

# Investor Update

2024 Bank of America Securities Global Agriculture and Materials Conference  
February 28, 2024



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.

Examples of forward-looking statements include, without limitation, those relating to: our strategies, plans and expectations concerning our business; future performance and demand for our products; creation of shareowner value; cost reduction; future uses of cash; and industry outlook and trends.

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 impact of the following factors, among others, on us or on our suppliers or customers, could cause our actual results to differ from those in the forward-looking statements: deterioration of global and regional economic and political conditions, including the impact of wars and other conflicts in Ukraine and the Middle East; physical, financial and reputational risks associated with climate change; public health crises that could have impacts similar to those experienced as a result of the COVID-19 pandemic; increased costs or reduced availability of the raw materials, energy, transportation (truck, rail and ocean) and labor needed to manufacture and deliver our products; reduced demand for our products due to industry-wide declines in demand for paper, the cyclical nature of the paper industry or competition from other businesses; a material disruption at any of our manufacturing facilities; information technology risks including cybersecurity breaches; extensive environmental laws and regulations, as well as tax and other laws, in the United States, Brazil and other jurisdictions to which we are subject, including our compliance costs and risk of violations and liability; our reliance on a small number of customers; a failure by us to attract and retain senior management and other key and skilled employees; loss of our commercial agreements with International Paper; our indebtedness having a material adverse effect on our financial condition, or our inability to generate sufficient cash to service our indebtedness; and the factors disclosed in Item 1A. Risk Factors in our annual report on Form 10-K for the year ended December 31, 2023, 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.

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](https://www.sylvamo.com).

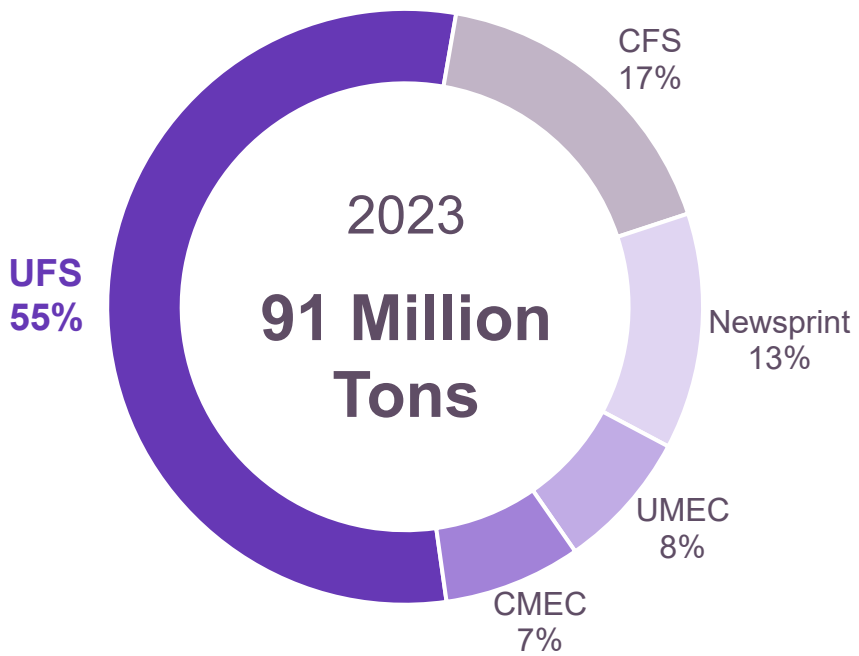
The following is a list of all non-U.S. GAAP financial measures included in this presentation. See the Appendix for a reconciliation of all presented non-U.S. GAAP measures (and their components) to U.S. GAAP financial measures.

- Adjusted EBITDA and Adjusted EBITDA Margin
- Adjusted Operating Earnings per Share
- Free Cash Flow

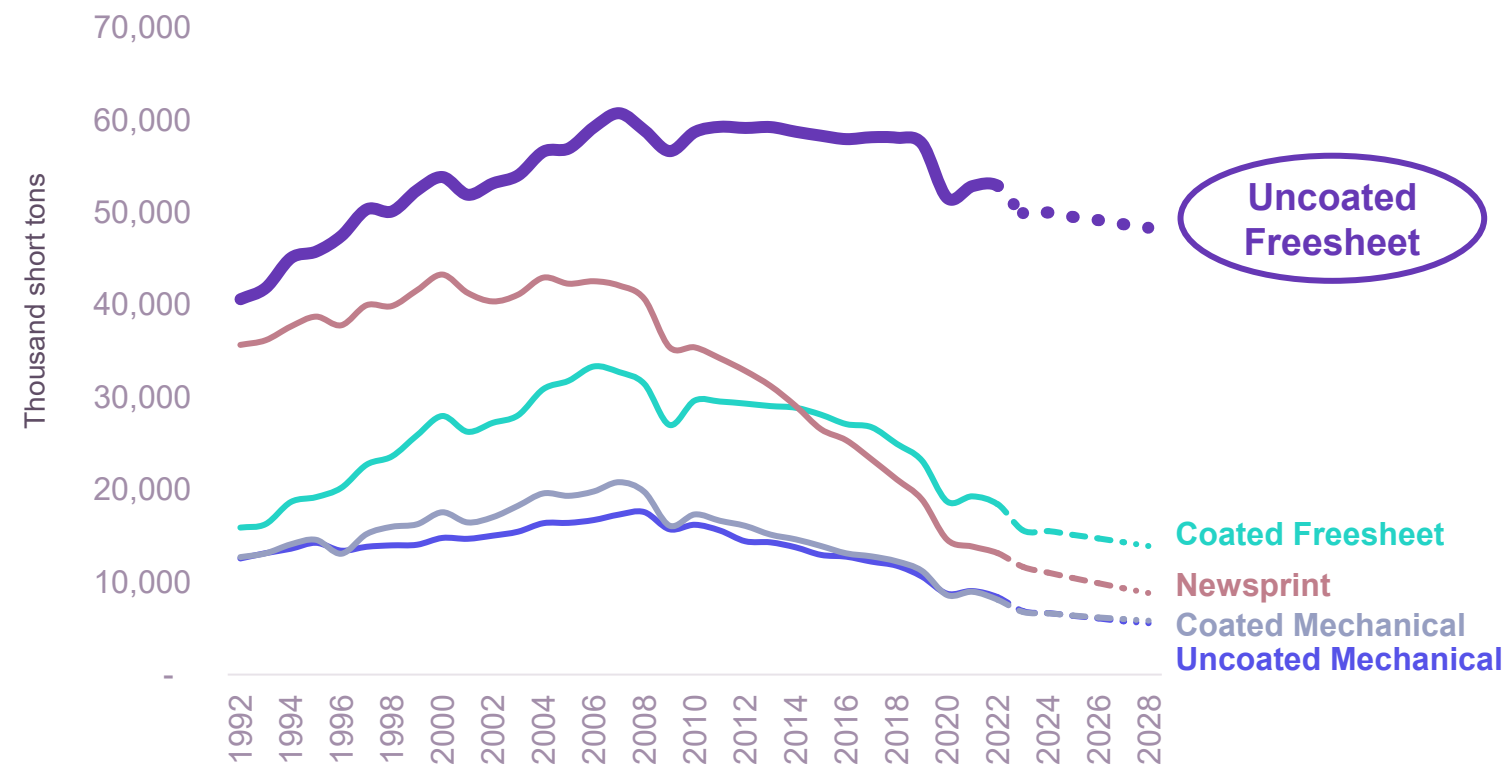
# UFS remains the most resilient graphic paper grade in the world

We believe in long-term UFS demand for education, communication and entertainment

World Graphic Paper Demand - 2023



World Graphic Paper Demand Evolution

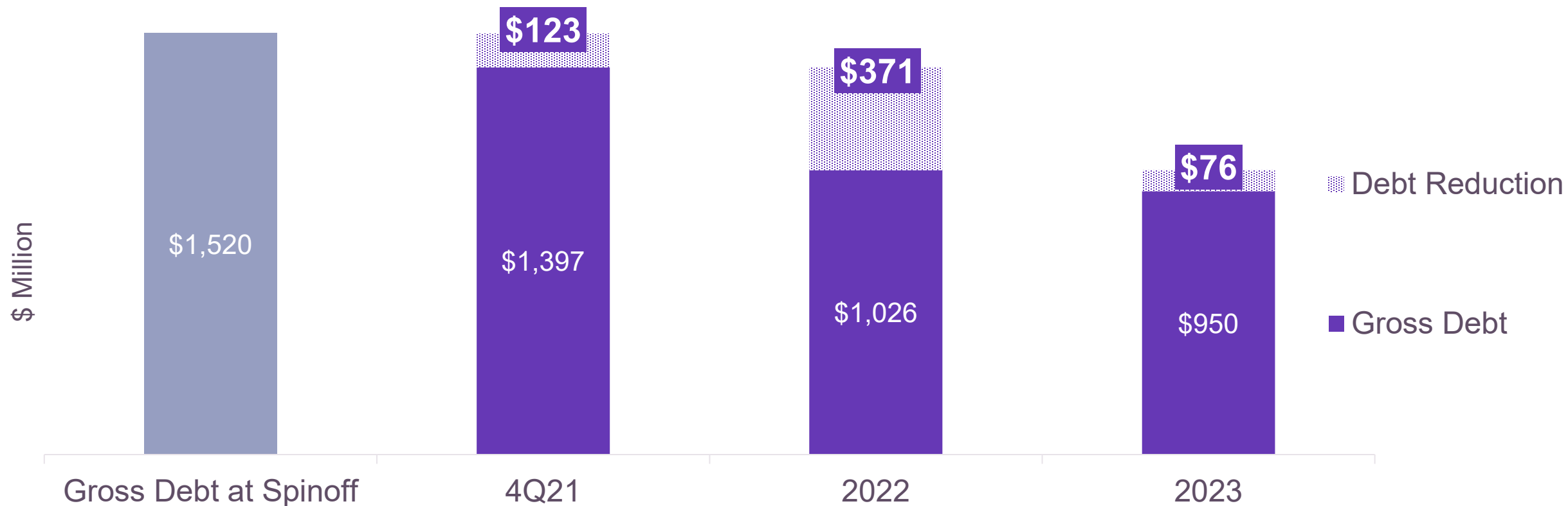


Source: RISI World Graphic Paper Demand as of December 2023

Investing to strengthen our competitive advantages in our core UFS regions

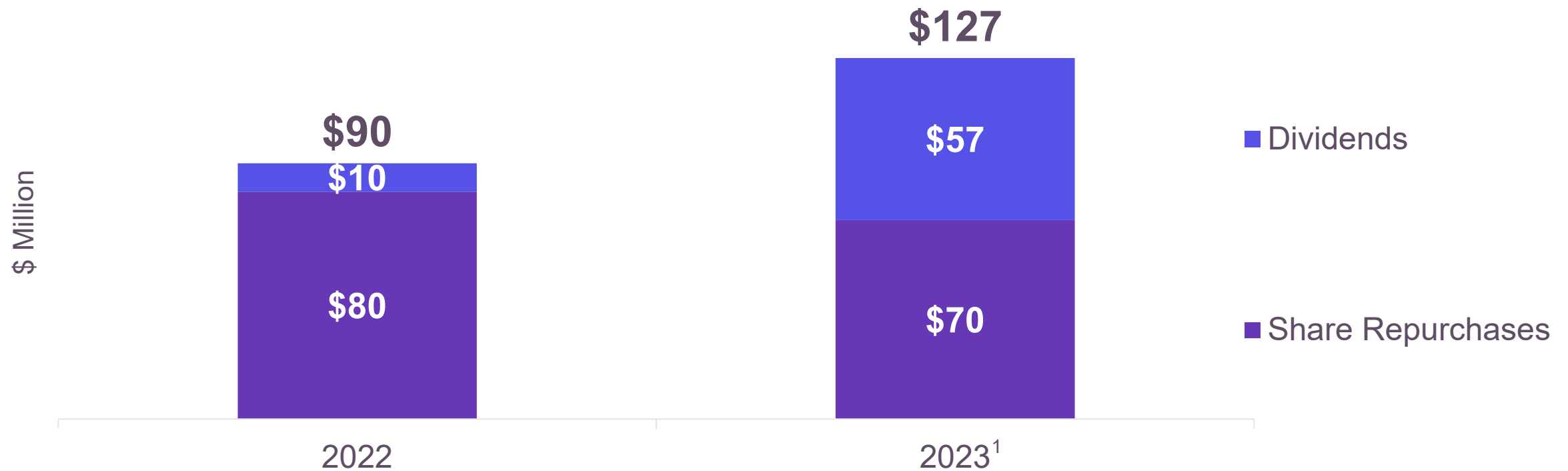
Our Three Prong Strategy	
<b>Commercial Excellence</b>	Be the supplier of choice by leveraging a deep understanding of end-use applications and customers’ businesses to help them succeed
<b>Operational Excellence</b>	Operate as a responsible, agile and low-cost company
<b>Financial Discipline</b>	Be the investment of choice by delivering consistently on our compelling investment thesis

Improved our financial position and achieved net debt-to-adjusted EBITDA of 1.2x



Initial cash balance at Spinoff of \$132 million (9/30/2021);  
Net Debt-to-Adjusted EBITDA of 1.2x as of 12/31/23, excluding \$60 million of restricted cash in escrow; Gross debt of \$950 million as of 12/31/23

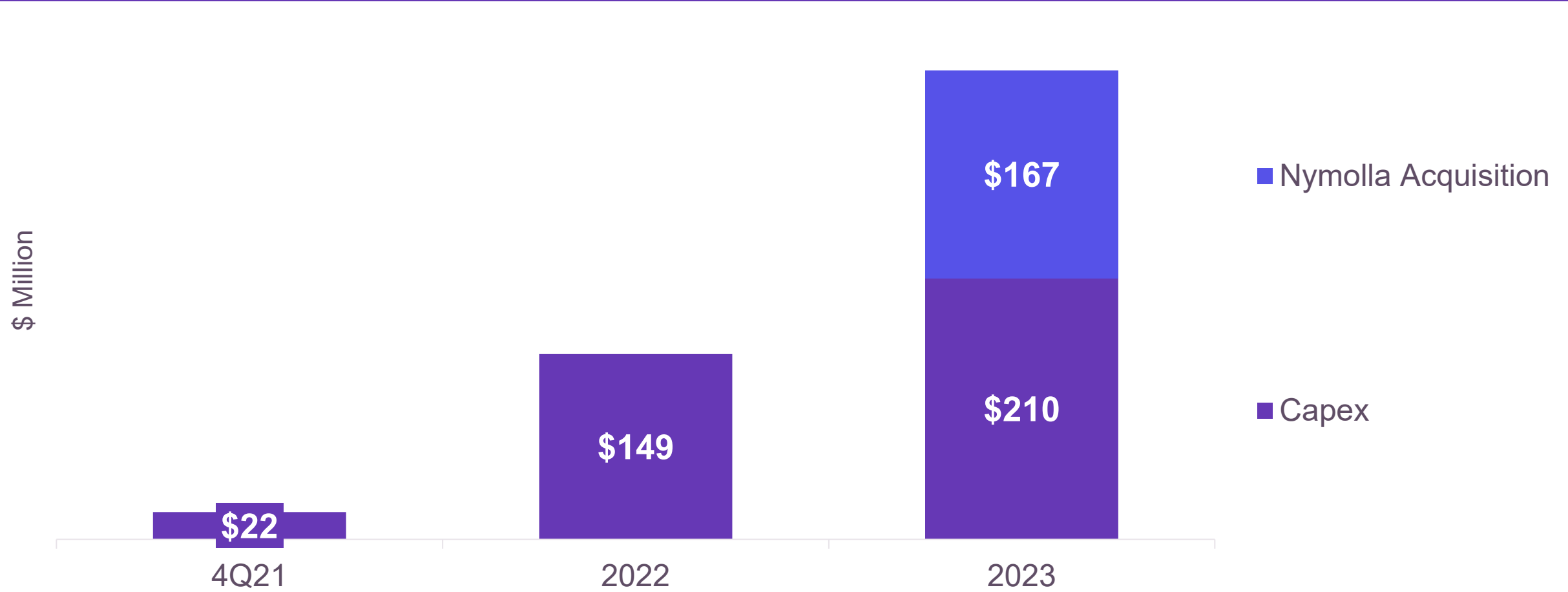
Exhausted first \$150 million share repurchase program authorization;  
~\$150 million remaining on September 2023 authorization



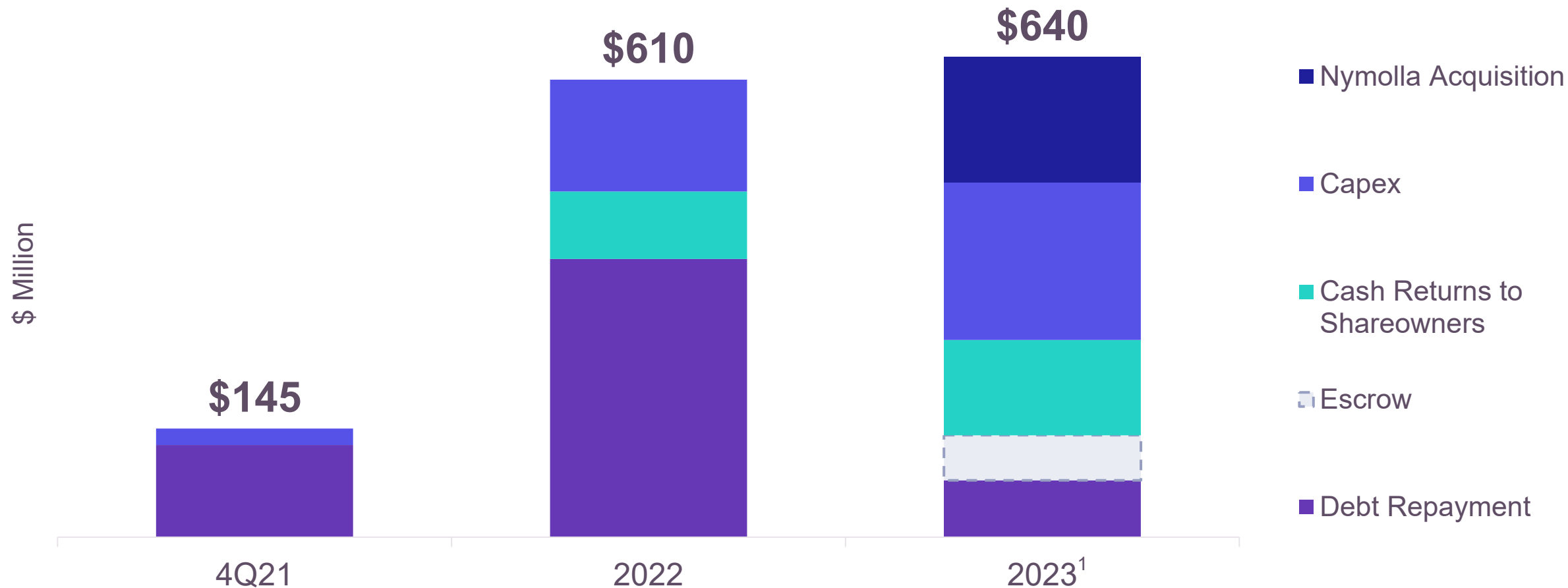
<sup>1</sup>In 3Q23 we deposited \$60 million in escrow to remove credit agreement cash return limits related to the Brazilian tax dispute

# Invested \$548 million to strengthen our low-cost assets since the spinoff

\$381 million in Capital Spending, including high-return projects to create long-term value; Nymolla mill on track to deliver \$20 million annual run-rate synergies target by end of 2024



# Allocated ~\$1.4 billion in cash since the spinoff



<sup>1</sup>In 3Q23 we deposited \$60 million in escrow to remove credit agreement cash return limits related to the Brazilian tax dispute

- Source of significant global competitive advantage
- Given the increasing demand for land and wood in Brazil, our forestlands are an enduring repository of shareowner value

In December 2023 a third party appraised our forestlands at BRL 4.8 billion

- ~\$1 billion at the current exchange rate
- ~\$0.6 billion increase from a 2021 valuation



# Appendix

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## Investor Relations

**Hans Bjorkman**

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## Media

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## Improving our Financial Position

- Reduced gross debt by \$570 million (38%) to \$950 million
- Achieved net debt-to-adjusted EBITDA of 1.2x
- Reduced risk with Russian business divestiture



## Delivering on our Investment Thesis

- Earned \$1.45 billion in Adjusted EBITDA (18% Margin)
- Generated \$672 million in Free Cash Flow
- Returned \$217 million in cash to shareowners (32% of Free Cash Flow)



## Reinvesting in our Business

- Invested \$381 million to strengthen our low-cost assets
- Nymolla mill on track to deliver \$20 million annual run-rate synergies target by end of 2024
- High-return capital projects will enable long-term value creation

All figures reflect our performance as an independent company beginning 4Q21 through 4Q23; Net Debt-to-Adjusted EBITDA as of 12/31/23, excluding \$60 million of restricted cash in escrow; Gross debt of \$950 million as of 12/31/23

\$ Million	4Q21	2022	2023	Since Spinoff
Cash from Continuing Operations	\$131	\$418	\$504	\$1,053
Cash Invested in Capital Projects	(\$22)	(\$149)	(\$210)	(\$381)
<b>Free Cash Flow</b>	<b>\$109</b>	<b>\$269</b>	<b>\$294</b>	<b>\$672</b>

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.

\$ Million	4Q21	2022	2023	Since Spinoff
<b>Net Income from Continuing Operations</b>	<b>\$29</b>	<b>\$336</b>	<b>\$253</b>	<b>\$618</b>
Depreciation, Amortization, Cost of Timber Harvested	31	125	143	299
Interest (Income) Expense, Net	18	69	34	121
Income Tax Provision	28	131	116	275
<b>Adjustments</b>				
Equity-based Compensation	4	20	23	47
Special Items (Net of interest and tax special items)	6	17	38	61
Spinoff Transition Services	7	23	-	30
<b>Adjusted EBITDA</b>	<b>\$123</b>	<b>\$721</b>	<b>\$607</b>	<b>\$1,451</b>
Net Sales	\$778	\$3,628	\$3,721	\$8,127
<b>Adjusted EBITDA Margin</b>	<b>15.8%</b>	<b>19.9%</b>	<b>16.3%</b>	<b>17.9%</b>

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.



## The World's Paper Company

We are the world's paper company, the:

- **Employer of Choice**
- **Supplier of Choice**
- **Investment of Choice**

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



## 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**



## Our Strategy

We execute a 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.



## 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**

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