europe; Capacity Change as of October 2022 report

Global uncoated freesheet demand continued to recover

UFS Industry Demand	2021	2022
Western Europe	6%	(2%)
Latin America	14%	19%
North America	4%	5%
Sylvamo Regions	6%	5%
Global	3%	Flat

Source: Pulp and Paper Products Council

Allocating cash to drive shareowner value

Capital Deployment

Maintain Strong Financial Position
- Fortified balance sheet

Return Cash to Shareowners
- Dividends
- Opportunistic share repurchases

Reinvest in Our Business
- Maintain low-cost assets
- High-return projects
- Opportunistic bolt-ons

Reinvesting in our assets and strengthening our businesses

2023 Capital Spending Outlook $ Million	
Maintenance & Regulatory	$145 - $155
Brazil Forestry	$30 - $35
Sub-total Non-Discretionary	**$175 - $190**
High-return Projects	$30 - $35
Nymolla Synergies	$5 - $10
Sub-total Discretionary	**$35 - $45**
Total	**$210 - $235**

Key Drivers of the Increase in Capital Spending

2023 vs. 2022

- Addition of Nymolla including one-time costs
- Delayed 2022 maintenance spending due to supply chain challenges
- Increasing investments in high-return projects

Addressing the $90 million restricted payments limit in the notes agreement

- Launched a tender offer and consent solicitation to purchase our 7% 2029 notes in order to enable increased cash returns to shareowners
- Purchasing >50% of outstanding notes will eliminate restrictive covenants in the notes agreement, including the restricted payments limit
- Seeking a new $300 million senior secured term loan to pay for the tendered notes

Addressing the $90 million restricted payments limit in the notes agreement

February 22	**Tender Offer Launch**
March 7	**Early Tender Date** Investors who tender on or before this date will be paid 100% of par
~March 9	**Early Settlement Date** Purchase the notes tendered by March 7
March 21	**Tender Expiration** Any note tendered March 8 to March 21 will receive 97% of par

Also addressing the $90 million restricted payments limit in the credit agreement

- The credit agreement requires a cash deposit to eliminate its restricted payments limit
- Upon success of the tender offer, we may pursue one of two options:
  1. Deposit $60 million in escrow and maintain $225 million of liquidity
  2. Deposit $120 million in escrow

Free Cash Flow Reconciliation

$ Million	2022	2023 Outlook
Cash from Continuing Operations	$418	$510 - $565
Cash Invested in Capital Projects	($149)	($210) - ($235)
Free Cash Flow	**$269**	**$300 - $330**

Free cash flow is a non-GAAP measure and the most directly comparable GAAP measure is cash provided by continuing operations. Management 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 and service debt, and return cash to shareowners in the future. It should not be inferred that the entire free cash flow amount is available for discretionary expenditures. By adjusting for certain items that are not indicative of Sylvamo's ongoing performance, free cash flow also enables investors to perform meaningful comparisons between past and present periods.

Adjusted EBITDA and Margin Reconciliation

$ Million	2022	FY 2023 Outlook
Net Income (Loss)	**$118**	
Less: Discontinued operations, net of tax	(218)	
Net Income From Continuing Operations	**$336**	**$368 - $420**
Depreciation, Amortization, Cost of Timber Harvested	125	146
Interest (Income) Expense, Net	69	50
Income Tax Provision	131	161 - 184
Adjustments		
Equity-based Compensation	20	25
Special Items (Net of interest and tax special items)	15	-
Spinoff Transition Services	23	-
Nymolla Mill One-time Costs	2	10 - 15
Adjusted EBITDA	**$721**	**$760 - $840**
Net Sales	**$3,628**	
Adjusted EBITDA Margin	**19.9%**	

Adjusted EBITDA is a non-GAAP measure presented as a supplemental measure of our performance and the most directly comparable GAAP measure is net income. Management believes that Adjusted EBITDA and Adjusted EBITDA Margin provide investors and analysts meaningful insights into our operating performance and Adjusted EBITDA is a relevant metric for the third-party debt. However, Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. In addition, in evaluating Adjusted EBITDA, you should be aware that in the future we will incur expenses such as those used in calculating this measure. Our presentation of this measure should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items. Further, this reconciliation excludes the outlook for our Russian business which is included within Discontinued operations, net of tax.

Adjusted Operating Earnings per Share Reconciliation

$ Million	2022
Net Income (Loss)	**$118**
Less: Discontinued operations, net of tax	(218)
Net Income From Continuing Operations	**$336**
Special Items Expense (Income)	12
Adjusted Operating Earnings	**$348**
Adjusted Operating Earnings per Share	**$7.84**

Adjusted Operating Earnings is a non-GAAP measure presented as a supplemental measure of our performance and the most directly comparable GAAP measure is net income. Management uses this measure to focus on on-going operations, and believes that it is useful to investors because it enables them to perform meaningful comparisons of past and present combined operating results. However, Adjusted Operating Earnings has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. In addition, in evaluating Adjusted Operating Earnings, you should be aware that in the future we will incur expenses such as those used in calculating this measure. Our presentation of this measure should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items. Further, this reconciliation excludes the outlook for our Russian business which is included within Discontinued operations, net of tax.

2022 Return on Invested Capital Reconciliation

$ Million	2021	2022
Net Income From Continuing Operations		**$336**
Special Items Expense (Income)		12
Interest (Income) Expense, Net		69
Adjusted Operating Earnings Before Interest		**$417**
Total Equity	$182	$678
Add: Long-Term Debt	1,357	1,003
Add: Notes payable & current maturities of long-term debt	41	29
Less: Cash and temporary investments	(159)	(360)
Total Invested Capital	**$1,421**	**$1,350**
Average Invested Capital	**$1,386**	
2022 ROIC	**30%**	

ROIC is a non-GAAP measure presented as a supplemental measure of our performance. Management believes that ROIC is useful because it measures how effectively and efficiently we use the capital invested in our business. ROIC = Adjusted Operating Earnings Before Interest / Average Invested Capital. Invested Capital = Equity plus total debt minus cash and temporary investments. The Average Invested Capital is calculated as a simple average for the two most recent fiscal years. ROIC has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. In addition, in evaluating ROIC, you should be aware that in the future we will incur expenses such as those used in calculating this measure. Our presentation of this measure should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

Contacts

Investor Relations	**Hans Bjorkman** Vice President, Investor Relations +1-901-519-8030 hans.bjorkman@sylvamo.com
Media	**Adam Ghassemi** Senior Manager, Corporate Communications +1-901-519-8115 adam.ghassemi@sylvamo.com

Building a better future for people, the planet and our company