



Working Together for a Successful Supply Chain

Mike Macedo, International Paper
Virginia Loggers Assoc 2015 Annual Meeting

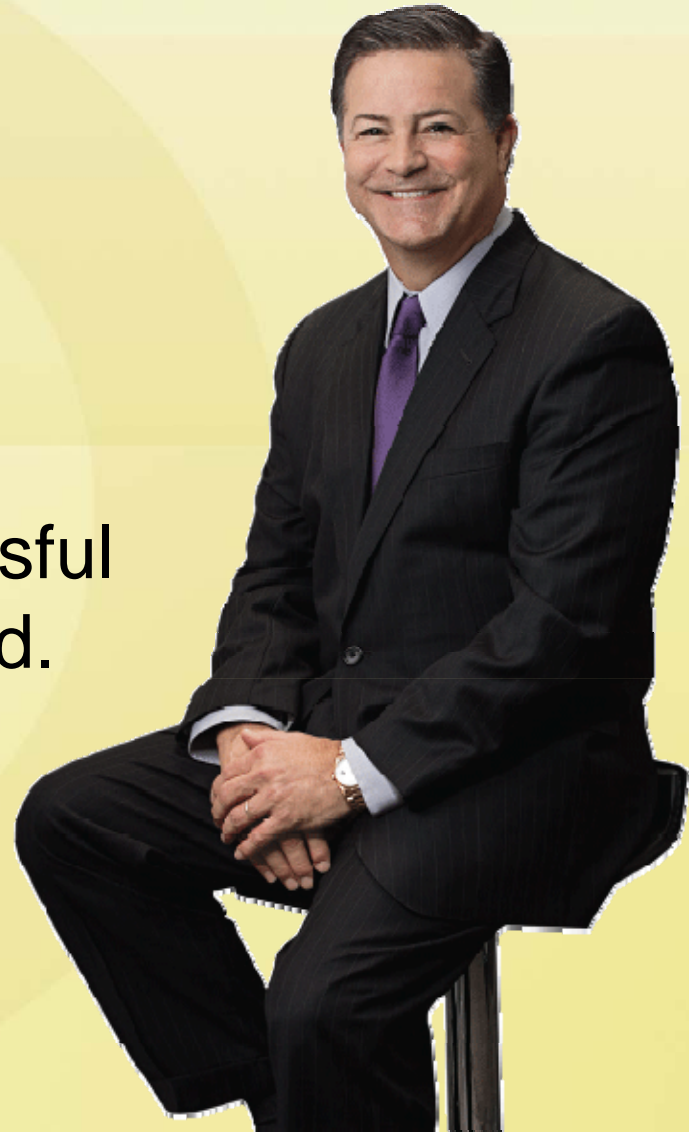
International Paper . . .

- Was founded in 1898
- 58,000 employees worldwide
- In 24 countries
- Is headquartered in Memphis, TN
- 2014 net sales of \$24 billion

Our Vision

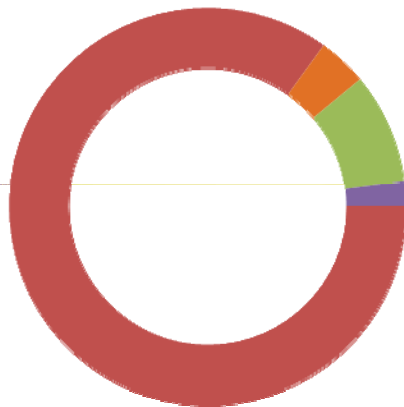
To be one of the most
respected and successful
companies in the world.

Mark S. Sutton
Chairman and
Chief Executive Officer
International Paper



Global Business Overview

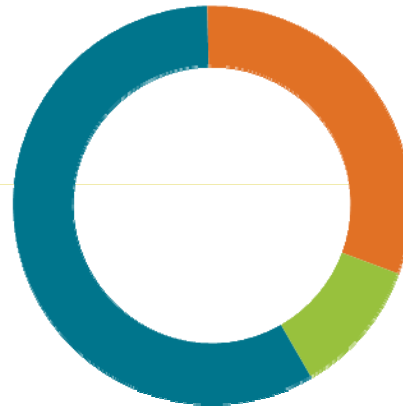
INDUSTRIAL PACKAGING



85% North America
9% EMEA
4% Asia
2% Latin America

62% PERCENT
OF TOTAL
REVENUE

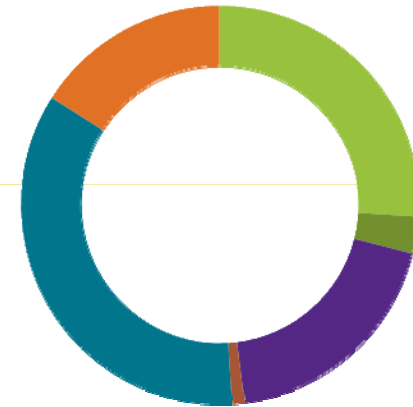
CONSUMER PACKAGING



58% North America
31% Asia
11% EMEA/Russia

14% PERCENT
OF TOTAL
REVENUE

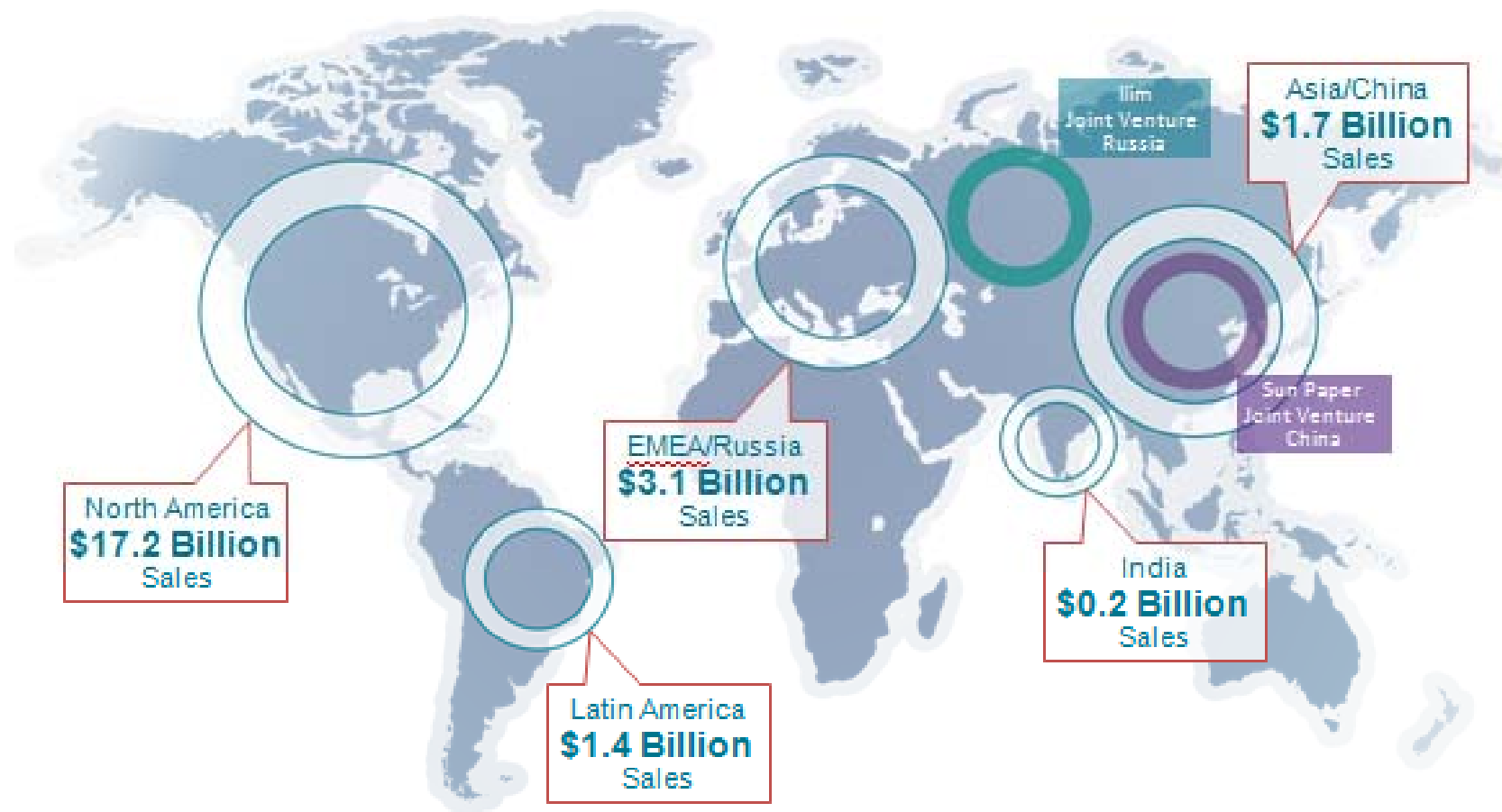
PRINTING PAPERS & PULP



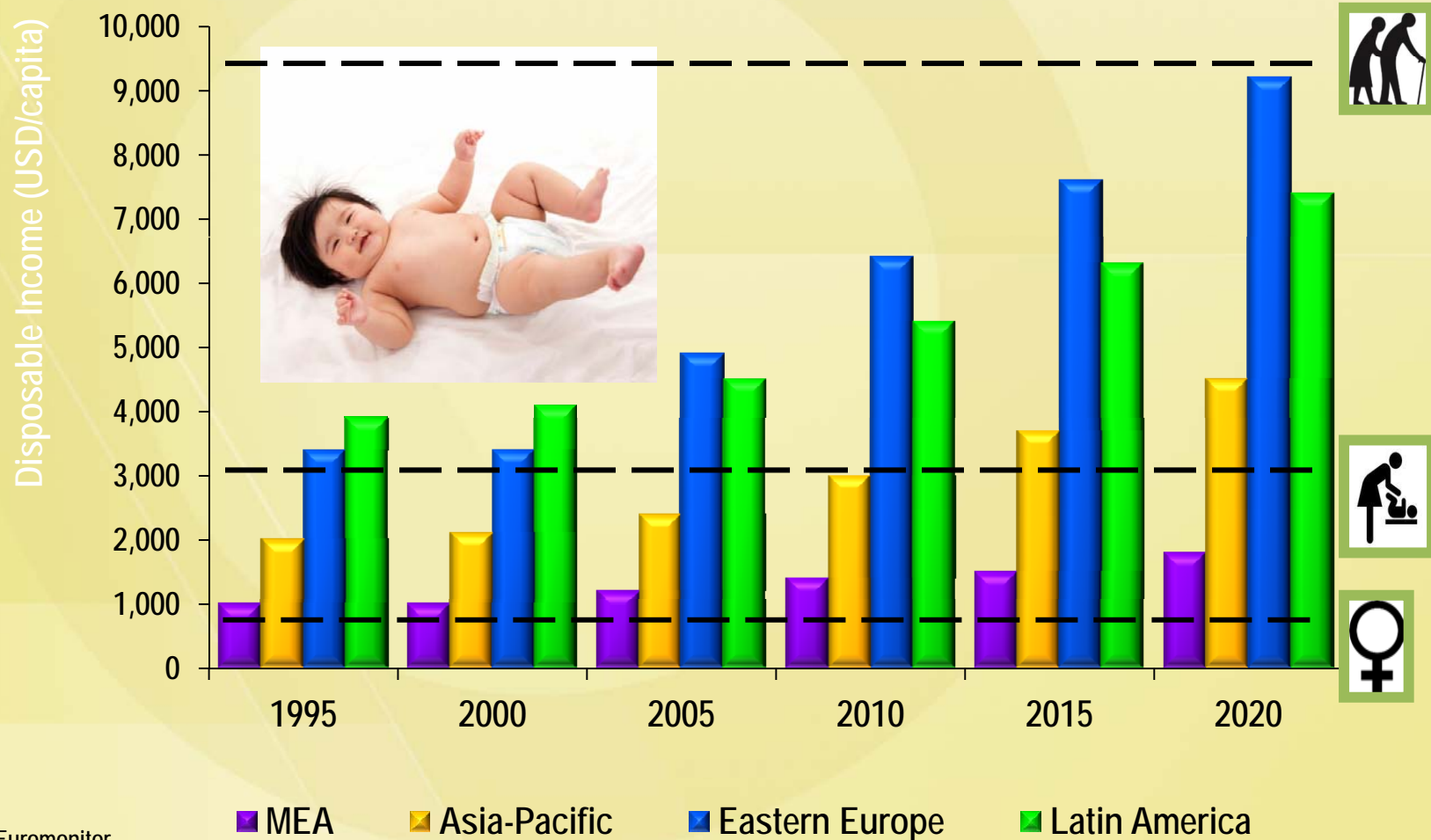
35% N.A. Papers
26% EMEA/Russia
19% Latin America
16% N.A. Pulp
3% India
1% Asia

24% PERCENT
OF TOTAL
REVENUE

IP Global Footprint



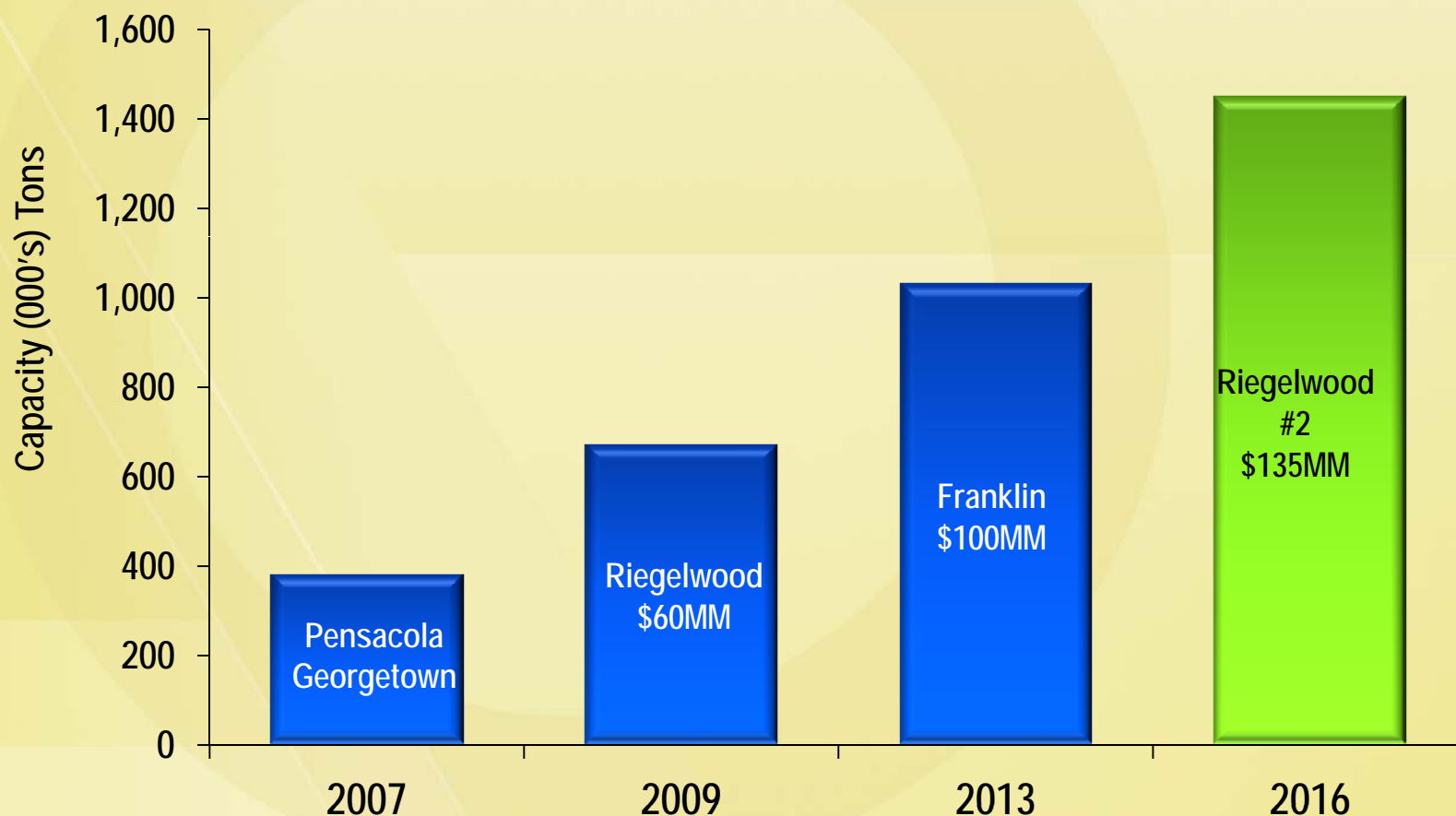
Absorbent hygiene products demand growth in emerging markets



Source: Euromonitor

IP's History of Fluff Capacity

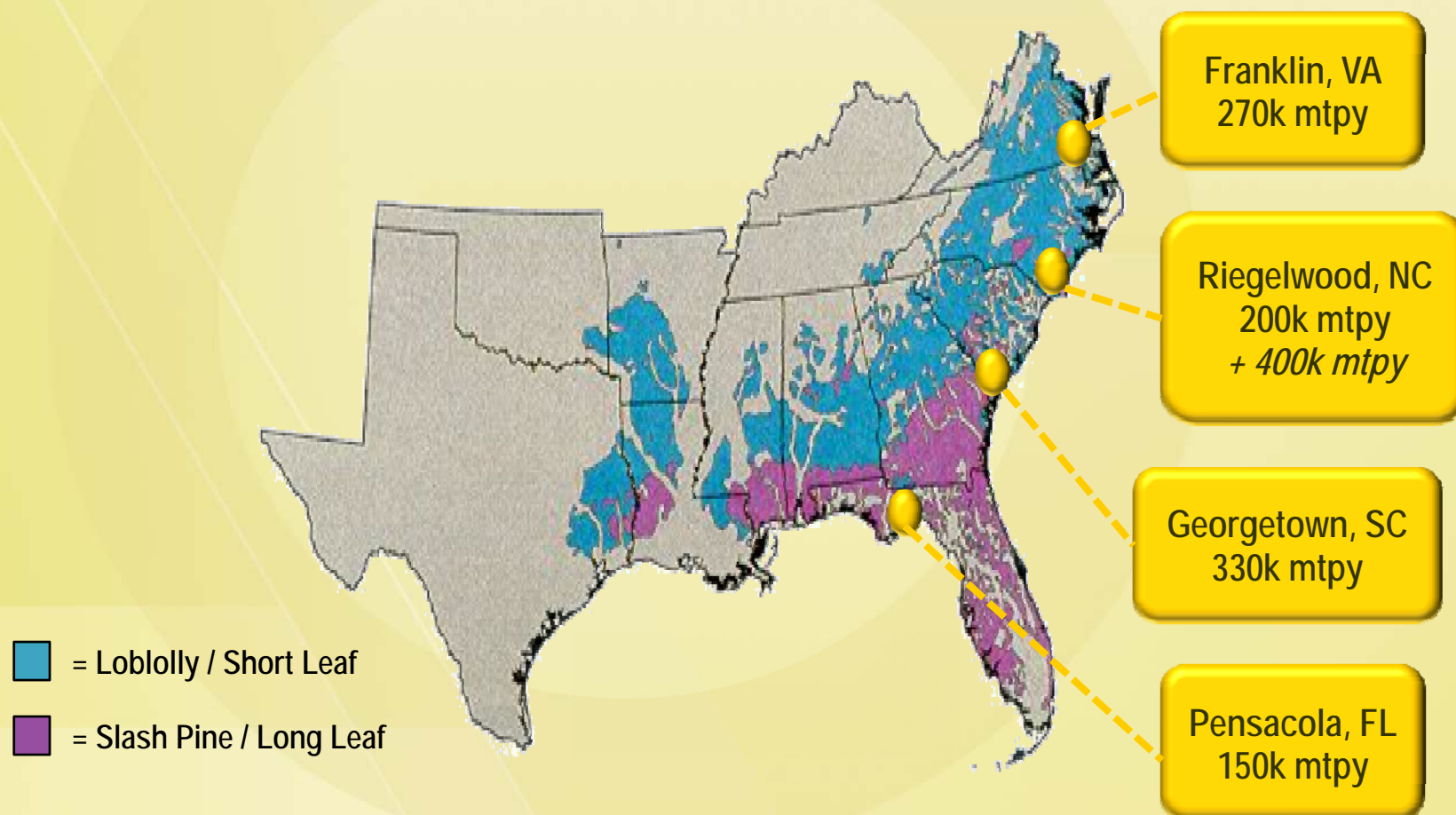
The Riegelwood conversion is the next step in supporting our customers' growth



Source: IP Pulp Business

Multi-Mill System & Efficient Supply Chain Solutions

Supplying the best absorbent fiber to customers around the world



Source: IP Pulp Business

Our Franklin Fluff Pulp Mill

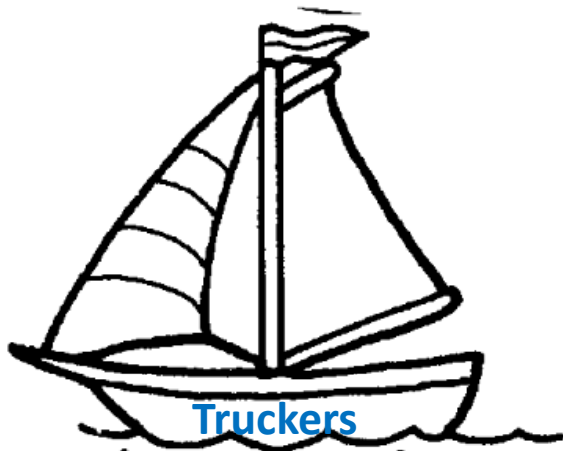


Fluff Pulp Production at Franklin



Rising Tide Lifts All The Supply Chain Boats

INTERNATIONAL  PAPER

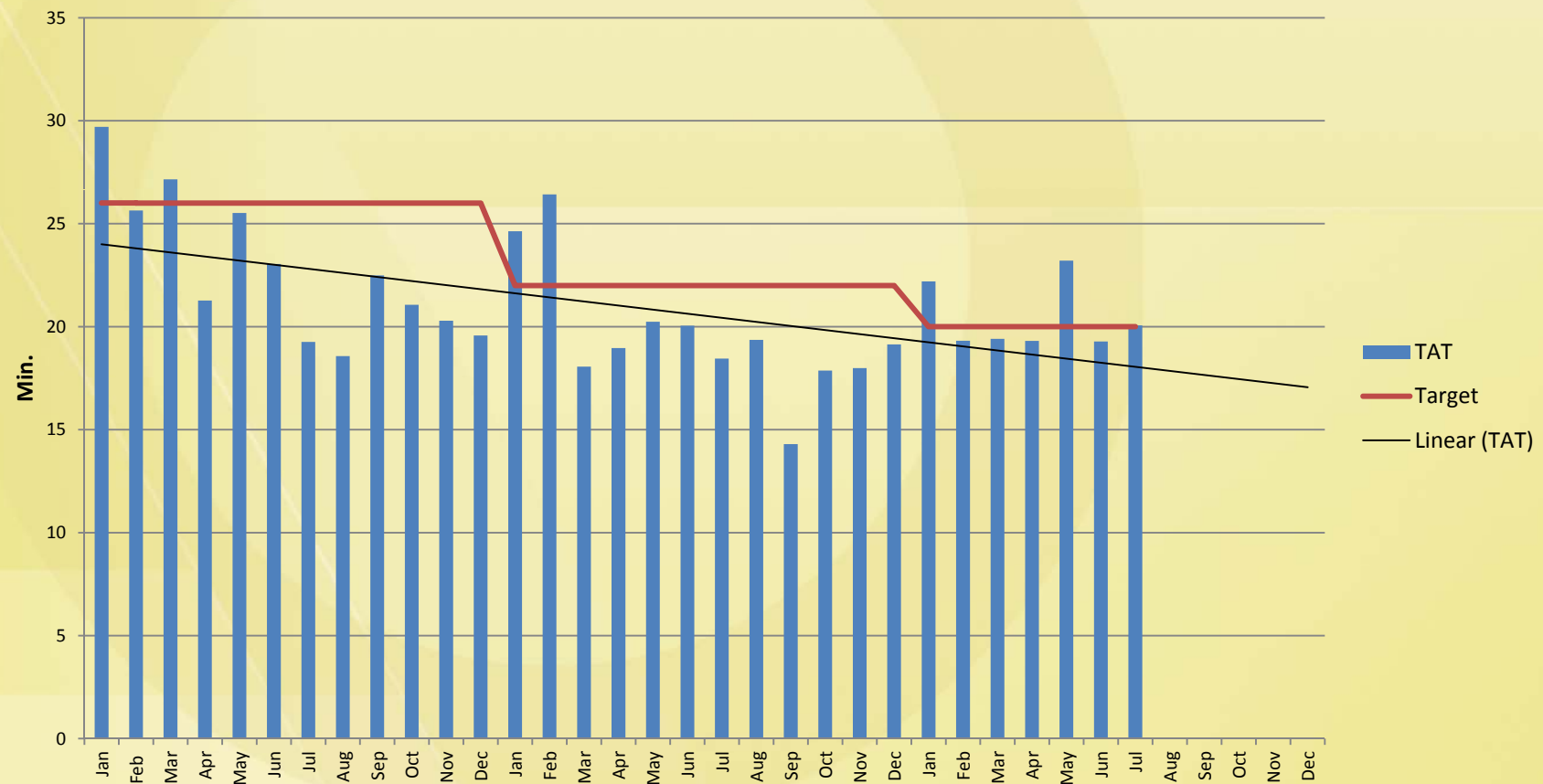


Where We Can Work Together

- Efficiency improvements
 - Logging productivity & Cost
 - Net weight
 - Trucking (Technology)
 - Increasing & improving the labor pool
 - Receiving mill wood handling
- Governmental Affairs
 - Regulations
- Safety

Turning Your Trucks Around!

2013-2015 Rdwd TAT by Month



Destination of Choice Driver Kiosks



Destination of Choice

Enhancements

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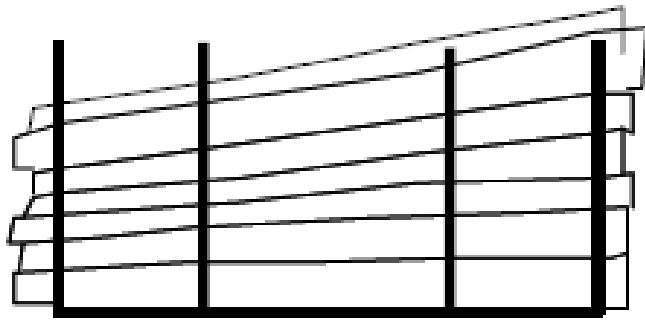


← **Driver Safety Training Days**

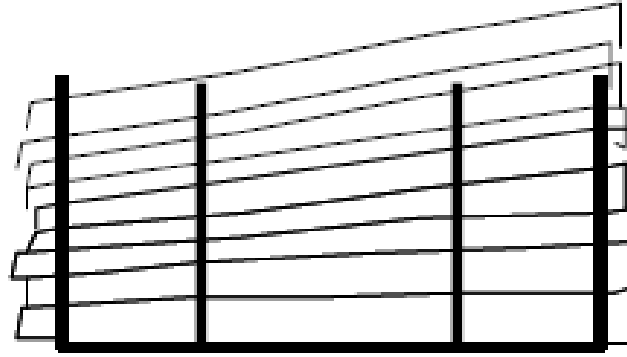
Driver Protection booths →



Load Safety



ACCEPTABLE



Non-Compliant

Load Heights

Unbinding Racks



Safety !

Portable
untarping
Ladders



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Stationary
Tarping Stations



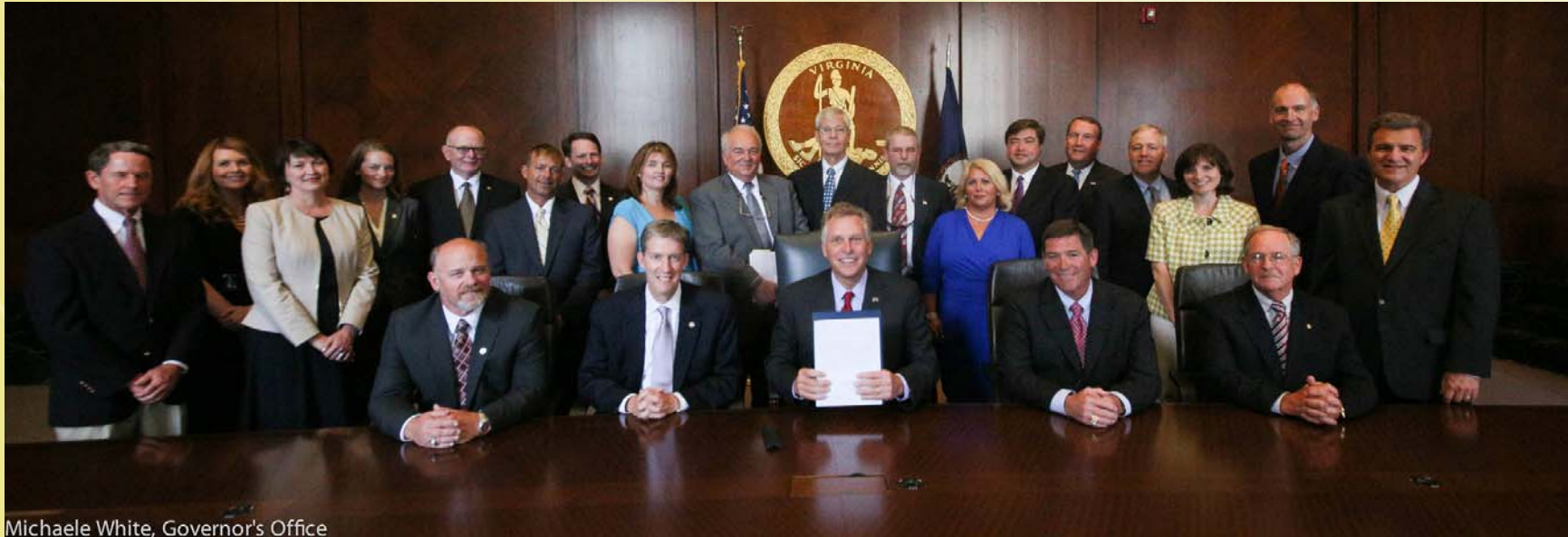
SOUTHEAST VIRGINIA LOGGING CAPACITY TASK FORCE ACCOMPLISHMENTS

- June 2013 Logging Expo – 150 participants
- Participation in the Richmond Logging Equipment Expo
- Workforce Development Counselors Tour
- Presentation to schools -opportunities in the logging business
- Interviews with local media
- Publication in Timber Harvesting Magazine
- Workshops:
 - Transportation and Trucking Regulations – 65 participants
 - Insurance for Loggers– 48 participants
 - Chipper Maintenance and Safety
 - Truck Weights – 85 participants

Virginia Truck Weight Law

- Took two years of hard work
- Cooperation throughout the supply chain
 - Associations, mills, landowners, loggers
(Virginia Forestry Association, Virginia Forest Products Association, Virginia Loggers Association, The Virginia Farm Bureau, The Virginia Agribusiness Council, The Virginia Department of Forestry)
 - Effective government relations work
 - Support from Governor's office, Secretary Todd Haymore & Deputy Secretary Sam Towell

Success !



Result = 90,000 lb legal weight

- Less waste in supply chain
- Competitive with Other States
- Responsible implementation

TEAM TRUCK

A New Collaboration Opportunity

- Collaboration of Loggers, Insurance Companies, Mills, Landowners to reduce accidents through effective fleet management, increasing the number of safe, qualified drivers in order to deliver a sustainable and profitable supply chain.

TEAM TRUCK

- Four Key Subcommittees
 - Awareness/Professionalism
 - Education/Training
 - Accountability
 - Promotions

A Dynamic Industry

- Pulp & Paper – Commodity Business
 - Low cost production wins
 - Constant change is way of life
 - A strong Supply Chain is a necessity

Flexibility + Collaboration = Success!