

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

PART TWO (EXPLANATORY STATEMENT) OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006 AND DETAILS OF A PROPOSED COMBINATION WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE LISTING ON THE OFFICIAL LIST AND OF ADMISSION TO TRADING OF DS SMITH SHARES ON THE LONDON STOCK EXCHANGE'S MAIN MARKET FOR LISTED SECURITIES.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your DS Smith Shares, please send this Document together with the accompanying documents at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred only part of your holding of DS Smith Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

The release, publication or distribution of this Document in or into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, DS Smith and International Paper disclaim any responsibility or liability for the violation of such restrictions by such persons.

Recommended All-Share Combination

of

DS Smith Plc

and

International Paper Company

by means of a scheme of arrangement of DS Smith Plc
under Part 26 of the Companies Act 2006

This Document, including all information incorporated into this Document by reference, together with the accompanying Forms of Proxy, should be read as a whole and in conjunction with the International Paper Prospectus relating to International Paper Company, which has been prepared in accordance with the Prospectus Rules made under section 73A of the Financial Services and Markets Act 2000.

Your attention is drawn to the letter from the Chair of DS Smith in Part One of this Document, which contains the unanimous recommendation of the DS Smith Directors that you vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting. A letter from Goldman Sachs International, Citi and J.P. Morgan Cazenove explaining the Scheme appears in Part Two of this Document.

Notices of the Court Meeting and the General Meeting of DS Smith, each of which will be held at De Vere Grand Connaught Rooms, 61-65 Great Queen Street, London WC2B 5DA on 7 October 2024, are set out in Part Ten (*Notice of Court Meeting*) and Part Eleven (*Notice of General Meeting*) of this Document. The Court Meeting will start at 2.00 p.m. on that date and the General Meeting at 2.15 p.m. or as soon thereafter as the Court Meeting is concluded or adjourned.

Actions to be taken by DS Smith Shareholders are set out on pages 11 to 14. DS Smith Shareholders are asked to complete and return the enclosed BLUE and YELLOW Forms of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by DS Smith's Registrar, Equiniti, not later than 48 hours before the relevant Meeting (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK). DS Smith Shareholders who hold DS Smith Shares in CREST may also appoint a proxy using CREST by following the instructions set out on pages 13 and 55 of this Document. If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be handed to the Chair of the Court Meeting or Equiniti at the Court Meeting (or scanned and emailed to Equiniti at the following proxyvotes@equiniti.com). However, in the case of the General Meeting, if the YELLOW Form of Proxy is not lodged by the relevant time, it will be invalid. The action to be taken by DS Smith Shareholders is further described on pages 53 to 55 of this Document.

If you have any questions about this Document, the Court Meeting or the General Meeting, or are in any doubt as to how to complete the Forms of Proxy, please call Equiniti between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding English and Welsh public holidays) on +44 (0) 333 207 6535 (calls from outside the UK will be charged at the applicable international rate and you should use the country code when calling from outside the UK) – calls may be recorded and monitored for training and security purposes. Please note that Equiniti cannot provide financial advice or advice on the merits of the Scheme.

Merrill Lynch International ("**BofA Securities**"), which is authorised by the Prudential Regulation Authority ("**PRA**") and regulated by the Financial Conduct Authority ("**FCA**") and the PRA in the United Kingdom, is acting exclusively for International Paper and for no one else in connection with the matters referred to in this Document and will not be responsible to anyone other than International Paper for providing the protections afforded to its clients or for providing advice in relation to the matters referred to in this Document. Neither BofA Securities, nor any of its affiliates, owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of BofA Securities in connection with this Document, any statement contained herein or otherwise.

Goldman Sachs International, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for DS Smith and no one else in connection with the matters referred to in this Document and will not be responsible to anyone other than DS Smith for providing the protections afforded to clients of Goldman Sachs International, or for providing advice in connection with the matters referred to in this Document.

Citigroup Global Markets Limited ("**Citi**"), which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for DS Smith and for no one else in connection with the matters described in this Document and will not be responsible to anyone other than DS Smith for providing the protections afforded to clients of Citi nor for providing advice in connection with the matters referred to in this Document. Neither Citi nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Citi in connection with this Document, any statement contained herein or otherwise.

J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove) ("**J.P. Morgan Cazenove**") which is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the PRA and the FCA, is acting as financial adviser exclusively for DS Smith and no one else in connection with the matters set out in this Document and will not regard any other person as its client in relation to the matters set out in this Document and will not be responsible to anyone other than DS Smith for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the matters set out in this Document or any other matter or arrangement referred to herein.

In accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, BofA Securities and its affiliates and J.P. Morgan Cazenove and its affiliates will continue to act as exempt principal trader in DS Smith securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Code will be reported to a Regulatory Information Service and will be available

on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the US to the extent that such information is made public in the United Kingdom.

IMPORTANT NOTICE

This Document and any accompanying documents have been prepared for the purposes of complying with English law, the Code and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside England and Wales.

Subject to completion of the Combination, applications will be made by International Paper for the International Paper Shares to be admitted to the equity shares (international commercial companies secondary listing) category of the Official List and for the International Paper Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities. On the basis of current expectations as to the timing of regulatory approvals and Court availability, it is expected that Admission will become effective and unconditional dealing in the International Paper Shares on the London Stock Exchange's Main Market for listed securities will commence on or around the Effective Date.

The statements contained in this Document are made as at the date of this Document, unless some other time is specified in relation to them, and service of this Document shall not give rise to any implication that there has been no change in the facts set forth in this Document since such date. Nothing in this Document shall be deemed to be a forecast, projection or estimate of the future financial performance of DS Smith, the DS Smith Group, International Paper, or the International Paper Group except where otherwise stated.

This Document does not constitute a prospectus or prospectus-equivalent document or a prospectus-exempted document. In the event of any ambiguity or conflict between this Document and the International Paper Prospectus and/or International Paper Proxy Statement in respect of the terms and conditions of the Combination or the Scheme, this Document shall prevail.

DS Smith Shareholders should not construe the contents of this Document as legal, taxation or financial advice, and should consult with their own advisers as to the matters described in this Document.

The release, publication or distribution of this Document in or into or from jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom (including Restricted Jurisdictions) should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such requirements by any person or any other failures to satisfy any applicable laws, regulations or requirements. Neither this Document, nor any of the accompanying documents do or are intended to constitute or form any part of any offer or invitation to purchase, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer or solicitation is unlawful.

IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC

This Document may be deemed to be solicitation material in respect of the Combination, including the issuance of New International Paper Shares. In connection with the proposed issuance of New International Paper Shares, International Paper will file the International Paper Proxy Statement with the SEC. To the extent International Paper effects the Combination as a Scheme under English law, the issuance of New International Paper Shares would not be expected to require registration under the US Securities Act pursuant to an exemption provided by Section 3(a)(10) of the US Securities Act. If, in the future, International Paper exercises its right to implement the Combination by way of an Offer or otherwise in a manner that is not exempt from the registration requirements of the US Securities Act, International Paper will file a registration statement with the SEC that will contain a prospectus with respect to the issuance of New International Paper Shares. **BEFORE MAKING ANY VOTING DECISION, DS SMITH'S SHAREHOLDERS ARE URGED TO READ THE INTERNATIONAL PAPER PROXY STATEMENT (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC IN CONNECTION WITH**

THE COMBINATION OR INCORPORATED BY REFERENCE IN THE INTERNATIONAL PAPER PROXY STATEMENT (IF ANY) CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE COMBINATION AND THE PARTIES TO THE COMBINATION. DS Smith's shareholders and investors will be able to obtain, without charge, a copy of the International Paper Proxy Statement (or, if applicable, the registration statement), including this Document (or, if applicable the offer document), and other relevant documents filed with the SEC (when available) from the SEC's website at <http://www.sec.gov>. International Paper's shareholders and investors will also be able to obtain, without charge, a copy of the International Paper Proxy Statement (when it is available), and other relevant documents (when available) by directing a written request to International Paper (Attention: Investor Relations at 6400 Poplar Avenue, Memphis, Tennessee 38197, United States), or from International Paper's website at <https://www.internationalpaper.com/offer-for-ds-smith-plc/documentation>.

PARTICIPANTS IN THE SOLICITATION

International Paper and its directors, officers and employees, including Mark S. Sutton, Andrew K. Silvernail (also Chief Executive Officer), Jamie A. Beggs, Christopher M. Connor, Ahmet C. Dorduncu, Anders Gustafsson, Jacqueline C. Hinman, Clinton A. Lewis, Jr., Kathryn D. Sullivan, Scott A. Tozier, and Anton V. Vincent, all of whom are members of the International Paper Board, and Timothy S. Nicholls, Senior Vice President and Chief Financial Officer, may be deemed participants in the solicitation of proxies from International Paper Shareholders in respect of the Combination, including the issuance of New International Paper Shares. Information regarding the International Paper Directors and executive officers is contained in: (i) the "Directors, Executive Officers and Corporate Governance," "Executive Compensation" and "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" sections of the Annual Report on Form 10-K for the fiscal year ended 31 December 2023 of International Paper, which was filed with the SEC on 16 February 2024; (ii) the "Item 1 – Election of 9 Directors," "Compensation Discussion & Analysis (CD&A)," and "Security Ownership of Management" sections in the definitive proxy statement on Schedule 14A for the 2024 annual meeting of International Paper Shareholders, which was filed with the SEC on 2 April 2024; and (iii) in the Current Reports on Form 8-K filed with the SEC on 19 March 2024, 16 May 2024, 23 May 2024, 25 June 2024, 13 August 2024, 26 August 2024 and 10 September 2024. Additional information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the International Paper Proxy Statement relating to the Combination when it is filed with the SEC. These documents may be obtained free of charge from the SEC's website at www.sec.gov and International Paper's website at <https://www.internationalpaper.com/offer-for-ds-smith-plc/documentation>.

OVERSEAS SHAREHOLDERS

This Document has been prepared for the purposes of complying with English law, the Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside England and Wales.

The availability of the Combination to DS Smith Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. It is the responsibility of any person outside the United Kingdom into whose possession this Document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Combination, including obtaining any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

The release, publication or distribution of this Document in or into or from jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdictions other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities law of such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person. Neither this Document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in relation to

the Combination or the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful.

Unless otherwise determined by International Paper or required by the Code and permitted by applicable law and regulation, the Combination will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Combination by any such use, means, instrumentality or form (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) within any Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Document and all documents relating to the Combination are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Document and all documents relating to the Combination (including custodians, nominees and trustees) must observe these restrictions and must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in those jurisdictions. Doing so may render invalid any purported vote in respect of the Combination.

This Document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such offer or solicitation is unlawful. The Combination will be implemented solely in accordance with this Document (or, in the event that the Combination is to be implemented by means of an Offer, the offer document), which contains the full terms and conditions of the Combination, including details of how to vote in respect of the Scheme. Any voting decision or response in relation to the Combination should be made solely on the basis of the information contained in this Document, the Announcement, the Forms of Proxy and the International Paper Prospectus.

ADDITIONAL INFORMATION FOR US INVESTORS IN DS SMITH

The Combination relates to the shares of an English company and is being made by way of a scheme of arrangement provided for under Part 26 of the Companies Act. The Combination, implemented by way of a scheme of arrangement, is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. In connection with the proposed issuance of New International Paper Shares, International Paper will file the International Paper Proxy Statement with the SEC. Accordingly, the Combination and the Scheme will be subject to the disclosure requirements and practices applicable to a scheme of arrangement involving a target company incorporated in the UK and listed on the London Stock Exchange's Main Market for listed securities, which differ from the disclosure requirements of US tender offer and proxy solicitation rules.

The New International Paper Shares to be issued pursuant to the Combination have not been registered under the US Securities Act, and may not be offered or sold in the US absent registration or an applicable exemption from the registration requirements of the US Securities Act. The New International Paper Shares to be issued pursuant to the Combination will be issued pursuant to the exemption from registration provided by Section 3(a)(10) under the US Securities Act.

Neither the SEC nor any US state securities commission has approved or disapproved of the New International Paper Shares to be issued in connection with the Combination, or determined if this Document is accurate or complete or has passed upon the fairness or merits of the proposal described herein. Any representation to the contrary is a criminal offence in the United States.

This Document contains certain unaudited financial information relating to DS Smith that has been prepared in accordance with the accounting standards applicable in the UK and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with US generally accepted accounting principles. US generally accepted accounting principles differ in certain significant respects from accounting standards applicable in the UK.

It may be difficult for US DS Smith Shareholders to enforce their rights and any claim arising out of the US federal securities laws against DS Smith or its directors or officers, because DS Smith is incorporated under the laws of England and Wales, some or all of DS Smith's assets are or may be located in non-US jurisdictions, and some or all of its officers and directors are residents of a non-US country. US DS Smith Shareholders may not be able to sue a non-US company or its officers or

directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

US DS Smith Shareholders also should be aware that the Combination may have tax consequences for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws, and, that such consequences, if any, are not described herein. US DS Smith Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Combination.

The statements contained in this Document are made as at the date of this Document, unless some other time is specified in relation to them, and service of this Document shall not give rise to any implication that there has been no change in the facts set forth in this Document since such date. Nothing in this Document shall be deemed to be a forecast, projection or estimate of the future financial performance of DS Smith, the DS Smith Group, International Paper or the International Paper Group, except where otherwise stated.

PROFIT FORECASTS AND PROFIT ESTIMATES

The International Paper Profit Forecasts are profit forecasts for the purposes of Rule 28 of the Code. The International Paper Q3 24 Profit Forecast, the assumptions and basis of preparation on which the International Paper Q3 24 Profit Forecast is based and the confirmations from the International Paper Directors as required by Rule 28.1(c) of the Code are set out in Part 1 of Appendix 2 (*International Paper Profit Forecasts*). On 27 August 2024, Deloitte, as reporting accountant to International Paper, and BofA Securities, as financial adviser to International Paper, provided the reports relating to the International Paper FY24 Profit Forecast under Rule 28.1(a) of the Code. Copies of their reports were included in the appendix to the announcement made by International Paper on 27 August 2024. Each of Deloitte and BofA Securities has confirmed to International Paper that their respective reports produced in connection with the International Paper FY24 Profit Forecast continue to apply. The International Paper FY25/26 Profit Forecasts, the assumptions and basis of preparation on which the International Paper FY25/26 Profit Forecasts are based and the confirmations from the International Paper Directors as required by Rule 28.1(c) of the Code are set out in Part 3 of Appendix 2 (*International Paper Profit Forecasts*).

Other than the International Paper Profit Forecasts, no statement in this Document is intended as a profit forecast or estimate for any period and no statement in this Document should be interpreted to mean that earnings or earnings per ordinary share, for International Paper or DS Smith, respectively, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per ordinary share for International Paper or DS Smith, respectively.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Document contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act 1995, as amended, that are subject to risks and uncertainties. All statements other than statements of historical fact or relating to present facts or current conditions included in this Document are forward-looking statements, including any statements regarding guidance and statements of a general economic or industry-specific nature. Forward-looking statements give International Paper's and DS Smith's current expectations and projections with respect to, among others, the financial condition, results of operations and business of International Paper and DS Smith, certain plans and objectives of International Paper, DS Smith and the Combined Company, and industry trends and market outlook.

These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. These statements are based on assumptions and assessments made by International Paper and DS Smith in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate, and therefore are subject to risks and uncertainties which could cause actual results to differ materially from those expressed or implied by those forward-looking statements.

Forward-looking statements often use forward-looking or conditional words such as "anticipate", "target", "expect", "forecast", "estimate", "intend", "plan", "goal", "believe", "hope", "aim", "will", "continue", "may", "can", "would", "could", "should" or "likely" or other words of similar meaning or the

negative thereof. Forward-looking statements include statements relating to the following: (i) the ability of International Paper and DS Smith to consummate the Combination in a timely manner or at all; (ii) the satisfaction (or waiver) of conditions to the consummation of the Combination; (iii) adverse effects on the market price of International Paper's or DS Smith's operating results including because of a failure to complete the Combination; (iv) the effect of the announcement or pendency of the Combination on International Paper's or DS Smith's business relationships, operating results and business generally; (v) future capital expenditures, expenses, revenues, economic performance, synergies, financial conditions, market growth, dividend policy, losses and future prospects; (vi) business and management strategies and the expansion and growth of the operations of the International Paper Group or the DS Smith Group; and (vii) the effects of government regulation on the business of the International Paper Group or the DS Smith Group. There are many factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among such factors are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or disposals.

These forward-looking statements are not guarantees of future performance and are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. By their nature, these forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this Document may cause the actual results, performance or achievements of any such person, or industry results and developments, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that such expectations will prove to have been correct and persons reading this Document are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this Document. All subsequent oral or written forward-looking statements attributable to International Paper or DS Smith or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Neither of International Paper nor DS Smith undertakes any obligation to update publicly or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. For further information regarding forward-looking statements, please see the prospectus published on or around the date of this Document.

DEALING DISCLOSURE REQUIREMENTS

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosure must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities, Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

ELECTRONIC COMMUNICATIONS

Please be aware that addresses, electronic addresses and certain other information provided by DS Smith Shareholders, persons with information rights and other relevant persons for the receipt of communications from DS Smith may be provided to International Paper, members of the International Paper Group and/or their respective advisers during the Offer Period as required under Section 4 of Appendix 4 of the Code.

PUBLICATION AND AVAILABILITY OF THIS DOCUMENT

A copy of this Document will be made available on the DS Smith website at www.dssmith.com/possible-offer by no later than 12.00 p.m. (London time) on the business day following the date of publication of this Document (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions). For the avoidance of doubt, save as expressly referred to in this Document, the contents of those websites are not incorporated into and do not form part of this Document.

You may request a hard copy of this Document (and any information incorporated by reference in this Document), free of charge, by contacting DS Smith's Registrar, Equiniti, by: (i) submitting a request in writing to Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom; or (ii) contacting Equiniti between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding English and Welsh public holidays), on +44 (0) 333 207 6535 (calls from outside the UK will be charged at the applicable international rate and you should use the country code when calling from outside the UK) – calls may be recorded and monitored for training and security purposes. If you have received a copy of this Document electronically, a hard copy of this document will not be sent unless so requested. You may also request that all future documents, announcements and information sent to you in relation to the Combination be sent to you in hard copy form.

ROUNDING

Certain figures included in this Document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

USE OF NON-GAAP FINANCIAL INFORMATION

International Paper uses the non-GAAP measures of adjusted operating earnings, adjusted operating earnings per share, free cash flow, operational income tax provision and operational effective tax rate. These non-GAAP financial measures are provided to enhance the user's understanding of International Paper's past financial performance and its prospects for the future. International Paper's management team uses these non-GAAP financial measures in assessing International Paper's performance, as well as in planning and forecasting future periods. These non-GAAP financial measures are not computed according to US GAAP and the methods used by International Paper to compute them may differ from the methods used by other companies, including companies in the same industry as International Paper. Non-GAAP financial measures are supplemental and have limitations as analytical tools, should not be considered in isolation or as a substitute for financial information presented in accordance with

US GAAP and should be read only in conjunction with International Paper's consolidated financial statements prepared in accordance with US GAAP.

International Paper is unable to provide a reconciliation of forward-looking non-GAAP financial measures to the most comparable US GAAP financial measures because certain information is dependent on future events, some of which are outside the control of International Paper. Moreover, estimating such US GAAP financial measures with the required precision necessary to provide a meaningful reconciliation is extremely difficult and could not be accomplished without unreasonable effort.

QUANTIFIED FINANCIAL BENEFITS STATEMENT

Appendix 1 (*Quantified Financial Benefits Statement*) of this Document sets out the Quantified Financial Benefits Statement and contains details of, and bases of calculation of, the anticipated financial benefits of the Combination. On 4 April 2024, Deloitte, as reporting accountant to International Paper, and BofA Securities, as financial adviser to International Paper, provided the reports relating to the Quantified Financial Benefits Statement under Rule 28.1(a) of the Code. Copies of their reports were included in the Appendix to the announcement made by International Paper on 4 April 2024. Each of Deloitte and BofA Securities has confirmed to International Paper that their respective reports produced in connection with the Quantified Financial Benefits Statement continue to apply.

For the purposes of Rule 28 of the Code, the Quantified Financial Benefits Statement contained in this Document is the responsibility of International Paper and the International Paper Directors, and not of DS Smith or the DS Smith Directors. Any statement of intention, belief or expectation for the Combined Company following the Effective Date is an intention, belief or expectation of the International Paper Directors and not of the DS Smith Directors.

The statements in the Quantified Financial Benefits Statement relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Quantified Financial Benefits Statement should be construed as a profit forecast or interpreted to mean that the Combined Company's earnings in the first full year following the Effective Date, or in any subsequent period, would necessarily match or be greater than or be less than those of International Paper and/or DS Smith for the relevant preceding financial period or any other period.

This Document is dated 11 September 2024.

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ACTION TO BE TAKEN

These pages should be read in conjunction with the rest of this Document, the accompanying Forms of Proxy, any document incorporated by reference, the International Paper Prospectus (for which International Paper and the International Paper Directors are responsible).

1. Documents

Please check that you have received the following:

- a BLUE Form of Proxy for use in respect of the Court Meeting to be held on 7 October 2024;
- a YELLOW Form of Proxy for use in respect of the General Meeting to be held on 7 October 2024; and
- a pre-paid envelope for use in the UK only for the return of the BLUE Form of Proxy and the YELLOW Form of Proxy.

If you have not received all of these documents, please contact the Company's Registrar, Equiniti, on the Shareholder Helpline referred to below.

2. Voting at the Court Meeting and the General Meeting

IT IS IMPORTANT THAT, FOR THE COURT MEETING IN PARTICULAR, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY AS SOON AS POSSIBLE.

The Scheme will require approval at a meeting of Scheme Shareholders convened with the permission of the Court to be held at De Vere Grand Connaught Rooms, 61-65 Great Queen Street, London WC2B 5DA at 2.00 p.m. on 7 October 2024. Implementation of the Scheme will also require approval of the Special Resolution relating to the Combination to be proposed at the General Meeting. The General Meeting will be held at the same place as the Court Meeting at 2.15 p.m. on 7 October 2024 (or as soon thereafter as the Court Meeting concludes or is adjourned). Notices of the Court Meeting and General Meeting are set out at Part Ten (*Notice of Court Meeting*) and Part Eleven (*Notice of General Meeting*) respectively of this Document.

The Forms of Proxy must be received by the Company's Registrar, Equiniti, by no later than the following times and dates:

- BLUE Forms of Proxy for the Court Meeting by 2.00 p.m. (London time) on 3 October 2024;
- YELLOW Forms of Proxy for the General Meeting by 2.15 p.m. (London time) on 3 October 2024; and
- if in either case the Meeting is adjourned, so that the relevant Form of Proxy is received not later than 48 hours (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK) before the time fixed for the adjourned Meeting.

Alternatively, BLUE Forms of Proxy (but not YELLOW Forms of Proxy) may be handed to the Company's Registrar, Equiniti, (or scanned and emailed to Equiniti at the following proxyvotes@equiniti.com) or to the Chair of the Court Meeting at any time before the commencement of the Court Meeting and will still be valid. In the case of the General Meeting, unless the YELLOW Form of Proxy is returned by the time and date mentioned above, it will be invalid.

The completion and return of the Forms of Proxy will not prevent you from attending and voting at the Court Meeting or the General Meeting, if you are entitled to and wish to do so.

Please see below for further details in respect of proxy appointment, multiple proxy voting instructions, and the process for appointing a proxy if you hold your DS Smith Shares through CREST.

Please refer to clause 5 of Part Four (*The Scheme of Arrangement*) and Part Seven (*Additional Information for Overseas Shareholders*) of this Document if you are an overseas shareholder.

(a) **Proxy appointment**

DS Smith Shareholders are entitled to appoint a proxy to attend, speak and vote on their behalf at the Court Meeting and/or the General Meeting. A DS Smith Shareholder may appoint more than one proxy in relation to each of the Court Meeting and the General Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that DS Smith Shareholder. A proxy need not be a member of the Company, but DS Smith Shareholders are strongly encouraged to appoint the Chair of the Meetings as their proxy, rather than a named person who may not be able to attend the Meetings.

Please note that the appointment of a proxy or proxies is separate for each of the Court Meeting and the General Meeting.

Any person who has been nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between them and the DS Smith Shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting and the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the DS Smith Shareholder as to the exercise of voting rights. The statement of the rights of DS Smith Shareholders to appoint proxies above does not apply to Nominated Persons. Such rights can only be exercised by DS Smith Shareholders.

If two or more valid but differing Forms of Proxy are received in respect of the same DS Smith Share, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the other or others as regards that DS Smith Share. If DS Smith is unable to determine which instrument was last received, none of them shall be treated as valid in respect of that DS Smith Share.

(b) **Multiple proxy voting instructions**

As a DS Smith Shareholder, you are entitled to appoint a proxy in respect of some or all of your DS Smith Shares. You are also entitled to appoint more than one proxy. A proxy need not be a DS Smith Shareholder. A space has been included on the Forms of Proxy to allow you to specify the number of DS Smith Shares in respect of which that proxy is appointed. DS Smith Shareholders who return a Form of Proxy duly executed but leave this space blank will be deemed to have appointed a proxy in respect of all of their DS Smith Shares.

If you wish to appoint more than one proxy in respect of your shareholding, please photocopy the Forms of Proxy or contact the Company’s Registrar, Equiniti, between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding English and Welsh public holidays) on +44 (0) 333 207 6535 (calls from outside the UK will be charged at the applicable international rate and you should use the country code when calling from outside the UK) – calls may be recorded and monitored for training and security purposes.

(c) **Online appointment of proxies**

As an alternative to completing and returning the printed Forms of Proxy, proxies may be appointed electronically by logging onto the Registrars’ website at www.shareview.co.uk using your Shareholder Reference Number printed on the Forms of Proxy enclosed. DS Smith Shareholders who have already registered with the Registrars’ online portfolio service, Shareview, can submit a proxy by logging into their profile at www.shareview.co.uk and clicking on the link to vote. For an electronic proxy appointment to be valid, the appointment must be received by Equiniti not later than 48 hours (excluding any part of such 48 hour period falling on weekend or a public holiday in the UK) before the time fixed for the relevant Meeting (as set out in paragraphs 2(i)–(iii) above) or any adjournment thereof. In the case of the Court Meeting only, if the electronic proxy appointment is not received by this time, the BLUE Form of Proxy may be handed to Equiniti or to the Chair of the Court Meeting at the Court Meeting at any time before the commencement of the Court Meeting (or scanned and emailed to Equiniti at the following

proxyvotes@equiniti.com). In the case of the YELLOW Form of Proxy for the General Meeting, if the electronic proxy appointment is not received by the relevant time, it will be invalid.

(d) **CREST proxy appointment**

DS Smith Shareholders who hold DS Smith Shares through CREST and who wish to appoint a proxy or proxies for the Court Meeting and/or the General Meeting or any adjournment(s) thereof may do so by following the procedures described in the CREST Manual (available at <https://my.euroclear.com>). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by DS Smith’s Registrar, Equiniti (ID RA19), not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting (as set out above) or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the DS Smith Shareholders who hold shares through CREST to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

3. Further information about proxies and voting

Further information in relation to the appointment of proxies for and voting at the Court Meeting and General Meeting is set out in paragraph 18 of Part Two (*Explanatory Statement*) of this Document, in the Notice of Court Meeting set out in Part Ten (*Notice of Court Meeting*) of this Document, in the notes to the Notice of General Meeting set out in Part Eleven (*Notice of General Meeting*) of this Document, and in the instructions printed on the Forms of Proxy.

If you hold DS Smith Shares indirectly, you must rely on the procedures of the bank, broker, financial institution, share plan administrator or share plan nominee or other securities intermediary through which you hold DS Smith Shares. You should contact such intermediary for further instructions on how you can instruct that intermediary to vote on your behalf at the Court Meeting and General Meeting and the date by which you must provide such instructions to the intermediary.

4. Further information about the New International Paper Shares

The International Paper Prospectus, which will be published on or around the date of this Document, should be read alongside this Document and contains important further information on International Paper and the New International Paper Shares to be issued in connection with the Combination. The International Paper Prospectus will be made available on International

Paper's website at <https://www.internationalpaper.com/offer-for-ds-smith-plc/documentation> and on DS Smith's website at www.dssmith.com/possible-offer. The International Paper Prospectus also includes the key risks relating to: (i) International Paper, DS Smith and, following completion of the Combination, the Combined Company; (ii) the Combination; and (iii) ownership of the International Paper Shares.

5. DS Smith Share Schemes

Participants in the DS Smith Share Schemes will be contacted separately regarding the effect of the Scheme on their rights under the DS Smith Share Schemes and with details of the arrangements applicable to them. A summary of the effect of the Scheme on outstanding options and awards under the DS Smith Share Schemes is set out in paragraph 12 of Part Two (*Explanatory Statement*) of this Document.

6. Shareholder Helpline

If you have any questions about this Document, the Court Meeting or the General Meeting, or are in any doubt as to how to complete the Forms of Proxy or to submit your proxies through CREST or via the electronic means, please contact the Company's Registrar, Equiniti, by calling the Shareholder Helpline on +44 (0)333 207 6535. Lines are open between 8.30 a.m. and 5.30 p.m. Monday to Friday (excluding public holidays in England and Wales). Please use the country code when calling from outside the UK. Call charges will vary. Please note that calls may be monitored or recorded to meet regulatory obligations, and for training and quality purposes, and that Equiniti cannot provide advice on the merits of the Combination or the Scheme or give any financial, legal or tax advice.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable is based on DS Smith's and International Paper's current expectations regarding dates for the implementation of the Scheme and is subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to DS Smith Shareholders by announcement through the Regulatory Information Service of the London Stock Exchange.

<i>Event</i>	<i>Time and/or date⁽¹⁾</i>
Publication of this Document	11 September 2024
Publication of the International Paper Prospectus	11 September 2024
Filing of the International Paper Proxy Statement with the SEC	12 September 2024
Latest time for lodging Forms of Proxy for the:	
Court Meeting (BLUE form)	2.00 p.m. on 3 October 2024 ⁽²⁾
General Meeting (YELLOW form)	2.15 p.m. on 3 October 2024 ⁽³⁾
Voting Record Time for the Court Meeting and the General Meeting	6.30 p.m. on 3 October 2024 ⁽⁴⁾
Court Meeting	2.00 p.m. on 7 October 2024
General Meeting	2.15 p.m. on 7 October 2024 ⁽⁵⁾
International Paper Shareholder Meeting	11 October 2024

The following dates and times associated with the Scheme are indicative only and are subject to change and will depend on, among other things the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme. DS Smith will give adequate notice of any changes to these dates and times, when known, by issuing an announcement through a Regulatory Information Service, with such announcement being made available on DS Smith's website at www.dssmith.com/possible-offer. See also note⁽¹⁾

Court Hearing (to sanction the Scheme)	a date expected to be in the final quarter of 2024, subject to the satisfaction (or if applicable, waiver) of the relevant Conditions and, in any event, prior to the Long Stop Date ("D")
Last day of dealings in, and registrations of transfers of, and disablement in CREST of, DS Smith Shares	D+1
Scheme Record Time	6.00 p.m. on D+1
Effective Date of the Scheme	D+2⁽⁶⁾
Suspension of listing of, and dealings in, DS Smith Shares	7.30 a.m. on D+2
Issue of New International Paper Shares	after 5.00 p.m. (New York time) on D+2
Cancellation of listing of DS Smith Shares	by 8.00 a.m. on D+3
Admission of, and commencement of dealings in, International Paper Shares on the London Stock Exchange	by 8.00 a.m. on D+3
Admission of, and commencement of dealings in, New International Paper Shares on the New York Stock Exchange	by 9.30 a.m. (New York time) on D+3

<i>Event</i>	<i>Time and/or date⁽¹⁾</i>
New International Paper Shares are credited to CREST accounts of DS Smith Shareholders (in respect of Scheme Shares held in uncertificated form only)	on or as soon as possible after 9.30 a.m. (New York time) on D+3 but not later than 14 calendar days after the Effective Date
New depositary interests issued by the DI Custodian (in respect of International Paper Shares held by former uncertificated DS Smith Shareholders through CREST)	on or as soon as possible after 9.30 a.m. (New York time) on D+3 but not later than 14 calendar days after the Effective Date
New International Paper Shares registered through DRS (in respect of Scheme Shares held in certificated form only)	on or as soon as possible after 9.30 a.m. (New York time) on D+3 but not later than 14 calendar days after the Effective Date
Bidco re-registers DS Smith as a private limited company and implements the Solvency Statement Capital Reduction	D+3 or as soon as possible thereafter
Despatch of statements of entitlement to New International Paper Shares held through DRS (in respect of Scheme Shares held in certificated form only)	within 14 calendar days after the Effective Date
Despatch of cheques and/or crediting of CREST accounts of Scheme Shareholders with any cash due in relation to the sale of fractional entitlements	within 14 calendar days after the Effective Date
Long Stop Date	16 October 2025 ⁽⁷⁾

(1) The dates and times are indicative only and are based on current expectations and may be subject to change and will depend on, among other things, the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme. References to times are to London, United Kingdom time unless otherwise stated. If any of the times and/or dates above change, the revised times and/or dates will be notified to DS Smith Shareholders by announcement through a Regulatory Information Service.

Participants in the DS Smith Share Schemes will be contacted separately to inform them of the effect of the Scheme on their rights under the DS Smith Share Schemes, including details of any dates and times relevant to them.

- (2) It is requested that BLUE Forms of Proxy for the Court Meeting be lodged not later than 48 hours prior to the time appointed for the Court Meeting (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK). BLUE Forms of Proxy not so lodged may be: (i) scanned and emailed to Equiniti at the following proxyvotes@equiniti.com; or (ii) handed to Equiniti or the Chair of the Court Meeting before the start of the Court Meeting.
- (3) YELLOW Forms of Proxy for the General Meeting must be lodged not later than 48 hours prior to the time appointed for the General Meeting (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK).
- (4) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.30 p.m. on the day which is two days prior to the date of the adjourned meeting.
- (5) Or as soon thereafter as the Court Meeting shall have concluded or been adjourned.
- (6) The Scheme shall become effective as soon as a copy of the Court Order has been delivered to the Registrar of Companies. This is expected to occur following the Scheme Record Time and prior to the suspension of trading in DS Smith Shares. The events which are stated as occurring on subsequent dates are conditional on the Effective Date and operate by reference to that date.
- (7) This is the latest date by which the Scheme may become effective unless International Paper and DS Smith agree (and the Panel and, if required, the Court permit) a later date.

All references in this Document to times are to London time unless otherwise stated. All dates by reference to "D+1", "D+2" and "D+3" will be to the date falling the number of indicated Business Days immediately after date D, as indicated above.

PART ONE

LETTER FROM THE CHAIR OF DS SMITH

DS Smith Plc
Level 3, 1 Paddington Square
London
W2 1DL
United Kingdom

Registered in England and Wales No. **01377658**

11 September 2024

To the holders of DS Smith Shares and, for information only, to holders of options or awards under the DS Smith Share Schemes and persons with information rights.

Dear Shareholder

RECOMMENDED ALL-SHARE COMBINATION OF DS SMITH PLC WITH INTERNATIONAL PAPER COMPANY

1. Introduction

On 16 April 2024 the boards of DS Smith and International Paper announced that they had agreed to the terms of a recommended all-share combination of DS Smith with International Paper, to create the Combined Company. It is intended that the Combination will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

I am writing to you today on behalf of the DS Smith Directors to set out the background to and detailed terms of the Combination, to encourage you to vote at the Meetings to be held on 7 October 2024 to consider the Combination and to set out the reasons why the DS Smith Directors consider the terms of the Combination to be fair and reasonable. The DS Smith Directors are unanimously recommending that you vote in favour of the Scheme at the Court Meeting and in favour of the Special Resolution to be proposed at the General Meeting, as those DS Smith Directors who hold DS Smith Shares have irrevocably undertaken to do in respect of their own legal and/or beneficial holdings which are under their control representing, in aggregate, approximately 0.06 per cent. of the existing ordinary share capital of DS Smith as at the Latest Practicable Date.

I draw your attention to the letter from Goldman Sachs International, Citi and J.P. Morgan Cazenove set out in Part Two (*Explanatory Statement*) of this Document which gives details about the Combination and to the additional information set out in Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document. On or around the date of this Document, International Paper will also publish the International Paper Prospectus, which contain further information on International Paper and the New International Paper Shares. The International Paper Proxy Statement is expected to be filed with the SEC on 12 September 2024. This Document should be read in conjunction with the International Paper Prospectus.

In order to approve the terms of the Combination, DS Smith Shareholders will need to vote in favour of the resolutions to be proposed at the Court Meeting and the General Meeting, to be held on 7 October 2024 at De Vere Grand Connaught Rooms, 61-65 Great Queen Street, London WC2B 5DA. Details of the actions you should take are set out in paragraph 18 of Part Two (*Explanatory Statement*) of this Document. The recommendation of the DS Smith Directors is set out in paragraph 22 of this letter.

2. Summary of the terms of the Combination

It is proposed that the Combination will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act between DS Smith and Scheme Shareholders, pursuant to which Bidco (an indirect wholly-owned subsidiary of International Paper) will acquire all of the issued and to be issued DS Smith Shares. The Scheme requires the approval of the Scheme

Shareholders at the Court Meeting, the approval of the Special Resolution by DS Smith Shareholders at the General Meeting, as well as the sanction of the Court at the Court Hearing.

Under the terms of the Combination, which is subject to the satisfaction (or, where applicable, waiver) of the Conditions and further terms set out in Part Three (*Conditions to the Implementation of the Scheme and to the Combination*) of this Document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

for each DS Smith Share 0.1285 New International Paper Shares

Based on the closing International Paper share price of \$47.11 and £/US\$ exchange rate of 1.3165 on the Latest Practicable Date, the terms of the Combination value each DS Smith Share at 460 pence per share and represent a premium of 63.6 per cent. to the Closing Price per DS Smith Share of 281 pence on 7 February 2024 (being the last Business Day prior to the date the Offer Period commenced).

Based on the closing International Paper share price of \$40.85 and £/US\$ exchange rate of 1.2645 on 25 March 2024, being the close of business on the last day prior to the announcement by DS Smith of a possible offer by International Paper, the terms of the Combination value each DS Smith Share at 415 pence per share (the “**Offer Value**”).

The Offer Value implies DS Smith’s entire issued and to be issued share capital is valued at approximately £5.8 billion on a fully diluted basis and DS Smith’s enterprise value at approximately £7.8 billion.

The Offer Value represents a premium of approximately:

- 47.7 per cent. to the Closing Price per DS Smith Share of 281 pence on 7 February 2024 (being the last Business Day prior to the date the Offer Period commenced);
- 42.2 per cent. to the volume weighted average Closing Price per DS Smith Share of 292 pence for the three months ended on 7 February 2024 (being the last Business Day prior to the date the Offer Period commenced); and
- 43.0 per cent. to the volume weighted average Closing Price per DS Smith Share of 290 pence for the six months ended on 7 February 2024 (being the last Business Day prior to the date the Offer Period commenced).

If the Scheme becomes effective, it will result in the issue of approximately 179,847,780 New International Paper Shares to Scheme Shareholders. Assuming that all of the New International Paper Shares to be issued pursuant to the Combination had been issued by that time, Scheme Shareholders will hold approximately 34.1 per cent. and International Paper Shareholders will hold approximately 65.9 per cent of the enlarged issued share capital of International Paper immediately following the Effective Date.

The New International Paper Shares will not be registered under the US Securities Act and will be issued pursuant to the exemption from registration provided by Section 3(a)(10) under the US Securities Act. The New International Paper Shares will rank *pari passu* in all respects with the International Paper Shares in issue at the time the New International Paper Shares are issued pursuant to the Combination, including the right to receive and retain dividends as other distributions declared, made or paid after the Effective Date. The New International Paper Shares will be issued following implementation of the Scheme to Scheme Shareholders on the register at the close of business at the Scheme Record Time.

Fractions of New International Paper Shares will not be allotted to DS Smith Shareholders. Instead, any DS Smith Shareholder who would have been entitled to such fractional entitlement shall receive cash in an amount (rounded down to the nearest penny) equal to such fractional entitlement (which such DS Smith Shareholder would otherwise have been entitled) multiplied by the last reported sale price of International Paper Shares on the New York Stock Exchange (as reported in Bloomberg or, if not reported therein, in another authoritative source selected by International Paper) on the last Business Day prior to the Effective Date.

Applications will be made to the New York Stock Exchange for the New International Paper Shares to be admitted to trading on the New York Stock Exchange and for all International Paper Shares

(including, for the avoidance of doubt, the New International Paper Shares) to be admitted to trading on the Main Market for listed securities of the London Stock Exchange.

3. Dividends

International Paper and DS Smith have agreed that:

- should the Effective Date be after the record date in respect of:
 - any final dividend by DS Smith in respect of the financial year ended on 30 April 2024 (any such dividend being a “**DS Smith FY24 Final Dividend**”), DS Smith Shareholders will be entitled to receive and retain the DS Smith FY24 Final Dividend;
 - any interim dividend by DS Smith in respect of the financial year ended on 30 April 2025 (any such dividend being a “**DS Smith FY25 Interim Dividend**”), DS Smith Shareholders will be entitled to receive and retain the DS Smith FY25 Interim Dividend; and
 - any final dividend by DS Smith in respect of the financial year ended on 30 April 2025 (any such dividend being a “**DS Smith FY25 Final Dividend**”), DS Smith Shareholders will be entitled to receive and retain the DS Smith FY25 Final Dividend,

provided, in each case, that such dividend is in accordance with DS Smith's dividend policy and does not exceed:

- in respect of the DS Smith FY24 Final Dividend, an amount per DS Smith Share of not more than 12.0 pence;
- in respect of the DS Smith FY25 Interim Dividend, an amount per DS Smith Share of not more than 6.2 pence; and
- in respect of the DS Smith FY25 Final Dividend, an amount per DS Smith Share of not more than 12.3 pence,

(in each case, any such dividend, a “**DS Smith Permitted Dividend**”);

- should the Effective Date be after the record date in respect of:
 - any second quarter dividend by International Paper in respect of the financial year ended on 31 December 2024 (any such dividend being an “**International Paper FY24 Q2 Dividend**”), International Paper Shareholders will be entitled to receive and retain the International Paper FY24 Q2 Dividend;
 - any third quarter dividend by International Paper in respect of the financial year ended on 31 December 2024 (any such dividend being an “**International Paper FY24 Q3 Dividend**”), International Paper Shareholders will be entitled to receive and retain the International Paper FY24 Q3 Dividend; and
 - any fourth quarter dividend by International Paper in respect of the financial year ended on 31 December 2024 (any such dividend being an “**International Paper FY24 Q4 Dividend**”), International Paper Shareholders will be entitled to receive and retain the International Paper FY24 Q4 Dividend;
 - any first quarter dividend by International Paper in respect of the financial year ended on 31 December 2025 (any such dividend being an “**International Paper FY25 Q1 Dividend**”), International Paper Shareholders will be entitled to receive and retain the International Paper FY25 Q1 Dividend;
 - any second quarter dividend by International Paper in respect of the financial year ended on 31 December 2025 (any such dividend being an “**International Paper FY25 Q2 Dividend**”), International Paper Shareholders will be entitled to receive and retain the International Paper FY25 Q2 Dividend; and
 - any third quarter dividend by International Paper in respect of the financial year ended on 31 December 2025 (any such dividend being an “**International Paper FY25 Q3**

Dividend”), International Paper Shareholders will be entitled to receive and retain the International Paper FY25 Q3 Dividend,

provided, in each case, that such quarterly dividend is in accordance with International Paper’s dividend policy and does not exceed:

- in respect of the International Paper FY24 Q2 Dividend an amount per International Paper Share not more than 46.25 cents;
- in respect of the International Paper FY24 Q3 Dividend an amount per International Paper Share not more than 46.25 cents;
- in respect of the International Paper FY24 Q4 Dividend an amount per International Paper Share not more than 46.25 cents;
- in respect of the International Paper FY25 Q1 Dividend an amount per International Paper Share not more than 46.25 cents;
- in respect of the International Paper FY25 Q2 Dividend an amount per International Paper Share not more than 46.25 cents; and
- in respect of the International Paper FY25 Q3 Dividend an amount per International Paper Share not more than 46.25 cents,

(in each case, an “**International Paper Permitted Dividend**”);

- if, on or after the date of this Document and prior to the Effective Date, DS Smith announces, declares, makes or pays any dividend and/or other distribution and/or other return of capital other than a DS Smith Permitted Dividend or a DS Smith Equalising Dividend (as defined below) (a “**DS Smith Excluded Dividend**”), International Paper shall be entitled to:
 - reduce the International Paper share consideration by an amount equivalent to all or any part of such excess (in the case of a DS Smith FY24 Final Dividend, a DS Smith FY25 Interim Dividend, a DS Smith FY25 Final Dividend or a DS Smith Equalising Dividend (as relevant)) or by the amount of all or part of any such other dividend, distribution or return of capital, in which case any reference in this Document (or, in the event that the Combination is to be implemented by means of any Offer, the offer document) to the consideration will be deemed to be a reference to the consideration as so reduced; or
 - declare and pay an equalising dividend to International Paper Shareholders so as to reflect the value attributable to all or any part of such excess (in the case of a DS Smith FY24 Final Dividend, a DS Smith FY25 Interim Dividend, a DS Smith FY25 Final Dividend or a DS Smith Equalising Dividend (as relevant)) or by the amount of all or part of any such other dividend, distribution or return of capital, in each case at the Relevant Exchange Rate, without any consequential change to the consideration (an “**International Paper Equalising Dividend**”); and
- if, on or after the date of this Document and prior to the Effective Date, International Paper announces, declares, makes or pays any dividend and/or other distribution and/or other return of capital in each case with regard to the International Paper Shares other than an International Paper Permitted Dividend or an International Paper Equalising Dividend (an “**International Paper Excluded Dividend**”), DS Smith shall be entitled to declare and pay an equalising dividend to DS Smith Shareholders so as to reflect the value attributable to all or any part of such excess (in the case of an International Paper FY24 Q2 Dividend, an International Paper FY24 Q3 Dividend, an International Paper FY24 Q4 Dividend, International Paper FY25 Q1 Dividend, International Paper FY25 Q2 Dividend, International Paper FY25 Q3 Dividend or an International Paper Equalising Dividend (as relevant)) or by the amount of all or part of any such other dividend, distribution or return of capital, in each case at the Relevant Exchange Rate, without any consequential change to the consideration (a “**DS Smith Equalising Dividend**”).

4. Background to and reasons for the Recommendation

DS Smith's current strategic position

DS Smith is a leading provider of sustainable fibre-based packaging solutions across Europe and North America, supported by its recycling and paper-making operations. With an established heritage in the box-making business of over 80 years, DS Smith has a strong reputation based on dedication to customers, focus on innovation, quality of packaging and consistent security of supply. DS Smith has grown rapidly in scale and capabilities through a clear strategy and targeted investment.

The growth and development of the business has included acquisitions and disposals, as well as organic investment to align its offering with its customers' needs. Partnering with its predominantly fast-moving consumer goods ("FMCG") customer base as a leading supplier of innovative sustainable packaging solutions has allowed DS Smith to deliver the scale, quality and innovation to drive the transition to a circular economy and to support customers' efficiency needs and sustainability agendas. DS Smith now operates in 34 countries across Europe and North America, employing around 30,000 people and playing a central role in the value chain across many sectors, including FMCG, industrials and e-commerce, and serving many of the world's biggest brands in these sectors and markets.

The DS Smith Board remains fully confident in the long-term growth drivers of the global corrugated packaging market and believes that DS Smith's industry position, clear strategy, strong operational performance and financial position will continue to create significant value for shareholders.

Context for assessing the Combination

While the DS Smith Board did not solicit an offer for DS Smith, the DS Smith Board regularly considers all options for creating shareholder value in the context of a dynamic sustainable packaging landscape. In contemplating the merits of potential strategic combinations for shareholders, the DS Smith Board has considered a number of factors including:

- exposure to structural growth and consolidation trends in sustainable packaging;
- presence across key geographic markets in which customers operate, with the ability to deliver consistent, robust service, innovation and supply;
- focus on serving global customers, in particular in FMCG, through service and innovation;
- opportunity for significant value creation from synergies across cost efficiencies, capex savings and revenue benefits;
- strong balance sheet and cash flow profile to provide financial resilience and flexibility to continue investment in growth through the cycle;
- commitment to the circular economy and sustainability as a key strategic driver for the business; and
- ability of the combined entity to deliver long-term shareholder value.

Basis for recommending the Combination to DS Smith Shareholders

In assessing the proposal received from International Paper, the DS Smith Board has given consideration to the proposed financial terms of the Combination and the anticipated strategic and financial benefits (including synergies) that are expected to be delivered. Amongst other factors, the DS Smith Board has focused on both the near term and longer term value that the Combination is expected to deliver to DS Smith Shareholders as well as the implications for all of DS Smith's stakeholders.

The Combination with International Paper represents an attractive opportunity to create a truly international sustainable packaging solutions leader that is well positioned in attractive and growing markets across Europe and North America.

The DS Smith Board believes that the Combination is based on a compelling strategic, industrial and financial rationale which includes:

- combining two focused fibre-based corrugated packaging solutions businesses with a clear, aligned strategic focus and vision;
- strengthening DS Smith's European business with the additional scale in paper and packaging of International Paper in the US and Europe bringing greater capacity to service customer needs;
- enhancing the position of the combined International Paper and DS Smith business in North America;
- creating the opportunity to drive best practice learnings across a wider network of assets, integrate the mill and box networks, and optimise the supply chains of the Combined Company in both Europe and North America;
- unlocking meaningful cost synergies as well as capex savings and revenue opportunities for the Combined Company;
- enhancing the global proposition to existing and prospective customers across Europe and North America, in particular in the FMCG sector, to provide innovative and value add packaging solutions; and
- resulting in a Combined Company with a strong balance sheet, solid investment grade credit rating, and strong and attractive cash flow profile.

In considering the terms of the Combination and determining whether they reflected an appropriate valuation of DS Smith and its future prospects, the DS Smith Directors took into account a number of factors, including:

- the terms of the Combination represent a value of 415 pence and a premium of 47.7 per cent. to DS Smith's undisturbed share price of 281 pence on 7 February 2024 (being the day prior to the commencement of the Offer Period), based on International Paper's share price of \$40.85 at close of business on 25 March 2024;
- that consideration in New International Paper Shares provides DS Smith Shareholders with the ability to remain fully invested in the Combined Company through DS Smith Shareholders owning approximately 34.1 per cent. of the Combined Company;
- the opportunity for DS Smith Shareholders to participate in the anticipated value creation from the substantial expected synergies which are expected to be delivered through the Combination and accrue to shareholders of the Combined Company; and
- that the secondary listing of International Paper Shares on the London Stock Exchange will help facilitate current DS Smith Shareholders to remain invested in the Combined Company alongside some potential benefits of a primary listing on the New York Stock Exchange upon completion of the Combination.

5. Background to and reasons for the Combination

International Paper is a leading producer of renewable fibre-based packaging and pulp products. Its vision is to be among the most successful, sustainable, and responsible companies in the world, benefitting from advantaged positions in attractive markets to deliver strong and consistent shareholder value.

A combination with DS Smith would be fully aligned with International Paper's disciplined M&A strategy to accelerate long-term success and growth, by not only increasing its capabilities in Europe, but also giving International Paper exposure to the attractive boxes segment.

The International Paper Board believes the Combination with DS Smith is financially attractive and represents a compelling opportunity to accelerate the delivery of International Paper's strategy. The International Paper Board also believes the Combination will enhance the company's profitable growth

by expanding its capabilities and reach across Europe and by providing customers with an increased variety of choices and a superior portfolio of products across two continents.

Specifically, the International Paper Board believes that the Combination will result in the following:

Creation of a truly global sustainable packaging solutions leader with enhanced scale and improved positions in attractive and growing markets

The Combination would bring together two complementary businesses to create a truly global sustainable packaging solutions leader, with industry leading positions in two of the most attractive geographies of Europe and North America. The Combined Company's focus on sustainable packaging will make it well positioned to serve a broad set of customers across a wide range of attractive and growing end-markets.

The Combined Company would be an international corrugated packaging business (approximately 90 per cent. of the Combined Company's sales) of scale capable of better serving both International Paper's and DS Smith's core customers. It will significantly improve the combined corrugated packaging business in Europe with greater customer offerings and present an opportunity to develop DS Smith's strong legacy in sustainability with International Paper's global customers.

The Combined Company would also benefit from complementary customer positions, within and across regions, and sharing of best practices, together with development of innovative value-add products. This would result in enhancing value creating solutions, including in attractive FMCG and e-commerce segments.

As a result of the Combination, International Paper will have an increasingly global, stronger, more diversified business, more capable of managing the inherent demand volatility that faces the packaging industry.

Strong operational fit and complementary nature of operations should enable a successful integration and stronger operational and financial profile

The complementary nature of International Paper's and DS Smith's operations creates the opportunity to integrate the mill and box networks, balance the paper positions and optimise the supply chains of the respective companies in Europe and the US, leading to a Combined Company with more stable growth and earnings. Upon completion of the Combination, the management of the Combined Company would be positioned to drive a best-in-class integration, as both companies are highly complementary, and accelerate profitable growth.

The Combination would create a leading European business with projected pro forma sales of approximately \$28.2 billion, transforming International Paper's European footprint. The complementary nature of operations and possibility to integrate DS Smith's box plants and mills with International Paper's mills network, as well as the possibility of enhancing offerings to its customers, would positively impact the Combined Company's financial performance.

The Combination would also improve the efficiency of International Paper's core operations in North America with the integration of DS Smith's complementary US business.

The Combined Company would have improved capabilities and be better positioned to pursue its strategy to be a truly global sustainable packaging solutions leader.

Finally, the Combination would also combine the capabilities and expertise of two experienced and innovative management teams to further accelerate innovative sustainable solutions and advance the circular economy.

6. Financial Benefits of the Combination

As previously announced on 4 April 2024, International Paper expects that the Combination would generate significant synergies and drive compelling value creation for DS Smith Shareholders and International Paper Shareholders. The delivery of the expected synergies will be supported by International Paper's significant expertise in acquiring and integrating businesses. In addition, International Paper's confidence in delivering a successful integration in Europe is underpinned by DS Smith's own expertise in acquiring businesses and integrating them.

International Paper's Directors, having reviewed and analysed the potential synergies of the Combination, as well as taking into account the factors they can influence, believe that the Combined Company can deliver at least \$514 million (£413 million) of pre-tax cash synergies on an annual run-rate basis by the end of the fourth year following the Effective Date. These synergies are expected to be derived from the following key areas:

- 92 per cent., or \$474 million (£381 million) of cost synergies across the following sources:
 - 47 per cent., or \$241 million (£194 million) from operational synergies across the combined network of mills, box plants and global supply chain, including:
 - Integration benefit of balancing containerboard supply positions (approximately 500k to 600k tons);
 - Freight optimisation benefits; and
 - Operational efficiencies across mill and box network from product and system optimisation, and sharing technology expertise.
 - 23 per cent., or \$117 million (£94 million) from overhead synergies by reducing duplicative corporate and business overhead expenses; and
 - 23 per cent., or \$116 million (£93 million) from operational procurement synergies from increased scale of the Combined Company.
- 5 per cent., or \$26 million (£21 million) from capex procurement synergies, by leveraging increased scale of the Combined Company; and
- 3 per cent., or \$14 million (£11 million) of revenue synergies.

These synergies are expected to arise as a direct result of the Combination and could not be achieved independently of the Combination.

International Paper anticipates that the total costs to achieve the synergies outlined above would be approximately \$370 million (£297 million). International Paper expects that approximately 33 per cent. of the synergies outlined above would be achieved by the end of the first year following the Effective Date, with approximately 66 per cent. and 95 per cent. achieved by the end of the second and third years following the Effective Date, respectively.

Aside from the one-off costs referred to above, the International Paper Board does not expect any material dis-synergies to arise as a direct result of the Combination.

This statement constitutes a "Quantified Financial Benefits Statement" under Rule 28.1(a) of the Code. In International Paper's update announcement dated 4 April 2024, reports were provided from International Paper's reporting accountant, Deloitte, and its financial adviser, BofA Securities, in connection with the anticipated Quantified Financial Benefits Statement, as required pursuant to Rule 28.1(a) of the Code, alongside underlying information and bases of calculation for the anticipated quantified financial benefits of the Combination. References in this Document to the Quantified Financial Benefits Statement should be read in conjunction with the above-mentioned reports. Each of Deloitte and BofA Securities has confirmed to International Paper that their respective reports produced in connection with the Quantified Financial Benefits Statement continue to apply.

The International Paper Board believes these synergies would contribute to significant value creation for both the DS Smith Shareholders and the International Paper Shareholders. The Combination is expected to increase International Paper's margins and to be earnings per share ("**EPS**") accretive in year one. Return on invested capital from the Combination is expected to exceed International Paper's weighted average cost of capital ("**WACC**") by the end of the third year following the Effective Date.

These statements are not intended as a profit forecast or profit estimate for any period and no statement in this Document should be interpreted to mean that earnings or EPS for International Paper or DS Smith for the current or future financial years would necessarily match or exceed the historical published earnings or EPS for International Paper or DS Smith.

7. Irrevocable Undertakings

The DS Smith Directors have provided irrevocable undertakings to International Paper to vote in favour of the Scheme at the Court Meeting and the resolutions relating to the Combination at the General Meeting, in respect of their entire beneficial holdings, amounting to 885,191 DS Smith Shares, in aggregate, representing approximately 0.06 per cent. of the issued share capital of DS Smith as at the Latest Practicable Date. Further details of these irrevocable undertakings are set out in paragraph 13 of Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document. Copies of the irrevocable undertakings are available on DS Smith's website at www.dssmith.com/possible-offer and will remain on display until the end of the Offer Period.

8. Information on DS Smith

DS Smith is a leading provider of sustainable paper-based packaging worldwide which is supported by recycling and papermaking operations, which are primarily based in Europe. It plays a central role in the value chain across sectors including e-commerce, FMCG and industrials. Through its purpose of 'Redefining Packaging for a Changing World' and its Now and Next sustainability strategy, DS Smith is committed to leading the transition to the circular economy, while delivering more circular solutions for its customers and wider society – replacing problem plastics, taking carbon out of supply chains and providing innovative recycling solutions. Its bespoke box-to-box in 14 days model, design capabilities and innovation strategy sit at the heart of this response. DS Smith operates in 34 countries employing around 30,000 people and is a Strategic Partner of the Ellen MacArthur Foundation.

9. Information on International Paper

International Paper is a global producer of renewable fibre-based packaging and pulp products and one of the world's largest recyclers, with established operations and presence primarily in North America. Headquartered in Memphis, Tennessee, International Paper employs approximately 39,000 employees globally, 33,000 of whom are in the United States. International Paper serves customers worldwide, with manufacturing operations in North America, Latin America, Europe and North Africa. Net sales for 2023 were \$18.9 billion. International Paper is a New York corporation, incorporated in 1941 as the successor to the New York corporation of the same name organised in 1898. In the United States, as of 30 June 2024, International Paper operates 23 pulp and packaging mills, 162 converting and packaging plants, 16 recycling plants and three paper bag facilities. International Paper's production facilities in Canada, Europe, North Africa and Latin America include four pulp and packaging mills, 37 converting and packaging plants, and two recycling plants. International Paper operates a packaging products distribution business principally through six branches in Asia.

10. Information on Bidco

Bidco is a newly-incorporated English private limited company, and an indirect wholly-owned subsidiary of International Paper. Bidco has been formed at the direction of International Paper for the purposes of implementing the Combination. Bidco has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Combination.

11. Further information about the New International Paper Shares

The International Paper Prospectus, which will be published on or around the date of this Document, should be read alongside this Document and contains important further information on International Paper and the New International Paper Shares to be issued in connection with the Combination. The International Paper Prospectus will be made available on International Paper's website at <https://www.internationalpaper.com/offer-for-ds-smith-plc/documentation> and on DS Smith's website at www.dssmith.com/possible-offer. The International Paper Prospectus also includes the key risks relating to: (i) International Paper, DS Smith and, following completion of the Combination, the Combined Company; (ii) the Combination; and (iii) ownership of the International Paper Shares.

12. Current trading and prospects

DS Smith current trading update

The market and business trends described in the Outlook statement contained in the Strategic Report section of the 2024 DS Smith Annual Report have continued, with overall trading for the current financial year in line with DS Smith management expectations.

International Paper current trading update

On 24 July 2024, International Paper announced its results for the second quarter of 2024.

Net sales increased to \$4,734 million for the three months ended 30 June 2024 from \$4,619 million for the three months ended 31 March 2023.

Net earnings increased to \$498 million for the three months ended 30 June 2024 from \$56 million for the three months ended 31 March 2024.

Cash provided by operations decreased to \$365 million for the three months ended 30 June 2024 from \$395 million for the three months ended 31 March 2024.

13. International Paper's intentions and strategic plans for DS Smith and the Combined Company

Information relating to International Paper's intentions and strategic plans for DS Smith and the Combined Company is set out in paragraph 6 of Part Two (*Explanatory Statement*) of this Document.

14. Pensions

Information relating to DS Smith's pensions schemes is set out in paragraph 6 of Part Two (*Explanatory Statement*) of this Document.

15. Employee Share Schemes

Information relating to DS Smith's employee share schemes is set out in paragraph 12 of Part Two (*Explanatory Statement*) of this Document.

16. Action to be taken by DS Smith Shareholders

Details of the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by Scheme Shareholders in respect of the offer are set out in paragraph 18 of Part Two (*Explanatory Statement*) of this Document.

Details relating to the de-listing of the DS Smith Shares, listings, dealings and settlement are included in paragraph 13 of Part Two (*Explanatory Statement*) of this Document.

17. Overseas shareholders

Overseas shareholders of Scheme Shares should refer to Part Seven (*Additional Information for Overseas Shareholders*) of this Document, which contains important information relevant to such holders.

18. The Scheme and the Meetings

The Combination is being implemented by way of a Court approved scheme of arrangement between DS Smith and the Scheme Shareholders under Part 26 of the Companies Act 2006, although International Paper reserves the right to elect to implement the Combination by way of a takeover offer (subject to Panel consent, where necessary). The procedure involves an application by DS Smith to the Court to sanction the Scheme, which will involve the Scheme Shares being transferred to Bidco (an indirect wholly-owned subsidiary of International Paper), in consideration for which Scheme Shareholders will receive New International Paper Shares (on the basis described at paragraph 2 above).

To become effective, the Scheme requires, among other things, the approval of a majority in number of the Scheme Shareholders present and voting in person or by proxy at the Court Meeting, representing not less than 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders and the passing of the Special Resolution necessary to implement the Scheme at the General Meeting. Following the Court Meeting and the General Meeting and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court. The Scheme will only become effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration. Upon the Scheme becoming effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of opinion of Scheme Shareholders. You are therefore strongly urged to complete, sign and return your Forms of Proxy, or, alternatively, submit your proxy by electronic means, for both the Court Meeting and the General Meeting, as soon as possible.

Further details of the Scheme and the Meetings are set out in paragraphs 2 and 9 of Part Two (*Explanatory Statement*) of this Document.

19. Re-registration as a private company and Solvency Statement Capital Reduction

If the Scheme becomes Effective, International Paper shall also procure that DS Smith is re-registered as a private limited company and that Bidco implements the Solvency Statement Capital Reduction of DS Smith, in each case as soon as practicable after the Effective Date (see paragraphs 13 and 14 of Part Two (*Explanatory Statement*) of this Document for further details).

20. United Kingdom Taxation

Your attention is drawn to paragraph 15 of Part Two (*Explanatory Statement*) of this Document headed *United Kingdom Taxation*. Although this Document contains certain tax-related information, if you are in any doubt about your own tax position or you are subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriately qualified independent professional adviser immediately.

21. United States Taxation

Your attention is drawn to paragraph 16 of Part Two (*Explanatory Statement*) of this Document headed *United States Taxation*. Although this Document contains certain tax-related information, if you are in any doubt about your own tax position or you are subject to taxation in any jurisdiction other than the United States, you should consult an appropriately qualified independent professional adviser immediately.

22. Recommendations

The DS Smith Directors, who have been so advised by Goldman Sachs International, Citi and J.P. Morgan Cazenove as to the financial terms of the Combination, consider the terms of the Combination to be fair and reasonable. In providing their advice to the DS Smith Directors, each of Goldman Sachs International, Citi and J.P. Morgan Cazenove has taken into account the commercial assessments of the DS Smith Directors.

Accordingly, the DS Smith Directors recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that DS Smith Shareholders vote in favour of the Special Resolution to be proposed at the General Meeting, as the DS Smith Directors have irrevocably undertaken to do in respect of their entire beneficial holdings of 885,191 DS Smith Shares, in aggregate, representing approximately 0.06 per cent. of the issued share capital of DS Smith as at the Latest Practicable Date.

The International Paper Directors have unanimously approved the Combination and recommend that International Paper Shareholders vote in favour of the issuance of the New International Paper Shares in connection with the Combination.

BofA Securities has acted as financial adviser to International Paper in relation to the Combination.

23. Further information

Your attention is drawn to further information contained in Part Two (*Explanatory Statement*), Part Three (*Conditions to the Implementation of the Scheme and to the Combination*), Part Four (*The Scheme of Arrangement*) and Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document which provides further details concerning the Scheme. Your attention is further drawn to the International Paper Prospectus (for which International Paper and the International Paper Directors are responsible), which contain further information on DS Smith, International Paper and the New International Paper Shares. The International Paper Prospectus will be published on or around the date

of this Document and will be made available on DS Smith's website at www.dssmith.com/possible-offer and International Paper's website at <https://www.internationalpaper.com/offer-for-ds-smith-plc/documentation>. The International Paper Proxy Statement is expected to be filed with the SEC on 12 September 2024 and will be made available on DS Smith's website at www.dssmith.com/possible-offer and International Paper's website at <https://www.internationalpaper.com/offer-for-ds-smith-plc/documentation>.

You are advised to read the whole of this Document and accompanying Forms of Proxy and not just rely on the summary information contained in this letter or the Explanatory Statement.

Yours faithfully,

Geoff Drabble
Chair
DS Smith Plc

PART TWO

EXPLANATORY STATEMENT

(In compliance with section 897 of the Companies Act 2006)

To the holders of DS Smith Shares and, for information only, to holders of options or awards under the DS Smith Share Schemes and persons with information rights.

Dear Shareholder

RECOMMENDED ALL-SHARE COMBINATION OF DS SMITH AND INTERNATIONAL PAPER

1. Introduction

On 16 April 2024 the boards of DS Smith and International Paper announced that they had agreed to the terms of a recommended all-share combination of DS Smith and International Paper to create the Combined Company. It is intended that the Combination will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

Your attention is drawn to the letter set out in Part One (*Letter from the Chair of DS Smith*) of this Document, which forms part of this Explanatory Statement. The letter contains, among other things, (i) the DS Smith Directors' unanimous recommendation that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and DS Smith Shareholders vote in favour of the Special Resolution to be proposed at the General Meeting, and (ii) information on the background to, and reasons for, giving the above recommendation.

Your attention is also drawn to the International Paper Prospectus (for which International Paper and the International Paper Directors are responsible), which will be published on or around the date of this Document and contain further information on DS Smith and International Paper and the New International Paper Shares. The International Paper Proxy Statement is expected to be filed with the SEC on 12 September 2024.

The DS Smith Directors have been advised by Goldman Sachs International, Citi and J.P. Morgan Cazenove in connection with the financial terms of the Combination. We have been authorised by the DS Smith Directors to write to you to explain the terms of the Combination and to provide you with other relevant information.

This Part Two (*Explanatory Statement*) contains a summary of the terms of the Scheme, while the terms of the Scheme are set out in full in Part Four (*The Scheme of Arrangement*) of this Document.

Statements made or referred to in this letter regarding International Paper's reasons for the Combination, information concerning the business of the International Paper Group, the financial effects of the Combination on International Paper and/or the Combined Company and/or intentions or expectations of or concerning the International Paper Group and/or the Combined Company reflect the views of the International Paper Directors.

Statements made or referred to in this letter regarding the background to and reasons for the recommendation of the DS Smith Directors, information concerning the business of the DS Smith Group and/or intentions or expectations of or concerning the DS Smith Group prior to completion of the Combination reflect the views of the DS Smith Directors.

2. Summary of the terms of the Combination and the Scheme

It is proposed that the Combination will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act between DS Smith and Scheme Shareholders, pursuant to which Bidco (an indirect wholly-owned subsidiary of International Paper) will acquire all of the issued and to be issued DS Smith Shares. The Scheme requires the approval of the Scheme Shareholders at the Court Meeting, the approval of the Special Resolution by DS Smith Shareholders at the General Meeting, as well as the sanction of the Court at the Court Hearing.

Under the terms of the Combination, which is subject to the satisfaction (or, where applicable, waiver) of the Conditions and further terms set out in Part Three (*Conditions to the Implementation of the*

Scheme and to the Combination) of this Document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

for each DS Smith Share 0.1285 New International Paper Shares

Based on the closing International Paper share price of \$47.11 and £/US\$ exchange rate of 1.3165 on the Latest Practicable Date, the terms of the Combination value each DS Smith Share at 460 pence per share and represent a premium of 63.6 per cent. to the Closing Price per DS Smith Share of 281 pence on 7 February 2024 (being the last Business Day prior to the date the Offer Period commenced).

Based on the closing International Paper share price of \$40.85 and £/US\$ exchange rate of 1.2645 on 25 March 2024, being the close of business on the last day prior to the announcement by DS Smith of a possible offer by International Paper, the terms of the Combination value each DS Smith Share at 415 pence per share (the “**Offer Value**”).

The Offer Value implies DS Smith’s entire issued and to be issued share capital is valued at approximately £5.8 billion on a fully diluted basis and DS Smith’s enterprise value at approximately £7.8 billion.

The Offer Value represents a premium of approximately:

- 47.7 per cent. to the Closing Price per DS Smith Share of 281 pence on 7 February 2024 (being the last Business Day prior to the date the Offer Period commenced);
- 42.2 per cent. to the volume weighted average Closing Price per DS Smith Share of 292 pence for the three months ended on 7 February 2024 (being the last Business Day prior to the date the Offer Period commenced); and
- 43.0 per cent. to the volume weighted average Closing Price per DS Smith Share of 290 pence for the six months ended on 7 February 2024 (being the last Business Day prior to the date the Offer Period commenced).

If the Scheme becomes effective, it will result in the issue of approximately 179,847,780 New International Paper Shares to Scheme Shareholders. Assuming that all of the New International Paper Shares to be issued pursuant to the Combination had been issued by that time, Scheme Shareholders will hold approximately 34.1 per cent. and International Paper Shareholders will hold approximately 65.9 per cent of the enlarged issued share capital of International Paper immediately following the Effective Date.

The New International Paper Shares will not be registered under the US Securities Act and will be issued pursuant to the exemption from registration provided by Section 3(a)(10) under the US Securities Act. The New International Paper Shares will rank *pari passu* in all respects with the International Paper Shares in issue at the time the New International Paper Shares are issued pursuant to the Combination, including the right to receive and retain dividends as other distributions declared, made or paid after the Effective Date. The New International Paper Shares will be issued following implementation of the Scheme to Scheme Shareholders on the register at the close of business at the Scheme Record Time.

Fractions of New International Paper Shares will not be allotted to DS Smith Shareholders. Instead, any DS Smith Shareholder who would have been entitled to such fractional entitlement shall receive cash in an amount (rounded down to the nearest penny) equal to such fractional entitlement (which such DS Smith Shareholder would otherwise have been entitled) multiplied by the last reported sale price of International Paper Shares on the New York Stock Exchange (as reported in Bloomberg or, if not reported therein, in another authoritative source selected by International Paper) on the last Business Day prior to the Effective Date.

The Combination is subject to the Conditions set out in Part Three (*Conditions to the Implementation of the Scheme and to the Combination*) of this Document, including the sanction of the Scheme by the Court and acknowledgment having been received by International Paper that the application for Admission has been approved and the International Paper Shares will be admitted to trading on the London Stock Exchange’s Main Market for listed securities.

3. Dividends

Please refer to paragraph 3 of Part One (*Letter from the Chair of DS Smith*) of this Document for further details on the treatment of any dividends announced, declared, paid or made or which become payable by either DS Smith or International Paper before the Effective Date.

4. Background to and reasons for the recommendation

Information relating to the background to and reasons for the DS Smith Directors' recommendation of the Combination is set out in paragraph 4 of Part One (*Letter from the Chair of DS Smith*) of this Document.

5. Financial benefits and effects of the Combination and potential synergies

Information relating to the financial benefits and effects of the Combination and potential synergies is set out in paragraph 6 of Part One (*Letter from the Chair of DS Smith*) of this Document.

6. International Paper's intentions and strategic plans for DS Smith and the Combined Company

International Paper's intentions and strategic plans for DS Smith

Please refer to paragraph 5 of Part One (*Letter from the Chair of DS Smith*) of this Document for further details on the background to and reasons for the Combination. The International Paper Board believes the Combination with DS Smith is financially attractive and represents a compelling opportunity to accelerate the delivery of International Paper's strategy. The International Paper Board also believes the Combination will enhance International Paper's profitable growth by expanding its capabilities and reach across Europe and by providing customers with an increased variety of choices and a superior portfolio of products across two continents.

International Paper intends to move quickly to combine International Paper's and DS Smith's existing businesses and, as soon as practicable following completion of the Combination, the Combined Company will initiate a detailed review of the operations, systems and functions of both businesses to assess how they can work most effectively and efficiently together.

This detailed review will provide the basis for an integration programme designed to minimise disruption to employees, customers, and suppliers whilst delivering the expected benefits of the Combination. In particular, it will inform the optimal design of the Combined Company's target operating model, making the most of the expanded scale, footprint and capabilities the Combined Company will benefit from.

The initial focus of this review will be on potential cost savings through corporate and administration efficiencies, the potential impact of which on duplicative roles in corporate, head office and senior management positions across International Paper's and DS Smith's respective businesses is considered further in paragraph 6 below. The remaining aspects of the review will also focus on other potential back office savings.

During the period of this review, International Paper also intends to focus on its plan for the roll-out of measures expected to deliver growth and cost synergies, as further described in paragraph 4 of Part One (*Letter from the Chair of DS Smith*) of this Document. Whilst International Paper has sought to undertake as much of this planning work as it can prior to completion of the Combination, it will not be in a position to complete this work until after the Combination has completed.

It is further intended that upon completion of the Combination and subject to any information and consultation procedures required by applicable laws, the Combined Company will effect an internal reorganisation whereby International Paper's subsidiaries in France (or any other entity owning these French entities) will acquire, directly or indirectly, the French subsidiaries of DS Smith for the purpose of including the eligible subsidiaries in the French tax group headed by International Paper France SAS, in each case, in accordance with Article 223 B c of the French tax code and applicable regulations. It is not expected that this intended reorganisation would have consequences for the working conditions of employees in France.

Board and management team of the Combined Company

Upon completion of the Combination, the International Paper Board will form the board of the Combined Company, and up to two DS Smith non-executive directors will be invited to join the board of directors of the Combined Company.

International Paper's CEO, Andrew Silvernail, will become CEO of the Combined Company. The remainder of the International Paper leadership team will largely remain in place and, following an assessment of the needs of the Combined Company and the qualifications of DS Smith's leadership team, certain of DS Smith's current leadership team may also become part of the leadership team of the Combined Company.

Post-completion Consultancy Agreement

Following completion of the Combination, Miles Roberts, currently Group Chief Executive of DS Smith, shall act as a consultant to the Combined Company to support the integration to ensure continuity and with a view to help realise the benefits of the Combination for both sets of shareholders, for a fixed period of two years (the "**Post-Completion Consultancy Role**").

It has been agreed that the principal terms of the Post-Completion Consultancy Role will be as follows:

- a monthly fee of £125,000 (exclusive of any applicable VAT);
- Miles Roberts will have the opportunity to earn a synergies success fee of up to £1,000,000 (exclusive of any applicable VAT), determined by reference to achievement of the anticipated synergies set out in the Quantified Financial Benefits Statement appended to the announcement made by International Paper on 4 April 2024. A component worth up to 50 per cent. of this fee will be payable within 45 days following the 12-month anniversary of the commencement of the post-completion consultancy agreement, and a component worth up to the remaining 50 per cent. of the fee will be payable within 45 days following the end of International Paper's fiscal quarter in which the Post-Completion Consultancy Role ends;
- he will have the opportunity to earn a Combination success fee of up to £1,000,000 (exclusive of any applicable VAT), determined based on the overall success of the integration of International Paper and DS Smith and the successful operation of the Combined Company. A component worth up to 50 per cent. of this fee will be calculated based on the stock price of International Paper and a component worth up to the remaining 50 per cent. of the fee will be determined by International Paper's CEO in his sole and absolute discretion taking into account other financial and non-financial criteria indicative of the success of the Combination and overall business performance, including DS Smith leadership retention, profitable market share growth and customer satisfaction (as measured by relevant metrics such as EBITDA and EBITDA margin growth and net promoter scores). Any Combination success fee will be paid within 45 days following the end of International Paper's fiscal quarter in which the Post-Completion Consultancy Role ends;
- he will be reimbursed for all reasonable travelling, hotel and other out-of-pocket expenses;
- once the post-completion consultancy agreement has been in place for at least 18 months, either party may terminate the Post-Completion Consultancy Role on two months' notice. In that event, the determination and payment of the synergies success fee and the Combination success fee will continue to operate in accordance with their terms save that the component of the synergies success fee for the second year of the Post-Completion Consultancy Role will be time pro-rated to the end of International Paper's fiscal quarter in which the Post-Completion Consultancy Role ends (or to the end of the previous fiscal quarter if the role ends during the first month of a fiscal quarter). If notice of termination is given by the Combined Company, it shall pay the balance of the monthly fees which would otherwise have been payable for the remainder of the two-year term; and
- the Combined Company may also terminate the Post-Completion Consultancy Role immediately at any time in certain circumstances. In that event, Miles Roberts would be entitled only to any fees due and expenses incurred up to the date of termination, and would not be entitled to any success fee.

As required by, and solely for the purposes of, Rule 16.2 of the Code, Goldman Sachs International has reviewed the terms of the Post-Completion Consultancy Role together with other information deemed relevant and advised DS Smith that the Post-Completion Consultancy Role is fair and reasonable. In providing its advice to the DS Smith Directors, Goldman Sachs International has taken into account the commercial assessments of the Combination by the DS Smith Directors. Goldman Sachs International is acting as the independent financial adviser to DS Smith for the purposes of Rule 3 of the Code.

Employees

International Paper believes that DS Smith employees will benefit from the increased opportunities offered by the Combined Company, as an industry leader in sustainable packaging solutions. These benefits are expected to include increased opportunities for training and development as well as further career path flexibility.

While no decisions have been taken, the synergy analysis carried out by International Paper to date has confirmed the potential to generate expected cost synergies for the Combined Company through corporate and administration efficiencies. Subject to a review of the requirements of the Combined Company after the Effective Date and any applicable employee information and consultation requirements, any administration efficiencies may involve headcount reduction in duplicative roles. Any such headcount reduction would be expected to focus on corporate, head office and senior management positions across the respective businesses. On a provisional basis, International Paper has identified approximately 400 roles across the Combined Company that appear to be duplicative (representing approximately 0.6 per cent. of the combined workforce). Any potential headcount reduction is subject to a review of the requirements of the Combined Company after the Effective Date and any required information and consultation with any impacted employees and/or their representatives in accordance with applicable law.

Aside from any potential headcount reduction resulting from the review described above, International Paper does not intend that the Combination will result in substantial additional job losses (including in frontline operational roles) or mill or plant closures.

Following completion of the Combination, the existing contractual and statutory employment rights of International Paper and DS Smith employees will be fully safeguarded and observed in accordance with applicable law and the terms of the Co-operation Agreement. Other than as described above, International Paper does not intend to make any material change in the employment of, or in the conditions of employment of, DS Smith employees (except any changes made in accordance with applicable law).

Pension Schemes

International Paper does not intend to make any changes, unless required to do so by applicable law, to the agreed employer contributions into DS Smith's existing defined benefit and defined contribution pension schemes (including with regard to current arrangements for the funding of any scheme deficit in the defined benefit pension scheme), the level of benefits for existing members or the admission of new members to such pension schemes following the Effective Date. International Paper notes the DS Smith Group Pension Scheme was closed to accrual in 2011.

International Paper has entered into discussions with the trustee of the DS Smith Group Pension Scheme, who confirmed as of the date of the Announcement that, based on the information International Paper has provided to it so far, and the representations made by International Paper to it to that date, it has no reason to believe that the Combination would have a material adverse effect on the employer covenant or likelihood of benefits being received. International Paper has also agreed to maintain an open dialogue with the trustee in relation to any future changes which might affect the covenant supporting the DS Smith Group Pension Scheme.

Innovation, research and development and fixed assets

International Paper is committed to being at the forefront of development within the industry, driving the pace of innovation through employing the best talent and committing meaningful investments to create and expand on future opportunities.

International Paper does not intend to make any changes to DS Smith's innovation and research and development functions, including DS Smith's global Research & Development (R&D) and Innovation Centre, 'R8', which is located in Birmingham in the UK.

International Paper does not envisage any redeployment of DS Smith's existing material fixed assets.

Headquarters and locations

As part of the Combination, International Paper envisages that DS Smith's North American manufacturing locations and International Paper's European manufacturing locations would continue their respective operations. Though the Combined Company would be headquartered and domiciled in Memphis, Tennessee, USA, at International Paper's existing headquarters, International Paper intends to maintain key elements of DS Smith's headquarters functions and is proposing to establish a European headquarters in London, United Kingdom, at DS Smith's existing headquarters (subject to any required information and consultation with any impacted employees and/or their representatives in accordance with applicable law).

Opinion of the French members of DS Smith's European Works Council

The opinion of the French members of DS Smith's European Works Council is at Appendix 3 (*Opinion of the French members of DS Smith's European Works Council*) of this Document. Please note that the opinion is not deemed to form part of this Document.

7. Conditions

The Combination and, accordingly, the Scheme is subject to a number of conditions set out in full in Part Three (*Conditions to the Implementation of the Scheme and to the Combination*) of this Document, including:

- (A) the Court Meeting and the General Meeting being held no later than the 22nd day after the scheduled date of the Meetings or such later date as International Paper and DS Smith may agree and the Court may allow (if approval from the Court is required);
- (B) approval of the resolution proposed at the Court Meeting by the requisite majority of the Scheme Shareholders;
- (C) approval of the Special Resolution necessary to implement the Scheme by the requisite majority of the DS Smith Shareholders at the General Meeting;
- (D) the receipt of certain merger control and regulatory clearances, including from the European Commission and the receipt of foreign direct investment clearance in the UK;
- (E) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to International Paper and DS Smith);
- (F) the delivery of a copy of the Court Order to the Registrar of Companies;
- (G) the receipt of confirmation by International Paper that the New International Paper Shares have been approved for listing, subject to official notice of issuance, on the New York Stock Exchange; and
- (H) (i) the FCA having acknowledged to International Paper or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the International Paper Shares to the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("**listing conditions**")) will become effective as soon as a dealing notice has been issued by the FCA and any listing conditions having been satisfied and (ii) the London Stock Exchange having acknowledged to International Paper or its agent (and such acknowledgement not having been withdrawn) that the International Paper Shares will be admitted to trading on its Main Market for listed securities;

The Scheme will require approval by Scheme Shareholders at the Court Meeting and the passing of a special resolution by DS Smith Shareholders at the General Meeting and the sanction of the Court at the Court Hearing. The DS Smith Meetings and the nature of the approvals required to be given at them

are described in more detail in paragraph 9 below. All Scheme Shareholders are entitled to attend the Court Hearing in person or through representation to support or oppose the sanctioning of the Scheme.

The Combination is also conditional on International Paper Shareholders passing the resolution to approve the Combination to be proposed at the International Paper Shareholder Meeting. To be passed, the resolution requires a vote in favour of a simple majority of the votes cast.

In relation to the receipt of regulatory and merger control clearances in connection with the Combination: (i) the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “**HSR Act**”) (which commenced on 21 May 2024 upon submission of the required Notification and Report forms with the Federal Trade Commission and Antitrust Division of the U.S. Department of Justice) expired at 11.59 p.m. (Eastern Time) on 20 June 2024 and so the HSR Act’s bar to closing has been removed; (ii) a filing was made under the UK National Security and Investment Act 2021 (the “**NSI Act**”) and, as a clearance decision under the NSI Act was received on 16 August 2024, this Condition has also been satisfied; and (iii) International Paper and DS Smith have determined that a foreign direct investment filing to the Italian authority is not required. DS Smith continues to work with International Paper on the other customary regulatory clearances to which the Combination is subject.

The Scheme can only become effective if all Conditions to the Scheme, including shareholder approvals and the sanction of the Court, have been satisfied (unless, where applicable, the relevant Condition is waived). The Scheme will become effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration. Subject to the sanction of the Scheme by the Court, this is expected to occur by the fourth quarter of 2024.

Unless the Scheme becomes effective by not later than 11.59 p.m. on the Long Stop Date, or such later date as DS Smith and International Paper may agree and (if required) the Court and the Panel may allow, the Scheme will not become effective and the Combination will not proceed.

8. Combination-related Arrangements

Confidentiality Agreement

International Paper and DS Smith entered into a confidentiality agreement on 27 February 2024 (the “**Confidentiality Agreement**”), pursuant to which they have each undertaken to keep confidential information relating to the other party and not to disclose it to third parties (with certain exceptions) unless required by law or regulation or permitted pursuant to limited carve-outs to the obligations of confidentiality. The Confidentiality Agreement also includes customary standstill and non-solicitation obligations applicable to both parties.

The confidentiality obligations will remain in force until the Combination becomes Effective or, in the event the Combination does not become Effective, until the date falling two years from the date of the Confidentiality Agreement.

Clean Team Agreement

On 27 March 2024, DS Smith and International Paper entered into a clean team agreement (the “**Clean Team Agreement**”), which sets out, among other things, how confidential information that is competitively sensitive can be disclosed, used or shared between DS Smith’s clean team individuals and/or external advisers retained by DS Smith and International Paper’s clean team individuals and/or external advisers retained by International Paper.

Joint Defense Agreement

On 27 March 2024, DS Smith, International Paper, Slaughter and May, Skadden, Arps, Slate, Meagher & Flom LLP, Sidley Austin LLP and Sullivan & Cromwell LLP entered into a joint defense agreement (the “**Joint Defense Agreement**”), the purpose of which is to ensure that the exchange and/or disclosure of certain materials between the parties, in particular in relation to the antitrust and regulatory workstreams, does not diminish in any way the confidentiality of such materials and does not result in a waiver of any privilege, right or immunity that might otherwise be available.

Co-operation Agreement

International Paper and DS Smith have entered into a Co-operation Agreement dated 16 April 2024 pursuant to which:

- International Paper has agreed to take all actions as may be necessary or advisable to satisfy, or procure the satisfaction of, all regulatory clearances and authorisations as soon as reasonably practicable following the date of the Announcement and in any event in sufficient time to enable the Effective Date to occur by the Long Stop Date, provided that International Paper shall not be required to offer or accept any regulatory remedy that requires the disposal of any of its mills, plants or other assets located in the United States;
- International Paper shall be responsible for determining the strategy for obtaining such regulatory clearances and authorisations after prior consultation with DS Smith and after having taken into account DS Smith's views;
- International Paper and DS Smith have agreed to certain customary undertakings to co-operate in relation to such regulatory clearances and authorisations; and
- International Paper has agreed to provide DS Smith promptly with certain information as may be reasonably requested and is required for the Scheme Document, and DS Smith has agreed to provide International Paper promptly with certain information as may be reasonably requested and is required for the International Paper Proxy Statement and the International Paper Prospectus in connection with Admission.

The Co-operation Agreement records the intention of International Paper and DS Smith to implement the Combination by way of the Scheme, subject to International Paper's right to switch to an Offer in certain circumstances. International Paper and DS Smith have agreed to certain customary provisions if the Scheme should switch to an Offer.

The Co-operation Agreement also contains provisions that shall apply in respect of International Paper Shareholders' and DS Smith Shareholders' dividend entitlements (as further set out in paragraph 3 of Part One (*Letter from the Chair of DS Smith*) of this Document) and directors' and officers' insurance, as well as the DS Smith Share Schemes, other incentive arrangements and other employee-related matters (further details of which are provided in this Document).

The Co-operation Agreement provides that International Paper will pay a break fee to DS Smith in the following amounts and circumstances (subject to certain exceptions and exclusions):

- \$220,527,460, if International Paper's Board no longer recommends the Combination or if International Paper fails to hold its stockholders' meeting prior to the Long Stop Date;
- \$147,018,306, if International Paper invokes any regulatory condition or any regulatory conditions have not been satisfied or waived by International Paper by the Long Stop Date; or
- \$73,509,153, if International Paper's stockholders do not approve the resolutions required to implement the Combination at its stockholders' meeting and International Paper's Board has not changed its recommendation.

The Co-operation Agreement shall be terminated with immediate effect:

- if International Paper and DS Smith so agree in writing;
- upon service of notice by International Paper to DS Smith if the DS Smith Directors change their recommendation in respect of the Combination;
- upon service of written notice by either International Paper or DS Smith to the other if: (i) a competing offer becomes effective or is declared or becomes unconditional; (ii) the Combination is withdrawn, terminates or lapses in accordance with its terms; (iii) prior to the Long Stop Date, International Paper invokes a Condition (in circumstances where invocation of the relevant Condition is permitted by the Panel); (iv) the Scheme is not approved at the Court Meeting, the resolutions to be proposed at the General Meeting are not passed or the Court refuses to sanction the Scheme; (v) such resolution or resolutions as are necessary to approve, effect and implement the Combination, including to authorise the creation, allotment and issue of the New International Paper Shares, are not passed at the International Paper Shareholder Meeting; or (vi) unless otherwise agreed by International Paper and DS Smith in writing or required by the Panel, the Effective Date has not occurred by the Long Stop Date; or

- upon service of notice by DS Smith to International Paper if: (i) International Paper makes an announcement prior to publication of the International Paper Proxy Statement that it will not convene the International Paper Shareholder Meeting or it intends not to file the International Paper Proxy Statement with the SEC or transmit it to International Paper Shareholders; (ii) the International Paper Proxy Statement does not include the International Paper Directors' recommendation; or (iii) the International Paper Directors change their recommendation in respect of the Combination.

9. Description of the Scheme and the DS Smith Meetings

Scheme

The Combination is to be implemented by means of a Court-sanctioned scheme of arrangement between DS Smith and the Scheme Shareholders who are on the register of members of DS Smith at the Scheme Record Time, under Part 26 of the Companies Act. This procedure requires approval by Scheme Shareholders at the Court Meeting and DS Smith Shareholders at the General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in Part Four (*The Scheme of Arrangement*) of this Document.

The purpose of the Scheme is to provide for Bidco (an indirect wholly-owned subsidiary of International Paper) to become the holder of the entire issued and to be issued share capital of DS Smith. In order to achieve this, the Scheme Shares held by Scheme Shareholders as at the Scheme Record Time will be transferred to Bidco. In consideration for this transfer, International Paper will allot and issue New International Paper Shares to Scheme Shareholders (at the Scheme Record Time) on the basis set out in paragraph 2 of this Part Two (*Explanatory Statement*) of this Document.

Meetings

The Scheme will require the approval of Scheme Shareholders at the Court Meeting and DS Smith Shareholders at the separate General Meeting, both of which will be held at De Vere Grand Connaught Rooms, 61-65 Great Queen Street, London WC2B 5DA on 7 October 2024 at 2.00 p.m. and 2.15 p.m. (London time), respectively (or, in the case of the General Meeting, if later, as soon thereafter as the Court Meeting has been concluded or adjourned).

The Court Meeting is being held with the permission of the Court to seek the approval of Scheme Shareholders for the Scheme. The approval required at the Court Meeting is a majority in number of the Scheme Shareholders who are present and vote, whether in person or by proxy, at the Court Meeting and who represent 75 per cent. or more in value of the Scheme Shares voted by those Scheme Shareholders.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings, you are therefore strongly encouraged to return your Forms of Proxy as soon as possible.

The General Meeting is being convened to seek the approval of DS Smith Shareholders to enable the DS Smith Directors to implement the Scheme and to amend the Articles of Association as described below. Voting at the General Meeting will be by poll and each DS Smith Shareholder present in person or by proxy will be entitled to one vote for each DS Smith Share held as at the Voting Record Time. The approval required for the Special Resolution to be passed is at least 75 per cent. of the votes cast on such resolution (in person or by proxy). In respect of the Special Resolution, each DS Smith Shareholder will be entitled to cast one vote for each DS Smith Share held.

Amendments to DS Smith's Articles of Association

The Special Resolution to be proposed at the General Meeting contains provisions to amend the Articles of Association to ensure that any DS Smith Shares issued (other than to International Paper):

- (i) between the General Meeting and the Scheme Record Time will be subject to the Scheme; and
- (ii) after the Scheme Record Time will automatically be acquired by Bidco on the same terms as under the Scheme. These provisions will avoid any person (other than International Paper)

holding DS Smith Shares after dealings in such shares have ceased on the London Stock Exchange.

The Special Resolution is set out in the notice of General Meeting in Part 11 (*Notice of General Meeting*) of this Document and seeks the approval of DS Smith Shareholders for such amendments.

Entitlement to vote at the Meetings

Each Scheme Shareholder (in respect of the Court Meeting) and DS Smith Shareholder (in respect of the General Meeting) who is entered in DS Smith's register of members at the Voting Record Time (expected to be 6.30 p.m. (London time) on 3 October 2024) will be entitled to attend and vote (in person or by proxy) on all resolutions to be put to the Court Meeting and General Meeting respectively. If either Meeting is adjourned, only those DS Smith Shareholders on the register of members at 6.30 p.m. on the day which is two Business Days before the relevant adjourned Meeting will be entitled to attend (in person or by proxy). Each eligible DS Smith Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him or her. A proxy need not be a DS Smith Shareholder.

The completion and return of the Forms of Proxy will not prevent you from attending and voting at the Court Meeting or the General Meeting if you are entitled to and wish to do so.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings (in person or by proxy), please contact the Company's Registrar, Equiniti, by calling the Shareholder Helpline between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding English and Welsh public holidays) on +44 (0) 333 207 6535 (calls from outside the UK will be charged at the applicable international rate and you should use the country code when calling from outside the UK) – calls may be recorded and monitored for training and security purposes. Please note that Equiniti cannot provide advice on the merits of the Combination or the Scheme or give any financial, legal or tax advice. Further information on the actions to be taken is set out in paragraph 18 of this Part Two (*Explanatory Statement*) of this Document.

10. International Paper Shareholder approval, the International Paper Prospectus and the International Paper Proxy Statement

International Paper will hold the International Paper Shareholder Meeting in connection with the proposed issuance of the New International Paper Shares. At the International Paper Shareholder Meeting, International Paper Shareholders will be asked to consider and vote on a proposal to approve the issuance of the New International Paper Shares as well as a proposal to adjourn the International Paper Shareholder Meeting to a later date or time, if necessary or appropriate, to solicit additional proxies in the event there are insufficient votes at the time of such adjournment to approve the issuance of the New International Paper Shares. Approval of the issuance of the New International Paper Shares requires the affirmative vote of the holders of a majority of International Paper Shares present in person or represented by proxy at the International Paper Shareholder Meeting.

The International Paper Proxy Statement will provide detailed information about the International Paper Shareholder Meeting, the Combination and the proposed issuance of the New International Paper Shares. International Paper will send the International Paper Proxy Statement and the corresponding proxy card to International Paper Shareholders in connection with the solicitation of proxies to be voted at the International Paper Shareholder Meeting.

In addition, on or around the date of this Document, the International Paper Prospectus will be made available on International Paper's website at <https://www.internationalpaper.com/offer-for-ds-smith-plc/documentation> and on DS Smith's website at www.dssmith.com/possible-offer. The International Paper Prospectus should be read alongside this Document and contains important further information on International Paper and the New International Paper Shares to be issued in connection with the Combination. The International Paper Prospectus also includes the key risks relating to: (i) International Paper, DS Smith and, following completion of the Combination, the Combined Company; (ii) the Combination; and (iii) ownership of the International Paper Shares.

11. The DS Smith Directors and the effect of the Scheme on their interests

Details of the interests of the DS Smith Directors in the share capital of DS Smith, and Awards in respect of such share capital, are set out in Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document. Scheme Shares held by the DS Smith Directors at the Scheme Record Time will be subject to the Scheme.

Details about irrevocable undertakings given to International Paper by the DS Smith Directors, including the circumstances in which they cease to be binding, are set out in paragraph 13 of Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document.

Particulars of the service agreements (including termination provisions) and letters of appointment of the DS Smith Directors are set out in paragraph 8 of Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document.

Arrangements between International Paper and DS Smith management

As detailed in the Co-operation Agreement, in order to promote the retention of Richard Pike, currently Group Financial Director of DS Smith, through to the completion of the Combination, International Paper has agreed that it shall make a cash retention payment to Richard Pike of 100 per cent. of his base annual salary conditional on Richard Pike remaining employed with a member of the DS Smith Group or International Paper Group on, and not having resigned prior to, the Effective Date (the “**CFO Retention Award**”). The CFO Retention Award will be paid, subject to and conditional on completion of the Combination and DS Smith being delisted from the London Stock Exchange, within 30 days of the Effective Date or, if later, the day following the date on which DS Smith is delisted from the London Stock Exchange. The total value of the CFO Retention Award is £550,000.

As required by, and solely for the purposes of, Rule 16.2 of the Code, Goldman Sachs International has reviewed the terms of the CFO Retention Award together with other information deemed relevant and advised DS Smith that the CFO Retention Award is fair and reasonable. In providing its advice, Goldman Sachs International has taken into account the commercial assessments of the DS Smith Directors. Goldman Sachs International is acting as the independent financial adviser to DS Smith for the purposes of Rule 3 of the Code.

12. DS Smith Share Schemes

Participants in the DS Smith Share Schemes will be contacted separately regarding the effect of the Scheme on their rights under the DS Smith Share Schemes and with details of the arrangements applicable to them.

A summary of the effect of the Scheme on outstanding Awards under the DS Smith Share Schemes is set out below. In the event of any conflict between the summary set out below and the rules of the relevant DS Smith Share Scheme or the DS Smith Directors’ remuneration policy (where applicable), the rules of the relevant DS Smith Share Scheme and the DS Smith Directors’ remuneration policy (where applicable) will prevail.

If participants receive DS Smith Shares as a result of the vesting and/or exercise of Awards before the Scheme Record Time, the Scheme will apply to those DS Smith Shares held at the Scheme Record Time in the same way as other DS Smith Shares.

As the Scheme will not extend to DS Smith Shares issued or transferred on or after the Scheme Record Time, it is proposed to amend the Articles of Association at the General Meeting to provide that, subject to the Scheme becoming Effective and the proposed amendments to the Articles of Association being approved at the General Meeting, any DS Smith Shares issued or transferred to any person on or after the Scheme Record Time (including in satisfaction of any Awards granted under one of the DS Smith Share Schemes) will be automatically transferred to, or to the order of, Bidco in consideration for the issue or transfer by International Paper to such persons of 0.1285 New International Paper Shares for each DS Smith Share so transferred on the same basis as under the Scheme.

Further information in respect of the proposed amendments to the Articles of Association is contained in the notice of General Meeting in Part 11 (*Notice of General Meeting*) of this Document.

DS Smith PSP

Outstanding Awards granted under the PSP which would not otherwise vest prior to the Court Sanction Date in the ordinary course will (in consequence of the Combination and in accordance with participants' contractual rights under the PSP) vest and become exercisable from the Court Sanction Date until the date one month after the Court Sanction Date (unless they lapse earlier in accordance with the rules of the PSP), subject to the DS Smith Remuneration Committee's decisions regarding performance assessment and time pro-rating, and any holding period shall cease to apply; provided, however, to the extent any Award outstanding under the PSP constitutes deferred compensation subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "**IRS Code**"), the treatment of such Award in connection with the Combination, including the payment or settlement of such Award, shall be effected in a manner that complies with Section 409A of the IRS Code.

- To the extent that the 2022 PSP Awards and 2023 PSP Awards have not already vested in the ordinary course prior to the Court Sanction Date, the current intention of the DS Smith Remuneration Committee is that the 2022 PSP Awards and 2023 PSP Awards shall vest on the Court Sanction Date subject to performance assessment, determined by the DS Smith Remuneration Committee on, or shortly before, the Court Sanction Date, with no application of time pro-rating. It is the current expectation of the DS Smith Remuneration Committee that all 2022 PSP Awards and 2023 PSP Awards will vest at a level which is no less than 66 per cent. of maximum.
- It is the current intention of the DS Smith Remuneration Committee that the 2024 PSP Awards and 2025 PSP Awards (to the extent each have been granted) shall vest subject to performance assessment which will be assessed by the DS Smith Remuneration Committee on, or shortly before the Court Sanction Date and time pro-rating (to the nearest whole month).

Any Awards granted under the PSP in the form of an option which are not exercised within one month after the Court Sanction Date will lapse (unless they lapse earlier in accordance with the rules of the PSP).

Any dividend equivalents in respect of any Award granted under the PSP which vests and/or becomes exercisable: (i) on the Court Sanction Date because of the Combination; or (ii) before the Court Sanction Date in the ordinary course, in each case calculated in accordance with normal practice and the rules of the PSP, will be settled in DS Smith Shares (or in cash if so determined by the DS Smith Remuneration Committee).

As soon as reasonably practicable after the Effective Date, International Paper will grant transition awards over International Paper Shares to all individuals who: (i) held outstanding 2024 PSP Awards and 2025 PSP Awards (to the extent each have been granted) immediately prior to the Court Sanction Date (the "**Relevant Awards**"); and (ii) were employed by any member of the DS Smith Group on the Effective Date (or immediately before the Effective Date) and who became employees of the International Paper Group on or around the Effective Date (the "**Equity Transition Awards**").

Each eligible participant's Equity Transition Award will be granted under (or on equivalent terms to) the International Paper Share Plan and will be equal in value to the value of the Relevant Awards held by the relevant individual which lapsed due to the application of time pro-rating (as calculated after the assessment of any applicable performance conditions and determined using the same ratio of DS Smith Shares to International Paper Shares delivered as consideration under the Scheme), and will accrue dividend equivalents in accordance with the rules of the International Paper Share Plan. Each Equity Transition Award will vest in full (or, at International Paper's discretion, be cancelled in exchange for a cash payment equal in value to the relevant number of underlying International Paper Shares less applicable taxes) on the original vesting date of the participant's Relevant Award that it replaces or on the date the participant leaves employment in certain limited circumstances which are described in the Co-operation Agreement, subject to the relevant individual remaining in employment with a member of the International Paper Group (or leaving employment in certain limited circumstances, as applicable) and with no further assessment of performance conditions on that date and no post-vesting holding periods.

CFO Recruitment Award

Any outstanding Awards granted under the CFO Recruitment Award that have not vested in the ordinary course before the Court Sanction Date will vest in accordance with the terms of the CFO Recruitment Award and any holding period will cease to apply. The current intention of the DS Smith Remuneration Committee is that any outstanding Awards under the CFO Recruitment Award shall vest with no application of time pro-rating but subject to performance assessment. It is the current expectation of the DS Smith Remuneration Committee that such Awards will vest at a level which is no less than 66 per cent. of maximum.

Any dividend equivalents in respect of any Award granted under the CFO Recruitment Award which vests and/or becomes exercisable: (i) on the Court Sanction Date because of the Combination; or (ii) before the Court Sanction Date in the ordinary course, in each case calculated in accordance with normal practice, will be settled in DS Smith Shares (or in cash if determined by the DS Smith Remuneration Committee).

DSBP

Outstanding Awards granted under the DSBP that have not vested or become exercisable in the ordinary course prior to the Court Sanction Date will (in consequence of the Combination and in accordance with participants' contractual rights under the DSBP) vest and any holding period applicable to Awards granted under the DSBP, or any DS Smith Shares in respect thereof, shall cease to apply on the Court Sanction Date. It is the current intention of the DS Smith Remuneration Committee that DSBP Awards will vest with no application of time pro-rating and become exercisable for a period of one month from the Court Sanction Date (unless they lapse earlier in accordance with the rules of the DSBP). Awards granted under the DSBP in 2023 subject to performance conditions, shall vest on the Court Sanction Date subject to performance assessment, determined by the DS Smith Remuneration Committee on, or shortly before, the Court Sanction Date, and it is the current expectation of the DS Smith Remuneration Committee that any such awards will vest at a level which is no less than 66 per cent. of maximum.

Any Awards granted under the DSBP in the form of an option which are not exercised within one month after the Court Sanction Date will lapse (unless they lapse earlier in accordance with the rules of the DSBP).

Any dividend equivalents in respect of any Award granted under the DSBP which vests and/or becomes exercisable: (i) on the Court Sanction Date because of the Combination; or (ii) before the Court Sanction Date in the ordinary course, in each case calculated in accordance with normal practice, will be settled in DS Smith Shares (or in cash if determined by the DS Smith Remuneration Committee).

UK Sharesave, International Sharesave and USSPP

Outstanding Sharesave Awards which would not otherwise become exercisable prior to the Court Sanction Date will (in consequence of the Combination and in accordance with participants' contractual rights under the UK Sharesave, International Sharesave or the USSPP, as applicable) become exercisable for a period of six months following the Court Sanction Date (unless they lapse earlier in accordance with the rules of the UK Sharesave, International Sharesave or the USSPP, as applicable) to the extent of the participants' savings at the time of exercise and will lapse thereafter.

Participants will be able to elect in advance to exercise their options under the UK Sharesave, International Sharesave or the USSPP, as applicable, conditional on the Court sanctioning the Scheme. Participants who do so will receive a one-off cash payment via payroll after the Effective Date (grossed-up to cover income tax and employee social security contributions, as applicable). Such payment shall be made up of:

- an amount equal to the value that the participants would have received: (i) for the DS Smith Shares subject to Sharesave Awards which lapse as a result of exercise on the Court Sanction Date, if such participants had exercised their Sharesave Awards on their normal maturity date to the fullest extent possible using the additional savings they would have made from the Court Sanction Date until maturity and, for International Sharesave and USSPP participants, any top-up payment required to exercise to the fullest extent possible due to exchange rate fluctuations over the savings period, and sold such resulting DS Smith Shares to Bidco in exchange for 0.1285 New International Paper Shares for each DS Smith Share, calculated using the share price of a

New International Paper Share on the Effective Date, less the aggregate exercise price and any applicable taxes and social security contributions that would have been payable in respect of the exercise of the lapsed portions of such Sharesave Awards; and (ii) for UK Sharesave participants, from any cash bonus payable under the relevant savings contract; and

- for those participants who hold Sharesave Awards which, were it not for the Combination, would benefit from tax advantaged treatment in the UK, France and the US, an amount to put the participant in the position they would have been in had they been able to exercise their Sharesave Awards and (where applicable) sell the resulting shares in such a tax advantaged manner. For the avoidance of doubt, such payment shall take into account any tax advantaged treatment actually received by a participant on exercise, such that, to the extent a participant is able to exercise their Sharesave Award (either in full or in part) in a tax advantaged manner, their payment shall be reduced accordingly.

13. De-listing of DS Smith Shares and re-registration, Listing of, and dealings in, New International Paper Shares and settlement

De-listing of DS Smith Shares and re-registration

The last day of dealings in, and registration of transfers of, DS Smith Shares on the London Stock Exchange, will be the business day immediately after the Court Hearing, following which DS Smith Shares will be suspended from the Official List and from the London Stock Exchange's Main Market for listed securities.

Prior to the Effective Date, it is intended that applications will be made to the London Stock Exchange for DS Smith Shares to cease to be admitted to trading on its Main Market for listed securities, and to the FCA for the listing of DS Smith Shares on the Official List to be cancelled. It is expected that the cancellation of admission and listing of the DS Smith Shares will take effect from a date falling three Business Days immediately after the Court Hearing to sanction the Scheme.

On the Effective Date, entitlements to Scheme Shares held within CREST will be cancelled, and share certificates in respect of Scheme Shares held in certificated form will cease to be valid documents of title and should be destroyed or, at the request of DS Smith, delivered up to DS Smith, or to any person appointed by DS Smith to receive the same.

Bidco has undertaken, and International Paper has undertaken to procure, as soon as practicable after the Effective Date and after the cancellation of the admission to trading in DS Smith Shares on the London Stock Exchange's Main Market for listed securities and the cancellation of the listing of the DS Smith Shares on the Official List, that it will re-register DS Smith as a private limited company under the relevant provisions of the Companies Act.

Listing of and dealings in New International Paper Shares

An application will be made to the New York Stock Exchange for the New International Paper Shares to be admitted to trading on the New York Stock Exchange. It is expected that, subject to the Scheme becoming Effective, admission of the New International Paper Shares to trading on the New York Stock Exchange will become effective, and that dealings for normal settlement will commence, on or around 8.00 a.m. (New York time) on the Effective Date.

An application will be made to the FCA for the International Paper Shares to be admitted to the equity shares (international commercial companies secondary listing) category of the Official List (in accordance with the Listing Rules and FSMA).

An application will also be made for all International Paper Shares (including, for the avoidance of doubt, the New International Paper Shares) to be admitted to trading on the Main Market for listed securities of the London Stock Exchange.

It is expected that, subject to the Scheme becoming Effective, Admission will become effective and that dealings in the International Paper Shares (including the New International Paper Shares) will commence on the London Stock Exchange by 8.00 a.m. on or around the Business Day following the Effective Date.

Settlement

Subject to the Scheme becoming effective (and except as provided in Part Seven (*Additional Information for Overseas Shareholders*) of this Document in relation to certain overseas DS Smith Shareholders), settlement of the consideration to which any DS Smith Shareholder is entitled under the Scheme will be effected in the following manner:

(A) *DS Smith Shares in uncertificated form (that is, in CREST)*

Issue of International Paper DIs representing entitlement to New International Paper Shares

Unlike the DS Smith Shares, the International Paper Shares are not capable of being held, transferred or settled directly through the CREST settlement system. For this reason, Scheme Shareholders who hold their DS Smith Shares in uncertificated form in CREST will not be issued with New International Paper Shares directly but will be issued with International Paper DIs. The International Paper DIs reflect the economic rights attached to the New International Paper Shares.

However, while the holders of International Paper DIs will have an interest in the underlying New International Paper Shares, they will not be the registered holders of the New International Paper Shares.

New International Paper Shares to which Scheme Shareholders will be entitled under the Scheme will be delivered, held and settled in CREST under the terms of the International Paper DI deed poll created and issued by the DI Depository on International Paper's instructions. This service operates through the DI Depository holding the book entry interest in New International Paper Shares through the DI Custodian, which is a DTC participant. The International Paper DIs may be held, transferred and settled exclusively through CREST. The terms on which the International Paper DIs are issued and held in CREST will be set out in the International Paper DI deed poll.

On settlement, International Paper will instruct the Transfer Agent to effect the credit of the relevant New International Paper Shares through DTC to the securities deposit account of the DI Custodian, as custodian for the DI Depository. The DI Depository will then issue the International Paper DIs through CREST to the deposit accounts in CREST in which each relevant Scheme Shareholder previously held its DS Smith Shares.

As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course.

International Paper reserves the right to issue the New International Paper Shares referred to above to all or any Scheme Shareholder(s) through DRS in the manner referred to in sub-paragraph (B) below if, for any reason, it wishes to do so.

Rights attaching to International Paper DIs

The registered holder of the New International Paper Shares represented by International Paper DIs will be Cede & Co., as nominee of DTC. The DI Depository's custodian for those New International Paper Shares, represented by book-entry interests in the DTC system, will be the DI Custodian, who will hold them through the DTC system.

The DI Depository will, via the DI Custodian, hold those New International Paper Shares on trust (as bare trustee under English law) for the holders of Scheme Shares in uncertificated form to whom it will issue International Paper DIs.

Under International Paper's arrangements with the DI Depository, unless otherwise determined by International Paper, the DI Depository will make a copy of the register of the names and addresses of International Paper DI holders available to International Paper. Under the agreement between International Paper and the DI Depository, the DI Depository will (a) send out notices of shareholder meetings and forms of instruction to the International Paper DI holders; and (b) produce a definitive list of International Paper DI holders as at the record date for such shareholder meetings. In addition, the DI Depository and the DI Custodian have omnibus proxy arrangements pursuant to which the DI Custodian will be able to grant each International Paper

DI holder the right to vote in respect of such holder's underlying New International Paper Shares, as is further provided to the DI Custodian by Cede & Co.

As a result, the holders of International Paper DIs will be able to: (a) receive notices of general shareholder meetings of International Paper; (b) give directions as to voting at general shareholder meetings of International Paper; and (c) have made available to them and be sent, at their request, copies of the annual report and accounts of International Paper and all other documents issued by International Paper to International Paper Shareholders generally.

Holders of International Paper DIs will, to the extent possible, otherwise be treated in the same manner as if they were registered holders of New International Paper Shares underlying their International Paper DIs, in each case in accordance with applicable law and, so far as is possible, in accordance with CREST arrangements and the International Paper DI deed poll.

International Paper will enter into arrangements with the DI Depository and the Transfer Agent pursuant to which the DI Depository will be instructed to credit the appropriate stock account in CREST of the relevant Scheme Shareholder with such relevant Scheme Shareholder's entitlement to International Paper DIs as soon as practicable after the Effective Date and in any event within 14 days thereof. Holders of International Paper DIs through CREST will be able to cancel their International Paper DIs by submitting a cross-border delivery instruction in respect of the underlying New International Paper Shares through CREST to the DI Depository, which includes the account information of their nominated DTC participant to which the New International Paper Shares should be delivered, in accordance with the rules and practices of the DI Depository, CREST and DTC.

With effect from close of trading on the last day of dealings in the DS Smith Shares prior to the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares and transaction records will subsequently be removed from CREST.

(B) *DS Smith Shares in certificated form*

The New International Paper Shares to which Scheme Shareholders who hold DS Smith Shares in certificated form become entitled will be allotted and issued to them directly through DRS by the Transfer Agent on International Paper's instructions and the name of each such Scheme Shareholder will be entered as the registered owner of the relevant number of New International Paper Shares. DRS is a method of recording entitlement to International Paper Shares in book-entry form which enables the Transfer Agent (the equivalent of a registrar in the UK) to maintain those shares electronically in International Paper's records on behalf of the relevant Scheme Shareholder without the need for a physical share certificate to be issued.

The DRS method of share recording is commonly used in the US. Shares held in DRS have all the traditional rights and privileges of shares held in certificated form. Scheme Shareholders who receive their New International Paper Shares through DRS will be sent a book-entry account statement of ownership evidencing such Scheme Shareholder's ownership of New International Paper Shares by the Transfer Agent shortly after and in any event within 14 days of the Effective Date. Along with the statement of ownership, such Scheme Shareholders will also be sent a booklet containing further information about DRS, including further details on how the New International Paper Shares can be held, transferred or otherwise traded through the DRS system. Proxy materials, annual reports and other shareholder communications will be mailed from International Paper and/or its voting agent directly to the Scheme Shareholders who hold their New International Paper Shares through DRS.

Persons holding New International Paper Shares through DRS who wish to dispose of any of their New International Paper Shares may do so by contacting the Transfer Agent or any broker or custodian that is a DTC participant. The dealing services provided by and fees chargeable by different brokers may change from time to time and will vary between each broker and custodian.

Any dividends paid on the New International Paper Shares held through DRS will be paid to holders of New International Paper Shares by cheque in US Dollars, provided that a holder of New International Paper Shares may, if such holder so wishes and subject to certain limitations, contact the Transfer Agent requesting that payment in respect of dividends or other distributions

(if any) on such New International Paper Shares be made directly to such holder's bank account (assuming, in each case, that such person remains a holder of New International Paper Shares as of any relevant dividend record date) and/or in an alternative currency, subject to the terms of an international currency exchange service as may be provided by the Transfer Agent.

Further information will be set out in the booklet that will be sent together with the statement of ownership. Scheme Shareholders who receive New International Paper Shares through DRS, but subsequently wish to hold the New International Paper Shares through a DTC participant, may instruct their DTC broker to transfer their New International Paper Shares into such DTC participant's account. Details of the manner in which such instructions may be given will be available from your appointed DTC broker.

(C) *Fractional entitlements*

Fractions of New International Paper Shares will not be issued to DS Smith Shareholders.

Where, at the Scheme Record Time, a Scheme Shareholder holds DS Smith Shares in uncertificated form, any cash in lieu of any fractional entitlements to New International Paper Shares, to be calculated pursuant to clause 6(A) of the Scheme of Arrangement set out in Part Four (*The Scheme of Arrangement*) of this Document, will be paid to such person through CREST by International Paper procuring, via the DI Depository, the creation of an assured payment obligation in favour of the appropriate CREST account through which the Scheme Shareholder holds such uncertificated DS Smith Shares in respect of any cash due to such person within 14 days of the Effective Date, provided that International Paper shall reserve the right to pay all or part of such consideration by cheque in Pounds Sterling drawn on a UK clearing bank.

Where, at the Scheme Record Time, a Scheme Shareholder holds DS Smith Shares in certificated form, any cash in lieu of any fractional entitlements to New International Paper Shares, to be calculated pursuant to clause 6(A) of the Scheme of Arrangement set out in Part Four (*The Scheme of Arrangement*) of this Document, will be despatched: (a) by first class post, by cheque drawn on a branch of a UK clearing bank; or (b) by such other method as may be approved by the Panel.

All such cash payments will be made in Pounds Sterling. Payments made by cheque will be payable to the Scheme Shareholder concerned or, in the case of joint holders, to all joint holders on the register of members of DS Smith. Cheques will be despatched not later than the fourteenth day following the Effective Date to the person entitled thereto at the address as appearing in the register of members of DS Smith at the Scheme Record Time. Neither International Paper nor any of its nominee(s) or agents shall be responsible for any loss or delay in the transmission of cheques sent in this way, and such cheques shall be sent entirely at the risk of the person entitled thereto.

(D) *General*

All documents and remittances sent to, from, by or on behalf of DS Smith Shareholders will be sent entirely at their own risk.

On the Effective Date each certificate representing a holding of Scheme Shares will cease to be a valid document of title and should be destroyed or, at the request of DS Smith, delivered up to DS Smith, or to any person appointed by DS Smith to receive the same. At the Scheme Record Time entitlements to Scheme Shares held within CREST will be disabled and all Scheme Shares will be removed from CREST in due course.

All communication preferences and mandates relating to the payment of dividends and other instructions given to DS Smith by DS Smith Shareholders in force at the Scheme Record Time relating to holdings of DS Smith Shares will not become a valid instruction in respect of the corresponding New International Paper Shares, and new communication and payment preferences will need to be provided following the issuance of New International Paper Shares. Details of how to submit these instructions will be provided with the DRS statements.

Except with the consent of the Panel, settlement of the consideration to which any DS Smith Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which International Paper might otherwise be, or claim to be, entitled against such DS Smith Shareholder.

14. DS Smith Capital Reduction

As soon as practicable after the Effective Date and after the re-registration of DS Smith as a private limited company as referred to in paragraph 13 above having become effective, Bidco has undertaken, and International Paper has undertaken to procure, that DS Smith: (i) shall cancel DS Smith's existing share capital using the solvency statement procedure set out in Chapter 10 of Part 17 of the Companies Act (the "**Solvency Statement Capital Reduction**"); and (ii) simultaneously issue new ordinary shares to Bidco, fully paid up, to ensure that there is still at least one share of DS Smith in issue following the Solvency Statement Capital Reduction.

Without the Solvency Statement Capital Reduction taking place, DS Smith Shareholders who are UK Holders (as defined in paragraph 15 below) would not be eligible for "reorganisation relief" in accordance with the relevant rules of the Taxation of Chargeable Gains Act 1992 ("**TCGA 1992**"). See paragraph 15 below for further tax-related information concerning UK Holders.

Pursuant to the IP and Bidco Undertakings, Bidco has undertaken, and International Paper has undertaken to procure, that it effects the re-registration of DS Smith as a private limited company as referred to in paragraph 13 above and implements the Solvency Statement Capital Reduction, in each case as soon as practicable after the Effective Date. See paragraph 11.1 of Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document for further information on the IP and Bidco Undertakings.

15. United Kingdom taxation

The comments set out below summarise certain limited aspects of the UK taxation treatment of certain DS Smith Shareholders under the Scheme and do not purport to be a complete analysis of all UK tax considerations relating to the Scheme. They are based on current UK legislation and what is understood to be current HMRC practice, both of which are subject to change, possibly with retrospective effect.

The comments are intended as a general guide and do not deal with certain types of DS Smith Shareholder such as charities, dealers in securities, persons who have or could be treated for tax purposes as having acquired their DS Smith Shares by reason of their employment, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies.

References below to "UK Holders" are to DS Smith Shareholders who are resident for tax purposes in only the United Kingdom, who hold their DS Smith Shares as an investment (other than under a personal equity plan or individual savings account) and who are the absolute beneficial owners of their DS Smith Shares.

References below to "New International Paper Shares" shall be deemed to include International Paper DIs.

IF YOU ARE IN ANY DOUBT ABOUT YOUR TAX POSITION OR YOU ARE SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UNITED KINGDOM, YOU SHOULD CONSULT AN APPROPRIATELY QUALIFIED INDEPENDENT PROFESSIONAL ADVISOR IMMEDIATELY.

United Kingdom Taxation of Chargeable Gains ("CGT")

The tax treatment of each UK Holder under the Scheme for the purposes of CGT will depend on the individual circumstances of that UK Holder.

UK Holders will receive 0.1285 New International Paper Shares in respect of each DS Smith Share. Subject to the following paragraph, the exchange of DS Smith Shares for New International Paper Shares and subsequent cancellation of the DS Smith Shares by way of the Solvency Statement Capital Reduction should be treated as a reorganisation for CGT purposes. UK Holders are advised that

clearance has been obtained from HMRC that it is satisfied that the transfer of DS Smith Shares in exchange for the issue of New International Paper Shares and subsequent cancellation of DS Smith Shares falls within the conditions of section 136 of the TCGA 1992. Accordingly, UK Holders should not be treated as having made a disposal of their DS Smith Shares for CGT purposes. Instead, the New International Paper Shares so received should generally be treated as the same asset, acquired at the same time and for the same consideration, as the DS Smith Shares.

More generally, a UK Holder who, alone or together with persons connected with them, holds more than 5 per cent. of, or of any class of, DS Smith Shares or debentures of DS Smith will be eligible for the treatment described above provided that the Scheme is effected for bona fide commercial reasons and does not form part of a scheme or arrangements of which the main purpose, or one of the main purposes, is an avoidance of liability to capital gains tax or corporation tax. Such UK Holders are advised that no clearance has been or will be sought from HMRC under section 138 of the TCGA 1992 that HMRC is satisfied that the Scheme will be effected for bona fide commercial reasons and will not form part of any such scheme or arrangements.

To the extent that a UK Holder receives cash in respect of fractional entitlements to New International Paper Shares, that UK Holder should, except to the extent referred to in the following paragraph, be treated as making a disposal or part disposal of the relevant DS Smith Shares they hold for CGT purposes which may, depending on the UK Holder's individual circumstances (including the availability of exemptions, reliefs and allowable losses), give rise to a liability to CGT.

If a UK Holder receives New International Paper Shares as well as cash consideration as a result of a right to a fractional entitlement and the amount of cash received is "small" in comparison with the value of their DS Smith Shares, the UK Holder may not be treated as having disposed of the DS Smith Shares in respect of which the cash was received. Instead, the cash should be treated as a deduction from the base cost of their DS Smith Shares rather than as a part disposal. Under current HMRC practice, any cash payment of £3,000 or less or which is 5 per cent. or less of the market value of a UK Holder's holding of DS Smith Shares should generally be treated as "small" for these purposes.

UK Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

No UK stamp duty or SDRT should generally be payable by DS Smith Shareholders on the transfer of their DS Smith Shares or the issue of New International Paper Shares to them under the Scheme.

Tax consequences of New International Paper Shares

New International Paper Shares – CGT

A subsequent disposal of New International Paper Shares may, depending on the UK Holder's individual circumstances (including the availability of exemptions, reliefs and allowable losses), give rise to a liability to CGT. UK Holders who are issued New International Paper Shares pursuant to the Scheme are referred to the International Paper Prospectus (for which International Paper, the International Paper Directors and the proposed directors are responsible) for a description in respect of disposals of those shares.

Dividends on New International Paper Shares

UK Holders who are issued New International Paper Shares pursuant to the Scheme are referred to the International Paper Prospectus (for which International Paper, the International Paper Directors and the proposed directors are responsible) for a description of the UK taxation position in respect of dividends on those shares.

New International Paper Shares – UK Stamp Duty and SDRT

No UK stamp duty should arise on subsequent transfers of the New International Paper Shares, provided that the New International Paper Shares are only registered on a register outside the United Kingdom and provided that no instrument of transfer either is executed in the United Kingdom or relates to anything done or to be done in the United Kingdom.

No SDRT should arise in respect of a subsequent agreement to transfer New International Paper Shares, provided that the New International Paper Shares are: (i) issued or raised by a body corporate that is not incorporated, and whose central management and control is not exercised, in the United Kingdom; (ii) not registered in a register kept in the United Kingdom by or on behalf of the body

corporate by which they are issued or raise; and (iii) are of the same class in the body corporate as securities which are listed on a recognised stock exchange overseas. It is intended that the New International Paper Shares will satisfy these conditions.

Stamp duty and SDRT are normally liabilities borne by the purchaser.

16. United States Taxation

The following is a discussion of the material U.S. federal income tax considerations to U.S. Holders (as defined below) of the Combination and to Non-U.S. Holders (as defined below) of the ownership and disposition of New International Paper Shares or International Paper DIs received in the Combination. The summary is based on the U.S. Internal Revenue Code of 1986, as amended (the “**Internal Revenue Code**”), its legislative history, the U.S. Treasury Regulations promulgated under the Internal Revenue Code, published positions of the Internal Revenue Service (the “**IRS**”), and judicial and administrative rulings in effect as of the date of this Document, all of which are subject to change, possibly with retroactive effect, and any such change could affect the accuracy of the statements and conclusions set forth in this discussion. This discussion is limited to U.S. Holders and Non-U.S. Holders of DS Smith Shares who hold their DS Smith Shares, and will hold their New International Paper Shares or International Paper DIs received in the Combination, as a capital asset under Section 1221 of the Internal Revenue Code (generally, property held for investment).

For purposes of this discussion, the term “U.S. Holder” means a beneficial owner of DS Smith Shares and, after the Combination, New International Paper Shares or International Paper DIs that is, for U.S. federal income tax purposes:

- (1) an individual citizen or resident of the United States;
- (2) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organised under the laws of the United States, any state thereof, or the District of Columbia;
- (3) an estate that is subject to U.S. federal income tax on its income regardless of its source; or
- (4) a trust if it (a) is subject to the primary supervision of a U.S. court and one or more United States persons (as defined in Section 7701(a)(30) of the Internal Revenue Code) have the authority to control all substantial decisions of the trust, or (b) has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

A “Non-U.S. Holder” means a beneficial owner of DS Smith Shares and, after the Combination, New International Paper Shares or International Paper DIs received in the Combination that is neither a U.S. Holder nor a partnership for U.S. federal income tax purposes.

In general, for U.S. federal income tax purposes, a holder of International Paper DIs will be treated as the beneficial owner of the underlying New International Paper Shares represented by the depositary interests.

This summary is not a complete description of all the tax consequences of the Combination to U.S. Holders or the ownership and disposition of New International Paper Shares or International Paper DIs received in the Combination to Non-U.S. Holders and, in particular, does not address the U.S. federal income tax considerations applicable to U.S. Holders and Non-U.S. Holders who are subject to special treatment under U.S. federal income tax law, including, without limitation:

- partnerships, subchapter S corporations or other pass-through entities (and investors therein);
- banks or other financial institutions;
- brokers or dealers in securities, stocks, commodities or currencies;
- taxpayers that are subject to mark-to-market accounting rules;
- insurance companies;
- tax-exempt entities or organisations or governmental organisations;

- regulated investment companies;
- real estate investment trusts;
- mutual funds;
- “controlled foreign corporations”, “passive foreign investment companies”, “qualified foreign pension funds” and corporations that accumulate earnings to avoid U.S. federal income tax;
- tax-qualified retirement plans, individual retirement accounts or other tax-deferred accounts;
- holders that actually or constructively own ten per cent. (10%) or more (by vote or value) of DS Smith Shares, or, following the Combination, New International Paper Shares or International Paper DIs;
- holders that actually or constructively own both DS Smith Shares and International Paper Shares;
- U.S. expatriates and former citizens or long-term residents of the United States;
- holders whose functional currency is not the U.S. dollar;
- holders subject to special tax accounting rules as a result of any item of gross income with respect to DS Smith Shares (or, after the Combination, New International Paper Shares or International Paper DIs) being taken into account in an “applicable financial statement” as defined in Section 451(b) of the Internal Revenue Code;
- holders deemed to hold DS Smith Shares or International Paper Shares under the constructive sale provisions of the Internal Revenue Code;
- holders of options granted under any DS Smith benefit plan;
- holders who acquired DS Smith Shares pursuant to or in connection with options or other compensation arrangements; and
- holders who hold DS Smith Shares or International Paper Shares as part of a hedge, straddle, conversion, or other integrated transaction.

In addition, no information is provided with respect to the tax consequences of the Combination to U.S. Holders or the ownership or disposition of New International Paper Shares or International Paper DIs received in the Combination to Non-U.S. Holders under the U.S. federal estate, gift, Medicare, net investment income and alternative minimum tax laws, or any applicable state, local, or non-U.S. tax laws.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds DS Smith Shares and, after the Combination, New International Paper Shares or International Paper DIs received in the Combination, the tax treatment of a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. Any entity treated as a partnership for U.S. federal income tax purposes that holds DS Smith Shares and, after the Combination, New International Paper Shares or International Paper DIs received in the Combination and any partners in such partnership, should consult their tax advisors regarding the tax consequences of the Combination and the ownership and disposition of New International Paper Shares or International Paper DIs received in the Combination in light of their specific circumstances.

The tax consequences of the Combination and the ownership and disposition of New International Paper Shares or International Paper DIs received in the Combination will depend on your specific situation. You should consult your tax advisor as to the U.S. federal income tax consequences of the Combination and the ownership and disposition of New International Paper Shares or International Paper DIs received in the Combination to you in light of your particular circumstances, as well as the applicability and effect of the alternative minimum tax and any state, local, and non-U.S. income or other tax laws and of any changes in those laws.

Material U.S. Federal Income Tax Consequences of the Combination to U.S. Holders

Receipt of Consideration in General

DS Smith expects that the receipt of New International Paper Shares or International Paper DIs in exchange for DS Smith Shares pursuant to the Combination will be a taxable transaction for U.S. federal income tax purposes.

Subject to the discussion below under “—*Passive Foreign Investment Company Rules*,” a U.S. Holder generally will recognise gain or loss for U.S. federal income tax purposes equal to the difference, if any, between: (i) the fair market value of the New International Paper Shares or International Paper DIs received pursuant to the Combination (including any cash received in lieu of fractional New International Paper Shares); and (ii) such U.S. Holder’s aggregate adjusted tax basis in the DS Smith Shares surrendered in exchange therefor, as applicable. A U.S. Holder’s adjusted tax basis in the DS Smith Shares generally will be the U.S. dollar value (on the date of purchase) of the amount paid by the U.S. Holder to purchase the DS Smith Shares.

If DS Smith neither is, nor has been, a PFIC (as defined below) for any taxable year included in a U.S. Holder’s holding period for its DS Smith Shares, such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the holder’s holding period for such DS Smith Shares exceeds one year as of the date of the Combination. Long-term capital gains of certain non-corporate holders, including individuals, currently are generally subject to U.S. federal income tax at preferential rates. The deductibility of capital losses is subject to limitations. If a U.S. Holder acquired different blocks of DS Smith Shares at different times or at different prices, such U.S. Holder must determine its tax basis, holding period, and gain or loss separately with respect to each block of DS Smith Shares.

A U.S. Holder’s tax basis in the New International Paper Shares or International Paper DIs received in the Combination will equal the fair market value of the New International Paper Shares or International Paper DIs as of the Effective Date. A U.S. Holder’s holding period for the New International Paper Shares or International Paper DIs received in the Combination will begin on the day following the Effective Date.

Passive Foreign Investment Company Rules

If DS Smith were characterised as a passive foreign investment company (a “**PFIC**”) for any year during a U.S. Holder’s holding period for its DS Smith Shares, then certain potentially adverse rules may affect the U.S. federal income tax consequences to such U.S. Holder and result in U.S. federal income tax consequences different from those described above. A non-U.S. corporation is classified as a PFIC for U.S. federal income tax purposes in any taxable year in which, after applying relevant look-through rules with respect to the income and assets of its subsidiaries, either: (1) 50% or more of the value of the corporation’s assets either produce passive income or are held for the production of passive income, based on the quarterly average of the fair market value of such assets; or (2) at least 75% of the corporation’s gross income is passive income, in each case, as determined under the PFIC rules.

DS Smith does not believe that it was a PFIC for its taxable year ended 30 April 2024 and based on the current and anticipated composition of the income, assets and operations of DS Smith and its subsidiaries, DS Smith does not expect to be a PFIC for the taxable year ending 30 April 2025, or a short taxable year if the current taxable year ends before 30 April 2025 as a result of any group restructuring following the Combination. The determination of whether any corporation was, or will be, a PFIC for a taxable year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, because the determination of whether a corporation will be a PFIC for any taxable year can only be made after the close of such taxable year, whether DS Smith will be a PFIC for the taxable year during which the Combination is completed will not be known as of the effective date of the Combination. There can be no assurance that the IRS will not challenge any determination made by DS Smith concerning its PFIC status.

If DS Smith is or has been a PFIC for any taxable year included in a U.S. Holder’s holding period for its DS Smith Shares, such U.S. Holder generally will be subject to special rules with respect to any gain recognised on the receipt of New International Paper Shares or International Paper DIs pursuant to the Combination, which could result in adverse tax consequences to such U.S. Holder. Under these special rules, any gain will generally be allocated ratably over the U.S. Holder’s holding period for the DS Smith Shares. The amount of gain allocated to the taxable year in which the Combination is implemented, and any taxable year prior to the first taxable year in which DS Smith became a PFIC, will be treated as

ordinary income for the taxable year in which the Combination is implemented. The amount allocated to each other year will be subject to the highest tax rate in effect for that year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year. At the same time, any loss that a U.S. Holder recognizes in the Combination will generally be a capital loss. The deductibility of capital losses is subject to limitations.

A U.S. Holder that owns an equity interest in a PFIC may have to file an IRS Form 8621 and such other information as may be required by the U.S. Treasury Department.

Material U.S. Federal Income Tax Consequences of the Ownership and Disposition of New International Paper Shares or International Paper DIs to Non-U.S. Holders

Distributions with Respect to New International Paper Shares or International Paper DIs

In general, any distributions of cash or property made to a Non-U.S. Holder with respect to New International Paper Shares or International Paper DIs that constitute dividends for U.S. federal income tax purposes will be subject to U.S. withholding tax at a rate of 30% of the gross amount (or a reduced rate prescribed by an applicable income tax treaty provided the Non-U.S. Holder properly certifies as to its eligibility for such reduced rate). A distribution will constitute a dividend for U.S. federal income tax purposes to the extent of International Paper's current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Any distribution not constituting a dividend will be treated as first reducing the adjusted tax basis in the Non-U.S. Holder's New International Paper Shares or International Paper DIs and, to the extent it exceeds the adjusted tax basis in the Non-U.S. Holder's New International Paper Shares, as gain from the sale or exchange of such shares. Any such gain will be subject to the treatment described below under "*—Sale, Exchange or Other Taxable Disposition of New International Paper Shares or International Paper DIs*".

Dividends that are effectively connected with a U.S. trade or business (and, if an income tax treaty applies, attributable to a U.S. permanent establishment) of a Non-U.S. Holder generally will not be subject to U.S. withholding tax if the Non-U.S. Holder complies with applicable certification and disclosure requirements. Instead, such dividends generally will be subject to U.S. federal income tax on a net income basis, in the same manner as if the Non-U.S. Holder were a resident of the United States. A Non-U.S. Holder that is a corporation may be subject to an additional "branch profits tax" at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on its "effectively connected earnings and profits," subject to certain adjustments.

Sale, Exchange or Other Taxable Disposition of New International Paper Shares or International Paper DIs

In general, a Non-U.S. Holder will not be subject to U.S. federal income or, subject to the discussion under the headings "*—Information Reporting and Backup Withholding*" and "*—Foreign Account Tax Compliance Act*", U.S. federal withholding tax on any gain realized upon the sale or other disposition of New International Paper Shares or International Paper DIs unless:

- such gain is "effectively connected" with a trade or business of the Non-U.S. Holder in the United States (and, if required by an applicable income tax treaty, is attributable to the Non-U.S. Holder's permanent establishment in the United States);
- the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of the exchange and certain other conditions are met; or
- the Non-U.S. Holder owned, directly or under certain constructive ownership rules of the Internal Revenue Code, more than five percent (5%) of the outstanding New International Paper Shares at any time during the five-year period preceding the date of disposition, and International Paper is, or has been during the shorter of the five-year period preceding the date of disposition or the period that the Non-U.S. Holder held New International Paper Shares, a "United States real property holding corporation" or "USRPHC" under the Internal Revenue Code.

Gains described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis, at generally applicable U.S. federal income tax rates. Any gain described in the first bullet point above of a Non-U.S. Holder that is a corporation may also be subject to an additional "branch profits tax" at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty). A Non-U.S. Holder described in the second bullet point immediately above will be subject to tax

at a flat rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on any gain recognised, which may be offset by U.S.-source capital losses recognised by the Non-U.S. Holder in the same taxable year. If the third bullet point above applies to a Non-U.S. Holder, gain recognised by such holder will be subject to U.S. federal income tax on a net income basis, at generally applicable U.S. federal income tax rates. DS Smith has been informed that International Paper believes that it is not, and does not expect to be, a USRPHC under the Internal Revenue Code, although no assurances can be given in this regard.

Information Reporting and Backup Withholding

Payments of distributions on New International Paper Shares or International Paper DIs will not be subject to backup withholding, provided the applicable withholding agent does not have actual knowledge or reason to know the holder is a United States person and the holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E, or W-8ECI, or otherwise establishes an exemption. Information returns are required to be filed with the IRS in connection with any distributions on New International Paper Shares or International Paper DIs paid to the Non-U.S. Holder, regardless of whether such distributions constitute dividends or whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of New International Paper Shares or International Paper DIs within the United States or conducted through certain U.S.-related brokers generally will not be subject to backup withholding or information reporting if the applicable withholding agent receives the certification described above and does not have actual knowledge or reason to know that such holder is a United States person or the holder otherwise establishes an exemption. Proceeds of a disposition of International Paper Shares conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a Non-U.S. Holder may be refunded or credited against the Non-U.S. Holder's U.S. federal income tax liability, if any, if the Non-U.S. Holder provides the required information to the IRS on a timely basis. Non-U.S. Holders should consult their own tax advisors regarding the filing of a U.S. tax return for claiming a refund of such backup withholding.

The tax consequences of the Combination and the ownership and disposition of New International Paper Shares or International Paper DIs received in the Combination will depend on your specific situation. You should consult your own tax advisor with respect to the U.S. federal income tax consequences of the Combination and the ownership and disposition of New International Paper Shares or International Paper DIs received in the Combination in light of your particular circumstances, as well as the applicability and effect of the alternative minimum tax and any state, local, and non-U.S. income or other tax laws and of any changes in those laws.

Foreign Account Tax Compliance Act

Under Sections 1471 through 1474 of the Internal Revenue Code (such sections commonly referred to as the Foreign Account Tax Compliance Act, or "FATCA"), payments of dividends on New International Paper Shares or International Paper DIs paid to (a) a "foreign financial institution" (as specifically defined in the Internal Revenue Code) or (b) a "non-financial foreign entity" (as specifically defined in the Internal Revenue Code) will be subject to a withholding tax (separate and apart from, but without duplication of, the withholding tax described above) at a rate of 30%, unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied or an exemption from these rules applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. If a dividend payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under the heading "*—Material U.S. Federal Income Tax Consequences of the Ownership and Disposition of New International Paper Shares or International Paper DIs to Non-U.S. Holders—Distributions with Respect to New International Paper Shares*", the withholding under FATCA may be credited against, and therefore reduce, such other withholding tax.

Non-U.S. Holders are urged to consult their tax advisors with respect to the U.S. federal income tax consequences of FATCA to their ownership and disposition of New International Paper Shares or International Paper DIs in light of their particular circumstances, including the effect of any U.S. federal, state, local, or non-U.S. tax laws.

NOTHING IN THE FOREGOING IS INTENDED TO BE, OR SHOULD BE CONSTRUED AS, TAX ADVICE. THE DISCUSSION ABOVE IS NOT A COMPLETE ANALYSIS OF ALL POTENTIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO HOLDERS OF DS SMITH SHARES OR NEW INTERNATIONAL PAPER SHARES OR INTERNATIONAL PAPER DIS RECEIVED IN EXCHANGE THEREFOR IN THE COMBINATION. ALL HOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE COMBINATION AND THE OWNERSHIP AND DISPOSITION OF NEW INTERNATIONAL PAPER SHARES OR INTERNATIONAL PAPER DIS RECEIVED IN THE COMBINATION UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL, OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

17. Overseas holders

Overseas holders of DS Smith Shares should refer to Part Seven (*Additional Information for Overseas Shareholders*) of this Document which contains important information relevant to such holders.

18. Action to be taken

The Scheme will require approval at a meeting of Scheme Shareholders convened with the permission of the Court to be held at De Vere Grand Connaught Rooms, 61-65 Great Queen Street, London WC2B 5DA at 2.00 p.m. on 7 October 2024. Implementation of the Scheme will also require approval of the Special Resolution relating to the Combination to be proposed at the General Meeting. The General Meeting will be held at the same place as the Court Meeting at 2.15 p.m. on 7 October 2024 (or as soon thereafter as the Court Meeting concludes or is adjourned). Notices of the Court Meeting and General Meeting are set out at Part Ten (*Notice of Court Meeting*) and Part Eleven (*Notice of General Meeting*), respectively, of this Document.

IT IS IMPORTANT THAT, FOR THE COURT MEETING IN PARTICULAR, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY AS SOON AS POSSIBLE.

The Forms of Proxy must be received by the Company's Registrar, Equiniti, by no later than the following times and dates:

- a. BLUE Forms of Proxy for the Court Meeting by 2.00 p.m. on 3 October 2024;
- b. YELLOW Forms of Proxy for the General Meeting by 2.15 p.m. on 3 October 2024; and
- c. if in either case the Meeting is adjourned, so that the relevant Form of Proxy is received not later than 48 hours (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK) before the time fixed for the adjourned Meeting.

Alternatively, BLUE Forms of Proxy (but not YELLOW Forms of Proxy) may be handed to the Company's Registrar, Equiniti, (or scanned and emailed to Equiniti at the following proxyvotes@equiniti.com) or to the Chair of the Court Meeting at any time before the commencement of the Court Meeting and will still be valid. In the case of the General Meeting, unless the YELLOW Form of Proxy is returned by the time and date mentioned above, it will be invalid.

The completion and return of the Forms of Proxy will not prevent you from attending and voting at the Court Meeting or the General Meeting, if you are entitled to and wish to do so.

Please see below for further details in respect of proxy appointment, multiple proxy voting instructions, and the process for appointing a proxy if you hold your DS Smith Shares through CREST.

Please refer to clause 5 of Part Four (*The Scheme of Arrangement*) and Part Seven (*Additional Information for Overseas Shareholders*) of this Document if you are an overseas shareholder.

Proxy appointment

DS Smith Shareholders are entitled to appoint a proxy to attend, speak and vote on their behalf at the Court Meeting and/or the General Meeting. A DS Smith Shareholder may appoint more than one proxy in relation to each of the Court Meeting and the General Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that DS Smith Shareholder. A proxy need not be a member of the Company, but DS Smith Shareholders are strongly encouraged to appoint the Chair of the Meetings as their proxy, rather than a named person who may not be able to attend the Meetings.

Please note that the appointment of a proxy or proxies is separate for each of the Court Meeting and the General Meeting.

Any person who has been nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between them and the DS Smith Shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting and the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the DS Smith Shareholder as to the exercise of voting rights. The statement of the rights of DS Smith Shareholders to appoint proxies above does not apply to Nominated Persons. Such rights can only be exercised by DS Smith Shareholders.

If two or more valid but differing Forms of Proxy are received in respect of the same DS Smith Share, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the other or others as regards that DS Smith Share. If DS Smith is unable to determine which instrument was last received, none of them shall be treated as valid in respect of that DS Smith Share.

Multiple proxy voting instructions

As a DS Smith Shareholder, you are entitled to appoint a proxy in respect of some or all of your DS Smith Shares. You are also entitled to appoint more than one proxy. A proxy need not be a DS Smith Shareholder. A space has been included on the Forms of Proxy to allow you to specify the number of DS Smith Shares in respect of which that proxy is appointed. DS Smith Shareholders who return a Form of Proxy duly executed but leave this space blank will be deemed to have appointed a proxy in respect of all of their DS Smith Shares.

If you wish to appoint more than one proxy in respect of your shareholding, please photocopy the Forms of Proxy or contact the Company’s Registrar, Equiniti, between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding English and Welsh public holidays) on +44 (0) 333 207 6535 (calls from outside the UK will be charged at the applicable international rate and you should use the country code when calling from outside the UK) – calls may be recorded and monitored for training and security purposes.

Online appointment of proxies

As an alternative to completing and returning the printed Forms of Proxy, proxies may be appointed electronically by logging onto the Registrars’ website at www.shareview.co.uk using your Shareholder Reference Number printed on the Forms of Proxy enclosed. DS Smith Shareholders who have already registered with the Registrars’ online portfolio service, Shareview, can submit a proxy by logging into their profile at www.shareview.co.uk and clicking on the link to vote. For an electronic proxy appointment to be valid, the appointment must be received by Equiniti not later than 48 hours (excluding any part of such 48 hour period falling on weekend or a public holiday in the UK) before the time fixed for the relevant Meeting (as set out in paragraphs 18a–c above) or any adjournment thereof. In the case of the Court Meeting only, if the electronic proxy appointment is not received by this time, the BLUE Form of Proxy may be handed to Equiniti (or scanned and emailed to Equiniti at the following proxvotes@equiniti.com) or to the Chair of the Court Meeting at the Court Meeting at any time before the commencement of the Court Meeting. In the case of the YELLOW Form of Proxy for the General Meeting, if the electronic proxy appointment is not received by the relevant time, it will be invalid.

CREST proxy appointment

DS Smith Shareholders who hold DS Smith Shares through CREST and who wish to appoint a proxy or proxies for the Court Meeting and/or the General Meeting or any adjournment(s) thereof may do so by following the procedures described in the CREST Manual (available at <https://my.euroclear.com>). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by DS Smith’s Registrar, Equiniti (ID RA19), not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting (as set out above) or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the DS Smith Shareholders who hold shares through CREST to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

19. Further information

The terms of the Scheme are set out in full in Part Four (*The Scheme of Arrangement*) of this Document. Further information regarding DS Smith and International Paper is set out in Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document and in the International Paper Prospectus. Documents published and available for inspection are listed in paragraph 19 of Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document.

Yours faithfully,

for and on behalf of Goldman Sachs International

Nick Harper
Managing Director

for and on behalf of Citi

Andrew Seaton
Managing Director

for and on behalf of J.P. Morgan Cazenove

Richard Walsh
Managing Director

PART THREE

CONDITIONS TO THE IMPLEMENTATION OF THE SCHEME AND TO THE COMBINATION

Part A: Conditions to the Combination

1. The Combination is conditional upon the Scheme becoming unconditional and Effective, subject to the Code, by no later than 11.59 p.m. on the Long Stop Date.

Scheme approval

2. The Scheme is conditional upon:
 - (a) (i) its approval by a majority in number representing not less than 75 per cent. in value of the DS Smith Shareholders (or the relevant class or classes thereof, if applicable) in each case present, entitled to vote and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meeting; and
 - (ii) the Court Meeting and any separate class meeting which may be required by the Court or any adjournment of any such meeting being held on or before the 22nd day after the scheduled date of the Court Meeting (or such later date, if any, as International Paper and DS Smith may agree and the Court may allow);
 - (b) (i) all resolutions necessary to approve and implement the Scheme being duly passed by the requisite majority or majorities at the General Meeting or at any adjournment of that meeting; and
 - (ii) the General Meeting or any adjournment of that meeting being held on or before the 22nd day after the scheduled date of the General Meeting (or such later date, if any, as International Paper and DS Smith may agree and the Court may allow); and
 - (c) (i) the sanction of the Scheme by the Court (with or without modification (but subject to any such modification being acceptable to International Paper and DS Smith)) and the delivery of a copy of the Court Order to the Registrar of Companies; and
 - (ii) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing (or such later date, if any, as International Paper and DS Smith may agree and the Court may allow).

Other Conditions

3. The Combination will also be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where capable of waiver, waived:

Competition law and regulatory approvals

European Commission

- (a) insofar as the Combination constitutes, or is deemed to constitute, a concentration with a Union dimension within the meaning of the EU Merger Regulation, or, following a request pursuant to Article 22(1) of the EU Merger Regulation, the European Commission decides (or is deemed to have decided) that it shall examine the Combination pursuant to Article 22(3) of Council Regulation (EC) No. 139/2004 (the “**EU Merger Regulation**”), the European Commission:
 - (i) issuing a decision under Articles 6(1)(b), 6(2), 8(1), or 8(2) of the EU Merger Regulation declaring the Combination compatible with the internal market (or having been deemed to do so pursuant to Article 10(6) of the EU Merger Regulation); or

- (ii) issuing a decision to refer (or being deemed to have taken a decision to refer) the Combination in whole or in part to the competent authorities of one or more Member States of the European Union under Articles 4 or 9 of the EU Merger Regulation; and
 - (A) each such authority issuing a decision with equivalent effect to that in Condition 3(a)(i) with respect to those parts of the Combination referred to it; and
 - (B) where applicable, the European Commission issuing a decision as referred to in Condition 3(a)(i) with respect to any part of the Combination retained by it;

United States of America

- (b) all applicable notifications and filings having been made and any applicable waiting periods (including any extensions thereof or the expiration of any customary timing agreements or similar commitments not to close before a certain period of time) under the Hart Scott Rodino Antitrust Improvements Act of 1976 (as amended) (the “**HSR Act**”) and the rules and regulations made thereunder having expired, lapsed or been terminated as appropriate in each case in respect of the Combination and any commitment or agreement with any governmental entity to stay, toll or extend any applicable waiting period under the HSR Act or to otherwise not consummate the Combination shall have expired, lapsed or been terminated;

EU Foreign Subsidies Regulation

- (c) insofar as the Combination constitutes a notifiable concentration pursuant to Article 20(3) or Article 21(5) of the EU Foreign Subsidies Regulation (Regulation (EU) No. 2022/2560) (the “**EU Foreign Subsidies Regulation**”):
 - (i) the European Commission:
 - (A) informing International Paper and DS Smith or declaring that it is closing its preliminary review of the Combination pursuant to Article 10(4) of the EU Foreign Subsidies Regulation;
 - (B) not initiating an in-depth investigation of the Combination within 25 working days after receipt of the complete notification, calculated in accordance with Article 24 of the EU Foreign Subsidies Regulation (including any suspension of the relevant time period pursuant to Article 24(5));
 - (C) not adopting a decision specified in Article 25(3) of the EU Foreign Subsidies Regulation within the time period specified in Article 25(4) thereof, following an in-depth investigation of the Combination;
 - (D) issuing a no objection decision pursuant to Article 11(4) of the EU Foreign Subsidies Regulation following an in-depth investigation of the Combination; or
 - (E) issuing a decision with commitments pursuant to Article 11(3) of the EU Foreign Subsidies Regulation following an in-depth investigation of the Combination.

Foreign direct investment clearances

- (d) United Kingdom:
 - (i) if the Combination is a notifiable acquisition under the NSI Act, the requisite notification having been made and the Secretary of State confirming that no further action will be taken under the NSI Act in relation to the Combination or making a final order under the NSI Act in respect of the Combination, the provisions of which allow the Combination to proceed;
 - (ii) if, prior to the date on which all other Conditions are satisfied or waived, the Secretary of State issues a call-in notice within the meaning of the NSI Act in relation to the Combination, the Secretary of State: (A) confirming that no further action will be taken under the NSI Act in relation to the Combination; or (B) making a final order under the NSI Act in respect of the Combination, the provisions of which allow the Combination to proceed;

- (e) Italy:
 - (i) approval having been received under Law Decree No. 21 dated 15 March 2012 (passed by Italian Law No. 56 dated 11 May 2012, as subsequently amended and enacted, together with all connected or subordinated implementing decrees and regulations in force) (the “**Golden Power Regulation**”), or expiration of the applicable waiting periods or the relevant review period, or a confirmation that the Combination does not require approval under the Golden Power Regulation, whichever occurs first;

International Paper Shareholder Approval

- (f) the passing at the International Paper Shareholder Meeting of such resolution or resolutions as are necessary to approve, effect and implement the Combination, including to authorise the creation, allotment and issue of the New International Paper Shares;

Listing on the New York Stock Exchange, effectiveness of registration

- (g) confirmation having been received by International Paper that the New International Paper Shares have been approved for listing, subject to official notice of issuance, on the New York Stock Exchange;
- (h) in the event that the Combination is implemented by way of an Offer, absent an available exemption from the registration requirements of the US Securities Act, International Paper’s registration statement having been declared effective by the SEC and no stop order having been issued or proceedings for suspension of the effectiveness of International Paper’s registration statement having been initiated by the SEC and International Paper having received all necessary US state securities law or blue sky authorisations;

Listing on the London Stock Exchange

- (i) (i) the FCA having acknowledged to International Paper or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the International Paper Shares to the equity shares (international commercial companies secondary listing) category of the Official List (in accordance with the Listing Rules and FSMA); and
- (ii) the London Stock Exchange having acknowledged to International Paper or its agent (and such acknowledgement not having been withdrawn) that the International Paper Shares will be admitted to trading on the Main Market for listed securities of the London Stock Exchange;

General third-party clearances

- (j) (i) if and to the extent that any or all of Conditions (a) to (e) (inclusive) are waived or are not invoked by International Paper, all authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals from the authorities referred to in Conditions (a) to (e) (inclusive) (for the purposes of this Condition (j) each a “**Clearance**”) including, without limitation, any Clearance in connection with any “phase 2” or similar “in depth” review by any of the authorities referred to in Conditions (a) to (e) (inclusive) having been obtained; and
- (ii) any other clearance reasonably deemed necessary by International Paper or any member of the Wider International Paper Group following consultation with DS Smith for or in respect of the Combination (including, without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control of, DS Smith or any member of the Wider DS Smith Group by any member of the Wider International Paper Group) having been obtained,

in each case all such clearances remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Combination becomes otherwise Effective;

- (k) the waiver (or non-exercise within any applicable time limits) by any relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination) arising as a result of or in connection with the Combination including, without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control or management of, DS Smith by International Paper or any member of the Wider International Paper Group;
- (l) in addition to the competition law and regulatory approvals referred to in Conditions (a) to (e) (inclusive) above, all necessary filings or applications having been made in connection with the Combination and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Combination or the acquisition by any member of the Wider International Paper Group of any shares or other securities in, or control of, DS Smith and all authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, Clearances, permissions, exemptions and approvals reasonably deemed necessary by International Paper or any member of the Wider International Paper Group following consultation with DS Smith for or in respect of the Combination including, without limitation, its implementation or the proposed direct or indirect acquisition of any shares or other securities in, or control of, DS Smith or any member of the Wider DS Smith Group by any member of the Wider International Paper Group having been obtained from all appropriate Third Parties or persons with whom any member of the Wider DS Smith Group has entered into contractual arrangements and all such authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, Clearances, permissions, exemptions and approvals necessary to carry on the business of any member of the Wider DS Smith Group which are material in the context of the International Paper Group or the DS Smith Group as a whole or for or in respect of the Combination including, without limitation, its implementation and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Combination becomes otherwise unconditional and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;
- (m) no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or having enacted, made or proposed any statute, regulation, decision, injunction or order, or change to published practice or having taken any other step, and there not continuing to be outstanding any statute, regulation, decision or order, which in each case would or might reasonably be expected to:
- (i) require, prevent or materially delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider International Paper Group or any member of the Wider DS Smith Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Wider International Paper Group or the Wider DS Smith Group in either case taken as a whole or in the context of the Combination;
 - (ii) require, prevent or materially delay the divestiture by any member of the Wider International Paper Group of any shares or other securities in DS Smith;
 - (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider International Paper Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider DS Smith Group or the Wider International Paper Group or to exercise voting or management control over any such member, in each case to an extent which is material in the context of the Wider International Paper Group or the Wider DS Smith Group in either case taken as a whole or in the context of the Combination;

- (iv) otherwise adversely affect the business, assets, profits or prospects of any member of the Wider International Paper Group or of any member of the Wider DS Smith Group to an extent which is material in the context of the Wider International Paper Group or the Wider DS Smith Group in either case taken as a whole or in the context of the Combination;
- (v) make the Combination or its implementation or the acquisition or proposed acquisition by International Paper or any member of the Wider International Paper Group of any shares or other securities in, or control of DS Smith void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, materially delay or otherwise interfere with the same, or impose material additional conditions or obligations with respect thereto;
- (vi) require (save as envisaged by the Combination) any member of the Wider International Paper Group or the Wider DS Smith Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider DS Smith Group or the Wider International Paper Group owned by any third party, in each case to an extent which is material in the context of the Wider International Paper Group or the Wider DS Smith Group in either case taken as a whole or in the context of the Combination;
- (vii) impose any limitation on the ability of any member of the Wider DS Smith Group to co-ordinate its business, or any part of it, with the businesses of any other members which is adverse to and material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination; or
- (viii) result in any member of the Wider DS Smith Group ceasing to be able to carry on business under any name under which it presently does so,

and all applicable waiting and other time periods (including any extensions thereof or the expiration of any customary timing agreements or similar commitments not to close before a certain period of time) during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Combination or the acquisition or proposed acquisition of any DS Smith Shares having expired, lapsed or been terminated;

Certain matters arising as a result of any arrangement, agreement etc.

- (n) except as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider DS Smith Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, or any circumstance which in consequence of the Combination or the proposed acquisition of any shares or other securities (or equivalent) in DS Smith or because of a change in the control or management of DS Smith or otherwise, could or might result in any of the following to an extent which is material and adverse in the context of the Wider DS Smith Group, or the Wider International Paper Group, in either case taken as a whole, or in the context of the Combination:
 - (i) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - (ii) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or adversely modified or affected or any obligation or liability arising, or any action being taken or arising thereunder;
 - (iii) any asset or interest of any such member being or failing to be disposed of or charged or ceasing to be available to any such member or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any such member otherwise than in the ordinary course of business;

- (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any such member;
- (v) the rights, liabilities, obligations or interests of any such member, or the business of any such member with, any person, firm, company or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
- (vi) the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
- (vii) any such member ceasing to be able to carry on business under any name under which it presently does so;
- (viii) the creation or acceleration of any liability, actual or contingent, by any such member (including any material tax liability or any obligation to obtain or acquire any material authorisation, order, grant, recognition, determination, confirmation, consent, licence, Clearance, permission, exemption, approval, notice, waiver, concession, agreement or exemption from any Third Party or any person) other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Combination; or
- (ix) any liability of any such member to make any severance, termination, bonus or other payment to any of its directors or other officers,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider DS Smith Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs (i) to (ix) of this Condition (n) (in each case to an extent which is material and adverse in the context of the Wider DS Smith Group, or the Wider International Paper Group, in either case taken as a whole, or in the context of the Combination);

No material transactions, claims or changes in the conduct of the business of the DS Smith Group

- (o) except as Disclosed, no member of the Wider DS Smith Group having, since 30 April 2023:
 - (i) save as between DS Smith and wholly-owned subsidiaries of DS Smith or for DS Smith Shares issued under or pursuant to the exercise of options and vesting of awards granted under the DS Smith Share Schemes, issued or agreed to issue, authorised or proposed the issue of additional shares of any class or sold any shares out of treasury;
 - (ii) save as between DS Smith and wholly-owned subsidiaries of DS Smith or for the grant of options and awards and other rights under the DS Smith Share Schemes, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
 - (iii) other than to another member of the DS Smith Group or in respect of any DS Smith Permitted Dividend or DS Smith Equalising Dividend, prior to the Effective Date, recommended, declared, paid or made any dividend or other distribution payable in cash or otherwise or made any bonus issue;
 - (iv) save for intra-DS Smith Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business and, in each case, to the extent which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;
 - (v) save for intra-DS Smith Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital in each case, to the

extent which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;

- (vi) issued, authorised or proposed the issue of, or made any change in or to, any debentures or (save for intra-DS Smith Group transactions), save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability;
- (vii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraphs (i) or (ii) above, made any other change to any part of its share capital in each case, to the extent which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;
- (viii) save for intra-DS Smith Group transactions, implemented, or authorised, proposed or announced its intention to implement, any reconstruction, merger, demerger, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business;
- (ix) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which involves or could involve an obligation of such a nature or magnitude other than in the ordinary course of business, in each case, to the extent which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;
- (x) (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or steps or had any legal proceedings started or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, manager, trustee or similar officer of all or any part of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, in each case, to the extent which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;
- (xi) entered into any contract, transaction or arrangement which would be materially restrictive on the business of any member of the Wider DS Smith Group or the Wider International Paper Group other than of a nature and extent which is normal in the context of the business concerned;
- (xii) waived or compromised any claim otherwise than in the ordinary course of business which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;
- (xiii) made any material alteration to its memorandum or articles of association or other incorporation documents;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- (xv) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or proposed to, effect any of the transactions, matters or events referred to in this Condition (o);

- (xvi) except in relation to changes made or agreed as a result of, or arising from, law or changes to law, made or agreed or consented to any change to:
 - (A) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider DS Smith Group for its directors, employees or their dependents;
 - (B) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
 - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made,

in each case, to the extent which is material in the context of the Wider International Paper Group taken as a whole or in the context of the Combination;
- (xvii) proposed, agreed to provide or modified the terms of any of the DS Smith Share Schemes or other benefit constituting a material change relating to the employment or termination of employment of a material category of persons employed by the Wider DS Smith Group or which constitutes a material change to the terms or conditions of employment of any senior employee of the Wider DS Smith Group, save as agreed by the Panel (if required) and by International Paper, or entered into or changed the terms of any contract with any director or senior executive; or
- (xviii) taken (or agreed or proposed to take) any action which requires, or would require, the approval of DS Smith Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code;
- (xix) save to the extent arising as a result of any change in applicable law, entered into or varied in a material way the terms of, any contracts, agreement or arrangement with any of the directors or senior executives of any members of the Wider DS Smith Group (save for salary increases, bonuses or variations of terms in the ordinary course), other than as agreed by International Paper and (if required) by the Panel; or
- (xx) waived or compromised any claim which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination, otherwise than in the ordinary course;

No adverse change, litigation or regulatory enquiry

- (p) except as Disclosed, since 30 April 2023:
 - (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider DS Smith Group which, in any such case, is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider DS Smith Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no enquiry, review or investigation by, or complaint or reference to, any Third Party or other investigative body against or in respect of any member of the Wider DS Smith Group having been instituted, announced, implemented or threatened by or against or remaining outstanding in respect of any member of the Wider DS Smith Group which in any such case has had or might reasonably be expected to have a material adverse effect on the Wider DS Smith Group taken as a whole or in the context of the Combination;
 - (iii) no contingent or other liability of any member of the Wider DS Smith Group having arisen or become apparent to International Paper or increased which has had or might

reasonably be expected to have a material adverse effect on the Wider DS Smith Group taken as a whole or in the context of the Combination;

- (iv) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or remaining outstanding against or in respect of any member by or the Wider DS Smith Group which in any case is material in the context of the Wider DS Smith Group taken as a whole;
- (v) no member of the Wider DS Smith Group having conducted its business in breach of any applicable laws and regulations and which is material in the context of the Wider DS Smith Group as a whole or in the context of the Combination; and
- (vi) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or materially adverse modification of any licence or permit held by any member of the Wider DS Smith Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or materially adverse modification of which has had, or would reasonably be expected to have, an adverse effect which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;

No discovery of certain matters

- (q) except as Disclosed, International Paper not having discovered:
 - (i) that any financial, business or other information concerning the Wider DS Smith Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider DS Smith Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not materially misleading and which was not subsequently corrected before the date of the Announcement by disclosure either publicly or otherwise to International Paper or its professional advisers, in each case, to the extent which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination; or
 - (ii) that any member of the Wider DS Smith Group or partnership, company or other entity in which any member of the Wider DS Smith Group has a significant economic interest and which is not a subsidiary undertaking of DS Smith, is subject to any liability (contingent or otherwise) which is not disclosed in DS Smith's Annual Report and Accounts for the year ended 30 April 2023, in each case, to the extent which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;
- (r) except as Disclosed, International Paper not having discovered that:
 - (i) any past or present member of the Wider DS Smith Group has failed to comply with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters or the health and safety of humans, or that there has otherwise been any such use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which storage, carriage, disposal, spillage, release, discharge, leak or emission would be likely to give rise to any liability (actual or contingent) or cost on the part of any member of the Wider DS Smith Group and which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;
 - (ii) there is, or is likely to be, for any reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider DS Smith Group to make good, remediate, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider DS Smith Group (or on its behalf) or by any person for which a member of the Wider DS Smith Group is or has been responsible, or in which any such

member may have or previously have had or be deemed to have had an interest, under any environmental legislation, regulation, notice, circular or order of any Third Party and which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination;

- (iii) circumstances exist (whether as a result of proceeding with the Combination or otherwise) which would be reasonably likely to lead to any Third Party instituting, or whereby any member of the Wider International Paper Group or any present or past member of the Wider DS Smith Group would be likely to be required to institute, an environmental audit or take any other steps which would in any such case be reasonably likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider DS Smith Group (or on its behalf) or by any person for which a member of the Wider DS Smith Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination; or
- (iv) circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture or materials used therein currently or previously manufactured, sold or carried out by any past or present member of the Wider DS Smith Group which claim or claims would be likely, materially and adversely, to affect any member of the Wider DS Smith Group and which is material in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination; and

Anti-corruption, sanctions and criminal property

- (s) save as Disclosed and save as is not material in each case in the context of the Wider DS Smith Group taken as a whole or in the context of the Combination, International Paper not having discovered that:
 - (i) (A) any past or present member, director, officer or employee of the Wider DS Smith Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks; or
 - (B) any person that performs or has performed services for or on behalf of the Wider DS Smith Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks; or
- (ii) any asset of any member of the Wider DS Smith Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider DS Smith Group is found to have engaged in activities constituting money laundering under any applicable law, rule, or regulation concerning money laundering; or
- (iii) any past or present member, director, officer or employee of the Wider DS Smith Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any conduct which would violate applicable economic sanctions or dealt with, made any investments in, made any funds or assets available to or received any funds or assets from:
 - (A) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in

activities or doing business, or from receiving or making available funds or economic resources, by US, UK or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HMRC; or

- (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union or any of its member states, save that this shall not apply if and to the extent that it is or would be unenforceable by reason of breach of any applicable Blocking Law; or
- (iv) any past or present member, director, officer or employee of the Wider DS Smith Group, or any other person for whom any such person may be liable or responsible:
 - (A) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the US Anti-Terrorism Act;
 - (B) has engaged in conduct which would violate any relevant anti-boycott law, rule, or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the US Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the US Department of State;
 - (C) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or
 - (D) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organisation or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or
- (v) any member of the Wider DS Smith Group is or has been engaged in any transaction which would cause International Paper to be in breach of any law or regulation upon its acquisition of DS Smith, including but not limited to the economic sanctions of the United States Office of Foreign Assets Control, or HMRC, or any other relevant government authority.

Part B: Waiver and Invocation of the Conditions

1. Subject to the requirements of the Panel in accordance with the Code, International Paper reserves the right to waive, in whole or in part, all or any of the Conditions in Part A above, except for Conditions 2(a)(i), 2(b)(i) and 2(c)(i) (*Scheme Approval*), 3(f) (*International Paper Shareholder Approval*), 3(g) and (h) (*Listing on the New York Stock Exchange, effectiveness of registration*) and 3(i) (*Listing on the London Stock Exchange*), which cannot be waived.
2. The Combination is subject to the satisfaction (or waiver, if permitted) of the Conditions in Part A above, and to certain further terms set out in Part D below, and to the full terms and conditions which are set out in this Scheme Document.
3. Conditions 2(a)(i), 2(b)(i) and 3(a) to (s) (inclusive) must be fulfilled, determined by International Paper to be or to remain satisfied or (if capable of waiver) waived, by no later than 11.59 p.m. on the date immediately preceding the date of the Court Hearing, failing which the Combination will lapse. International Paper shall be under no obligation to waive or treat as satisfied any of Conditions 3(a) to (s) (inclusive) by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions to the Combination may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
4. Under Rule 13.5(a) of the Code, International Paper may not invoke a Condition so as to cause the Combination not to proceed, to lapse or be withdrawn, unless the circumstances which give rise to the right to invoke the Condition are of material significance to International Paper in the context of the Combination. Conditions 1, 2 and 3(f) to (i) (inclusive) of Part A (and, if applicable, any acceptance condition adopted on the basis specified in paragraph 2 of Part C below in relation to any Offer) are not subject to this provision of the Code. International Paper may only invoke a condition that is subject to Rule 13.5(a) of the Code with the consent of the Panel and any Condition which is subject to Rule 13.5(a) of the Code may be waived by International Paper.

Part C: Implementation by way of an Offer

1. International Paper (or its nominee) reserves the right to elect to implement the Combination by way of an Offer as an alternative to the Scheme with the consent of the Panel and subject to the terms of the Co-operation Agreement.
2. In such event, such Offer will be implemented on the same terms and conditions, so far as applicable, as those which would apply to the Scheme subject to appropriate amendments (in accordance with the terms of the Co-operation Agreement) to reflect the change in method of effecting the Combination, including (without limitation) the inclusion of an acceptance condition set at a level permitted by the Panel and the terms of the Co-operation Agreement (being in any case more than 50 per cent. of the DS Smith Shares). Further, if sufficient acceptances of such Offer are received or sufficient DS Smith Shares are otherwise acquired, Bidco intends to apply the provisions of the Companies Act to acquire compulsorily any outstanding DS Smith Shares to which such Offer relates.

Part D: Certain further terms of the Combination

1. The Combination will lapse if the Scheme does not become effective by 11.59 p.m. on the Long Stop Date.
2. The availability of the Combination to persons not resident in the UK may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the UK should inform themselves about, and observe, any applicable requirements. DS Smith Shareholders who are in any doubt about such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay and observe any applicable requirements.
3. This Combination is governed by English law and is subject to the jurisdiction of the English courts and to the Conditions set out in the Scheme Document. The Combination will comply with the applicable rules and regulations of the FCA, the London Stock Exchange and the Code.
4. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
5. Fractions of New International Paper Shares will not be allotted to DS Smith Shareholders. Instead, any DS Smith Shareholder who would have been entitled to such fractional entitlement shall receive cash in an amount (rounded down to the nearest penny) equal to such fractional entitlement (which such DS Smith Shareholder would otherwise have been entitled) multiplied by the last reported sale price of International Paper Shares on the New York Stock Exchange (as reported in Bloomberg or, if not reported therein, in another authoritative source selected by International Paper) on the last Business Day prior to the Effective Date.
6. The DS Smith Shares will be acquired by Bidco (or its nominee) with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights existing at the date of the Announcement or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the DS Smith Shares.
7. If, on or after the date of the Announcement and prior to the Effective Date, DS Smith announces, declares, makes or pays any DS Smith Excluded Dividend, International Paper shall be entitled to:
 - a. reduce the International Paper share consideration by an amount equivalent to all or any part of such excess (in the case of a DS Smith FY24 Final Dividend, a DS Smith FY25 Interim Dividend, a DS Smith FY25 Final Dividend or a DS Smith Equalising Dividend (as relevant)) or by the amount of all or part of any such other dividend, distribution or return of capital, in which case any reference in the Announcement or in this Document (or, in the event that the Combination is to be implemented by means of any Offer, the offer document) to the consideration will be deemed to be a reference to the consideration as so reduced; or
 - b. declare and pay an International Paper Equalising Dividend, without any consequential change to the consideration.
8. If, on or after the date of the Announcement and prior to the Effective Date, International Paper announces, declares, makes or pays any International Paper Excluded Dividend, DS Smith shall be entitled to declare and pay a DS Smith Equalising Dividend, without any consequential change to the consideration.
9. The New International Paper Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the International Paper Shares in issue at that time, save that they will not participate in any dividend payable by International Paper with reference to a record date prior to the Effective Date.
10. If International Paper is required by the Panel to make an offer for DS Smith pursuant to Rule 9 of the Code, International Paper may make such alterations to any of the above Conditions and terms of the Combination as are necessary to comply with the provisions of the Code.

PART FOUR

THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMPANIES COURT (ChD)

CR-2024-003426

IN THE MATTER OF DS SMITH PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between

DS SMITH PLC

AND

THE HOLDERS OF THE SCHEME SHARES

(as hereinafter defined)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

“Announcement”	the joint announcement dated 16 April 2024 made by DS Smith and International Paper which confirmed that they had reached an agreement on the terms of a recommended all-share combination of International Paper and DS Smith pursuant to which International Paper (or its nominee) will acquire the entire issued and to be issued ordinary share capital of DS Smith;
“Bidco”	International Paper UK Holdings Limited, a newly-incorporated English company with registered number 15880439 and with its registered address at 2 New Bailey, 6 Stanley Street, Salford, Greater Manchester, United Kingdom, M3 5GS;
“Business Day”	a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open in London and New York City for general banking business;
“certificated form” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST);
“Code”	the City Code on Takeovers and Mergers, as amended from time to time;
“Combination”	the proposed recommended combination of International Paper and DS Smith pursuant to which Bidco will acquire the entire issued and to be issued share capital of DS Smith by way of the Scheme as described in this Document (or by the Offer under certain circumstances described in this Document);

“Combined Company”	the combined DS Smith Group and International Paper Group following the Effective Date;
“Companies Act”	the Companies Act 2006, as amended from time to time;
“Conditions”	the conditions to the Combination and to the implementation of the Scheme set out in Part Three (<i>Conditions to the Implementation of the Scheme and to the Combination</i>) of this Document;
“Co-operation Agreement”	the co-operation agreement between International Paper and DS Smith dated 16 April 2024, as described in paragraph 12 of Part Eight (<i>Additional Information on DS Smith, International Paper and Bidco</i>) of this Document;
“Consideration”	the consideration payable to Scheme Shareholders under the terms of the Scheme, comprising 0.1285 New International Paper Shares per Scheme Share and any subsequent adjustments thereof;
“Court”	the High Court of Justice in England and Wales;
“Court Meeting”	the meeting or meetings of DS Smith Shareholders to be convened by the Court pursuant to Part 26 of the Companies Act for the purpose of considering, and if thought fit, approving the Scheme (with or without amendment) including any adjournment, postponement or reconvention of any such meeting, notice of which is set out on Part Ten (<i>Notice of Court Meeting</i>) of this Document;
“Court Order”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
“Court Sanction Date”	the date on which the Scheme is sanctioned by the Court;
“Court Sanction Hearing”	the hearing of the Court of the application to sanction the Scheme under Part 26 of the Companies Act;
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755), including as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018) in respect of which Euroclear UK & International Ltd is the Operator (as defined in said Regulations);
“CREST Manual”	the CREST Manual published by Euroclear, as amended from time to time;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time (including by means of the Uncertificated Securities (amendment and EU Exit) Regulations 2019 (SI 2019/679));
“DI Custodian”	Computershare Trust Company, N.A. in its capacity as custodian for the DI Depositary;
“DI Depositary”	Computershare Investor Services PLC;
“Document”	the document, of which the Scheme forms part, dated 11 September 2024 addressed to DS Smith Shareholders;

“DRS”	the Direct Registration System, a system that allows electronic direct registration of securities in an investor’s name on the books for the transfer agent or issuer, and allows shares to be transferred between a transfer agent and broker electronically;
“DS Smith” or “Company”	DS Smith Plc, a public limited company incorporated in England and Wales with registered number 01377658;
“DS Smith Equalising Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“DS Smith Excluded Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“DS Smith FY24 Final Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“DS Smith FY25 Final Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“DS Smith FY25 Interim Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“DS Smith Group”	DS Smith and its subsidiary undertakings and associated undertakings;
“DS Smith Permitted Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“DS Smith Shareholders”	the registered holders of DS Smith Shares from time to time;
“DS Smith Share Schemes”	the DS Smith Performance Share Plan, the DS Smith Deferred Share Bonus Plan, the DS Smith UK Sharesave Plan, the DS Smith International Sharesave Plan, the DS Smith US Stock Purchase Plan and the DS Smith Recruitment Award Agreement, each as amended from time to time;
“DS Smith Shares”	the ordinary shares of 10 pence each in the capital of DS Smith;
“DTC”	The Depository Trust Company, a wholly-owned subsidiary of The Depository Trust and Clearing Corporation;
“Effective Date”	the date on which the Scheme becomes effective;
“Euroclear”	Euroclear UK & International Limited;
“Exchange Rate”	the spot reference rate for a transaction between Pounds Sterling and US Dollars as quoted by the Bank of England on the last Business Day prior to the Effective Date;
“Exchange Ratio”	0.1285 New International Paper Shares for every 1 DS Smith Share and, where the terms of the Combination allow, any subsequent adjustment thereof;

“Excluded Shares”	any DS Smith Shares which are: <ul style="list-style-type: none"> (i) registered in the name of or beneficially owned by International Paper and/or any member of the International Paper Group (and/or any nominee of the foregoing); or (ii) held in treasury, in each case, at any relevant date or time as the context permits;
“holder”	a registered holder and includes any person(s) entitled by transmission;
“International Paper”	International Paper Company, a New York Corporation, with its headquarters at 6400 Poplar Avenue, Memphis, Tennessee, United States;
“International Paper DIs”	a dematerialised depository interest representing New International Paper Shares issued by the DI Depository whereby the DI Depository will hold New International Paper Shares, represented by book-entry interests in the DTC system, via the DI Custodian as its custodian, on trust for the CREST member to whom it has issued a depository interest;
“International Paper Equalising Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“International Paper Excluded Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“International Paper FY24 Q2 Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“International Paper FY24 Q3 Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“International Paper FY24 Q4 Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“International Paper FY25 Q1 Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith Plc</i>) of this Document;
“International Paper FY25 Q2 Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“International Paper FY25 Q3 Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;
“International Paper Group”	International Paper and its subsidiary undertakings and associated undertakings;
“International Paper Permitted Dividend”	has the meaning given to it in a paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document;

“Latest Practicable Date”	close of business on 6 September 2024, being the latest practicable date before publication of this Document;
“New International Paper Shares”	the new International Paper Shares, or the DTC book-entry interests representing such shares (as the context requires), proposed to be issued to Scheme Shareholders under the Scheme;
“Panel”	the UK Panel on Takeovers and Mergers;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Scheme” or “Scheme of Arrangement”	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by DS Smith and International Paper;
“Scheme Record Time”	6.00 p.m. (London time) on the Business Day immediately after the Court Sanction Hearing;
“Scheme Shareholders”	holders of Scheme Shares and a “Scheme Shareholder” shall mean any one of those Scheme Shareholders;
“Scheme Shares”	<p>the DS Smith Shares:</p> <ul style="list-style-type: none"> (i) in issue at the date of this Scheme; (ii) (if any) issued after the date of this Scheme and prior to the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time but before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by this Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by this Scheme, <p>in each case (where the context requires), which remain in issue at the Scheme Record Time but excluding any Excluded Shares at any relevant date or time;</p>
“Transfer Agent”	Computershare Trust Company, N.A.;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated form” or “in uncertificated form”	a share or other security recorded on the relevant register as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST; and
“Voting Record Time”	6.30 p.m. on the day which is two Business Days prior to the date of the Court Meeting or, if the Court Meeting is adjourned, 6.30 p.m. on the day which is two Business Days before the date of such adjourned meeting.
(B)	In this Scheme: (i) all references to times of day are to London time; (ii) all references to “£”, “GBP”, “Pounds Sterling”, “pence” and “p” are to the lawful currency of the United Kingdom; and (iii) all references to clauses and sub-clauses are to clauses and sub-clauses of this Scheme.
(C)	As at the Latest Practicable Date, the issued share capital of the Company was £138,026,886 divided into 1,380,268,856 ordinary shares of 10 pence each, all of which are credited as fully paid up. As at the Latest Practicable Date no shares were held in treasury.

- (D) International Paper was incorporated on 23 June 1941 under the laws of the State of New York as the successor to the New York corporation of the same name organised in 1898. At the close of business on 6 September 2024 (being the last practicable date prior to the publication of this Document) International Paper had in issue (i) 347,379,366 shares of common stock of \$1 par value each (excluding 101,537,136 shares held in treasury) and (ii) 15,696 shares of cumulative \$4 preferred stock, each without par value (stated value \$100 per share).
- (E) Bidco was incorporated on 6 August 2024 under the laws of England and Wales. The issued share capital of Bidco at the close of business on 6 September 2024 (being the last practicable date prior to the publication of this Document) is 100 ordinary shares of \$1 each. Bidco is an indirect wholly-owned subsidiary of International Paper.
- (F) As at the Latest Practicable Date, no member of the International Paper Group holds any DS Smith Shares.
- (G) International Paper and Bidco have agreed, subject to satisfaction or (where applicable) waiver of the Conditions, to appear by counsel at the Court Sanction Hearing and to undertake to the Court to be bound by the provisions of this Scheme in so far as it relates to International Paper and Bidco and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.

1. Transfer of Scheme Shares

- (A) Upon and with effect from the Effective Date, Bidco shall acquire all of the Scheme Shares fully paid up, with full title guarantee, free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights or interests of any nature whatsoever, and together with all rights or interests of any nature at the Effective Date or thereafter attached thereto, including voting rights and the right to receive and retain all dividends and other distributions (if any) and any return of capital (whether by reduction of share capital or share premium account or otherwise) announced, authorised, declared, made or paid in respect of the Scheme Shares by reference to a record date falling on or after the Effective Date (other than any DS Smith Equalising Dividend or DS Smith Permitted Dividend).
- (B) For the purposes of such acquisition, the Scheme Shares shall be transferred to Bidco and such transfer shall be effected by means of a form or forms of transfer or other instrument or instruction of transfer, or by means of CREST, and to give effect to such transfer(s) any person may be appointed by International Paper as attorney and/or agent and shall be authorised as such attorney and/or agent on behalf of the relevant holder of Scheme Shares to execute and deliver as transferor a form or forms of transfer or other instrument or instruction of transfer (whether as a deed or otherwise) of, or give any instruction to transfer by means of CREST, such Scheme Shares and every form, instrument or instruction of transfer so executed or instruction given shall be as effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred.
- (C) Pending the transfer of the Scheme Shares pursuant to sub-clause 1(A) and sub-clause 1(B) of this Scheme on the Effective Date and the updating of the register of members of the Company to reflect such transfer, each Scheme Shareholder irrevocably:
 - (i) appoints Bidco as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all rights and privileges attaching to its Scheme Shares;
 - (ii) to sign any consent to short notice of any general or separate class meeting of DS Smith;
 - (iii) authorises DS Smith and/or its agents to send to Bidco any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of DS Smith,

such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares otherwise than in accordance with the directions of Bidco.

2. Consideration for the transfer of Scheme Shares

- (A) In consideration for the transfer of the Scheme Shares to Bidco pursuant to clause 1 of this Scheme, International Paper shall, subject as hereinafter provided, allot and issue or procure the allotment and issuance to or for the account of each Scheme Shareholder (as appearing on the register of members of DS Smith at the Scheme Record Time):

for each Scheme Share 0.1285 New International Paper Share

- (B) The New International Paper Shares to be issued pursuant to this clause 2 and the remaining provisions of this Scheme will be issued credited as fully paid and shall rank *pari passu* in all respects with the issued ordinary shares in International Paper in issue at the time the New International Paper Shares are issued, including the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made, in each case by reference to a record date falling on or after the Effective Date.
- (C) Immediately after the Scheme becomes effective, International Paper shall make all such allotments of and shall issue such New International Paper Shares as are required to be issued to give effect to this Scheme to the persons respectively entitled thereto, such consideration to be settled as set out in clause 4 of this Scheme but subject to clause 5 of this Scheme.
- (D) Notwithstanding the provisions of sub-clause 2(E) below, DS Smith Shareholders shall be entitled to receive and retain, without any consequential change to the Exchange Ratio:
- (i) any DS Smith Permitted Dividend; and
 - (ii) any DS Smith Equalising Dividend.
- (E) Subject to sub-clause 2(D) above, if, on or after the date of the Announcement and on or prior to the Effective Date, DS Smith announces, declares, makes or pays a DS Smith Excluded Dividend, International Paper shall be entitled to either:
- (i) adjust the Exchange Ratio by an amount equivalent to all or any part of such excess (in the case of any excess DS Smith Permitted Dividend or DS Smith Equalising Dividend (as relevant)) or by the amount of all or part of any such other dividend, distribution or form of capital return, in which case references to the Exchange Ratio shall be deemed to be a reference to the Exchange Ratio as so adjusted; or
 - (ii) pay the International Paper Equalising Dividend,

and in such circumstances, DS Smith Shareholders shall be entitled to retain the full amount of any such excess or such other dividend, distribution or form of capital return declared, made or paid.

If and to the extent that any such excess or other dividend, distribution or form of capital return has been declared or announced, but not paid or made, or is not payable by reference to a record date on or prior to the Effective Date and is or will be: (i) transferred pursuant to the Combination on a basis which entitles Bidco to receive the excess or the dividend, distribution or form of capital return and to retain it; or (ii) cancelled, the Exchange Ratio will not be subject to change in accordance with this sub-clause 2(E) of this Scheme.

3. Certificates in respect of Scheme Shares and cancellation of CREST entitlements

With effect from and including the Effective Date:

- (A) Scheme Shareholders shall, in accordance with this Scheme, cease to have any rights with respect to the Scheme Shares, except the right to receive the Consideration determined as set out in clauses 2, 4 and 5 of this Scheme;
- (B) all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder of Scheme Shares shall be bound at the request of DS Smith to deliver the same to DS Smith (or any person appointed by DS Smith to receive such certificates), or, as DS Smith may direct, to destroy the same;

- (C) DS Smith shall procure that Euroclear is instructed to cancel or transfer the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form;
- (D) following cancellation or transfer of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, DS Smith shall procure (if necessary) that entitlements to such Scheme Shares are rematerialised; and
- (E) subject to the completion of such form or forms of transfer or other instruments or instructions of transfer as may be required in accordance with clause 1 of this Scheme and the payment of any UK stamp duty thereon, DS Smith will make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Bidco pursuant to clause 1 of this Scheme.

4. Settlement of consideration

- (A) Subject to clause 5, settlement of the New International Paper Shares to which a Scheme Shareholder is entitled shall be effected as follows:
 - (i) subject to sub-clause 4(A)(iii), in respect of a holding of Scheme Shares in certificated form at the Scheme Record Time, International Paper shall procure that the New International Paper Shares to which the holder of such Scheme Shares is entitled shall be issued by the Transfer Agent through DRS, registered in the same name(s) and address as appeared on DS Smith's register of members for each relevant Scheme Shareholder as soon as practicable after the Effective Date, and in any event within 14 days of the Effective Date;
 - (ii) in respect of a holding of Scheme Shares in uncertificated form at the Scheme Record Time, International Paper shall procure that: (a) the New International Paper Shares to which the holder of such Scheme Shares is entitled shall be issued to Cede & Co., which will be the registered holder of such shares, as nominee for DTC; (b) the interests in such New International Paper Shares shall be credited by the Transfer Agent to the DTC securities deposit account of the DI Custodian, as custodian for the DI Depository; and (c) the DI Depository shall issue, through CREST, International Paper DIs representing such interests to the CREST account in which such Scheme Shares were so held as soon as practicable after the Effective Date, and in any event within 14 days of the Effective Date, provided that International Paper reserves the right to settle all or any part of the said Consideration referred to in this sub-clause 4(A)(ii) for all or any Scheme Shareholders in the manner referred to in sub-clause 4(A)(i) of this Scheme if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this sub-clause 4(A)(ii); and
 - (iii) in the case of Scheme Shares issued or transferred pursuant to the DS Smith Share Schemes on or after the Court Sanction Date and prior to the Scheme Record Time, the New International Paper Shares to which the Scheme Shareholder is entitled shall be issued in accordance with such method as may be agreed with the Company (whether in certificated or uncertificated form) as soon as practicable;

Settlement will take place, by means of issuance of New International Paper Shares, issuance through DRS and/or crediting of CREST accounts, as soon as practicable on or after the Effective Date, and in any event not more than 14 days after the Effective Date.

- (B) With effect from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.
- (C) All deliveries of notices, documents of title, cheques, certificates or statements of entitlement required to be made pursuant to this Scheme will be effected by sending the same by first class post in pre-paid envelopes or by international standard post if overseas (or by such method as may be approved by the Panel) addressed to the persons entitled thereto at their respective registered addresses as appearing in the register of members of DS Smith at the Scheme Record Time or, in the case of joint holders, at the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time.

- (D) All cheques shall be in Pounds Sterling and drawn on a United Kingdom clearing bank and (subject to sub-clause 4(A)(iii)) shall be made payable to the Scheme Shareholder concerned (or, in the case of Scheme Shareholders holding jointly, to that one of the joint holders whose name stands first in the register of members of the Company in respect of such joint holding of Scheme Shares at the Scheme Record Time). The encashment of any such cheque or the creation of any assured payment obligation through CREST or otherwise, each in connection with this Scheme, shall be a complete discharge of International Paper's obligations (and those of International Paper's respective agents or nominees) under this Scheme to pay the monies represented thereby.
- (E) None of DS Smith, International Paper, Bidco or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, declarations of title, cheques, certificates or statements of entitlement sent in accordance with this Scheme, which shall be sent at the risk of the person or persons entitled thereto.
- (F) The preceding sub-clauses of this clause 4 shall take effect subject to any prohibition or condition imposed by law.

5. Overseas Shareholders

- (A) The provisions of clause 4 of this Scheme shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if, in respect of any holder of Scheme Shares with a registered address in a jurisdiction outside the United Kingdom or whom International Paper reasonably believes to be a citizen, resident or national of, or located in, a jurisdiction outside the United Kingdom, International Paper is advised that the allotment, issue or delivery to such holder of New International Paper Shares under clause 4 would or may infringe the laws of such jurisdiction or would or may require DS Smith or International Paper (as the case may be) to comply with any governmental or other consent or any registration, filing or other formality with which DS Smith or International Paper (as the case may be) is unable to comply or compliance with which DS Smith or International Paper (as the case may be) regards as unduly onerous, then International Paper may, in its sole discretion:
 - (i) determine that the New International Paper Shares shall not be allotted and/or issued to such holder under clause 4 of this Scheme but shall instead be allotted and issued to a nominee on terms that such person shall, as soon as practicable following the Effective Date, sell the New International Paper Shares so allotted and issued at the best price which can reasonably be obtained at the time of sale and account for the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) by sending a cheque or creating an assured payment obligation in accordance with the provisions of sub-clauses 5(B) or 5(C) of this Scheme (as applicable); or
 - (ii) determine that the New International Paper Shares shall be sold, in which event the New International Paper Shares shall be allotted and/or issued to such holder and International Paper shall appoint a person to act pursuant to this sub-clause 5(A)(ii) and such person shall be authorised on behalf of such holder to procure that any shares in respect of which International Paper has made such determination shall as soon as practicable following the Effective Date be sold at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be paid to such holder by sending a cheque or creating an assured payment obligation in accordance with the provisions of sub-clauses 5(B) or 5(C) of this Scheme (as applicable).

To give effect to any sale under this sub-clause 5(A), the person appointed will be authorised to execute and deliver a form of transfer or other instrument or instruction of transfer (whether as a deed or otherwise) and to give such instructions and to do all other things which such person may consider necessary or expedient in connection with such sale.

In the absence of bad faith or wilful default, none of DS Smith, International Paper or the person so appointed shall have any liability for any loss or damage arising as a result of the timing or terms of such sale.

- (B) In the case of Scheme Shares to be sold in accordance with sub-clause 5(A) of this Scheme which are in uncertificated form at the Scheme Record Time, International Paper shall on behalf of the person appointed pursuant to sub-clause 5(A) of this Scheme make any cash payment pursuant to sub-clause 5(A) of this Scheme by instructing Euroclear, or procuring that Euroclear is instructed, to create an assured payment obligation in favour of the payment bank of the holders of such Scheme Shares in accordance with the CREST assured payment arrangements (as set out in the CREST Manual) as soon as practicable after such sale and in any event within 14 days of such sale, provided that International Paper may (if, for reasons outside its control, it is not able to effect settlement in accordance with this sub-clause 5(B)) determine that all or part of such consideration shall be paid by cheque in Pounds Sterling drawn on a UK clearing bank, in which case sub-clause 4(E) of this Scheme shall apply, to the extent appropriate.
- (C) In the case of Scheme Shares to be sold in accordance with sub-clause 5(A) of this Scheme which are in certificated form at the Scheme Record Time, International Paper will on behalf of the person appointed pursuant to sub-clause 5(A) of this Scheme make any cash payment pursuant to sub-clause 5(A) of this Scheme by despatching, or procuring the despatch, to the Scheme Shareholder, cheques in Pounds Sterling drawn on a UK clearing bank by post as soon as practicable after such sale and in any event within 14 days of such sale.

6. Fractional entitlements

- (A) Fractions of New International Paper Shares will not be allotted to DS Smith Shareholders. Instead, any DS Smith Shareholder who would have been entitled to such fractional entitlement shall receive cash in an amount (applying the Exchange Rate and rounded down to the nearest penny) equal to such fractional entitlement (which such DS Smith Shareholder would otherwise have been entitled) multiplied by the last reported sale price of International Paper Shares on the New York Stock Exchange (as reported in Bloomberg or, if not reported therein, in another authoritative source selected by International Paper) on the last Business Day prior to the Effective Date.
- (B) International Paper shall make any cash payments to which a Scheme Shareholder is entitled under clause 6(A):
 - (i) in the case of Scheme Shares which are in uncertificated form at the Scheme Record Time, by instructing Euroclear, or procuring that Euroclear is instructed, to create an assured payment obligation in favour of the payment bank of the holders of such Scheme Shares in accordance with the CREST assured payment arrangements (as set out in the CREST Manual) as soon as practicable and in any event within 14 days of the Effective Date, provided that International Paper shall reserve the right to pay all or part of such consideration by cheque in Pounds Sterling drawn on a UK clearing bank; and
 - (ii) in the case of Scheme Shares which are in certificated form at the Scheme Record Time, by despatching, or procuring the despatch of, to the Scheme Shareholder, a cheque in Pounds Sterling drawn on a UK clearing bank by post as soon as practicable and in any event within 14 days of the Effective Date.
- (C) All such cash payments will be made in Pounds Sterling. Payments made by cheque will be payable to the Scheme Shareholder concerned or, in the case of joint holders, to all joint holders on the register of members of DS Smith. Cheques will be despatched not later than the fourteenth day following the Effective Date to the person entitled thereto at the address as appearing in the register of members of DS Smith at the Scheme Record Time. Neither International Paper nor any of its nominee(s) or agents shall be responsible for any loss or delay in the transmission of cheques sent in this way, and such cheques shall be sent entirely at the risk of the person entitled thereto.

7. Mandates

All mandates relating to the payment of dividends and other instructions (or deemed instructions), including communication preferences, given to DS Smith by Scheme Shareholders and in force at the Scheme Record Time relating to holdings of Scheme Shares shall not remain valid from the Effective Date, and will not be an effective mandate or instruction in respect of the corresponding New International Paper Shares to which that Scheme Shareholder is entitled.

8. Operation of this Scheme

- (A) This Scheme shall become effective as soon as a copy of the Court Order shall have been delivered to the Registrar of Companies in England and Wales.
- (B) Unless this Scheme has become effective on or before 16 October 2025, or such later date, if any, as DS Smith and International Paper may agree in writing (with the Panel's consent and as the Court may allow (if such approval(s) are required)) this Scheme shall never become effective.

9. Modification

DS Smith and International Paper may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition that the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Code. For the avoidance of doubt, no modification may be made to this Scheme once it has become effective.

10. Governing Law

This Scheme is governed by English law and is subject to the exclusive jurisdiction of the courts of England and Wales. The rules of the Code will apply to this Scheme.

Dated 11 September 2024

PART FIVE

FINANCIAL INFORMATION

1. Financial Information relating to DS Smith

The following sets out financial information in respect of DS Smith as required by Rule 24.3 of the Takeover Code. The specified sections of the documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this Document by reference in accordance with Rule 24.15 of the Takeover Code:

- the audited accounts of DS Smith for the 52 weeks ended 30 April 2024 as set out on pages 132 to 215 (both inclusive) of the 2024 DS Smith Annual Report available at <https://www.dssmith.com/investors/results-presentations/annual-reports>; and
- the audited accounts of DS Smith for the 52 weeks ended 30 April 2023 as set out on pages 122 to 203 (both inclusive) of the 2023 DS Smith Annual Report available at <https://www.dssmith.com/investors/results-presentations/annual-reports/archive>.

2. DS Smith ratings information

S&P has publicly disclosed a credit rating for DS Smith of BBB-. Following the Announcement, S&P has also publicly disclosed a positive credit outlook for DS Smith as a result of the Combination.

3. Financial information relating to International Paper

The following sets out financial information in respect of International Paper as required by Rule 24.3 of the Takeover Code. The specified sections of the documents referred to below, the contents of which are incorporated into this Document by reference in accordance with Rule 24.15 of the Takeover Code:

- the audited accounts of International Paper for the 52 weeks ended 31 December 2023 as set out on pages 51 to 92 (both inclusive) of the 2023 International Paper Annual Report available at <https://www.internationalpaper.com/investors/financial-reports/annual-report>;
- the audited accounts of International Paper for the 52 weeks ended 30 December 2022 as set out on pages 48 to 93 (both inclusive) of the 2023 DS Smith Annual Report available at <https://www.internationalpaper.com/investors/financial-reports/annual-report>;
- the unaudited first quarter 2024 financial results of International Paper for the three months ended 31 March 2024 available at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>; and
- the unaudited second quarter 2024 financial results of International Paper for the three months ended 30 June 2024 available at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

4. International Paper ratings information

As at 31 December 2023, International Paper had been assigned a long-term corporate credit rating of BBB (stable outlook) by S&P, and a long term corporate family rating of Baa2 (stable outlook) by Moody's. On 17 April 2024, Moody's affirmed International Paper's Baa2 rating, noting that the Combination is credit positive for International Paper, and on 16 April 2024, S&P affirmed International Paper's BBB rating.

5. Effect on International Paper's earnings, assets and liabilities

The International Paper Directors expect the Combination to be accretive to the Combined Company's pro forma adjusted net income per share in 2025 and thereafter.

On a pro forma basis, the Combined Company's gross and net leverage is expected to remain generally consistent with International Paper's current leverage measures, taking into account the earnings and

debt balances of the Combined Company. It is expected that the Combined Company, with its strong credit profile and attractive cash flow, will look to reduce leverage over the medium term.

On a pro forma basis and assuming that the Combination had become Effective on 30 June 2024, the Combined Company would have had total net assets of approximately US\$17 billion (based on the proforma net assets of International Paper and DS Smith as at 30 June 2024).

6. No incorporation of website information

Save as expressly referred to herein, neither the content of DS Smith or International Paper's websites, nor the content of any website accessible from hyperlinks on DS Smith or International Paper's websites is incorporated into, or forms part of, this Document.

PART SIX

DESCRIPTION OF THE NEW INTERNATIONAL PAPER SHARES

Type and class of securities	<p>International Paper will issue up to 179,847,780 new shares of common stock, par value US \$1.00 in the capital of International Paper pursuant to the Combination. When trading on the New York Stock Exchange, the New International Paper Shares will trade under the ISIN US4601461035 under the ticker symbol "IP".</p> <p>When trading on the London Stock Exchange the International Paper Shares are registered with ISIN number US4601461035 and SEDOL number 2465254 and will trade under the ticker symbol "IPC".</p>
Currency of the securities issue	<p>The International Paper Shares are priced in US Dollars, and are quoted and traded on the New York Stock Exchange in US Dollars. The International Paper Shares are quoted and traded on the London Stock Exchange in Pounds Sterling.</p>
Number of issued and fully paid International Paper Shares	<p>As at the Latest Practicable Date, there were 347,379,366 International Paper Shares in issue and fully paid. The International Paper Shares have a par value of US\$1.00.</p>
Description of the rights attached to the securities	<p>The New International Paper Shares are shares of common stock in the capital of International Paper, par value US\$1.00. The New International Paper Shares are credited as fully paid and will rank <i>pari passu</i> in all respects with the International Paper Shares in issue as at the date of this document, save that they will not participate in any dividend payable or distribution by International Paper by reference to a record date prior to the Effective Date.</p> <p>The International Paper Shares rank equally for voting purposes as between the International Paper Shares. Each holder of International Paper Shares has one vote for every International Paper Share held.</p> <p>Each International Paper Share ranks equally for any dividend declared and all dividends shall be declared and paid according to the amounts paid up on the International Paper Shares.</p>
Restrictions on the free transferability of the securities	<p>Neither the restated certificate of incorporation nor the bylaws of International Paper contain any restrictions on the transfer of International Paper Shares or the New International Paper Shares. The New International Paper Shares have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the US Securities Act.</p>
Admission	<p>The International Paper Shares currently in issue are admitted to trading on the New York Stock Exchange (NYSE: IP). Application will be made to the New York Stock Exchange for the New International Paper Shares to be admitted to trading.</p> <p>An application will also be made by or on behalf of International Paper to the FCA for the International Paper Shares to be admitted to the equity shares (international commercial companies secondary listing) category of the Official List and to</p>

the London Stock Exchange for the International Paper Shares (including the New International Paper Shares) to be admitted to trading on its Main Market.

No application has been made or is currently intended to be made for the New International Paper Shares to be admitted to listing or trading on any other exchange.

The New York Stock Exchange is not a regulated market for the purposes of Regulation (EU) No 2017/1129 as it forms part of domestic law by virtue of the European Union Withdrawal Act 2018.

Dividend policy

International Paper pays regular quarterly cash dividends and expects to continue to pay regular quarterly cash dividends in the foreseeable future, though each quarterly dividend payment is subject to review and approval by the International Paper Directors.

PART SEVEN

ADDITIONAL INFORMATION FOR OVERSEAS SHAREHOLDERS

1. General

This Document has been prepared for the purposes of complying with English law, the Code and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside the UK.

It is the responsibility of any person into whose possession this Document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Combination including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

This Document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such offer or solicitation is unlawful.

In any case where the issue of New International Paper Shares to any person resident in, or a citizen of, any jurisdiction outside the UK (an “**overseas shareholder**”) would or may infringe the laws of any such jurisdiction or necessitate compliance with any special requirement, the Scheme provides that such New International Paper Shares may, at the discretion of International Paper, be issued to a nominee appointed by International Paper and then sold, or issued to the overseas shareholder and sold on his behalf, with the net proceeds of sale in either case being remitted to the overseas shareholder.

The New International Paper Shares to be issued in connection with the Scheme have not been, and are not required to be, registered with the SEC under the US Securities Act or any US state securities laws. Neither the SEC nor any state securities commission has approved or disapproved the New International Paper Shares or passed upon the accuracy or adequacy of this Document, the International Paper Prospectus, the International Paper Proxy Statement or any of the accompanying documents. Any representation to the contrary is a criminal offence in the United States.

Overseas shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme.

The availability of the Scheme and the Combination to an overseas shareholder may be affected by the laws of the relevant jurisdictions in which they are located. Overseas shareholders should inform themselves about and should observe any applicable legal or regulatory requirements. It is the responsibility of each overseas shareholder to satisfy itself as to the full compliance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

The release, publication or distribution of this Document and/or any accompanying documents (in whole or in part) in or into or from jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the UK to vote their DS Smith Shares with respect to the Scheme at the Meetings, or to appoint another person as proxy, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such Restricted Jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person or any other failure to satisfy any applicable laws, regulations or requirements.

Unless otherwise determined by International Paper or required by the Code, and permitted by applicable law and regulation, the Combination will not be made available, directly or indirectly, in, into or from a jurisdiction where to do so would violate the laws in that jurisdiction.

Accordingly, copies of certain documents relating to the Combination are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

Overseas shareholders with a registered address in a Restricted Jurisdiction will not, even if they so request, be sent the International Paper Prospectus.

2. US Securities Laws

The Combination relates to the shares of an English company and is being effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the proxy solicitation or tender offer rules under the US Exchange Act. In connection with the proposed issuance of New International Paper Shares, International Paper will file the International Paper Proxy Statement with the SEC. Accordingly, the Combination is subject to the disclosure requirements, rules and practices applicable in the United Kingdom to schemes of arrangement, which differ from the disclosure requirements, style and format of US proxy solicitation or tender offer rules. However, International Paper reserves the right, subject to the prior consent of the Panel and in accordance with the Co-operation Agreement, to elect to implement the Combination by means of an Offer for the entire issued and to be issued ordinary share capital of DS Smith, as an alternative to the Scheme. If International Paper were to elect to implement the Combination by means of an Offer, it shall be made in compliance with all applicable laws and regulations. If such an Offer is required to be made in the United States, it will be done in compliance with the applicable tender offer rules under the US Exchange Act, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder. In addition to any such Offer, International Paper, certain affiliated companies or their respective nominees or brokers (acting as agents) may, in accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, make certain purchases of, or arrangements to purchase, DS Smith Shares other than pursuant to the Combination, until the date on which the Combination and/or the Scheme becomes Effective, lapses or is withdrawn. If such purchases or arrangements to purchase were to be made, they would be made outside the United States and would comply with applicable law, including the US Exchange Act. Such purchases or arrangements to purchase would occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases would be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at <https://www.londonstockexchange.com/stock/SMDS/smith-ds-plc/company-page>.

The information contained in this Document has neither been approved nor disapproved by the SEC or any US state securities commission. Neither the SEC, nor any state securities commission, has passed upon the fairness or merits of the proposal described in, nor upon the accuracy or adequacy of the information contained in, this Document. Any representation to the contrary is a criminal offence in the United States.

The financial information included in this Document has been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to the financial statements of US companies. US GAAP differs in certain respects from IFRS used in the United Kingdom.

The receipt of New International Paper Shares pursuant to the Combination by a US Scheme Shareholder as consideration pursuant to the terms of the Scheme and the Combination will be treated as a taxable transaction for US federal income tax purposes and possibly under applicable US state, local, non-US and other tax laws. DS Smith Shareholders are urged to consult their independent professional adviser immediately regarding the tax consequences of the Scheme and the Combination applicable to them.

The New International Paper Shares to be issued pursuant to the Combination have not been registered under the US Securities Act, and may not be offered or sold in the United States absent

registration or an applicable exemption from the registration requirements of the US Securities Act. The New International Paper Shares to be issued pursuant to the Combination will be issued pursuant to the exemption from registration provided by Section 3(a)(10) under the US Securities Act. If, in the future, International Paper exercises its right to implement the Combination by way of an Offer or otherwise in a manner that is not exempt from the registration requirements of the US Securities Act, it will file a registration statement with the SEC that will contain a prospectus with respect to the issuance of New International Paper Shares. In this event, DS Smith Shareholders are urged to read these documents and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information, and such documents will be available free of charge at the SEC's website at www.sec.gov or by directing a written request to International Paper (Attention: Investor Relations), or from International Paper's website at <https://www.internationalpaper.com/offer-for-ds-smith-plc/documentation>.

New International Paper Shares issued to persons other than "affiliates" of International Paper (defined as certain control persons, within the meaning of Rule 144 under the US Securities Act) will be freely transferable under US law after the Combination. Persons (whether or not US persons) who are or will be "affiliates" of International Paper within 90 days prior to, or of the Combined Company after, the Effective Date will be subject to certain transfer restrictions relating to the New International Paper Shares under US law.

PART EIGHT

ADDITIONAL INFORMATION ON DS SMITH, INTERNATIONAL PAPER AND BIDCO

1. Responsibility

- 1.1 The DS Smith Directors, whose names are set out in paragraph 2.1 below, accept responsibility for the information contained in this Document (including any expressions of opinion) other than: (i) the information for which responsibility is taken by others pursuant to paragraph 1.2 and 1.3 of this Part Eight; and (ii) the information contained in the opinion of the French members of DS Smith's European Works Council which is set out in Appendix 3 (*Opinion of the French members of DS Smith's European Works Council*) of this Document. To the best of the knowledge and belief of the DS Smith Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The International Paper Directors, whose names are set out in paragraph 2.2 below, accept responsibility for the information contained in this Document (including any expressions of opinion) relating to the International Paper Group, the International Paper Directors and their respective immediate families and the related trusts of and persons connected with the International Paper Directors, and persons deemed to be acting in concert with International Paper (as such term is defined in the Code). To the best of the knowledge and belief of the International Paper Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The Bidco Directors, whose names are set out in paragraph 2.3 below, accept responsibility for the information contained in this Document (including any expressions of opinion) relating to Bidco, the Bidco Directors and their respective immediate families and the related trusts of and persons connected with the Bidco Directors, and persons deemed to be acting in concert with Bidco (as such term is defined in the Code). To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

- 2.1 The DS Smith Directors and their respective positions are:

<i>Name of DS Smith Director</i>	<i>Position</i>
Miles Roberts	<i>Group Chief Executive</i>
Richard Pike	<i>Group Finance Director</i>
Geoff Drabble	<i>Chair</i>
Tessa Bamford	<i>Non-Executive Director</i>
Celia Baxter	<i>Non-Executive Director</i>
Alan Johnson	<i>Non-Executive Director</i>
Alina Kessel	<i>Non-Executive Director</i>
Eric Olsen	<i>Non-Executive Director</i>
David Robbie	<i>Senior Independent Director</i>

The business address of each of the DS Smith Directors is Level 3, 1 Paddington Square, London W2 1DL, United Kingdom.

The company secretary of DS Smith is Iain Simm.

2.2 The International Paper Directors and their respective positions are:

<i>Name of International Paper Director</i>	<i>Position</i>
Mark S. Sutton	<i>Chairman</i>
Andrew K. Silvernail	<i>Chief Executive Officer and Executive Director</i>
Jamie A. Beggs	<i>Independent Director</i>
Christopher M. Connor	<i>Independent Director</i>
Ahmet C. Dorduncu	<i>Independent Director</i>
Anders Gustafsson	<i>Independent Director</i>
Jacqueline C. Hinman	<i>Independent Director</i>
Clinton A. Lewis, Jr.	<i>Independent Director</i>
Kathryn D. Sullivan	<i>Independent Director</i>
Scott A. Tozier	<i>Independent Director</i>
Anton V. Vincent	<i>Independent Director</i>

The business address of each of the International Paper Directors is 6400 Poplar Avenue, Memphis, Tennessee 38197, United States.

The company secretary of International Paper is Joseph R. Saab.

International Paper is a US public company with its principal executive office at 6400 Poplar Avenue, Memphis, Tennessee 38197, United States.

2.3 The Bidco Directors and their respective positions are:

<i>Name of Bidco Director</i>	<i>Position</i>
Errol A. Harris	<i>Director</i>
Holly G. Goughnour	<i>Director</i>
John Sheehan	<i>Director</i>

The business address of each of the Bidco Directors is 2 New Bailey, 6 Stanley Street, Salford, Greater Manchester, United Kingdom, M3 5GS.

Bidco is a private limited company with registered number 15880439 and with its registered address at 2 New Bailey, 6 Stanley Street, Salford, Greater Manchester, United Kingdom, M3 5GS.

3. Interests in DS Smith Shares

3.1 For the purposes of this paragraph 3 and paragraphs 4 to 7:

- (A) “acting in concert” has the meaning given to it in the Code;
- (B) “arrangement” includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to securities which may be an inducement to deal or refrain from dealing;
- (C) “dealings” has the meaning given to it in the Code;
- (D) “derivative” has the meaning given to it in the Code;
- (E) “disclosure period” means the period beginning on 8 February 2023 and ending on the Latest Practicable Date;
- (F) “interest” or “interests” in relevant securities shall have the meaning given to it in the Code and references to interests of International Paper Directors, interests of Bidco Directors or interests of DS Smith Directors in relevant securities shall include all interests of any other person whose interests in shares the International Paper Directors, Bidco Directors or the DS Smith Directors (as the case may be), are taken to be interested in pursuant to Part 22 of the Act;
- (G) “Offer period” means the period commencing on 8 February 2024 and ending on the Latest Practicable Date;

- (H) “relevant International Paper securities” mean relevant securities (such term having the meaning given to it in the Code in relation to an offeror) of International Paper including equity share capital in International Paper (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;
- (I) “relevant DS Smith securities” mean relevant securities (such term having the meaning given to it in the Code in relation to an offeree) of DS Smith including equity share capital of DS Smith (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof.

3.2 As at the Latest Practicable Date, the DS Smith Directors held the following interests in, or rights to subscribe in respect of, relevant DS Smith securities:

Issued Share Capital

<i>Holder</i>	<i>Number of DS Smith Shares</i>	<i>% of DS Smith's total issued share capital</i>	<i>Type of securities</i>
Miles Roberts	2,425,287	0.18	Ordinary shares of 10 pence each
Richard Pike	509,845	0.04	Ordinary shares of 10 pence each
Geoff Drabble	77,445	0.01	Ordinary shares of 10 pence each
Tessa Bamford	0	0.00	Ordinary shares of 10 pence each
Celia Baxter	15,113	0.00	Ordinary shares of 10 pence each
Alan Johnson	12,596	0.00	Ordinary shares of 10 pence each
Alina Kessel	19,000	0.00	Ordinary shares of 10 pence each
Eric Olsen	26,000	0.00	Ordinary shares of 10 pence each
David Robbie	30,000	0.00	Ordinary shares of 10 pence each
Louise Smalley*	18,600	0.00	Ordinary shares of 10 pence each

*Louise Smalley retired as a director on 3 September 2024.

Share options and share awards

<i>Name</i>	<i>Share plan</i>	<i>Date of Grant</i>	<i>Number of DS Smith Shares</i>	<i>Exercise price (p)</i>	<i>Exercise period</i>
Miles Roberts	Performance Share Plan	11/07/2024	479,066	Nil	11/07/2027 to 11/07/2034
	Deferred Share Bonus Plan	11/07/2024	43,326	Nil	11/07/2027 to 11/07/2034
	Performance Share Plan	10/07/2023	687,671	Nil	10/07/2026 to 10/07/2033
	Deferred Share Bonus Plan	10/07/2023	302,689	Nil	10/07/2026 to 10/07/2033
	Performance Share Plan	27/06/2022	638,153	Nil	27/06/2025 to 27/06/2032
	Deferred Share Bonus Plan	27/06/2022	281,881	Nil	27/06/2025 to 27/06/2032
Richard Pike	Performance Share Plan	10/07/2023	397,111	Nil	10/07/2026 to 10/07/2030
	Recruitment Award	27/04/2023	194,191	N/A	From 27/06/2025

3.3 As at the Latest Practicable Date, the following persons acting in concert with DS Smith held the following interests in, or rights to subscribe in respect of, relevant DS Smith securities:

<i>Name</i>	<i>Type of securities</i>	<i>Nature of interest</i>	<i>Number of DS Smith securities</i>	<i>% of DS Smith total issued share capital</i>
Goldman Sachs Bank Europe SE	Ordinary shares of 10 pence each	Borrowed	67,324	0.00

4. Dealings in DS Smith Shares

As at the Latest Practicable Date, the following dealings in relevant securities in DS Smith by DS Smith Directors and persons acting in concert with DS Smith have taken place during the disclosure period:

4.1 DS Smith Directors

<i>Name</i>	<i>Date</i>	<i>Share plan</i>	<i>Nature of dealing</i>	<i>Number of relevant securities</i>	<i>Exercise price (p)</i>
Miles Roberts	21/08/2024	N/A	Sale of ordinary shares to cover tax, statutory deductions and dealing costs following exercise of options granted under the Deferred Share Bonus Plan	96,348	471.4
	21/08/2024	Deferred Share Bonus Plan	Exercise of options over ordinary shares (net following sale to cover tax, statutory deductions and dealing costs)	108,236	Nil
	07/08/2024	Sharesave Plan	Exercise of options to acquire ordinary shares	2,769	325
	11/07/2024	Performance Share Plan	Grant of nil-cost option to acquire ordinary shares	479,066	Nil
	11/07/2024	Deferred Share Bonus Plan	Grant of nil-cost option to acquire ordinary shares	43,326	Nil
Richard Pike	11/07/2024	Performance Share Plan	Grant of nil-cost option to acquire ordinary shares	263,157	Nil
	11/07/2024	Deferred Share Bonus Plan	Grant of nil-cost option to acquire ordinary shares	20,328	Nil
	21/06/2024	N/A	Sale of ordinary shares to cover tax, statutory deductions and dealing costs following vesting of conditional award granted in connection with recruitment	42,959	357.6
	21/06/2024	Recruitment Award	Vesting of conditional award over ordinary shares (net following sale to cover tax, statutory deductions and dealing costs)	48,259	N/A

4.2 Persons acting in concert with DS Smith

<i>Name</i>	<i>Date</i>	<i>Nature of dealing</i>	<i>Number of relevant securities</i>	<i>Price per Unit</i>
Goldman Sachs Bank Europe SE	23/08/2024	Borrow (Return)	13,819	–
	22/08/2024	Borrow	24,861	–
	22/08/2024	Borrow	19,594	–
	20/08/2024	Borrow (Return)	1,656	–
	20/08/2024	Borrow (Return)	52,267	–
	19/08/2024	Borrow (Return)	4,351	–
	16/08/2024	Borrow (Return)	332	–
	14/08/2024	Borrow (Return)	155	–
	13/08/2024	Borrow	4,634	–
	12/08/2024	Borrow (Return)	53,846	–
	09/08/2024	Borrow	106,600	–
	24/07/2024	Borrow (Return)	27,009	–
	23/07/2024	Borrow	65,070	–
	02/07/2024	Borrow (Return)	3,423	–
	27/06/2024	Borrow	3,423	–
18/06/2024	Borrow (Return)	3,111	–	

<i>Name</i>	<i>Date</i>	<i>Nature of dealing</i>	<i>Number of relevant securities</i>	<i>Price per Unit</i>
	17/06/2024	Borrow (Return)	469	–
	13/06/2024	Borrow (Return)	1,226	–
	04/06/2024	Borrow (Return)	50,073	–
	31/05/2024	Borrow	50,073	–
	22/05/2024	Borrow (Return)	8,668	–
	21/05/2024	Borrow (Return)	2,851	–
	14/05/2024	Borrow (Return)	24,985	–
	14/05/2024	Borrow (Return)	1,413	–
	10/05/2024	Borrow	7,657	–
	09/05/2024	Loan (Return)	19,214	–
	08/05/2024	Borrow (Return)	43,478	–
	07/05/2024	Loan (Return)	49,298	–
	07/05/2024	Borrow (Return)	11,505	–
	06/05/2024	Borrow (Return)	11,456	–
	03/05/2024	Borrow	79,968	–
	03/05/2024	Borrow	10,081	–
	03/05/2024	Loan	68,512	–
	03/05/2024	Loan (Return)	2,404	–
	02/05/2024	Loan (Return)	52	–
	01/05/2024	Loan	52	–
	30/04/2024	Loan (Return)	9,052	–
	24/04/2024	Borrow (Return)	6,661	–
	24/04/2024	Loan	11,456	–
	23/04/2024	Borrow (Return)	57,605	–
	23/04/2024	Borrow (Return)	39,556	–
	22/04/2024	Borrow (Return)	79,639	–
	22/04/2024	Borrow (Return)	14,385	–
	18/04/2024	Borrow (Return)	2,862	–
	17/04/2024	Borrow (Return)	101,592	–
	16/04/2024	Borrow (Return)	15,460	–
	15/04/2024	Borrow	97,961	–
	12/04/2024	Borrow	101,592	–
	11/04/2024	Borrow (Return)	9,563	–
	09/04/2024	Borrow	70,165	–
	08/04/2024	Borrow	57,605	–
	26/03/2024	Borrow (Return)	20,403	–
	26/03/2024	Borrow (Return)	13,491	–
	25/03/2024	Borrow (Return)	396	–
	25/03/2024	Borrow (Return)	1,424	–
	22/03/2024	Borrow	13,491	–
	21/03/2024	Borrow	396	–
	20/03/2024	Borrow	20,403	–
	19/03/2024	Borrow	1,424	–
	18/03/2024	Borrow (Return)	18,385	–
	18/03/2024	Borrow (Return)	13,049	–
	15/03/2024	Borrow (Return)	1,699	–
	13/03/2024	Borrow	18,385	–
	12/03/2024	Borrow	14,748	–
	09/02/2024	Loan (Return)	32,416	–
	09/02/2024	Loan (Return)	76,792	–
	09/02/2024	Loan (Return)	9,187	–
	09/02/2024	Loan (Return)	13,179	–
	09/02/2024	Loan (Return)	3,296	–
	09/02/2024	Loan (Return)	1,801	–
	09/02/2024	Loan (Return)	22,861	–
	09/02/2024	Loan (Return)	33,739	–
	09/02/2024	Loan (Return)	17,635	–
	09/02/2024	Loan (Return)	1,254	–

5. Interests in International Paper Shares

5.1 As at the Latest Practicable Date, the International Paper Directors held the following interests in, or rights to subscribe in respect of, relevant International Paper securities:

Issued Share Capital

<i>Holder</i>	<i>Number of International Paper Shares</i>	<i>% of International Paper's total issued share capital</i>	<i>Type of securities</i>
Jamie A. Beggs	0	0	Shares of common stock, \$1 par value
Christopher M. Connor	0	0	Shares of common stock, \$1 par value
Ahmet C. Dorduncu	37,410	0	Shares of common stock, \$1 par value
Anders Gustafsson	47,457	0.01	Shares of common stock, \$1 par value
Jacqueline C. Hinman	59,460	0.01	Shares of common stock, \$1 par value
Clinton A. Lewis, Jr.	0	0	Shares of common stock, \$1 par value
Andrew K. Silvernail	0	0	Shares of common stock, \$1 par value
Kathryn D. Sullivan	40,402	0.01	Shares of common stock, \$1 par value
Mark S. Sutton	834,622	0.24	Shares of common stock, \$1 par value
Scott A. Tozier	0	0	Shares of common stock, \$1 par value
Anton V. Vincent	0	0	Shares of common stock, \$1 par value

Share awards, stock equivalent units and unvested equity

<i>Name</i>	<i>Share Plan⁽¹⁾</i>	<i>Number of International Paper Shares</i>	<i>Vesting Date(s)</i>	<i>Exercise Price (US\$)</i>
International Paper Non-Employee Directors:				
Mark S. Sutton	2009 Amended and Restated Incentive Compensation Plan – Restricted Stock Units and Performance Stock Units	835,083 ⁽⁵⁾⁽⁸⁾	(2)	Nil
Andrew K. Silvernail	2009 Amended and Restated Incentive Compensation Plan – Performance Stock Units	597,873 ⁽⁶⁾⁽⁷⁾⁽⁸⁾	(2)	Nil
Christopher M. Connor	International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee Directors – Restricted Stock Units	69,354	(3)	Nil
Jamie A. Beggs	International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee Directors – Restricted Stock Units	7,609	(3)	Nil
Ahmet C. Dorduncu	International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee Directors – Restricted Stock	4,225	(4)	Nil
Anders Gustafsson	International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee Directors – Restricted Stock	8,606	(4)	Nil

<i>Name</i>	<i>Share Plan⁽¹⁾</i>	<i>Number of International Paper Shares</i>	<i>Vesting Date(s)</i>	<i>Exercise Price (US\$)</i>
Jacqueline C. Hinman	International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee Directors – Restricted Stock	9,074	(4)	Nil
Clinton A. Lewis, Jr.	International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee Directors – Restricted Stock Units	63,769	(3)	Nil
Kathryn D. Sullivan	International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee Directors – Restricted Stock	4,614	(4)	Nil
Scott A. Tozier	International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee Directors – Restricted Stock Units	7,609	(3)	Nil
Anton V. Vincent	International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee Directors – Restricted Stock Units	33,408	(3)	Nil

Notes:

- (1) The International Paper Company Restricted Stock and Deferred Compensation Plan for Non-Employee International Paper Directors (the “**2024 Plan**”) is a subplan of the International Paper Company 2024 Long-Term Incentive Compensation Plan (the “**IP 2024 LTIP**”) and, prior to approval of the 2024 Plan by shareholders on 13 May 2024, a subplan of the 2009 Amended and Restated Incentive Compensation Plan (the “**2009 Plan**”). Following adoption of the 2024 Plan, no new equity awards will be made under the 2009 Plan. International Paper Directors who joined the International Paper Board after 13 May 2024 (Ms. Beggs and Mr. Tozier), received awards made under the 2024 Plan.
- (2) Time-based restricted stock unit awards are expected to vest in three equal installments commencing on each 1 February following the first anniversary of the grant date over a three-year service period, subject to forfeiture and transfer restrictions. Performance stock unit awards are earned over a three-year period based on the achievement of pre-established performance goals. Performance stock unit awards generally vest in February after the three-year performance period and following certification by the Management Development and Compensation Committee of the achievement of pre-established goals.
- (3) Restricted stock units settle in cash on 1 January following the year in which the reporting person terminates service as a director.
- (4) Restricted shares become free of restrictions and non-forfeitable on the earliest of: (i) the anniversary of the grant date, (ii) death, (iii) disability, (iv) retirement or (v) resignation or failure to stand for re-election with the consent of the Board of International Paper Directors.
- (5) The amount shown includes the following units of restricted stock that remain subject to time and performance periods as of 21 June 2024: (i) 220,544 performance stock units awarded under the IP 2022-2024 PSP, (ii) 40,628 restricted stock units and 232,000 performance stock units awarded under the International Paper Company 2023 Long-Term Incentive Compensation Plan (the “**IP 2023 LTIP**”), (iii) 59,173 restricted stock units and 226,209 performance stock units awarded under the IP 2024 LTIP, and (iv) 56,529 reinvested dividend equivalents on those units (such dividend equivalents on stock units were acquired pursuant to a dividend reinvestment feature; dividends vest at the same time as the award to which they relate). The number of performance stock units reflected in the chart above for the units awarded under the IP 2022-2024 PSP, IP 2023 LTIP, and IP 2024 LTIP assume vesting at the 100% performance level.
- (6) The amount shown includes the following units of restricted stock that remain subject to performance periods as of 21 June 2024: (i) 350,926 units awarded under the IP 2024 LTIP, (ii) 240,930 units awarded as an inducement award commencing with Mr. Silvernail's employment on 1 May 2024, and 6,017 reinvested dividend equivalents on those units (such dividend equivalents on stock units were acquired pursuant to a dividend reinvestment feature; dividends vest at the same time as the award to which they relate). As disclosed in the Current Report on Form 8-K filed on

19 March 2024, Mr. Silvernail's inducement award is earned over a three-year period vesting on 1 May 2027. The number of units reflected in the chart above for the performance stock units awarded under the IP 2024 LTIP and the inducement award assume vesting at the 100% performance level.

- (7) Mr. Silvernail's awards were granted under the IP 2009 Plan in connection with commencement of his employment on 1 May 2024, as disclosed in the Current Report on Form 8-K filed on 19 March 2024. Mr. Silvernail's awards may need to be satisfied by delivering shares under the IP 2024 Plan (rather than the IP 2009 Plan) because the performance stock units granted under the IP 2009 Plan may vest at 200% of target, exceeding the number of shares authorised for issuance under the IP 2009 Plan prior to its replacement by the IP 2024 Plan.
- (8) Performance stock units were granted under the IP 2022-2024 PSP under the 2009 Plan. Restricted stock units and performance stock units were granted under the IP 2023 LTIP and IP 2024 LTIP (customary annual long-term incentive awards made to participants) pursuant to the 2009 Plan and/or 2024 Plan as applicable. For further details in relation to the 2024 Plan, the 2009 Plan and the PSP, refer to International Paper's latest annual report.

5.2 As at the Latest Practicable Date, the following persons acting in concert with DS Smith held the following interests in, or rights to subscribe in respect of, relevant International Paper securities:

<i>Name</i>	<i>Type of securities</i>	<i>Nature of interest</i>	<i>Number of International Paper securities</i>	<i>% of International Paper's total issued share capital</i>
Goldman Sachs Bank Europe SE	Warrants	Short	6,050	0.00
Folio Investments, Inc.	Shares of common stock, \$1 par value	Long	16	0.00

6. Dealings in International Paper Shares

As at the Latest Practicable Date, the following dealings in relevant securities in International Paper by International Paper Directors and persons acting in concert with DS Smith have taken place during the disclosure period:

6.1 International Paper Directors

<i>Name</i>	<i>Date</i>	<i>Share plan</i>	<i>Nature of dealing</i>	<i>Number of relevant securities</i>	<i>Price (\$)</i>
Ahmet C. Dorduncu	13 May 2024	Plan for Non-Employee Directors	Acquisition (grant)	4,225	NIL
	8 May 2023	Plan for Non-Employee Directors	Acquisition (grant)	5,039	NIL
Anders Gustafsson	13 May 2024	Plan for Non-Employee Directors	Acquisition (grant)	8,606	NIL
	8 May 2023	Plan for Non-Employee Directors	Acquisition (grant)	9,799	NIL
Jacqueline C. Hinman	13 May 2024	Plan for Non-Employee Directors	Acquisition (grant)	8,476	NIL
	8 May 2023	Plan for Non-Employee Directors	Acquisition (grant)	10,108	NIL
Kathryn D. Sullivan	30 August 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$47.90
	15 August 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$46.10
	31 July 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$46.26
	15 July 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$43.68
	28 June 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$42.77
	14 June 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$45.11
	31 May 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$44.58
	15 May 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$39.91
13 May 2024	Plan for Non-Employee Directors	Acquisition (grant)	6,091	NIL	

Name	Date	Share plan	Nature of dealing	Number of relevant securities	Price (\$)
	30 April 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$34.94
	15 April 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$37.78
	1 April 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$38.92
	15 March 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$36.09
	28 February 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$34.06
	22 February 2024	N/A	Disposal (Rule 10b5-1 trading plan)	600	\$34.63
	8 May 2023	Plan for Non-Employee Directors	Acquisition (grant)	7,729	NIL
Mark S. Sutton	12 February 2024	N/A	Disposal (tax withholding)	69,377	\$35.26
	12 February 2024	PSUs	Acquisition (Vesting of PSUs)	178,816	NIL
	1 February 2024	2023 RSU	Disposal (tax withholding)	5,278	\$35.83
	1 January 2024	2024 RSU	Acquisition (2024 RSU award)	59,173	NIL
	16 March 2023	N/A	Disposal (open market sale)	85,000	\$34.58

6.2 Persons acting in concert with DS Smith

Name	Date	Type of security	Nature of dealing	Number of relevant securities	Price per unit	
Goldman Sachs Bank Europe SE	27/08/2024	Shares of common stock	Borrow (Return)	3,464	–	
	24/06/2024	Shares of common stock	Borrow (Return)	3,464	–	
	24/06/2024	Shares of common stock	Borrow	6,928	–	
	24/06/2024	Shares of common stock	Loan (Return)	3,464	–	
	24/06/2024	Shares of common stock	Loan	3,464	–	
	23/08/2024	Warrant	Sale	82	€3.68	
	25/07/2024	Warrant	Sale	70	€4.35	
	24/07/2024	Warrant	Sale	200	€1.77	
	24/07/2024	Warrant	Purchase	200	€1.88	
	31/05/2024	Warrant	Purchase	3	€9.96	
	30/05/2024	Warrant	Sale	3	€15.13	
	09/05/2024	Warrant	Sale	50	€6.31	
	06/05/2024	Warrant	Sale	48	€7.33	
	Folio Investments, Inc.	06/09/2024	Shares of common stock	Purchase	1	\$49,909
		05/09/2024	Shares of common stock	Sale	1	\$47.2433
		27/08/2024	Shares of common stock	Sale	1	\$48.901
26/08/2024		Shares of common stock	Purchase	1	\$48.724	
23/08/2024		Shares of common stock	Sale	1	\$48.831	
22/08/2024		Shares of common stock	Sale	1	\$47.86	
22/08/2024		Shares of common stock	Purchase	2	\$48.04	
20/08/2024		Shares of common stock	Sale	1	\$47.461	
20/08/2024		Shares of common stock	Purchase	7	\$47.72961	
19/08/2024		Shares of common stock	Sale	2	\$47.4446	
19/08/2024		Shares of common stock	Purchase	1	\$47.3	
16/08/2024		Shares of common stock	Sale	2	\$46.901	
16/08/2024		Shares of common stock	Purchase	1	\$46.845	
14/08/2024		Shares of common stock	Purchase	1	\$46.105	
13/08/2024		Shares of common stock	Sale	1	\$45.291	
12/08/2024		Shares of common stock	Sale	2	\$44.67	
08/08/2024		Shares of common stock	Purchase	1	\$44.703	
08/08/2024		Shares of common stock	Sale	2	\$44.671	
07/08/2024		Shares of common stock	Sale	1	\$44.89	
05/08/2024		Shares of common stock	Purchase	1	\$44.169	
02/08/2024		Shares of common stock	Sale	1	\$46.191	
01/08/2024		Shares of common stock	Sale	1	\$46.191	
01/08/2024		Shares of common stock	Purchase	6	\$46.455	
31/07/2024		Shares of common stock	Sale	1	\$46.185	
26/07/2024		Shares of common stock	Sale	3	\$46.820667	
25/07/2024		Shares of common stock	Sale	1	\$46.265	
19/07/2024		Shares of common stock	Sale	1	\$45.545	
18/07/2024		Shares of common stock	Purchase	1	\$45.749	
18/07/2024		Shares of common stock	Sale	2	\$46.143	
17/07/2024		Shares of common stock	Purchase	1	\$45.779	
16/07/2024	Shares of common stock	Purchase	1	\$45.297		
15/07/2024	Shares of common stock	Purchase	2	\$44.047		
15/07/2024	Shares of common stock	Sale	1	\$43.9325		
09/07/2024	Shares of common stock	Purchase	1	\$42.8506		
09/07/2024	Shares of common stock	Sale	2	\$42.841		

<i>Name</i>	<i>Date</i>	<i>Type of security</i>	<i>Nature of dealing</i>	<i>Number of relevant securities</i>	<i>Price per unit</i>
	27/06/2024	Shares of common stock	Sale	1	\$42.9397
	25/06/2024	Shares of common stock	Sale	10	\$46.38
	21/06/2024	Shares of common stock	Purchase	1	\$45.75
	20/06/2024	Shares of common stock	Purchase	2	\$46.6733
	13/06/2024	Shares of common stock	Purchase	1	\$45.2712
	12/06/2024	Shares of common stock	Purchase	1	\$44.8837
	11/06/2024	Shares of common stock	Sale	1	\$44.84
	10/06/2024	Shares of common stock	Purchase	1	\$44.8025
	07/06/2024	Shares of common stock	Sale	1	\$45.56
	06/06/2024	Shares of common stock	Sale	1	\$44.1609
	04/06/2024	Shares of common stock	Purchase	1	\$44.095
	31/05/2024	Shares of common stock	Sale	2	\$44.331483
	31/05/2024	Shares of common stock	Purchase	1	\$44.34
	30/05/2024	Shares of common stock	Purchase	1	\$44.1733
	28/05/2024	Shares of common stock	Purchase	1	\$45.43
	21/05/2024	Shares of common stock	Sale	1	\$41.74
	20/05/2024	Shares of common stock	Sale	1	\$41.29
	17/05/2024	Shares of common stock	Sale	1	\$40.6605
	16/05/2024	Shares of common stock	Sale	3	\$40.55
	16/05/2024	Shares of common stock	Purchase	2	\$40.375
	14/05/2024	Shares of common stock	Sale	1	\$39.285
	13/05/2024	Shares of common stock	Purchase	1	\$38.355
	08/05/2024	Shares of common stock	Sale	1	\$38.805
	03/05/2024	Shares of common stock	Sale	1	\$35.66
	02/05/2024	Shares of common stock	Sale	1	\$35.66
	22/04/2024	Shares of common stock	Purchase	1	\$34.94
	22/04/2024	Shares of common stock	Sale	3	\$34.93
	08/04/2024	Shares of common stock	Purchase	1	\$38.24
	27/03/2024	Shares of common stock	Purchase	1	\$38.92
	26/03/2024	Shares of common stock	Sale	1	\$41.04
	26/03/2024	Shares of common stock	Purchase	2	\$41.05
	25/03/2024	Shares of common stock	Sale	1	\$40.65
	25/03/2024	Shares of common stock	Purchase	1	\$40.39
	22/03/2024	Shares of common stock	Sale	1	\$39.9
	21/03/2024	Shares of common stock	Purchase	1	\$39.74
	21/03/2024	Shares of common stock	Sale	1	\$39.38429
	20/03/2024	Shares of common stock	Purchase	1	\$39.00066
	19/03/2024	Shares of common stock	Purchase	1	\$38.05
	19/03/2024	Shares of common stock	Sale	1	\$38.032
	18/03/2024	Shares of common stock	Sale	2	\$35.63
	18/03/2024	Shares of common stock	Purchase	2	\$35.74077
	15/03/2024	Shares of common stock	Purchase	1	\$35.93
	15/03/2024	Shares of common stock	Sale	1	\$35.92333
	13/03/2024	Shares of common stock	Sale	1	\$36.26
	12/03/2024	Shares of common stock	Sale	1	\$36.15702
	11/03/2024	Shares of common stock	Purchase	1	\$36.11
	11/03/2024	Shares of common stock	Sale	1	\$36.45
	08/03/2024	Shares of common stock	Purchase	1	\$36.17
	07/03/2024	Shares of common stock	Purchase	1	\$36.01
	06/03/2024	Shares of common stock	Purchase	1	\$35.73278
	06/03/2024	Shares of common stock	Sale	1	\$35.71
	05/03/2024	Shares of common stock	Sale	2	\$36.01
	05/03/2024	Shares of common stock	Purchase	2	\$36.02
	04/03/2024	Shares of common stock	Sale	2	\$36.02
	01/03/2024	Shares of common stock	Sale	1	\$35.34
	29/02/2024	Shares of common stock	Purchase	1	\$35.58
	28/02/2024	Shares of common stock	Purchase	1	\$34.99
	28/02/2024	Shares of common stock	Sale	1	\$34.97993
	27/02/2024	Shares of common stock	Sale	1	\$34.16
	23/02/2024	Shares of common stock	Purchase	1	\$34.46
	23/02/2024	Shares of common stock	Sale	1	\$34.45
	22/02/2024	Shares of common stock	Sale	1	\$34.63
	21/02/2024	Shares of common stock	Purchase	1	\$34.97699
	16/02/2024	Shares of common stock	Purchase	1	\$35.17
	16/02/2024	Shares of common stock	Sale	1	\$35.125
	15/02/2024	Shares of common stock	Sale	1	\$34.99333
	14/02/2024	Shares of common stock	Purchase	1	\$34.36
	14/02/2024	Shares of common stock	Sale	2	\$34.52
	13/02/2024	Shares of common stock	Purchase	1	\$34.7

<i>Name</i>	<i>Date</i>	<i>Type of security</i>	<i>Nature of dealing</i>	<i>Number of relevant securities</i>	<i>Price per unit</i>
	13/02/2024	Shares of common stock	Sale	1	\$34.5825
	12/02/2024	Shares of common stock	Purchase	2	\$35.98
	09/02/2024	Shares of common stock	Purchase	1	\$35.26
	08/02/2024	Shares of common stock	Sale	1	\$34.92

7. Interests and Dealings – General

7.1 Save as disclosed in paragraphs 3 to 6 above, as at the Latest Practicable Date,

- (A) no member of the International Paper Group had any interest in, right to subscribe in respect of, any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant DS Smith securities nor has any member of the International Paper Group dealt in any relevant DS Smith securities or relevant International Paper securities during the disclosure period;
- (B) none of the International Paper Directors or Bidco Directors had any interest in, right to subscribe in respect of, any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant DS Smith securities, relevant International Paper securities, nor has any such person dealt in any relevant DS Smith securities, relevant International Paper securities during the disclosure period;
- (C) no person deemed to be acting in concert with International Paper or Bidco had any interest in, right to subscribe in respect of, or any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant DS Smith securities, relevant International Paper securities, nor has any such person dealt in any relevant DS Smith securities, relevant International Paper securities, during the disclosure period;
- (D) no person who has an arrangement with International Paper or Bidco had any interest in, right to subscribe in respect of, or any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant DS Smith securities, relevant International Paper securities, nor has any such person dealt in any relevant DS Smith securities, relevant International Paper securities during the disclosure period;
- (E) neither International Paper, Bidco nor any person acting in concert with International Paper or Bidco, has borrowed or lent any relevant DS Smith securities or relevant International Paper securities, save for any borrowed shares which have been either on-lent or sold.

7.2 Save as disclosed in paragraphs 3 to 6 above as at the Latest Practicable Date,

- (A) no member of the DS Smith Group had any interest in, right to subscribe in respect of, any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant International Paper securities or relevant DS Smith securities, nor has any such person dealt in any relevant DS Smith securities or relevant International Paper securities during the Offer period;
- (B) none of the DS Smith Directors had any interest in, right to subscribe in respect of, or any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant International Paper securities or relevant DS Smith securities, nor has any such person dealt in any relevant DS Smith securities or relevant International Paper securities during the Offer period;
- (C) no person deemed to be acting in concert with DS Smith had any interest in, right to subscribe in respect of, any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant DS Smith securities or relevant International Paper securities, nor has any such person dealt in any relevant DS Smith securities or relevant International Paper securities during the Offer period;

- (D) no person who has an arrangement with DS Smith had any interest in, right to subscribe in respect of, any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant DS Smith securities or relevant International Paper securities, nor has any such person dealt in any relevant DS Smith securities or relevant International Paper securities during the Offer period; and
- (E) neither DS Smith, nor any person acting in concert with DS Smith has borrowed or lent any relevant DS Smith securities or relevant International Paper securities, save for any borrowed shares which have been either on-lent or sold.
- 7.3 Save as disclosed herein, no persons have given any irrevocable or other commitment to vote in favour of the Scheme or the resolutions to be proposed at the General Meeting or the International Paper Shareholder Meeting.
- 7.4 Save as disclosed herein, none of: (i) International Paper or any person acting in concert with International Paper; (ii) Bidco or any person acting in concert with Bidco; or (iii) DS Smith or any associate of DS Smith has any arrangement in relation to relevant securities.
- 7.5 Save as disclosed herein, no agreement, arrangement or understanding (including any compensation arrangement) exists between International Paper, Bidco or any person acting in concert with them and any of the DS Smith Directors or the recent directors, shareholders or recent shareholders of DS Smith having any connection with or dependence upon or which is conditional upon the Combination.
- 7.6 No relevant securities of DS Smith have been redeemed or purchased by DS Smith during the disclosure period.
- 7.7 No relevant securities of International Paper or Bidco have been redeemed or purchased by International Paper or Bidco during the Offer period.

8. DS Smith Directors' service agreements and letters of appointment

8.1 *Executive Directors' service agreements*

Set out below are details of the service agreements of Miles Roberts and Richard Pike (together, the "**Executive Directors**"):

<i>Name of Executive Director</i>	<i>Date of service agreement</i>	<i>Effective date of appointment</i>	<i>Notice period</i>
Miles Roberts	4 May 2010	4 May 2010	12 months' notice by either party ¹
Richard Pike	17 November 2022	30 June 2023	12 months' notice by either party

Notes:

- (1) It was announced on 7 December 2023 that Miles Roberts had informed the company of his intention to retire from the Board and from his role as Group Chief Executive. It is intended that Miles Roberts' formal notice period will start on 1 December 2024, such that he would retire from the Board and step down as Group Chief Executive no later than 30 November 2025.
- (A) Miles Roberts was appointed as a director of DS Smith as Group Chief Executive on 4 May 2010. He is currently engaged under a service agreement with DS Smith dated 4 May 2010 (as amended on 14 June 2022) and his current annual base salary is £926,000. Richard Pike's appointment as Group Finance Director commenced on 30 June 2023. He is currently engaged under a service agreement with DS Smith dated 17 November 2022 and his current annual base salary is £572,000. Each DS Smith Executive Director's base salary is reviewed annually on 1 August (but not necessarily increased).
- (B) Miles Roberts and Richard Pike are eligible to receive, in lieu of contributions to a defined contribution pension scheme, an allowance equal to 6 per cent. of their respective base salaries (subject to applicable deductions for tax and national insurance contributions).
- (C) Benefits available to the Executive Directors include a company car for business and private use (or a car allowance), income protection insurance, life cover of four times

salary, directors' and officers' insurance, family medical insurance and a subsidised gym membership.

- (D) Under their respective service agreements, Miles Roberts and Richard Pike may, at the discretion of the DS Smith Remuneration Committee, be invited to participate in DS Smith's annual bonus scheme at DS Smith's discretion. The maximum potential annual bonus is 200 per cent. of base salary for Miles Roberts, and 150 per cent. of base salary for Richard Pike. 50 per cent. of the bonus is paid in cash, with the remaining 50 per cent. deferred into shares which vest after 3 years.
- (E) Under their respective service agreements, the DS Smith Executive Directors may, at the discretion of the DS Smith Remuneration Committee, be invited to participate in the DS Smith Performance Share Plan. The maximum potential award is 225 per cent. of base salary in respect of a financial year for Miles Roberts, and 200 per cent. of base salary in respect of a financial year for Richard Pike.
- (F) Subject to the terms of Miles Roberts' service agreement which provides for its automatic termination on him reaching the age of 65, each DS Smith Executive Director's service agreement can be terminated on notice (or, in specified circumstances summarily) and their service agreements have no expiry date. The appointment of the DS Smith Executive Directors is terminable: (i) by the DS Smith Executive Director himself on 12 months' notice (which, as stated above, has been provided by Miles Roberts such that his 12 month notice period shall commence on 1 December 2024); (ii) on 12 months' notice by DS Smith (where their employment is terminated without cause); or (iii) with immediate effect in specified circumstances, including in the event of the DS Smith Executive Directors' serious or persistent breach of their service agreement, conviction of certain criminal offences or being declared bankrupt, in which case they will not be entitled to any payment other than the amounts accrued but unpaid as at termination. Should notice be served, the DS Smith Executive Directors will continue to receive their basic salary and contractual benefits for the duration of their notice period. DS Smith may require the individual to continue to fulfil their current duties or may assign a period of garden leave.

In addition, at any point after notice in (ii) is given, DS Smith may:

- (1) terminate Miles Roberts' appointment with immediate effect and make a payment in lieu of base salary and his pension allowance to which he would have been entitled during the unexpired period of notice in either monthly instalments or as a lump sum until the date on which the 12-month notice period would have expired. The quantum of the pension allowance would be based on the rate set out in Miles Roberts' original service agreement of 30 per cent. of salary (rather than any reduced allowance applying at the time of the termination). If the company pays the payment in lieu in instalments and Miles Roberts obtains alternative employment or provides services pursuant to a consultancy arrangement whilst such payments are being made, (and he must try to mitigate his loss by using best efforts to secure such alternative employment), such payments will then be reduced or stop completely.
 - (2) terminate Richard Pike's appointment with immediate effect and make a payment in lieu of base salary to which he would have been entitled during the unexpired period of notice in either monthly instalments or as a lump sum until the date on which the 12-month notice period would have expired. If the Company pays the payment in lieu in instalments and Richard Pike obtains an alternative remunerated position whilst such payments are being made, (and he must try to mitigate his loss by taking all reasonable steps to obtain an alternative remunerated position), such payments will then be reduced or stop completely.
- (G) Each DS Smith Executive Director is subject to some limited post-termination restrictions which, for Miles Roberts, continue for a period of 6 months after termination, and for Richard Pike, for a period of 12 months after termination. Each service agreement provides explicitly that the period of post-termination restrictions will be reduced by any period of garden leave.

8.2 **Chair and other Non-Executive Directors**

The non-executive DS Smith Directors have entered into letters of appointment. The appointment of each non-executive DS Smith Director is subject to re-election at annual general meetings of DS Smith.

Each non-executive DS Smith Director's letter of appointment is terminable by either party on one months' written notice. They may also cease to hold office as a director in accordance with the Articles of Association.

In the event that a DS Smith Director is not re-elected to the DS Smith Board or either party serves one months' notice on the other, their appointment will terminate and the non-executive DS Smith Director may receive a payment in lieu of such notice. Each non-executive DS Smith Director's letter of appointment is also terminable by DS Smith with immediate effect without payment of compensation if the non-executive DS Smith Director: (i) commits a material breach of their obligations under the letter of appointment; or (ii) commits a serious breach or non-observance of their obligations to DS Smith.

Under the letters of appointment, the non-executive DS Smith Directors are typically appointed for an initial three-year term, which may be extended for an additional period (subject to DS Smith annual Board review and re-election at the DS Smith annual general meeting).

<i>Name of Director</i>	<i>Date appointed Director</i>	<i>Original letter of appointment date</i>	<i>Date of current appointment</i>	<i>Fees (per annum)</i>
Geoff Drabble	1 September 2020	17 June 2020	1 September 2023	£345,000
Tessa Bamford	1 January 2024	28 September 2023	1 January 2024	£70,500
Celia Baxter	9 October 2019	8 July 2019	9 October 2022	£88,500
Alan Johnson	1 June 2022	8 March 2022	1 June 2022	£70,500
Alina Kessel	1 May 2020	28 April 2020	1 May 2023	£70,500
Eric Olsen	15 May 2023	15 May 2023	15 May 2023	£70,500
David Robbie	11 April 2019	11 April 2019	11 April 2022	£103,500
Louise Smalley ¹	23 June 2014	14 April 2014	1 April 2024	£70,500 ¹

Notes:

(1) Louise Smalley was paid up to and including the final day of her term, which was 3 September 2024.

DS Smith maintains directors' and officers' insurance for the benefit of each non-executive DS Smith Director.

8.3 **Other service agreements**

Save as disclosed above, there are no service agreements or letters of appointment, between any DS Smith Director or proposed director of DS Smith and any member of the DS Smith Group and no such service agreement or letter of appointment has been entered into or amended within the six months preceding the date of this Document (save for amendments in the form of ordinary course changes to the salary and fees of the DS Smith Directors implemented by way of side letter).

Save as set out in paragraph 11 of Part Two (*Explanatory Statement*) of this Document, the effect of the Scheme on the interests of the DS Smith Directors does not differ from its effect on the like interests of any other holder of Scheme Shares.

8.4 **Amendments, other contracts and other compensation**

Save as disclosed above, there are no other service agreements between the DS Smith Directors and DS Smith or any member of the DS Smith Group.

8.5 No DS Smith Director is entitled to commission or profit-sharing arrangements; neither the service agreements nor any of the letters of appointment set out in this paragraph 8 have been entered into or amended during the six months prior to the date of this Document; and other than statutory compensation and payment in lieu of notice, no compensation is payable by DS Smith to any DS Smith Director upon early termination of their employment or appointment.

9. International Paper Directors' emoluments

The emoluments of the International Paper Directors will not be affected by the Combination or any other associated transaction.

10. Market quotations

10.1 The following table shows the closing middle market prices for DS Smith Shares as derived from the Official List for the first dealing day of each month from March to August inclusive, for Monday 7 February 2024 (being the last Business Day prior to the date of the commencement of the Offer Period) and for 6 September (being the Latest Practicable Date) and as derived from Bloomberg:

<i>Date</i>	<i>DS Smith Share price (£)</i>
1 March 2024	3.26
1 April 2024	3.96
1 May 2024	3.54
3 June 2024	3.82
1 July 2024	4.19
1 August 2024	4.57
2 September 2024	4.72
7 February 2024	2.81
6 September 2024	4.47

10.2 The following table shows the closing middle market prices for International Paper Shares as derived from the New York Stock Exchange for the first dealing day of each month from March to August inclusive, for Monday 7 February 2024 (being the last Business Day prior to the date of the commencement of the Offer Period) and for 6 September 2024 (being the Latest Practicable Date) and as derived from Bloomberg:

<i>Date</i>	<i>International Paper Share price (\$)</i>
1 March 2024	35.05
2 April 2024	38.70
1 May 2024	35.28
3 June 2024	45.55
1 July 2024	43.34
1 August 2024	46.63
3 September 2024	47.77
7 February 2024	33.86
6 September 2024	47.11

11. Material contracts

11.1 *International Paper material contracts*

Save as disclosed below, no member of the International Paper Group has, during the period beginning on 8 February 2022 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

The following contracts, not being contracts entered into in the ordinary course of business, and which are or may be material, have been entered into by members of International Paper Group in the period beginning on 8 February 2022 and ending on the Latest Practicable Date.

Amended and Restated Credit and Security Agreement

On 8 June 2023, International Paper entered into Amendment No. 20 to the Second Amended and Restated Credit and Security Agreement, by and among International Paper, as servicer, Red Bird Receivables, LLC, as borrower, and the various lenders and agents from time to time party thereto, Mizuho Bank, Ltd., as administrative agent and structuring agent, and Regions Bank, as co-agent. Under the Second Amended and Restated Credit and Security Agreement, International Paper is designated as "Servicer" and obligated to carry out the servicing, administration and collection of receivables it sells to the borrower pursuant to that certain Receivables Sales and Contribution Agreement dated as of 13 March 2008, by and between International Paper, as originator, and the borrower. As compensation for the Servicer's servicing

activities, International Paper is entitled to a servicing fee, on a monthly basis, which is calculated at a rate of 1.0% per annum on the outstanding balance of subject receivables (or as may be otherwise determined pursuant to the agreement).

Third Amended and Restated 5-Year Credit Agreement

On 7 June 2023, International Paper entered into a \$1,400,000,000 Third Amended and Restated 5-Year Credit Agreement between International Paper, the lenders from time to time party thereto, JP Morgan Chase Bank, N.A., as administrative agent, joint lead arranger and joint bookrunner, and Citibank, as syndication agent, and JP Morgan Chase Bank, N.C. and Citibank N.A., as joint lead arrangers and joint bookrunners. The Third Amended and Restated 5-Year Credit Agreement contains covenants and ongoing obligations on International Paper, and its principal terms include:

- A. Purpose: the Third Amended and Restated 5-Year Credit Agreement is made for general corporate purposes (in compliance with all applicable legal and regulatory requirements), including acquisition financing; *provided* that neither the administrative agent nor any lender shall have any responsibility as to the use of any of such proceeds;
- B. Term: until 7 June 2028, which is capable of being extended an additional 12 months;
- C. Repayment: subject to voluntary prepayment, the final maturity date of the Third Amended and Restated 5-Year Credit Agreement is set out in (B) above;
- D. Rate of Interest: Daily simple SOFR plus 10 basis points, plus the applicable margin per annum. The margin is based upon the long-term debt ratings by Moody's and S&P, respectively:
 - A-/A3 or above: facility fee of 91.0 basis points;
 - BBB+/Baa1: facility fee of 101.5 basis points;
 - BBB/Baa2: facility fee of 112.5 basis points;
 - BBB-/Baa3: facility fee of 120.0 basis points;
 - BB+/Ba1 or lower; facility fee of 140.0 basis points;
- E. Facility Fee: International Paper shall pay to the administrative agent for the account of each lender a facility fee, which shall accrue at the applicable rate on the daily amount of the commitment of such lender. The applicable rates are based upon the long-term debt ratings by Moody's and S&P, respectively, applicable on such date as follows:
 - A-/A3 or above: facility fee of 9.0 basis points;
 - BBB+/Baa1: facility fee of 11.0 basis points;
 - BBB/Baa2: facility fee of 12.5 basis points;
 - BBB-/Baa3: facility fee of 17.5 basis points;
 - BB+/Ba1 or lower; facility fee of 22.5 basis points;
- F. Governing Law and Jurisdiction: New York law. The Courts of New York have exclusive jurisdiction.

Term Loan Agreement

On 24 January 2023, International Paper entered into a \$600,000,000 Term Loan Agreement between International Paper, the lenders from time to time party thereto, and CoBank, ACB, as administrative agent, lead arranger and bookrunner. The Term Loan Agreement contains covenants and ongoing obligations on International Paper, and its principal terms include:

- A. Purpose: the term loan is made solely for the purpose of the financing of new or refinancing of old renewable energy investments, including acquisition financing; *provided*

that neither the administrative agent nor any lender shall have any responsibility as to the use of any of such proceeds;

- B. Term: until 24 January 2028;
- C. Repayment: subject to voluntary prepayment, the final maturity date of the term loan is set out in (B) above;
- D. Rate of Interest: Daily simple SOFR plus 10 basis points, plus the applicable margin per annum. The margin is based upon the long-term debt ratings by Moody's and S&P, respectively:
 - A-/A3 or above: facility fee of 150.0 basis points;
 - BBB+/Baa1: facility fee of 154.0 basis points;
 - BBB/Baa2: facility fee of 165.0 basis points;
 - BBB-/Baa3: facility fee of 172.5 basis points;
 - BB+/Ba1 or lower; facility fee of 192.5 basis points;
- E. Governing Law and Jurisdiction: New York law. The Courts of New York have exclusive jurisdiction.

Co-operation Agreement

See paragraph 12 of this Part Eight.

Employment Offer Letter

On 14 March 2024, Andrew K. Silvernail agreed and accepted International Paper's employment offer letter outlining the terms of his offer of employment to serve as chief executive officer effective 1 May 2024 (the "**Employment Offer Letter**"). The Employment Offer Letter has no specified term and Mr. Silvernail's employment with International Paper will be on an at-will basis. Under the Employment Offer Letter, Mr. Silvernail:

- (a) received an annual base salary of \$1,000,000 and will be eligible for an annual bonus under International Paper's Annual Incentive Plan with a target amount of 150% of base salary;
- (b) received a one-time, special "inducement grant" (an "**Inducement PSU Award**") of performance share units with a grant date fair market value of \$8,500,000;
- (c) received a Long-Term Incentive Plan grant of performance share units for 2024 that is not prorated to reflect the partial year of service, and which will have a grant date fair value of \$12,500,000;
- (d) is eligible to participate in the benefit programs available to U.S.-based employees of International Paper, including, without limitation, participation in the Company's qualified Salaried Savings Plan – 401(k) and nonqualified Deferred Compensation Savings Plan;
- (e) will be provided with use of International Paper's aircraft for personal travel pursuant to a Time Sharing Agreement where Mr. Silvernail is required to reimburse the Company for the incremental cost to the Company of personal use above \$150,000 per year. The value of such use up to \$150,000 per year will result in imputed taxable income to Mr. Silvernail and will not be grossed up for taxes; and
- (f) received International Paper's standard relocation benefits, including reimbursement of home sale expenses for the sale of a home, plus an additional one-time cash payment of \$200,000 to support relocation expenses not covered under the International Paper's current relocation policy.

Furthermore, under the Employment Offer Letter:

- (a) in the event that Mr. Silvernail's employment is terminated by the Company without "cause" or voluntarily by Mr. Silvernail for "good reason," he will be entitled to certain severance payments and benefits, including a lump sum cash severance payment equal to 2.0 times the sum of his base salary and target AIP, a pro-rata annual bonus based on actual performance in the year of termination, six months of Company-subsidised health and welfare benefits continuation, and outplacement services. In the event of a change in control, Mr. Silvernail's cash severance will be 2.99 times the sum of his base salary and target AIP, and he will receive three years of Company-subsidised health and welfare benefits continuation and outplacement services. Any severance payment to Mr. Silvernail in excess of the amounts set forth above will require independent board approval, as well as shareholder approval.
- (b) in the event of a termination of Mr. Silvernail's employment by the Company due to his death or disability, Mr. Silvernail's outstanding equity awards, other than the Inducement PSU Award, will be settled as follows: pro-rata vesting of each of his then outstanding and unvested PSU awards subject to achievement of specified performance objectives. For purposes of the Company's enhanced retirement equity vesting, Mr. Silvernail will be eligible for retirement treatment at age 60 regardless of years of service;
- (c) with respect to the Inducement PSU Award, earned shares fully vest on the three-year anniversary of 1 May 2024, subject to continued service, with accelerated satisfaction of the service vesting condition upon an involuntary termination without cause, voluntary termination for good reason, death, or disability. In those circumstances, Mr. Silvernail will be eligible to receive the full inducement grant, subject to performance determination on the date of termination and execution and delivery of a signed release of claims, based on the average closing prices of the Company's common stock over the ninety (90) day period ending on and including the date of termination;
- (d) in the event of a non change-in-control termination, Mr. Silvernail's unvested PSUs will be pro-rated based on number of months employed through such termination and will be settled following the end of the performance period based on actual performance following an involuntary termination without cause, voluntary termination for good reason, divestiture, death, disability, or retirement; and
- (e) in the event of a change-in-control with a qualified involuntary termination within two years of the change in control, Mr. Silvernail's unvested PSUs will be treated as follows: (i) less than one year of performance period completed: full vesting at target performance; and (ii) more than one year of performance period completed: full vesting at actual performance at time of change in control. For further details relating to Mr. Silvernail's potential payments upon an involuntary termination for cause or without cause, and potential payments upon qualifying termination after a change in control, see the Current Report on Form 8-K filed with the SEC on 19 March 2024.

IP and Bidco Undertakings

International Paper and Bidco have on or around the date of this Document provided certain undertakings by way of deed poll to DS Smith Shareholders who hold DS Smith Shares at the Scheme Record Time (excluding any Excluded Shares) (the "**IP and Bidco Undertakings**").

Bidco has undertaken that:

- it shall, as soon as practicable after the Effective Date, procure that DS Smith effects the re-registration of DS Smith as a private limited company in accordance with the relevant provisions of Part 7 of the Companies Act (the "**DS Smith Re-Registration**"); and
- it shall, as soon as practicable after the Effective Date and after the DS Smith Re-Registration has become effective, procure that DS Smith: (i) implement the Solvency Statement Capital Reduction; and (ii) simultaneously issue one or more new ordinary shares to Bidco, fully paid up, to ensure that there is still at least one share of DS Smith in issue immediately following the Solvency Statement Capital Reduction.

International Paper has undertaken that:

- it shall procure that Bidco complies with the terms of its undertakings in full; and
- no DS Smith Shares are or will be registered in the name of or beneficially owned by International Paper and/or any member of the International Paper Group (and/or any nominee of the foregoing) at the Scheme Record time.

11.2 **DS Smith material contracts**

Save as disclosed below, no member of the DS Smith Group has, during the period beginning on 8 February 2022 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by members of the DS Smith Group in the period beginning on 8 February 2022 and ending on the Latest Practicable Date.

Notes

As of the date of this Document, DS Smith has in issue the following notes:

- £250,000,000 2.875 per cent. notes due 2029 (the “**2029 DSS Notes**”);
- EUR 600,000,000 0.875 per cent. notes due 2026 (the “**2026 DSS Notes**”);
- EUR 850,000,000 4.375 per cent. notes due 2027 (the “**2027 DSS Notes**”); and
- EUR 650,000,000 4.500 per cent. notes due 2030 (the “**2030 DSS Notes**”, together with the 2027 DSS Notes, the “**Green Bonds**”, and the Green Bonds, together with the 2029 DSS Notes and the 2026 DSS Notes, the “**DSS Notes**”).

Each series of DSS Notes was issued under DS Smith’s EUR 5,000,000,000 Euro Medium Term Note Program, which was originally established in March 2015.

The DSS Notes constitute direct, unconditional, unsubordinated, and unsecured obligations of DS Smith and rank *pari passu* among themselves and equally with all other unsecured obligations of DS Smith.

A tabular summary of the key terms of the DSS Notes is set out below:

<i>Notes</i>	<i>Issue Date</i>	<i>Maturity Date</i>	<i>Interest</i>
2029 DSS Notes	26 July 2017	26 July 2029	2.875 per cent. per annum fixed rate payable annually on 26 July subject to step-up of 1.25 per cent. on the first public announcement of a decrease in DS Smith’s credit rating to below: (i) BBB- (in the case of S&P or Fitch); or (ii) Baa3 (in the case of Moody’s).
2026 DSS Notes	12 September 2019	12 September 2026	0.875 per cent. per annum fixed rate payable annually on 12 September subject to step-up of 1.25 per cent. on the first public announcement of a decrease in DS Smith’s credit rating to below: (i) BBB- (in the case of S&P or Fitch); or (ii) Baa3 (in the case of Moody’s).

<i>Notes</i>	<i>Issue Date</i>	<i>Maturity Date</i>	<i>Interest</i>
2027 DSS Notes	27 July 2023	27 July 2027	4.375 per cent. per annum fixed rate payable annually on 27 July subject to step-up of 1.25 per cent. on the first public announcement of a decrease in DS Smith's credit rating to below: (i) BBB- (in the case of S&P or Fitch); or (ii) Baa3 (in the case of Moody's).
2030 DSS Notes	27 July 2023	27 July 2030	4.500 per cent. per annum fixed rate payable annually on 27 July subject to step-up of 1.25 per cent. on the first public announcement of a decrease in DS Smith's credit rating to below: (i) BBB- (in the case of S&P or Fitch); or (ii) Baa3 (in the case of Moody's).

Redemption

Prior to but excluding: (i) 12 June 2026 with respect to the 2026 DSS Notes; (ii) 27 June 2027 with respect to the 2027 DSS Notes; and (iii) 27 April 2030 with respect to the 2030 DSS Notes, DS Smith may, upon providing the requisite notice to holders, redeem such notes at its option, in whole or in part, at a price equal to the higher of nominal amount and an amount determined according to a customary make-whole amount.

With respect to the 2029 DSS Notes, prior to but excluding 26 April 2029, DS Smith may, upon providing the requisite notice to holders, redeem the 2029 Notes at its option, in whole or in part, at a price equal to the higher of nominal amount and an amount determined according to a customary make-whole amount.

On or after the applicable date with respect to each series of DSS Notes as described in the preceding paragraphs until (but excluding) the Maturity Date (as set out in the table above), DS Smith may, upon providing the requisite notice to holders, redeem any series of the DSS Notes at its option, in whole or in part, at a redemption price equal to 100 per cent. of the nominal amount of the DSS Notes being redeemed.

Change of Control

The conditions of each series of DSS Notes includes a holder put option triggered upon the occurrence of a "**Change of Control Put Event**". Broadly, this would be triggered if, between the public announcement of a potential change of control (or of a change of control) and 120 days after the occurrence of the change of control (the "**Change of Control Period**"), DS Smith's credit rating is downgraded or withdrawn and the relevant rating agency confirms that such downgrade or withdrawal resulted, directly or indirectly, from the change of control or potential change of control, and such downgraded or withdrawn credit rating is not upgraded or reinstated at its earlier grade within the same Change of Control Period. Following any such event, holders would have the option to require DS Smith to redeem, or at DS Smith's option, purchase such DSS Note at a price equal to 100 per cent. of its nominal amount.

Negative Pledge

The conditions of each series of DSS Notes contains a negative pledge that prohibits DS Smith and each subsidiary of DS Smith from creating, assuming, permitting to subsist any mortgage, charge, lien, pledge or other security interest to secure any indebtedness, other than the certain categories of permitted security interest, except where the DSS Notes benefit from the same security or such other security as either the trustee of such DSS Notes shall deem not materially less beneficial to the interest of the holders or that is approved by an extraordinary resolution of the holders.

Events of Default

The conditions of each series of DSS Notes contains customary events of default, including payment defaults, covenant defaults, cross default and insolvency. Upon the occurrence of an event of default, the trustee may at its discretion, or must if so requested by a certain proportion of noteholders or directed by an extraordinary resolution, and subject to provision of certain written certifications to DS Smith in respect of certain events of default, notify DS Smith that each note shall immediately become due and repayable at a price equal to 100 per cent. of the nominal amount, together with accrued interest (if any).

Revolving Credit Facility Agreement

DS Smith entered into a revolving credit facility agreement arranged by a group of their key relationship banks on 29 November 2018. The Revolving Credit Facility has since been amended and amended and restated by an amendment and restatement agreement dated 4 November 2019, an amendment agreement dated 26 June 2020, an amendment and restatement agreement dated 8 September 2021, and most recently an amendment letter dated 10 June 2024 (the “**Revolving Facility Agreement**”).

The Revolving Facility Agreement originally provided for a £1.4 billion revolving credit facility (the “**Revolving Credit Facility**”) with an original final maturity date of 29 November 2023. On 4 November 2019, DS Smith exercised the first extension option which extended all lenders commitments to 29 November 2024. The second extension option was exercised on 2 November 2020 following which certain lenders further extended their commitments to 29 November 2025. On 10 June 2024, DS Smith entered into an amendment and extension letter which extended the Revolving Credit Facility to 29 May 2027. Pursuant to the amendment and extension letter, certain lenders consensually exited the Revolving Credit Facility on 11 June 2024 and cancelled their commitments, reducing the Revolving Credit Facility to £1.25 billion. As of 6 September 2024, DS Smith had drawn and outstanding £516,270,758 under the Revolving Credit Facility.

Interest and Fees

Advances made under the Revolving Facility Agreement bear interest at a rate equal to the relevant interbank rate or, from an agreed rate switch date, a daily non-cumulative compounded risk-free rate plus an applicable credit adjustment spread for a specific currency determined in accordance with the methodology set out in the Revolving Facility Agreement plus a margin. The margin is subject to a margin ratchet calculated by reference to leverage ratio applicable to the Revolving Credit Facility (see below).

<i>Leverage</i>	<i>Margin (per cent. per annum)</i>
Greater than 3.25:1	1.60
Equal to or lower than 3.25:1 and greater than 2.50:1	0.80
Equal to or lower than 2.50:1 and greater than 1.50:1	0.55
Equal to or lower than 1.50:1	0.35

Commitment fees are payable quarterly in arrears on the undrawn, uncancelled amount of the Revolving Credit Facility at a rate equal to 35 per cent. of the applicable margin on each lender’s available commitment under the facility for the relevant period. A utilisation fee of up to 0.30 per cent. per annum is also payable according to the aggregate amount of the Revolving Credit Facility which is utilised. Certain customary agency fees are also payable to the facility agent.

Covenants

The Revolving Facility Agreement contains certain restrictive covenants. These include restrictions on disposals, the incurrence of financial indebtedness by members of the DS Smith Group and a negative pledge, in each case, subject to certain exceptions and permitted thresholds.

The Revolving Facility Agreement includes a financial covenant consisting of a maximum leverage ratio, tested semi-annually according to the DS Smith Group’s consolidated annual or interim financial statements. This ratio requires that the ratio of total consolidated net borrowings as at the last day of each testing period to adjusted EBITDA for that period shall not exceed 3.75:1.

Repayment and Prepayment

Each loan made under the Revolving Facility Agreement is repayable in full on the last day of the term of the loan, subject to standard rollover provisions and to a final repayment date of 29 May 2027.

DS Smith is permitted to prepay any loan in whole or in part by a minimum amount of £1,000,000 at any time, subject to provision of the requisite notice. DS Smith is not permitted to prepay any compounded rate loan if such prepayment would result in more than six compounded rate loans having been prepaid within any period of twelve calendar months.

In certain cases, break costs may be payable in respect of the prepayment or repayment of term rate loans only and will be calculated and supplied by each lender in accordance with the Revolving Facility Agreement.

Security and Guarantees

The Revolving Credit Facility is unsecured. DS Smith provides an irrevocable and unconditional, continuing guarantee of the punctual performance of the borrower's obligations under the finance documents.

Events of Default

The Revolving Facility Agreement contains customary events of default, including payment defaults, breaches of representations and warranties, covenant defaults, cross default, and insolvency. Upon the occurrence of an event of default, the facility agent may, or must if so instructed by the majority of lenders, provide notice to DS Smith cancelling all or part of the total commitments under the Revolving Credit Facility and/or declaring that all or part of any amounts outstanding under the finance documents together with accrued interest are immediately due and payable and/or payable on demand by the facility agent (acting on the instructions of the majority lenders).

Co-operation Agreement

See paragraph 12 of this Part Eight.

12. Offer-related Arrangements

Confidentiality Agreement

International Paper and DS Smith entered into a confidentiality agreement on 27 February 2024 (the "**Confidentiality Agreement**"), pursuant to which they have each undertaken to keep confidential information relating to the other party and not to disclose it to third parties (with certain exceptions) unless required by law or regulation or permitted pursuant to limited carve-outs to the obligations of confidentiality. The Confidentiality Agreement also includes customary standstill and non-solicitation obligations applicable to both parties.

The confidentiality obligations will remain in force until the Combination becomes effective or, in the event the Combination does not become effective, until the date falling two years from the date of the Confidentiality Agreement.

Clean Team Agreement

On 27 March 2024, DS Smith and International Paper entered into a clean team agreement (the "**Clean Team Agreement**"), which sets out, among other things, how confidential information that is competitively sensitive can be disclosed, used or shared between DS Smith's clean team individuals and/or external advisers retained by DS Smith and International Paper's clean team individuals and/or external advisers retained by International Paper.

Joint Defense Agreement

On 27 March 2024, DS Smith, International Paper, Slaughter and May, Skadden, Arps, Slate, Meagher & Flom LLP, Sidley Austin LLP and Sullivan & Cromwell LLP entered into a joint defense agreement (the "**Joint Defense Agreement**"), the purpose of which is to ensure that the exchange and/or disclosure of certain materials between the parties, in particular in relation to the antitrust and regulatory workstreams, does not diminish in any way the confidentiality of such materials and does not result in a waiver of any privilege, right or immunity that might otherwise be available.

Co-operation Agreement

International Paper and DS Smith have entered into a Co-operation Agreement dated 16 April 2024 pursuant to which:

- International Paper has agreed to take all actions as may be necessary or advisable to satisfy, or procure the satisfaction of, all regulatory clearances and authorisations as soon as reasonably practicable following the date of the Announcement and in any event in sufficient time to enable the Effective Date to occur by the Long Stop Date, provided that International Paper shall not be required to offer or accept any regulatory remedy that requires the disposal of any of its mills, plants or other assets located in the United States;
- International Paper shall be responsible for determining the strategy for obtaining such regulatory clearances and authorisations after prior consultation with DS Smith and after having taken into account DS Smith's views;
- International Paper and DS Smith have agreed to certain customary undertakings to co-operate in relation to such regulatory clearances and authorisations; and
- International Paper has agreed to provide DS Smith promptly with certain information as may be reasonably requested and is required for the Scheme Document, and DS Smith has agreed to provide International Paper promptly with certain information as may be reasonably requested and is required for the International Paper Proxy Statement and the International Paper Prospectus in connection with Admission.

The Co-operation Agreement records the intention of International Paper and DS Smith to implement the Combination by way of the Scheme, subject to International Paper's right to switch to an Offer in certain circumstances. International Paper and DS Smith have agreed to certain customary provisions if the Scheme should switch to an Offer.

The Co-operation Agreement also contains provisions that shall apply in respect of International Paper Shareholders' and DS Smith Shareholders' dividend entitlements and directors' and officers' insurance, as well as the DS Smith Share Schemes, other incentive arrangements and other employee-related matters (further details of which are provided in this Document).

The Co-operation Agreement provides that International Paper will pay a break fee to DS Smith in the following amounts and circumstances (subject to certain exceptions and exclusions):

- \$220,527,460, if International Paper's Board no longer recommends the Combination or if International Paper fails to hold its stockholders' meeting prior to the Long Stop Date;
- \$147,018,306, if International Paper invokes any regulatory condition or any regulatory conditions have not been satisfied or waived by International Paper by the Long Stop Date; or
- \$73,509,153, if International Paper's stockholders do not approve the resolutions required to implement the Combination at its stockholders' meeting.

The Co-operation Agreement shall be terminated with immediate effect:

- if International Paper and DS Smith so agree in writing;
- upon service of notice by International Paper to DS Smith if the DS Smith Directors change their recommendation in respect of the Combination;
- upon service of written notice by either International Paper or DS Smith to the other if: (i) a competing offer becomes effective or is declared or becomes unconditional; (ii) the Combination is withdrawn, terminates or lapses in accordance with its terms; (iii) prior to the Long Stop Date, International Paper invokes a Condition (in circumstances where invocation of the relevant Condition is permitted by the Panel); (iv) the Scheme is not approved at the Court Meeting, the resolutions to be proposed at the General Meeting are not passed or the Court refuses to sanction the Scheme; (v) such resolution or resolutions as are necessary to approve, effect and implement the Combination, including to authorise the creation, allotment and issue of the New International Paper Shares, are not passed at the International Paper Shareholder Meeting; or

(vi) unless otherwise agreed by International Paper and DS Smith in writing or required by the Panel, the Effective Date has not occurred by the Long Stop Date; or

- upon service of notice by DS Smith to International Paper if: (i) International Paper makes an announcement prior to publication of the International Paper Proxy Statement that it will not convene the International Paper Shareholder Meeting or it intends not to file the International Paper Proxy Statement with the SEC or transmit it to International Paper Shareholders; (ii) the International Paper Proxy Statement does not include the International Paper Directors' recommendation; or (iii) the International Paper Directors change their recommendation in respect of the Combination.

13. Irrevocable Undertakings

International Paper has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the resolutions relating to the Combination at the General Meeting from the DS Smith Directors, in respect of their entire beneficial holdings, amounting to 885,191 DS Smith Shares, in aggregate, representing approximately 0.06 per cent. of the issued share capital of DS Smith as at the Latest Practicable Date. Copies of the irrevocable undertakings are available on DS Smith's website at www.dssmith.com/possible-offer and will remain on display until the end of the Offer Period.

The irrevocable undertakings given by the DS Smith Directors will cease to be binding if:

- the Scheme lapses or is withdrawn in accordance with its terms (other than where such lapse or withdrawal is as a result of International Paper electing to implement the Combination by way of an Offer) and no new, revised or replacement Scheme is announced by International Paper in accordance with Rule 2.7 of the Code at the same time;
- the Scheme has not become effective by 11.59 p.m. on the Long Stop Date; or
- a competing offer for the entire issued and to be issued share capital of DS Smith becomes or is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes effective in accordance with its terms.

14. Offer-related fees and expenses

14.1 *International Paper Fees and Expenses*

The aggregate fees and expenses expected to be incurred by International Paper in connection with the Combination (excluding any applicable VAT and other taxes) are expected to be approximately £84.8 million. This aggregate number consists of the following categories (in each case excluding any applicable VAT and other taxes):

<i>Category</i>	<i>Amount (£)</i>
Financial and corporate broking advice ⁽¹⁾	25.0 million
Legal advice	12.9 million
Accounting advice	0.8 million
Public relations advice	0.8 million
Other professional services	14.2 million
Other costs and expenses	31.1 million
Total	84.8 million

Notes:

- (1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Combination becomes Effective.

14.2 *DS Smith Fees and Expenses*

The aggregate fees and expenses expected to be incurred by DS Smith in connection with the Combination (excluding any applicable VAT and other taxes) are expected to be approximately £59.7 million. This aggregate number consists of the following categories (in each case excluding any applicable VAT and other taxes):

<i>Category</i>	<i>Amount (£)</i>
Financial and corporate broking advice ⁽¹⁾	40.0 million
Legal advice	13.1 million
Accounting advice	4.3 million
Public relations advice	0.7 million
Other professional services	0.5 million
Other costs and expenses	1.1 million
Total	59.7 million

Notes:

(1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Combination becomes Effective.

15. Persons acting in concert

15.1 The persons who, for the purposes of the Code, are acting in concert with International Paper and Bidco are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship with International Paper and Bidco</i>
BofA Securities	2 King Edward Street, London, EC1A 1HQ	Financial adviser

15.2 In addition to the DS Smith Directors (together with their close relatives and related trusts) and members of the DS Smith Group, the persons who, for the purposes of the Code, are acting in concert with DS Smith are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship with DS Smith</i>
Citi	Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB	Joint financial adviser
Goldman Sachs International	Plumtree Court, 25 Shoe Lane, London, EC4A 4AU	Joint financial adviser
J.P. Morgan Cazenove	25 Bank Street, Canary Wharf, London, England, E14 5JP	Joint financial adviser

16. No significant change

16.1 There has been no significant change in the financial or trading position of International Paper since 30 June 2024, being the date to which the latest interim financial statements of International Paper were prepared.

16.2 There has been no significant change in the financial or trading position of DS Smith since 30 April 2024, being the date to which the latest audited financial statements of DS Smith was prepared.

17. Significant International Paper Shareholders

As at the Latest Practicable Date, insofar as it is known to International Paper, the following persons have a potential direct or indirect interest of five per cent. or more of the voting rights in respect of the share capital of the Combined Company immediately following the Effective Date:

<i>Name</i>	<i>Number of International Paper Shares</i>	<i>Percentage of International Paper Shares</i>	<i>Percentage of International Paper Shares immediately following the Effective Date</i>
The Vanguard Group	40,894,512	11.8	9.4
BlackRock, Inc.	34,328,591	9.9	8.8
T. Rowe Price Associates, Inc.	48,525,265	14.0	10.4

18. Consent

Goldman Sachs International, Citi, J.P. Morgan Cazenove and BofA Securities have each given and not withdrawn their consent to the issue of this Document with the inclusion of references to its name in the form and context in which they are included.

19. Documents published on a website

Copies of the following documents will be available for viewing on DS Smith's website at www.dssmith.com/possible-offer by no later than 12.00 p.m. (London time) on the business day following the date of publication of this Document (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions):

- (A) this Document and the Forms of Proxy;
- (B) the Announcement;
- (C) the memorandum and articles of association of DS Smith and the restated certificate of incorporation and bylaws of International Paper;
- (D) a draft of the articles of association of DS Smith as proposed to be amended at the General Meeting;
- (E) the consolidated audited report and accounts of DS Smith for the two financial years ended 30 April 2023 and 30 April 2024;
- (F) the consolidated audited report and accounts of International Paper for the two financial years ended 31 December 2023 and 31 December 2022 and the unaudited quarterly results of International Paper for the three months ended 31 March 2024 and 30 June 2024;
- (G) the written consents referred to in paragraph 18 above;
- (H) the material contracts referred to in paragraph 11 above entered into in connection with the Combination;
- (I) the Confidentiality Agreement and Joint Defense Agreement;
- (J) the Co-operation Agreement;
- (K) the Clean Team Agreement;
- (L) letters from Deloitte and BofA Securities confirming that their reports in connection with the International Paper FY24 Profit Forecast continues to apply, as required by Rule 27.2(d) of the Code;
- (M) letters from Deloitte and BofA Securities confirming that their reports in connection with the Quantified Financial Benefits Statement continues to apply, as required by Rule 27.2(d) of the Code;
- (N) copies of the irrevocable undertakings referred to in paragraph 13 above; and
- (O) copies of the International Paper Prospectus and International Paper Proxy Statement, when it is filed with the SEC.

20. Sources of information and bases of calculation

In this Document, unless otherwise stated or the context otherwise requires, the following bases and sources have been used:

- (A) As at the Latest Practicable Date, there were 1,380,268,856 DS Smith Shares in issue. The ISIN for DS Smith Shares is GB0008220112.
- (B) As at the Latest Practicable Date, there were 347,379,366 International Paper Shares in issue. The CUSIP number for International Paper Shares is 460146-10-3.

- (C) Any references to the issued and to be issued share capital of DS Smith are based on:
- (i) the 1,380,268,856 DS Smith Shares referred to in paragraph (A) above; and
 - (ii) 19,324,765 DS Smith Shares to be issued on the expected vesting of awards and exercise of options granted or expected to be granted under the DS Smith Share Schemes being the expected number of DS Smith Shares which could be issued on or after the date of this Document to satisfy the vesting of awards and the exercise of options under the DS Smith Share Schemes.
- (D) The value of the Combination by reference to the existing issued share capital of DS Smith is based on the issued and to be issued share capital of DS Smith (as set out in paragraph (C) above).
- (E) Unless otherwise stated, all prices and Closing Prices for the DS Smith Shares are derived from Bloomberg.
- (F) Unless otherwise stated, all prices for the International Paper Shares are derived from Bloomberg.
- (G) Unless otherwise stated, all exchange rates for the conversion of US Dollars into Pounds Sterling are derived from Bloomberg.
- (H) Unless otherwise stated, the financial information relating to DS Smith is extracted from the audited accounts of DS Smith for the year ended 30 April 2024.
- (I) Unless otherwise stated, the financial information relating to International Paper is extracted from the audited accounts of International Paper for the year ended 31 December 2023 and the unaudited quarterly financial results for the three months ended 31 March 2024 and 30 June 2024.
- (J) The enlarged share capital of 527,227,146 shares in the Combined Company immediately following Completion has been calculated as the sum of:
- (i) the current share capital of International Paper of 347,379,366 International Paper Shares; plus
 - (ii) up to 179,847,780 New International Paper Shares, which may be issued under the terms of the Combination (calculated as the number of the issued and to be issued ordinary share capital of DS Smith as set out in paragraph (C) above) multiplied by the Exchange Ratio.
- (K) The estimated cost savings and synergy numbers included in this Document are unaudited and reflect the International Paper Directors' view of the potential cost synergies of the Combination, taking into account the factors they can influence. Further information underlying the Quantified Financial Benefits Statement contained in this Document is provided in Appendix 1 (*Quantified Financial Benefits Statement*) of this Document.

PART NINE

DEFINITIONS

“2022 PSP Awards”	Awards granted under the PSP in respect of DS Smith’s financial year beginning on 1 May 2022
“2023 PSP Awards”	Awards granted under the PSP in respect of DS Smith’s financial year beginning on 1 May 2023
“2024 PSP Awards”	Awards which may be granted under the PSP in respect of DS Smith’s financial year beginning on 1 May 2024, under the circumstances described in the Co-operation Agreement (including that the Court Sanction Date must not have occurred before the applicable proposed grant date)
“2025 PSP Awards”	Awards which may be granted under the PSP in respect of DS Smith’s financial year beginning on 1 May 2025, under the circumstances described in the Co-operation Agreement (including that the Court Sanction Date must not have occurred before the applicable proposed grant date)
“Admission”	admission of the International Paper Shares to the equity shares (international commercial companies secondary listing) category of the Official List (in accordance with the Listing Rules and FSMA); and (b) trading on the Main Market for listed securities of the London Stock Exchange (in accordance with the Admission and Disclosure Standards of London Stock Exchange)
“Admission and Disclosure Standards”	the rules issued by the London Stock Exchange in relation to the admission requirements and continuing obligations for companies seeking admission to trading on the London Stock Exchange’s markets
“Announcement”	the announcement by International Paper of a firm intention to make an offer for DS Smith dated 16 April 2024
“Articles of Association”	the articles of association of DS Smith from time to time
“associated undertaking”	has the meaning given to it in paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations
“Awards”	all awards and options over DS Smith Shares outstanding under the DS Smith Share Schemes from time to time
“Bidco”	International Paper UK Holdings Limited, a private limited company incorporated in England and Wales with registered number 15880439
“Blocking Law”	(i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union); or (ii) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996, as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018

“Board”	as the context requires, the board of directors of DS Smith or the board of directors of International Paper and the terms ‘DS Smith Board’ and ‘International Paper Board’ shall be construed accordingly
“BofA Securities”	Merrill Lynch International
“Business Day”	any day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open in London and New York City for general banking business
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST)
“CFO Recruitment Award”	the agreement under which DS Smith has granted buy-out Awards to the Chief Financial Officer of DS Smith in connection with his recruitment, as amended from time to time
“CFO Retention Award”	has the meaning given to it in paragraph 11 of Part Two (<i>Explanatory Statement</i>) of this Document
“Citi”	Citigroup Global Markets Limited
“Clean Team Agreement”	the clean team confidentiality agreement entered into between International Paper and DS Smith dated 27 March 2024, as described in paragraph 12 of Part Eight (<i>Additional Information on DS Smith, International Paper and Bidco</i>) of this Document
“Closing Price”	the closing middle market quotation of a share derived from the Daily Official List of the London Stock Exchange
“Co-operation Agreement”	the co-operation agreement between International Paper and DS Smith dated 16 April 2024, as described in paragraph 12 of Part Eight (<i>Additional Information on DS Smith, International Paper and Bidco</i>) of this Document
“Code”	the City Code on Takeovers and Mergers
“Combination”	the proposed recommended combination of International Paper and DS Smith in respect of the entire issued and to be issued share capital of DS Smith, to be implemented by way of the Scheme as described in this Document (or by the Offer under certain circumstances described in this Document)
“Combined Company”	the combined group following the Combination, comprising the International Paper Group and the DS Smith Group
“Companies Act”	the Companies Act 2006, as amended from time to time
“Conditions”	the conditions to the Combination and to the implementation of the Scheme set out in Part Three (<i>Conditions to the Implementation of the Scheme and to the Combination</i>) of this Document
“Confidentiality Agreement”	the confidentiality agreement between International Paper and DS Smith dated 27 February 2024, as described in paragraph 12 of Part Eight (<i>Additional Information on DS Smith, International Paper and Bidco</i>) of this Document
“Court”	the High Court of Justice in England and Wales
“Court Hearing”	the hearing of the Court to sanction the Scheme and, if such hearing is adjourned, reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof

“Court Meeting”	the meeting or meetings of DS Smith Shareholders to be convened by the Court pursuant to Part 26 of the Companies Act for the purpose of considering, and if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed to by International Paper and DS Smith) including any adjournment, postponement or reconvention of any such meeting, notice of which is set out on Part Ten (<i>Notice of Court Meeting</i>) of this Document
“Court Order”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755), including as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018) in respect of which Euroclear UK & International Limited is the Operator (as defined in the Regulations)
“CREST Applications Host”	the communication hosting system operated by Euroclear
“CREST Manual”	the CREST manual published by Euroclear, as amended from time to time
“CREST Proxy Instruction”	has the meaning given to it on paragraph 18 of Part Two (<i>Explanatory Statement</i>)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time (including by means of the Uncertificated Securities (amendment and EU Exit) Regulations 2019 (SI 2019/679))
“CUSIP”	Committee on Uniform Security Identification Procedures
“Dealing Disclosure”	has the same meaning as in Rule 8 of the Code
“Deloitte”	Deloitte LLP, the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), DTTL and each of its member firms being legally separate and independent entities
“DI Custodian”	Computershare Trust Company, N.A. in its capacity as custodian to the DI Issuer
“DI Depository”	Computershare Investor Services PLC
“Disclosed”	the information which has been fairly disclosed: (i) in writing prior to the date of the Announcement by or on behalf of DS Smith to the International Paper Group including (without limitation) via the virtual data room operated on behalf of DS Smith in respect of the Combination or via email; (ii) during the management presentations by or on behalf of DS Smith to the International Paper Group; (iii) in DS Smith’s published annual or half year report and accounts published prior to the date of the Announcement; (iv) in a public announcement by DS Smith prior to the date of the Announcement by way of any Regulatory Information Service; or (v) in the Announcement
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules issued by the FCA pursuant to Part 6 of FSMA, as amended from time to time

“disclosure period”	the period commencing on 8 February 2023 (being the date 12 months prior to the start of the Offer Period) and ending on 6 September 2024 (being the last practicable date prior to the publication of this Document)
“Document” or “Scheme Document”	this document, of which the Scheme forms part, dated 11 September 2024 addressed to DS Smith Shareholders
“Draft UK Listing Rules Instrument 2024”	the FCA consultation paper CP 23/31 published on 20 December 2023 and the draft UK Listing Rules Instrument 2024 published by the FCA on 7 March 2024
“DRS”	the Direct Registration System, a system that allows electronic direct registration of securities in an investor’s name on the books for the transfer agent or issuer, and allows shares to be transferred between a transfer agent and broker electronically
“DS Smith” or “Company”	DS Smith Plc, a public limited company incorporated in England and Wales with registered number 01377658
“DS Smith Board”	the board of directors of DS Smith
“DS Smith Directors”	the directors of DS Smith as at the date of this Document or, where the context so requires, the directors of DS Smith from time to time
“DS Smith Equalising Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“DS Smith Excluded Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“DS Smith FY24 Final Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“DS Smith FY25 Final Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“DS Smith Group”	DS Smith and its subsidiary undertakings and associated undertakings
“DS Smith Meetings”	the Court Meeting and the General Meeting
“DS Smith Permitted Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“DS Smith Shareholders”	the holders of DS Smith Shares from time to time
“DS Smith Shares”	the ordinary shares of 10 pence each in the capital of DS Smith
“DS Smith Share Schemes”	means the Performance Share Plan, the DSBP, the UK Sharesave, the International Sharesave, the USSPP and the CFO Recruitment Award, each as amended from time to time
“DSBP”	the DS Smith Deferred Share Bonus Plan, as amended from time to time
“DTC”	The Depository Trust Company, a wholly-owned subsidiary of The Depository Trust and Clearing Corporation
“EBITDA”	earnings before interest, tax, depreciation and amortisation

“Effective”	means: (i) if the Combination is implemented by way of the Scheme, the Scheme having become effective in accordance with its terms; or (ii) if the Combination is implemented by way of an Offer, the Offer having been declared or become wholly unconditional in accordance with the requirements of the Code
“Effective Date”	the date on which the Scheme becomes Effective
“Equity Transition Award”	has the meaning given to it in paragraph 12 of Part Two (<i>Explanatory Statement</i>) of this Document
“Euroclear”	Euroclear UK & International Limited, incorporated in England and Wales with registered number 02878738
“Exchange Ratio”	0.1285 New International Paper Shares for every 1 DS Smith Share and, where the terms of the Combination allow, any subsequent adjustment thereof
“Excluded Shares”	any DS Smith Shares which are: <ul style="list-style-type: none"> (a) registered in the name of or beneficially owned by International Paper and/or any member of the International Paper Group (and/or any nominee of the foregoing); or (b) held in treasury, in each case, at any relevant date or time as the context permits
“Executive Directors”	has the meaning given to it in paragraph 8.1 of Part Eight (<i>Additional Information on DS Smith, International Paper and Bidco</i>) of this Document
“Explanatory Statement”	the explanatory statement (in compliance with section 897 of the Companies Act) relating to the Scheme, as set out in this Document
“FCA Handbook”	the FCA’s Handbook of rules and guidance as amended from time to time
“Financial Conduct Authority” or “FCA”	the UK Financial Conduct Authority or its successor from time to time
“Fitch”	Fitch Ratings Limited
“Forms of Proxy”	either or both (as the context demands) of the BLUE Form of Proxy in relation to the Court Meeting and the YELLOW Form of Proxy in relation to the General Meeting
“FSMA”	the Financial Services and Markets Act 2000 (as it may have been, or may from time to time be, amended, modified, re-enacted or replaced)
“General Meeting”	the general meeting of DS Smith convened by the notice set out in Part Eleven (<i>Notice of General Meeting</i>) of this Document, including any adjournment thereof
“HMRC”	HM Revenue and Customs
“holder”	a registered holder and includes any person(s) entitled by transmission
“International Paper”	International Paper Company, a New York Corporation, with its headquarters at 6400 Poplar Avenue, Memphis, Tennessee, United States

“International Paper Board”	the board of directors of International Paper
“International Paper DIs”	a dematerialised depository interest representing New International Paper Shares issued by the DI Depository whereby the DI Depository will hold New International Paper Shares, represented by book-entry interests in the DTC system, via the DI Custodian as its custodian, on trust for the CREST member to whom it has issued a depository interest
“International Paper Directors”	the directors of International Paper at the date of this Document or, where the context so requires, the directors of International Paper from time to time
“International Paper Equalising Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“International Paper Excluded Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“International Paper FY24 Profit Forecast”	has the meaning given to it in Part 2 of Appendix 2 (<i>International Paper Profit Forecasts</i>)
“International Paper FY24 Q2 Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“International Paper FY24 Q3 Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“International Paper FY24 Q4 Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“International Paper FY25 Q1 Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“International Paper FY25 Q2 Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“International Paper FY25 Q3 Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“International Paper FY25/26 Profit Forecasts”	has the meaning given in Part 3 of Appendix 2 (<i>International Paper Profit Forecasts</i>) of this Document
“International Paper Group”	International Paper and its subsidiary undertakings and associated undertakings
“International Paper Permitted Dividend”	has the meaning given to it in paragraph 3 of Part One (<i>Letter from the Chair of DS Smith</i>) of this Document
“International Paper Profit Forecasts”	the International Paper Q3 24 Profit Forecast, the International Paper FY24 Profit Forecast and the International Paper FY25/26 Profit Forecasts
“International Paper Prospectus”	the prospectus to be published by International Paper on or around the date of this Document in connection with Admission
“International Paper Proxy Statement”	International Paper’s proxy statement on Schedule 14A, together with any amendments or supplements thereto, which is anticipated to be mailed to International Paper Shareholders in connection with the International Paper Shareholder Meeting and the approval by the International Paper Shareholders of the issuance of the New International Paper Shares

“International Paper Q3 24 Profit Forecast”	has the meaning given to it in Part 1 of Appendix 2 (<i>International Paper Profit Forecasts</i>)
“International Paper Share Plan”	means the International Paper’s 2024 Long-Term Incentive Compensation Plan, as amended from time to time
“International Paper Shareholder Meeting”	the special meeting of International Paper Shareholders (including any adjournment or postponement thereof) convened for the purpose of considering and approving the issuance of the New International Paper Shares
“International Paper Shareholders”	the holders of International Paper Shares
“International Paper Shares”	shares of common stock, par value \$1.00 per share, of International Paper
“International Sharesave”	the DS Smith 2020 International Sharesave Plan, as amended from time to time
“Irrevocable Undertakings”	the irrevocable undertakings given by the DS Smith Directors to vote in favour of the Scheme at the Court Meeting and the resolutions relating to the Combination at the General Meeting, as detailed in paragraph 13 of Part Eight (<i>Additional Information on DS Smith, International Paper and Bidco</i>) of this Document
“ISIN”	International Securities Identification Number
“J.P. Morgan Cazenove”	J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove)
“Joint Defense Agreement”	the joint defense agreement between International Paper, DS Smith and their respective external legal counsels dated 27 March 2024, as described in paragraph 12 of Part Eight (<i>Additional Information on DS Smith, International Paper and Bidco</i>) of this Document
“Latest Practicable Date”	close of business on 6 September 2024, being the latest practicable date before publication of this Document
“Listing Rules”	the listing rules made under FSMA by the FCA (in exercising its primary markets function under Part 6 of FSMA) and contained in the FCA Handbook, as amended from time to time
“London Stock Exchange”	London Stock Exchange plc or its successor
“Long Stop Date”	16 October 2025 (or such later date (if any) as DS Smith and International Paper may agree and the Court and the Panel may allow)
“Market Abuse Regulation”	the retained EU law version of Regulation (EU) No 596/2014 of the European Parliament and the Council of 16 April 2014 (as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018) as amended from time to time (including by the Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310))
“Meeting(s)”	each of the Court Meeting and the General Meeting (or both, as the context requires)
“Moody’s”	Moody’s Investors Services Limited

“New International Paper Shares”	the new International Paper Shares, or the DTC book-entry interests representing such shares (as the context requires), proposed to be issued to Scheme Shareholders under the Scheme
“Nominated Person”	has the meaning given to it in each of (<i>Action to be Taken</i>), Part Two (<i>Explanatory Statement</i>), Part Ten (<i>Notice of Court Meeting</i>) and Part Eleven (<i>Notice of General Meeting</i>) of this Document (as the context requires)
“NSI Act”	the National Security and Investment Act 2021
“Offer”	if the Combination is implemented by way of a takeover offer (as that term is defined in section 974 of the Companies Act), the offer to be made by or on behalf of Bidco, or an associated undertaking thereof, to acquire the entire issued and to be issued ordinary share capital of DS Smith including, where the context admits, any subsequent revision, variation, extension or renewal of such offer
“Offer Period”	<p>the period in respect of DS Smith commencing on 8 February 2024 and ending on:</p> <ul style="list-style-type: none"> (a) the earlier of the date on which the Scheme becomes Effective or lapses or is withdrawn (or such other date as the Panel may decide); or (b) the earlier of the date on which the Offer has become or has been declared unconditional as to acceptances or lapses or is withdrawn (or such other date as the Panel may decide), <p>in each case other than where such lapsing or withdrawal is a result of International Paper exercising its right to implement the Combination by way of an Offer</p>
“Offer Value”	415 pence per DS Smith Share based on the closing International Paper share price of \$40.85 and £/US\$ exchange rate of 1.2645 on 25 March 2024, being the close of business on the last day prior to the announcement by DS Smith of a possible offer by International Paper
“Official List”	the official list maintained by the FCA pursuant to Part 6 of FSMA
“Opening Position Disclosure”	an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to an offer if the person concerned has such a position, as defined in Rule 8 of the Code
“Panel”	the UK Panel on Takeovers and Mergers
“Prospectus Rules”	the prospectus rules made under FSMA by the FCA (in exercising its primary markets function under Part 6 of FSMA) and contained in the FCA Handbook, as amended from time to time
“PSP”	means the DS Smith 2008 Performance Share Plan, as amended from time to time
“Quantified Financial Benefits Statement”	has the meaning given in Appendix 1 (<i>Quantified Financial Benefits Statement</i>) of this Document
“Registrar” or “Equiniti”	Equiniti Limited

“Registrar of Companies”	the registrar of companies in England and Wales
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755)
“Regulatory Information Service”	a primary information provider (as defined in the FCA Handbook)
“Relevant Awards”	has the meaning given to it in paragraph 12 of Part Two (<i>Explanatory Statement</i>) of this Document
“Relevant Exchange Rate”	the spot reference rate for a transaction between Pounds Sterling and US Dollars as quoted by the Bank of England on the Business Day immediately preceding the date on which an Excluded Dividend is paid by DS Smith and/or International Paper, as the case may be (or, if no such rate is quoted on that date, on the preceding date on which such rate is quoted)
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Combination is sent or made available to DS Smith Shareholders in that jurisdiction
“S&P”	S&P Global Ratings Europe Limited
“Scheme” or “Scheme of Arrangement”	the proposed scheme of arrangement under Part 26 of the Companies Act between DS Smith and holders of Scheme Shares, as set out in Part Four (<i>The Scheme of Arrangement</i>) of this Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by International Paper and DS Smith
“Scheme Record Time”	6.00 p.m. on the Business Day immediately prior to the Effective Date
“Scheme Shareholders”	the holders of Scheme Shares and a “Scheme Shareholder” shall mean any one of those Scheme Shareholders
“Scheme Shares”	all DS Smith Shares: <ul style="list-style-type: none"> (i) in issue at the date of this Document; (ii) (if any) issued after the date of this Document and prior to the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time but before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme, <p>in each case (where the context requires), which remain in issue at the Scheme Record Time but excluding any Excluded Shares at any relevant date or time</p>
“SEC”	the US Securities and Exchange Commission
“Secretary of State”	the Secretary of State in the Cabinet Office, as designated under the NSI Act
“Sharesave Awards”	Awards granted under the UK Sharesave, the International Sharesave or the USSPP
“significant interest”	a direct or indirect interest in 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act)

“Solvency Statement Capital Reduction”	has the meaning given to it in paragraph 14 of Part Two (<i>Explanatory Statement</i>) of this Document
“Special Resolution”	the special resolution to be proposed at the General Meeting necessary to implement the Scheme, including, without limitation, the approval of the Scheme and the amendment of the Articles of Association
“subsidiary”	has the meaning given in section 1159 of the Companies Act
“subsidiary undertaking”	has the meaning given in section 1162 of the Companies Act
“TCGA 1992”	has the meaning given to it in paragraph 14 of Part Two (<i>Explanatory Statement</i>) of this Document
“Transfer Agent”	Computershare Trust Company, N.A.
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Sharesave”	the DS Smith 2020 Sharesave Plan, as amended from time to time
“uncertificated” or “in uncertificated form”	a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
“US Exchange Act”	the US Securities and Exchange Act of 1934, as amended
“US Securities Act”	the US Securities Act of 1933, as amended, and rules and regulations promulgated thereunder
“USSPP”	the DS Smith US Stock Purchase Plan 2020, as amended from time to time
“Voting Record Time”	6.30 p.m. on the day which is two Business Days prior to the date of the Court Meeting or, if the Court Meeting is adjourned, 6.30 p.m. on the day which is two Business Days before the day of such adjourned meeting
“Wider DS Smith Group”	DS Smith and its subsidiary undertakings, associated undertakings and any other undertaking in which DS Smith or such undertakings (aggregating their interests) have a significant interest (in each case, from time to time) but excluding the Wider International Paper Group
“Wider International Paper Group”	International Paper and its subsidiary undertakings, associated undertakings and any other undertaking in which International Paper or such undertakings (aggregating their interests) have a significant interest (in each case, from time to time) but excluding the Wider DS Smith Group

For the purposes of this Document:

- all references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom;
- all references to “pounds”, “Pounds Sterling”, “Sterling”, “£”, “pence”, “penny” and “p” are to the lawful currency of the United Kingdom;

- all references to “**Dollars**”, “**US Dollars**”, “**\$**”, “**cents**”, are to the lawful currency of the United States;
- references to the singular include the plural and vice versa; and
- all times referred to are London time unless otherwise stated.

PART TEN

NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMPANIES COURT (ChD)

CR-2024-003426

IN THE MATTER OF DS SMITH PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an order dated 9 August 2024 made in the above matters, the Court has given permission for a meeting (the “**Court Meeting**”) to be convened of the holders of Scheme Shares as at the Voting Record Time (each as defined in the Scheme (defined below)) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made pursuant to Part 26 of the Companies Act 2006 (the “**Act**”) between DS Smith Plc (the “**Company**”) and the holders of Scheme Shares (the “**Scheme**”) and that such meeting will be held at De Vere Grand Connaught Rooms, 61-65 Great Queen Street, London WC2B 5DA on 7 October 2024 at 2.00 p.m. (London time) at which place and time all holders of Scheme Shares are requested to attend.

Unless the context requires otherwise, any capitalised term used but not defined in this Notice of Court Meeting shall have the meaning given to such term in the Document of which this Notice of Court Meeting forms part.

A copy of the Scheme and a copy of the Explanatory Statement required to be published pursuant to section 897 of the Act are incorporated in the Document of which this Notice of Court Meeting forms part.

Voting on the resolution to approve the Scheme of Arrangement will be by way of poll, which shall be conducted as the Chair of the Court Meeting may determine.

Holders of Scheme Shares may vote in person at the Court Meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend, speak and vote in their stead at the Court Meeting. A proxy need not be a member of the Company but must attend the meeting. A holder of Scheme Shares may appoint more than one proxy in relation to the Court Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that holder. A BLUE Form of Proxy for use at the Court Meeting is enclosed with this Notice of Court Meeting. Holders of Scheme Shares held through CREST may also appoint a proxy or proxies using CREST by following the instructions set out on pages 13 and 55 of the document of which this Notice of Court Meeting forms part. Completion and return of a BLUE Form of Proxy, the appointment of proxies through CREST, or electronically via www.shareview.co.uk, will not preclude a holder of Scheme Shares from attending and voting in person at the meeting, or any adjournment thereof.

It is requested that BLUE Forms of Proxy (together with any power of attorney or other authority under which they are signed) be returned to the Company’s Registrar, Equiniti Limited (“**Equiniti**”), Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA by post, courier or hand (or in accordance with the instructions printed on the BLUE Form of Proxy enclosed with this Notice of Court Meeting) so as to be received by Equiniti not later than 2.00 p.m. on 3 October 2024, or, if the Court Meeting is adjourned, not less than 48 hours before the time of such adjourned meeting (excluding any part of such 48 hours period falling on a weekend or a public holiday in the UK) but, if BLUE Forms of Proxy are not so returned, they may be handed to Equiniti (or scanned and emailed to Equiniti at the following proxyvotes@equiniti.com) or to the Chair of the Court Meeting at the start of the Court Meeting.

As an alternative to appointing a proxy, any Scheme Shareholder which is a corporation may appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided that no more than one corporate representative exercises power over the same share. Only

one corporate representative is to be counted in determining whether under section 899(1) of the Act a majority in number of the Scheme Shareholders approved the Scheme. The Chair of the Court Meeting may require a corporate representative to produce to the Company's Registrar, Equiniti, his/her written authority to attend and vote that the Court Meeting at any time before the start of the Court Meeting. The representative shall not be entitled to exercise the powers conferred on them by the Scheme Shareholder until any such demand has been satisfied.

In the case of joint holders of Scheme Shares the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding (the first being the most senior).

Entitlement to attend and vote at the Court Meeting and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company at the Voting Record Time, or, if the Court Meeting is adjourned, at 6.30 p.m. on the day which is two Business Days before the day of such adjourned meeting (excluding any part of such 48 hour period falling on a non-working day). In each case, changes to the register of members of the Company after such time shall be disregarded for these purposes.

By the said order, the Court has appointed Geoff Drabble, or failing him, Miles Roberts or, failing him, any director of the Company to act as Chair of the Court Meeting and has directed the Chair to report the result of the Court Meeting to the Court.

The said Scheme of Arrangement is subject to the subsequent sanction of the Court.

Dated 11 September 2024

Slaughter and May
One Bunhill Row
London EC1Y 8YY

Solicitors for the Company

Notes:

1. The statement of rights of Scheme Shareholders in relation to the appointment of proxies described in this Notice of Court Meeting does not apply to nominated persons. Such rights can only be exercised by Scheme Shareholders.
2. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**nominated person**") may, under an agreement between him/her and the member by whom he/she was nominated have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting. If a nominated person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

PART ELEVEN

NOTICE OF GENERAL MEETING

DS Smith Plc

(Registered in England and Wales with registered number 01377658)

Notice is hereby given that a general meeting of DS Smith Plc (the “**Company**”) will be held at De Vere Grand Connaught Rooms, 61-65 Great Queen Street, London WC2B 5DA on 7 October 2024 at 2.15 p.m. (or as soon thereafter as the Court Meeting (as defined in Part Nine (*Definitions*) of the document of which this Notice of General Meeting forms part) concludes or is adjourned) for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution.

Unless the context requires otherwise, any capitalised term used but not defined in this Notice of General Meeting shall have the meaning given to such term in the document of which this Notice of General Meeting forms part.

SPECIAL RESOLUTION

THAT:

- (A) for the purpose of giving effect to the scheme of arrangement dated 11 September 2024 (the “**Scheme**”) between the Company and the holders of the Scheme Shares (as defined in the Scheme), a COPY of which has been produced to this General Meeting and, for the purposes of identification, signed by the Chair of this General Meeting, in its original form or with or subject to any modification, addition or condition approved or imposed by the High Court of Justice in England and Wales (the “**Court**”) and agreed by the Company and International Paper Company, the directors of the Company (or a duly authorised committee thereof) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (B) with effect from the passing of this resolution, the Articles of Association of the Company be and are hereby amended by the adoption and inclusion of the following new article 131:

131. Scheme of Arrangement

- (1) In this article 131, references to the “**Scheme**” are to the scheme of arrangement under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the Scheme) dated 11 September 2024 (with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company and International Paper Company (“**International Paper**”)) and (save as defined in this article) terms defined in the Scheme shall have the same meanings in this article.
- (2) Notwithstanding any other provisions in these articles, or the terms of any resolution, whether ordinary or special, passed by the Company in a general meeting, if the Company issues any DS Smith Shares (other than to International Paper, International Paper UK Holdings Limited (“**Bidco**”), any subsidiary of International Paper, any parent undertaking of International Paper, or any subsidiary of such parent undertaking, or any nominee(s) of International Paper (each an “**International Paper Group Company**”)) on or after the date of the adoption of this article 131 and prior to the Scheme Record Time (as defined in the Scheme), such DS Smith Shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or subsequent holder or holders of such DS Smith Shares shall be bound by the Scheme accordingly.
- (3) Notwithstanding any other provision of these articles, and subject to the Scheme becoming effective, any DS Smith Shares issued to any person or their nominee, or any subsequent holder of DS Smith Shares, at or after the Scheme Record Time (as defined in the Scheme) (other than under the Scheme or to an International Paper Group Company or to their nominee(s)) (a “**New Member**”) (each a “**Post-Scheme Share**”) shall be issued on terms that they shall (on the Effective Date (as defined in the Scheme) or, if later, on issue

(but subject to the terms of this paragraph 131.3 and paragraph 131.5)) be immediately transferred to Bidco (or such person as it may direct) (the “**Purchaser**”) who shall be obliged to acquire each Post-Scheme Share in consideration of and conditional upon (subject as hereinafter provided) the allotment and issue or transfer to the New Member (or a nominee on behalf of the New Member) of such number of New International Paper Shares (the “**Consideration Shares**”) (and any payment of cash in respect of fractional entitlements) for each Post-Scheme Share equal to the consideration per Scheme Share to which a New Member would have been entitled pursuant to the Scheme had the Post-Scheme Share been a Scheme Share, provided that:

- (a) if, in respect of any New Member with a registered address in a jurisdiction outside the United Kingdom or whom the Company reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, the Company is advised that the allotment and/or issue or transfer of Consideration Shares pursuant to this article 131 would or may infringe the laws of such jurisdiction or would or may require the Company and/or International Paper to comply with any governmental or other consent or any registration, filing or other formality with which the Company and/or International Paper is unable to comply or compliance with which the Company and/or International Paper regards as unduly onerous, the Company may, in its sole discretion, determine that such Consideration Shares shall be sold or a cash amount equal to the value of the Consideration Shares shall be paid to the New Member. In the event that the Consideration Shares are to be sold, the Company shall appoint a person to act as attorney or agent for the New Member pursuant to this article 131 and such person shall be authorised on behalf of such New Member to procure that any shares in respect of which the Company has made such determination shall, as soon as practicable following the allotment, issue or transfer of such shares, be sold, including being authorised to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member (whether as a deed or otherwise) in favour of the Purchaser. The net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale), or the cash amount equal to the value of the Consideration Shares, shall be paid to the persons entitled thereto in due proportions as soon as practicable, save that any fractional cash entitlements shall be rounded down to the nearest whole penny; and
 - (b) any New Member may, prior to the issue or transfer of any Post-Scheme Shares to such New Member pursuant to the exercise of an option or satisfaction of an award under any of the Company’s share plans, give not less than five business days’ written notice to the Company in such manner as the board shall prescribe of their intention to transfer some or all of the Post-Scheme Shares to their spouse or civil partner. Any such New Member may, if such notice has been validly given, on such Post-Scheme Shares being issued or transferred to such New Member, immediately transfer to their spouse or civil partner any such Post-Scheme Shares, provided that such Post-Scheme Shares shall then be immediately transferred from that spouse or civil partner to the Purchaser pursuant to this article 131 as if the spouse or civil partner were a New Member. Where a transfer of Post-Scheme Shares to a New Member’s spouse or civil partner takes place in accordance with this article 131, references to the “New Member” in this article shall be taken as referring to the spouse or civil partner of the New Member.
- (4) The Consideration Shares allotted and issued or transferred to a New Member (or nominee) pursuant to paragraph 131.3 of this article 131 shall rank equally in all respects with all other fully paid International Paper Shares in issue at that time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of allotment or transfer) and shall be subject to the restated certificate of incorporation of International Paper from time to time.
 - (5) On any reorganisation of, or material alteration to, the share capital of either the Company or International Paper (including, without limitation, any subdivision and/or consolidation)

effected after the Effective Date, the number of Consideration Shares to be allotted and issued or transferred to a New Member for each Post-Scheme Share pursuant to paragraph 131.3 of this article may be adjusted by the directors in such manner as the auditors of the Company may determine to be fair and reasonable to reflect such reorganisation or material alteration. References in this article 131 to “ordinary shares”, “DS Smith Shares” and/or “New International Paper Shares” shall, following such adjustment, be construed accordingly.

- (6) No fraction of a Consideration Share shall be allotted, issued or transferred to a New Member (or nominee) pursuant to this article 131. Instead, any holder of DS Smith Shares who would have been entitled to such fractional entitlement shall receive cash in an amount (applying the exchange rate and rounded down to the nearest penny) equal to such fractional entitlement (which such holder of DS Smith Shares would otherwise have been entitled) multiplied by the last reported sale price of International Paper Shares on the New York Stock Exchange (as reported in Bloomberg or, if not reported therein, in another authoritative source selected by International Paper) on the last Business Day prior to the Effective Date. The reference in this article to “exchange rate” means the spot reference rate for a transaction between pounds sterling and US dollars as quoted by the Bank of England on the last Business Day prior to the Effective Date.
- (7) To give effect to any transfer of Post-Scheme Shares, the Company may appoint any person as attorney or agent for the New Member (or any subsequent holder or nominee of such New Member or any such subsequent holder) to transfer the Post-Scheme Shares to the Purchaser and do all such other things and execute and deliver all such documents (whether as a deed or otherwise) as may in the opinion of the attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and, pending such vesting, to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form or forms of transfer or other instrument or instruction of transfer (whether as a deed or otherwise) on behalf of the New Member in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member (or any subsequent holder or nominee of such New Member or any such subsequent holder) for the Post-Scheme Shares. International Paper shall allot and issue or transfer the Consideration Shares to the New Member (or any subsequent holder or nominee of such New Member or any such subsequent holder) and send a cheque in Pounds Sterling drawn on a UK clearing bank in favour of the New Member (or any subsequent holder or nominee of such New Member or any such subsequent holder) in respect of any fractional entitlements no later than 14 days after the date of the issue or transfer of the Post-Scheme Shares to the New Member unless: (a) the Company, in its sole discretion, determines in accordance with article 131(3)(a) in respect of any New Member with a registered address in a jurisdiction outside the United Kingdom or whom the Company reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom that such Consideration Shares shall be sold in which case the Consideration Shares shall be sold and the net proceeds of sale distributed to the persons so entitled in accordance with article 131(3)(a); or (b) the Company, in its sole discretion, determines in accordance with article 131(3)(a) in respect of any New Member with a registered address in a jurisdiction outside the United Kingdom or whom the Company reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom that a cash amount equal to the value of the Consideration Shares shall be paid to the New Member (or any subsequent holder or nominee of such New Member or any such subsequent holder), in which case International Paper shall send a cheque in Pounds Sterling drawn on a UK clearing bank in favour of the New Member for the consideration for such Post-Scheme Shares and in respect of any

fractional entitlements no later than 14 days after the date of the issue or transfer of the Post-Scheme Shares to the New Member.

- (8) Notwithstanding any other provision of these articles, neither the Company nor the Directors shall register the transfer of any Scheme Shares between the Scheme Record Time and the Effective Date.
- (9) If the Scheme shall not have become effective by date referred to in clause 8 of the Scheme (or such later date (if any) as International Paper and the Company may agree and the Court and the Panel on Takeovers and Mergers may allow, if such consent is required), this article 131 shall be of no effect.

11 September 2024

By Order of the Board

Registered Office:
Level 3, 1 Paddington Square
London
W2 1DL
No. 01377658
Registered in England and Wales

Iain Simm
Company Secretary

Notes:

1. In order for the Special Resolution above to be passed, not less than 75 per cent. of the votes cast by those entitled to vote must be in favour in order to pass the resolution as a special resolution.
2. Only those DS Smith Shareholders registered in the Company's register of members as at 6.30 p.m. on the day which is two Business Days prior to the date of the Court Meeting or, if the Court Meeting is adjourned, 6.30 p.m. on the day which is two Business Days before the date of such adjourned meeting (being the Voting Record Time) are entitled to attend and vote at this General Meeting.
3. DS Smith Shareholders are entitled to appoint a proxy to attend, speak and vote on their behalf at the General Meeting. A DS Smith Shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attaching to a different share or shares held by that DS Smith Shareholder. A proxy need not be a member of the Company, but DS Smith Shareholders are strongly encouraged to appoint the Chair of the General Meeting as their proxy, rather than a named person who may not be able to attend the General Meeting.
4. A proxy may be appointed by any of the following methods:
 - a. completing and returning the enclosed YELLOW Form of Proxy; or
 - b. electronically, by logging onto the Registrars' website at www.shareview.co.uk using the Shareholder Reference Number printed on the YELLOW Form of Proxy enclosed. Once you have logged in, simply click 'View' on the 'My Investments' page and then click on the link to vote and follow the on-screen instructions. If you have not yet registered for a Shareview Portfolio, go to www.shareview.co.uk and enter the requested information. It is important that you register for a Shareview Portfolio with enough time to complete the registration and authentication processes; or
 - c. DS Smith Shareholders who hold shares through CREST ("**CREST members**") should use the CREST electronic appointment service (see Note 10 below).
5. If two or more valid but differing Forms of Proxy are received in respect of the same DS Smith Share for use at the General Meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the others. If the Company is unable to determine which was received last, none of them shall be treated as valid in respect of that DS Smith Share.
6. To be effective, completed Forms of Proxy and powers of attorney or other authority, if any, under which they are signed (or a notarially certified or office copy of such power or authority) be returned so as to arrive at the offices of the Registrar not later than 2.15 p.m. on 3 October 2024, or if the General Meeting is adjourned, at least 48 hours before the start of the adjourned meeting (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK). A member must inform the Registrar in writing of any termination of the authority of a proxy.
7. Any person to whom this Notice of General Meeting is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a "**nominated person**") may, under an agreement between them and the DS Smith Shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a nominated person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the DS Smith Shareholder as to the exercise of voting rights.
8. The statement of rights of DS Smith Shareholders in relation to the appointment of proxies described in Notes 3 to 6 above does not apply to nominated persons. Such rights can only be exercised by DS Smith Shareholders.

9. Nominated persons are reminded that they should contact the registered holder of their DS Smith Shares (and not the Company) on matters relating to their investments in the Company.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service for the General Meeting or any adjournment(s) thereof may do so by using the procedures described in the CREST Manual (available at <https://my.euroclear.com>). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service providers, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the CREST Proxy Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Registrar (ID RA19) by the latest time for receipt of proxy appointments specified in Note 6 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timing and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the DS Smith Shareholders who hold shares through CREST to take (or, if the CREST member is a CREST personal member or sponsored shareholder or has appointed a voting service provider, to procure that their CREST sponsor or voting service provider takes) such action as will be necessary to ensure that a CREST Proxy Instruction is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

11. Any corporation which is a DS Smith Shareholder may authorise a person or persons to act as its representative(s) at the General Meeting. In accordance with the provisions of the Companies Act, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares.
12. Any DS Smith Shareholder attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
13. DS Smith Shareholders may not use any electronic address provided in either this Notice of General Meeting or any related documents (including the enclosed Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
14. If you have sold or otherwise transferred all of your DS Smith Shares, please forward this Notice of General Meeting, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the other person who arranged the sale or transfer for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction.
15. DS Smith Shareholders have the right to request information to enable them to determine that their vote was validly recorded and counted. DS Smith Shareholders that wish to receive this information should contact the Registrar on +44 (0)371 384 2197. Lines are open from 8.30 a.m. to 5.30 p.m. Monday to Friday (excluding public holidays in England and Wales). Alternatively, DS Smith Shareholders can write to the Registrar at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

APPENDIX 1

QUANTIFIED FINANCIAL BENEFITS STATEMENT

A copy of the Quantified Financial Benefits Statement is set out below:

“As previously announced on 4 April 2024, International Paper expects that the Combination would generate significant synergies and drive compelling value creation for DS Smith and International Paper shareholders. The delivery of the expected synergies will be supported by International Paper’s significant expertise in acquiring and integrating businesses. In addition, International Paper’s confidence in delivering a successful integration in Europe is underpinned by DS Smith’s own expertise in acquiring businesses and integrating them.

International Paper’s Directors, having reviewed and analysed the potential synergies of the Combination, as well as taking into account the factors they can influence, believe that the Combined Company can deliver at least \$514 million (£413 million) of pre-tax cash synergies on an annual run-rate basis by the end of the fourth year following the Effective Date. These synergies are expected to be derived from the following key areas:

- *92 per cent., or \$474 million (£381 million) of cost synergies across the following sources:*
 - *47 per cent., or \$241 million (£194 million) from operational synergies across the combined network of mills, box plants and global supply chain, including:*
 - o *Integration benefit of balancing containerboard supply positions (approximately 500k to 600k tons);*
 - o *Freight optimisation benefits; and*
 - o *Operational efficiencies across mill and box network from product and system optimisation, and sharing technology expertise.*
 - *23 per cent., or \$117 million (£94 million) from overhead synergies by reducing duplicative corporate and business overhead expenses; and*
 - *23 per cent., or \$116 million (£93 million) from operational procurement synergies from increased scale of the Combined Company.*
- *5 per cent., or \$26 million (£21 million) from capex procurement synergies, by leveraging increased scale of the Combined Company; and*
- *3 per cent., or \$14 million (£11 million) of revenue synergies.*

These synergies are expected to arise as a direct result of the Combination and could not be achieved independently of the Combination.

International Paper anticipates that the total costs to achieve the synergies outlined above would be approximately \$370 million (£297 million). International Paper expects that approximately 33 per cent. of the synergies outlined above would be achieved by the end of the first year following the Effective Date, with approximately 66 per cent. and 95 per cent. achieved by the end of the second and third years following the Effective Date, respectively.

Aside from the one-off costs referred to above, the International Paper Board does not expect any material dis-synergies to arise as a direct result of the Combination.”

The International Paper Board believes that the Combined Company should be able to achieve the synergies set out in the Quantified Financial Benefits Statement.

Further information on the bases of belief supporting the Quantified Financial Benefits Statement, including the principal assumptions and sources of information, is set out below.

Basis of calculation of the Quantified Financial Benefits Statement

In preparing the Quantified Financial Benefits Statement, International Paper has relied on a combination of publicly available information and information obtained through reciprocal due diligence. In such circumstances, International Paper management has made estimates and assumptions to aid its development of individual synergy initiatives. The assessment and quantification of the potential synergies have, in turn, been informed by the International Paper management's industry experience and knowledge of the existing businesses, without consultation with DS Smith on the detailed quantification of the synergies.

The cost bases used as the basis for the Quantified Financial Benefits Statement are a blend of International Paper's FY23 financial results and DS Smith's FY23 financial results. The total addressable cost base used as the basis for the quantified exercise is \$24.9 billion (£19.8 billion).

For the potential synergies arising from the combination of group functions, organisation information was reviewed. The assessment and quantification of such potential synergies have in turn been informed by International Paper management's industry experience as well as their experience of executing and integrating past acquisitions.

Cost synergy assumptions were based on a detailed, bottom-up evaluation of the benefits available from elimination of duplicate activities, the benefits of combined scale economics and operational efficiencies arising from consolidation. In determining the estimate of cost synergies achievable through the combination of International Paper and DS Smith, no synergies relating to operations have been included where no overlap exists.

Where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies.

In general, the synergy assumptions have in turn been risk-adjusted, exercising a degree of prudence in the calculation of the estimated synergy benefit set out above.

In arriving at the estimate of synergies set out in the Quantified Financial Benefits Statement, the International Paper Directors have made the following assumptions, which are outside the influence of International Paper:

- there will be no material impact on the underlying operations of either the International Paper or DS Smith as a result of the proposed transaction or their ability to continue to conduct their businesses;
- there will be no material divestments made by DS Smith save as previously announced by DS Smith as at the date of the Announcement;
- there will be no material change to macroeconomic, political, inflationary, regulatory or legal conditions in the markets or regions in which International Paper and DS Smith operate that will materially impact on the implementation of the synergy plans or costs to achieve the proposed cost synergies;
- there will be no material change in current foreign exchange rates or interest rates;
- there will be no material change in accounting standards; and
- there will be no change in tax legislation or tax rates or other legislation in the United Kingdom or United States that could materially impact the ability to achieve any benefits.

In addition, the International Paper Directors have made an assumption within the influence of International Paper that there will be no material divestments made by International Paper save as previously announced by International Paper as at the date of the Announcement.

In addition, the International Paper Directors have assumed that the cost synergies are substantively within International Paper's control, albeit that certain elements are dependent in part on negotiations with third parties.

Reports

As required by Rule 28.1(a) of the Code, Deloitte, as reporting accountants to International Paper, and BofA Securities, as financial adviser to International Paper, have provided the reports required under the Code. Copies of those reports were set out in International Paper's update announcement dated 4 April 2024.

As required by Rule 27.2(d) of the Code, the International Paper Directors confirm that:

1. there have been no material changes to the Quantified Financial Benefits Statement since 4 April 2024 and the Quantified Financial Benefits Statement remains valid; and
2. each of Deloitte and BofA Securities has confirmed to International Paper that their respective reports produced in connection with the Quantified Financial Benefits Statement continue to apply.

Important Notes

1. The statements of estimated pre-tax cash synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the pre-tax cash synergies referred to may not be achieved, or those achieved could be materially different from those estimated.
2. No statement in the Quantified Financial Benefits Statement should be construed as a profit forecast or interpreted to mean that International Paper's earnings per share in the full first full year following the Effective Date, or in any subsequent period, would necessarily match or be greater than or be less than those of International Paper and/or DS Smith for the relevant preceding financial period or any other period.
3. Due to the size of the Combination and potential scale of the Combined Company, there may be additional changes to the Combined Company's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.
4. In arriving at the estimate of synergies set out in this Document, the International Paper Board has assumed that there will be no significant impact on the business of the Combined Company.

APPENDIX 2

INTERNATIONAL PAPER PROFIT FORECASTS

Part 1: International Paper Q3 24 Profit Forecast

On 24 July 2024, International Paper Company published its second quarter 2024 financial results and held an earnings presentation. During the earnings presentation, the following statements were made, which for the purposes of Rule 28.1(a) of the Code constitutes a profit forecast published by International Paper during an offer period (the “IP Q3 24 Profit Forecast”):

“3Q24 Outlook: Lower earnings due to volume decline and higher costs, offsetting benefits from prior price index increases.”

“[With respect to Industrial Packaging] [E]arnings are expected to be down sequentially in the third quarter by approximately \$160 million. we expect price and mix to improve earnings by \$60 million sequentially... Volume is expected to decrease earnings by \$65 million.... We expect Operations and Costs to decrease earnings by \$80 million... Higher maintenance outage expense is expected to decrease earnings by \$44 million. And lastly, higher input costs are expected to decrease earnings by \$30 million....

[With respect to Global Cellulose Fibers] [E]arnings will be relatively flat... we expect price and mix to increase earnings by \$10 million... Volume is expected to decrease earnings in the third quarter by \$5 million... We expect Operations and costs to decrease earnings by \$25 million... Lower maintenance outage expense is expected to increase earnings in the third quarter by \$25 million. And lastly, input costs are expected to be stable.”

Confirmations

Pursuant to Note 2(b) to Rule 28.1 of the Code, the Panel granted International Paper a dispensation from the requirement to include reports from reporting accountants and International Paper’s financial advisers in relation to the IP Q3 24 Profit Forecast because it was an ordinary course profit forecast and DS Smith agreed to the dispensation.

In accordance with Rule 28.1(c)(i) of the Code, the International Paper Directors confirm that the IP Q3 24 Profit Forecast remains valid as at the date of this Scheme Document, and has been properly compiled on the basis of the assumptions stated below and that the basis of accounting used is consistent with International Paper’s accounting policies.

Basis of Preparation

International Paper prepared the IP Q3 24 Profit Forecast based on its audited consolidated financial statements for the period ended 31 December 2023 and its unaudited first and second quarter 2024 financial results.

Assumptions

The IP Q3 24 Profit Forecast is based on the following assumptions:

Factors outside the influence or control of the International Paper Directors

- (a) no changes to existing prevailing macroeconomic, regulatory or political conditions in the markets and regions in which International Paper operates that would materially affect International Paper;
- (b) the inflation and tax rates in the markets and regions in which International Paper operates remaining materially unchanged from the prevailing rates;
- (c) no material adverse events that could have a significant impact on International Paper’s financial performance, including litigation, adverse weather events or natural catastrophes that affect key products, supply chain or markets or the construction process;

- (d) no material changes in market conditions over the forecast period to 30 September 2024, in relation to either customer demand or competitive environment;
- (e) no material impact on stakeholder relationships arising from the Combination;
- (f) no material adverse outcome from any ongoing or future disputes with any customer, competitor, regulator or tax authority;
- (g) no material change in International Paper's employee attrition rates and labour costs, including medical and pension and other post-retirement benefits driven by external parties or regulations;
- (h) no material changes in legislation, taxation, regulatory requirements, applicable standards or the position of any regulatory bodies impacting on International Paper's operations or on its accounting policies; and
- (i) no material change to International Paper's ability to access the global capital markets.

Factors within the influence or control of the International Paper Directors

- (a) no material change to the present management of International Paper prior to 30 September 2024 (for the avoidance of doubt, other than changes related to the Combination);
- (b) no major corporate acquisitions or disposals, developments, partnership or joint venture agreements being entered into by International Paper, prior to 30 September 2024 (for the avoidance of doubt, other than the Combination);
- (c) no material changes in the dividend or capital policies of International Paper;
- (d) International Paper's accounting policies being consistently applied over the forecast period; and
- (e) no material change in the operational structure and strategy of International Paper.

Part 2: International Paper FY24 Profit Forecast

On 27 August 2024, International Paper announced that it had filed a preliminary proxy statement with the United States Securities and Exchange Commission (the “**Preliminary Proxy Statement**”).

The Preliminary Proxy Statement contained the following statement, which for the purposes of Rule 28.1(a) of the Code constituted a profit forecast published by International Paper during an offer period (the “**IP FY24 Profit Forecast**”):

	<i>Fiscal year ending 31 December</i>
<i>(\$ amounts in millions)</i>	<i>2024E</i>
Adjusted EBITDA	\$1,933

The Appendix to the announcement by International Paper on 27 August 2024 included reports from International Paper’s reporting accountant, Deloitte LLP (“**Deloitte**”), and its financial adviser, BofA Securities, in connection with the IP FY24 Profit Forecast, as required pursuant to Rule 28.1(a) of the Code, and provided underlying information and bases for the reporting accountant’s and adviser’s respective reports. Deloitte as reporting accountant to International Paper, has provided its report for the purposes of Rule 28.1(a) of the Code stating that, in its opinion and subject to the terms of the report, the IP FY24 Profit Forecast, for which the International Paper Directors are responsible, has been properly compiled on the basis stated and that the basis of accounting used is consistent with International Paper’s accounting policies. BofA Securities as financial adviser to International Paper, provided its report for the purposes of the Code stating that, in its opinion and subject to the terms of the reports, the IP FY24 Profit Forecast, for which the International Paper Directors are responsible, has been prepared with due care and consideration.

As required by Rule 27.2(d)(ii) of the Code, the International Paper Directors confirm that each of Deloitte and BofA Securities has confirmed to International Paper that their respective reports produced in connection with the IP FY24 Profit Forecast continue to apply.

In accordance with Rule 27.2(d)(i) of the Code, the International Paper Directors confirm that the IP FY24 Profit Forecast remains valid as a profit forecast as at the date of this Document, and has been properly compiled on the basis of the assumptions stated below and that the basis of accounting used is consistent with International Paper’s accounting policies.

Basis of Preparation

International Paper has prepared the IP FY24 Profit Forecast based on its published consolidated, unaudited first and second quarter 2024 financial results, its unaudited management accounts for the month of July 2024 and its internal forecasts for the remaining five months of the year ending 31 December 2024.

Details of adjustments between Earnings from Continuing Operations Before Income Taxes and Equity Earnings and Adjusted EBITDA are included under the Financial Highlights section of the International Paper Group’s 2023 Annual Report. These adjustments have been applied consistently in respect of the IP FY24 Profit Forecast.

Principal Assumptions

The International Paper FY24 Profit Forecast is based on the following assumptions:

Factors outside the influence or control of the International Paper Directors

- (a) no changes to existing prevailing macroeconomic, regulatory or political conditions in the markets and regions in which International Paper operates that would materially affect International Paper;
- (b) the inflation, tax and foreign exchange rates in the markets and regions in which International Paper operates remaining materially unchanged from the prevailing rates;
- (c) no material adverse events that could have a significant impact on International Paper’s financial performance, including litigation, adverse weather events or natural catastrophes that affect key products, supply chain or markets or the construction process;

- (d) no material changes in market conditions over the forecast period to 31 December 2024, in relation to either customer demand or competitive environment;
- (e) no material impact on stakeholder relationships arising from the announcement of the proposed Combination;
- (f) no material adverse outcome from any ongoing or future disputes with any customer, competitor, regulator or tax authority;
- (g) no material change in International Paper's employee attrition rates and labour costs, including medical and pension and other post-retirement benefits driven by external parties or regulations;
- (h) industry pricing indices will remain materially unchanged from the prevailing pricing publications at the date of this announcement;
- (i) no material changes to manufacturing capacity in the market that would impact the supply and demand for volumes purchased from IP;
- (j) no material changes in legislation, taxation, regulatory requirements, applicable standards or the position of any regulatory bodies impacting on International Paper's operations or on its accounting policies; and
- (k) no material change to International Paper's ability to access the global capital markets.

Factors within the influence or control of the International Paper Directors

- (a) no material change to the present management of International Paper prior to 31 December 2024 (for the avoidance of doubt, other than changes related to the Combination);
- (b) no major corporate acquisitions or disposals, developments, partnership or joint venture agreements being entered into by International Paper, prior to 31 December 2024 (for the avoidance of doubt, other than the Combination);
- (c) no material changes in the dividend or capital policies of International Paper;
- (d) International Paper's accounting policies being consistently applied over the forecast period; and
- (e) no material change in the operational structure and strategy of International Paper.

Part 3: International Paper FY25/26 Profit Forecasts

IP FY25 and FY26 Profit Forecasts

The Preliminary Proxy Statement also contains the following statement, which for the purposes of Rule 28.1(a) of the Code constitutes profit forecasts published by International Paper during an offer period (the “IP FY25/26 Profit Forecasts”):

(\$ amounts in millions)	Fiscal year ending 31 December	
	2025E	2026E
Adjusted EBITDA	\$2,432	\$2,635

Confirmations

Pursuant to Note 2(b) to Rule 28.1 of the Code, the Panel granted International Paper a dispensation from the requirement to include reports from reporting accountants and International Paper’s financial advisers in relation to the IP FY25/26 Profit Forecasts because they are for financial periods ending more than 15 months from the date on which they are each first published.

In accordance with Rule 28.1(c)(i) of the Code, the International Paper Directors confirm that the IP FY25/26 Profit Forecasts remain valid each as a projected profit floor for the relevant financial period as at the date of this Document, and each has been properly compiled on the basis of the assumptions stated below and that the basis of accounting used is consistent with International Paper’s accounting policies.

Basis of Preparation

International Paper prepared the IP FY 25/26 Profit Forecasts based on its audited consolidated financial statements for the period ended 31 December 2023, its published consolidated, unaudited first and second quarter 2024 financial results and its unaudited July 2024 financial results.

Assumptions

The IP FY25/26 Profit Forecasts are based on the following assumptions:

Factors outside the influence or control of the International Paper Directors

- (a) no changes to existing prevailing macroeconomic, regulatory or political conditions in the markets and regions in which International Paper operates that would materially affect International Paper;
- (b) the inflation and tax rates in the markets and regions in which International Paper operates remaining materially unchanged from the prevailing rates;
- (c) no material adverse events that could have a significant impact on International Paper’s financial performance, including litigation, adverse weather events or natural catastrophes that affect key products, supply chain or markets or the construction process;
- (d) no material changes in market conditions over the forecast period to 31 December 2026, in relation to either customer demand or competitive environment;
- (e) no material impact on stakeholder relationships arising from the Combination;
- (f) no material adverse outcome from any ongoing or future disputes with any customer, competitor, regulator or tax authority;
- (g) no material change in International Paper’s employee attrition rates and labour costs, including medical and pension and other post-retirement benefits driven by external parties or regulations;
- (h) no material changes in legislation, taxation, regulatory requirements, applicable standards or the position of any regulatory bodies impacting on International Paper’s operations or on its accounting policies; and
- (i) no material change to International Paper’s ability to access the global capital markets.

Factors within the influence or control of the International Paper Directors

- (a) no material change to the present management of International Paper prior to 31 December 2026 (for the avoidance of doubt, other than changes related to the Combination);
- (b) no major corporate acquisitions or disposals, developments, partnership or joint venture agreements being entered into by International Paper, prior to 31 December 2026 (for the avoidance of doubt, other than the Combination);
- (c) no material changes in the dividend or capital policies of International Paper;
- (d) International Paper's accounting policies being consistently applied over the forecast period; and
- (e) no material change in the operational structure and strategy of International Paper.

APPENDIX 3

OPINION OF THE FRENCH MEMBERS OF DS SMITH'S EUROPEAN WORKS COUNCIL

Important note: the opinion below is appended to this Document as permitted by the Code, but shall not be deemed to form part of it. In particular, the DS Smith Directors accept no responsibility for the information contained in the opinion below and the provisions of the responsibility statement at paragraph 1.1 of Part Eight (*Additional Information on DS Smith, International Paper and Bidco*) of this Document do not apply to it.

Opinion des représentants français remis aux actionnaires dans le cadre de l'Offre Publique IP/DS Smith

C'est finalement le Groupe International Paper (IP) qui devrait prendre le contrôle de notre Groupe DS Smith (DSS) après de multiples rebondissements (tentative d'OPA puis retrait de Mondi pour DSS, puis Suzano pour IP) qui montrent l'intérêt des investisseurs pour nos activités.

Au-delà des opportunités indéniables que représentent cette opération pour les actionnaires de nos deux groupes, nous souhaitons vous faire part des incertitudes et de nos inquiétudes pour la pérennité des emplois qui pourraient en découler.

1. Les positionnements géographiques des deux groupes apparaissent complémentaires, leurs stratégies ont été aux antipodes aux cours des dernières années. Si les apports de DSS à IP sont indéniables, on peut se demander ce qu'IP va apporter à DSS en Europe.

Le groupe DS Smith (DSS) a mené sur la dernière décennie une politique active de croissance externe et de gains de parts de marché en Europe, en devenant un acteur incontournable de la consolidation d'un marché du carton ondulé qui a connu une croissance ininterrompue jusqu'en 2022.

Le groupe International Paper (IP) a de son côté mené une politique de désengagement et de rationalisation de ses activités au cours des dernières années, notamment sur la zone EMEA. Il détient de longue date des positions fortes sur le marché US du PPO (papier pour ondulé) et de l'emballage en carton ondulé, et affiche depuis plusieurs années des velléités de se renforcer sur la zone EMEA en Packaging, qui ne s'étaient jusqu'à présent concrétisées que par des acquisitions et investissements ciblés.

Les deux groupes font face depuis deux ans à une baisse de leur activité et plus récemment à un recul de leurs résultats et de la rentabilité pour l'actionnaire après un « haut de cycle » (en particulier pour DS Smith).

Le ralentissement du marché et les surcapacités existantes sur le marché US ont notamment conduit IP (à l'instar de ses principaux concurrents) à annoncer des rationalisations de capacités papetières (en PPO et en pâte). Pour l'heure peu de rationalisations de capacités ont été opérées sur le marché européen du PPO (recyclé) qui demeure fortement capacitaire.

Cette opération donne instantanément accès à IP à:

- Des capacités significatives en PPO recyclé en Europe (et des capacités additionnelles en kraft, notamment avec les actifs ex-Europac)
- Des parts de marchés significatives sur le marché européen du carton ondulé,
- Un portefeuille de produits et de clients diversifiés avec une forte capacité d'innovation,
- Un ensemble structuré autour d'une « culture de groupe ».

Du côté de DS Smith, cette opération apporte:

- Un accès au marché US, convoité de longue date par DSS qui y avait fait des acquisitions par le passé (rachat d'Interstate notamment)
- Des capacités significatives en kraft (aux US),
- Un renforcement « à la marge » des parts de marché en carton ondulé en Europe.

Si les deux groupes cultivent une politique d'intégration entre PPO et cartonneries, les marchés US et européens du PPO et du carton ondulé ont toutefois des configurations et des dynamiques différentes (part du kraft par rapport au recyclé, concentration du marché, dynamiques régionales, configuration et besoins de la clientèle, réglementations, ...).

Pour la zone EMEA et pour la France, le fait de « grossir » via un rapprochement avec le groupe IP n'est instantanément ni porteur de croissance ni de garanties d'amélioration des résultats de DS Smith.

IP est pour l'heure faiblement implanté en Europe, avec une couverture géographique limitée (absence de « gros » marchés du PPO/carton: Allemagne, UK, Benelux, Pologne,) et une intégration papetière imparfaite (seulement 1 machine à papier en Europe continentale).

Le rapprochement entre IP et DSS ne devrait donc pas changer la donne de manière significative sur le marché européen en termes de parts de marché. Toutefois, là où DS Smith est déjà fortement implanté sur des pays sur lesquels IP l'est également (France, Espagne/Portugal, Italie), les parts de marché du nouvel ensemble pourraient encore être renforcées par l'opération (sous réserve de l'aval des autorités de la concurrence).

2. La politique financière de DSS en matière d'investissements et de rémunération des actionnaires a été plus équilibrée que celle d'IP au cours des dernières années, dans le contexte d'une stratégie de croissance. Quelle sera la stratégie du nouveau groupe pour l'avenir?

Sur la base des données publiées, la politique de distribution de dividendes du groupe IP (y compris les rachats d'actions) nous paraît déraisonnable: celui-ci a distribué sur les 5 dernières années 1,3 fois le résultat net réalisé, soit 6,4 Mds \$ en dividendes et rachats d'actions!

Ce chiffre est sans commune mesure avec DS Smith, qui a distribué « seulement » 48% de son résultat net sur la même période, et qui n'est pourtant pas réputé pour être avare avec ses actionnaires!

Si cette politique s'applique au nouvel ensemble, allons-nous travailler uniquement en vue de maximiser les distributions au profit des actionnaires dans une logique « court-termiste »? Comment les investissements nécessaires sur nos sites industriels seront-ils financés? Nous ne voulons pas devenir la nouvelle « vache à lait » du groupe IP!

D'autres interrogations se posent, notamment sur le niveau d'endettement du nouvel ensemble à l'issue de la réalisation de l'opération? Un potentiel désengagement d'IP des activités de « pate fluff » qui seraient susceptibles d'intéresser d'autres acteurs (ex : Suzano) serait-il à envisager?

S'agissant du taux d'investissements, et bien que cela ne soit pas suffisant, DS Smith a investi en moyenne 5,9 % de son chiffre d'affaires sur les 5 dernières années, pour un groupe à dominante Packaging et sur le papier recyclé.

IP a de son côté investi l'équivalent de seulement 4,5% de son chiffre d'affaires sur la même période, alors que le Groupe dispose de capacités en kraft très gourmandes en capitaux! On peut donc s'interroger sur la politique d'investissement du groupe IP aux US en Packaging, et sur celle qu'il adoptera pour DS Smith à l'avenir.

Le départ de Miles Roberts et consort chez DS Smith et l'arrivée d'Andy Sylvernail chez IP marqueront à coup sûr un tournant dans l'histoire et la stratégie des deux groupes.

Cette opération marquera-t-elle la fin du modèle de croissance pour DS Smith? Ou la fin d'une ère de désengagement d'IP qui s'oriente vers une nouvelle phase de croissance?

L'annonce précoce de plus de 500 M\$ de synergies par IP fait craindre des effets importants sur l'emploi sur les fonctions « support » et l'arrivée de nouveaux trains de synergies après la réalisation de l'opération.

Des synergies ont été annoncées très rapidement par IP pour une valeur de 514 M\$ sur une base annuelle, qui seraient liées principalement à :

- un renforcement de l'intégration en PPO (de 500-600 KT) qui serait portée à 90%
- des réductions de frais généraux, notamment via rationalisations des fonctions supports (suppression des doublons)
- des synergies sur les achats (massification) et les coûts logistiques,
- des revenus complémentaires (de manière marginale).

IP a annoncé que ces synergies, qui nécessiteraient un coût non récurrent de 370 M\$, seraient mises en œuvre rapidement et en tout état de cause dans les trois années suivant la réalisation de l'opération.

En tout état de cause, les synergies identifiées et annoncées par International Paper dès les prémices de cette opération ne sont qu'un premier jet « à chaud ».

International Paper est engagé dans des programmes réguliers « d'amélioration » (*Building a Better IP*) qui n'ont pas été connus jusqu'alors chez DS Smith qui était en phase de croissance.

Au regard des mouvements intervenus au cours des dernières années, le Groupe IP a restructuré fortement ses activités, et notamment sur la zone EMEA et en France, avec plusieurs mesures de réductions d'effectifs, des fermetures ou cessions de site,....

Outre le besoin d'annoncer des synergies supérieures à la précédente offre de Mondi, IP devra mettre en œuvre ce qu'il a annoncé, quoi qu'il en coûte...

Un impact sur l'emploi est anticipé par IP sur les fonctions administratives, support et de direction générale de 400 emplois, sans précision des zones géographiques ou services concernés.

Le groupe IP a indiqué que l'opération ne devrait pas se traduire par des pertes d'emplois sur les sites ou des fermetures d'usines.

Dans tous les cas, une inévitable « revue des activités » du nouvel ensemble sera menée dans un avenir proche et pourrait conduire à des cessions d'activités jugées éloignées de l'activité principale (« core business ») ou insuffisamment rentables pour l'actionnaire.

3. Les deux groupes sont fortement intégrés mais les modèles des papeteries européennes sont éloignés des « standards » des papeteries d'IP aux US

Le nouvel ensemble deviendrait le 3^e (?) producteur mondial de PPO avec une capacité de 18 MT, derrière Smurfit Westrock (?) et devant Nine Dragons (?). Cette opération serait donc de nature à renforcer le « pouvoir de marché » des acteurs du PPO avec la création de deux nouveaux géants: IP/DSS et SK/Westrock.

IP dispose d'une capacité de production de 13 MT sur le marché US (principalement en kraft), qui repose sur 17 sites de production, soit une moyenne supérieure à 0,8 MT par site.

Les sites papetiers de DS Smith en Europe sont loin de ces standards (taille moyenne de 0,2MT) et la France présente des spécificités avec une petite papeterie intégrée (Contoire Hamel), de taille moyenne (Rouen) et des sites de spécialités (Kaysersberg et Coullons).

Les deux Groupes IP et DS Smith affichent des modèles fortement intégrés (environ 85% du papier est consommé) et une volonté d'optimiser cette intégration.

Les modifications récentes de la division Paper de DS Smith intervenues au cours des dernières années (cession de De Hoop, fermeture de Trakia, réactivation du projet de Lucca) et des modifications d'organisations récentes semblent indiquer que des changements se préparent.

4. La proximité des sites de production et des zones de livraisons communes laissent présager des « dis-synergies » commerciales en France en cartonneries

Pour ce qui concerne la France, la proximité des sites de production d'IP et DS Smith sur certaines zones interpelle et inquiète tout comme les doublons présumés de clientèle compte tenu des zones de livraisons des deux groupes.

Il est craint que des choix soient faits entre les sites lors du contrôle par les autorités de la concurrence ou bien pour des prétextes de rationalisation des capacités de production existantes. Ce risque est particulièrement prégnant compte tenu de la baisse conjoncturelle d'activité sur le marché français du carton ondulé.

Si aucune « dis-synergie » n'est identifiée par IP à ce stade, on peut s'interroger sur les conséquences que pourraient avoir cette opération sur la clientèle des deux groupes en Europe et en France, en particulier sur lesquels les deux groupes opèrent déjà (France, Espagne/Portugal, Italie).

Au-delà, on peut s'interroger sur la politique d'investissement qu'aura IP pour le Packaging en Europe et en France dans un contexte de « digestion » de l'opération et si la croissance du marché demeure faible. Quel avenir pour des petites unités ou faiblement dotées par le passé? Quels seront les niveaux de retours sur investissements attendus par IP?

Le groupe DS Smith a su créer sur les dernières années une marque forte auprès des clients et dans sa communication aux tiers en règle générale. Ce n'est pas le cas d'IP en Europe, qui n'a pas forcément bonne réputation si l'on en croit les rumeurs du marché. Qu'advient-il de la marque DS Smith?

DS Smith cultive en Packaging une politique d'innovation, de proximité et de service avec ses clients et d'adaptation à des besoins et contraintes locales/régionales; quelle est la culture d'IP, groupe papetier par nature, sur le segment du Packaging?

5. DS Smith dispose en Europe et en France d'une activité « Consumer Packaging » dont IP s'est séparé en Amérique du Nord il y a plusieurs années

Rappelons qu'International Paper, qui disposait d'une activité « Consumer packaging » en Amérique du Nord, a transféré il y a de cela quelques années cette activité à Graphic Packaging, avant de céder sa participation.

Ce repositionnement stratégique sur son « Core Business » inquiète les élus de la division Consumer Packaging DS Smith qui craignent qu'un choix analogue puisse être fait par IP à court ou moyen terme pour les activités Consumer Packaging de DS Smith avec une éventuelle cession des sites.

Ces activités sont pourtant fortement complémentaires avec les cartonneries conventionnelles en termes de solutions d'emballages recyclables et innovantes, offrent des synergies commerciales importantes auprès de clients de premier ordre, ainsi qu'une forte résilience de ses résultats.

Par ailleurs, les représentants s'interrogent sur la vision qu'a IP des cartonnages compte tenu de la faiblesse de cette activité chez IP qui n'en a qu'un seul en France (IP Cabourg); quel avenir pour ces sites dans un groupe de si grande envergure?

6. Les rationalisations des fonctions « centrales » et supports font craindre pour l'emploi du siège, des centres de services partagés et plus globalement des services « support » en France

Compte tenu des synergies et suppressions d'emplois d'ores et déjà annoncées par IP, il ne fait aucun doute que les services « support » seront inévitablement impactés par cette opération à plusieurs niveaux.

Dès lors, se posent des interrogations autour de:

- L'avenir des fonctions « centrales » et supports (siège France, centres de services partagés, fonctions support sur les sites...), chez DSS comme chez IP.

- L'évolution des modèles d'organisation des sites à l'avenir, ainsi que l'évolution dans les organisations par clusters, par pays, par régions, ... au regard des organisations existantes chez DS Smith.

Quelles seront les fonctions support conservées en France?

Quel sera le modèle d'organisation des sites pour l'avenir?

English translation

**Opinion of the French representatives given to
the shareholders in the context of the IP/DS
Smith Public Offer**

In the end, it is the International Paper Group (IP) that should take control of our DS Smith Group (DSS) after multiple twists and turns (attempted takeover bid and then withdrawal of Mondi for DSS, then Suzano for IP) which show the interest of investors in our activities.

Beyond the undeniable opportunities that this transaction represents for the shareholders of our two groups, we would like to share with you the uncertainties and our concerns for the sustainability of jobs that could result from it.

- 1. The geographical positioning of the two groups appears to be complementary, and their strategies have been poles apart in recent years. If the contributions of DSS to IP are undeniable, one may wonder what IP will bring to DSS in Europe.**

Over the past decade, the DS Smith Group (DSS) has pursued an active policy of external growth and market share gains in Europe, becoming a key player in the consolidation of a corrugated cardboard market that has experienced uninterrupted growth until 2022.

The International Paper (IP) group has pursued a policy of disengagement and rationalization of its activities in recent years, particularly in the EMEA zone. It has long held strong positions in the US market for PPO (corrugated paper) and corrugated cardboard packaging, and for several years has been showing signs of strengthening its position in the EMEA region in Packaging, which had so far only resulted in targeted acquisitions and investments.

The two groups have been facing a decline in their activity for the past two years and more recently a decline in their results and profitability for shareholders after a "high cycle" (in particular for DS Smith).

The slowdown in the market and the existing overcapacity on the US market have led IP (like its main competitors) to announce rationalizations of paper capacity (PPO and pulp). For the time being, few capacity rationalizations have been carried out in the European PPO (recycled) market, which remains highly capable.

This gives IP instant access to:

- Significant recycled PPO capacity in Europe (and additional kraft capacity, particularly with the ex-Europac assets)
- Significant market shares in the European corrugated cardboard market,
- A diversified portfolio of products and customers with a strong capacity for innovation,
- A whole structured around a "group culture".

For DS Smith, this operation brings:

- This is access to the US market, which has long been coveted by DSS, which had made acquisitions there in the past (notably the acquisition of Interstate)
- Significant kraft capacity (in the US),
- A "marginal" strengthening of the corrugated cardboard market share in Europe.

While the two groups cultivate a policy of integration between PPOs and cardboard mills, the US and European PPO and corrugated cardboard markets have different configurations and dynamics (share of kraft compared to recycled, market concentration, regional dynamics, customer configuration and needs, regulations, etc.).

For the EMEA zone and for France, the fact of “growing” through a merger with the IP group is instantly neither a source of growth nor a guarantee of improvement in DS Smith’s results.

IP is currently poorly established in Europe, with limited geographical coverage (absence of “big” PPO/cardboard markets: Germany, UK, Benelux, Poland,) and imperfect paper integration (only 1 paper machine in continental Europe).

The merger between IP and DSS is therefore not expected to significantly change the European market in terms of market share. However, where DS Smith already has a strong presence in countries where IP is also strong (France, Spain/Portugal, Italy), the market share of the new entity could be further strengthened by the transaction (subject to the approval of the competition authorities).

2. DSS’s financial policy on investments and shareholder remuneration has been more balanced than IP’s in recent years, in the context of a growth strategy. What will be the new group’s strategy for the future?

Based on the published data, the IP group’s dividend distribution policy (including share buybacks) seems unreasonable to us: it has distributed over the last 5 years 1.3 times the net profit realized, i.e.

\$6.4 billion in dividends and share buybacks!

This figure is out of all proportion to DS Smith, which distributed “only” 48% of its net profit over the same period, and which is not known for being stingy with its shareholders!

If this policy applies to the new entity, are we going to work solely with a view to maximising distributions for the benefit of shareholders in a “short-termist” logic? How will the necessary investments in our industrial sites be financed? We don’t want to become the new “cash cow” of the IP group!

Other questions arise, in particular about the level of debt of the new entity at the end of the transaction? Would a potential withdrawal of IP from “paste fluff” activities that would be likely to interest other players (e.g. Suzano) be envisaged?

As far as the investment rate is concerned, and although this is not enough, DS Smith has invested an average of 5.9% of its turnover over the last 5 years, for a group dominated by Packaging and recycled paper.

IP, for its part, invested the equivalent of only 4.5% of its turnover over the same period, even though the Group has very capital-intensive kraft capacity! We can therefore wonder about the IP group’s investment policy in the US in Packaging, and the one it will adopt for DS Smith in the future.

The departure of Miles Roberts and co. to DS Smith and the arrival of Andy Sylvernail to IP will certainly mark a turning point in the history and strategy of the two groups.

Will this operation mark the end of the growth model for DS Smith? Or the end of an era of IP disengagement that is moving towards a new phase of growth?

3. The early announcement of more than \$500 million in synergies per IP raises fears of significant effects on employment in support functions and the arrival of new synergy packages after the completion of the transaction

Synergies were announced very quickly by IP for a value of \$514 million on an annual basis, which would be mainly related to:

- a strengthening of the integration in PPO (from 500-600 KT) which would be increased to 90%
- Reductions in overheads, in particular through streamlining of support functions (elimination of duplication)

- synergies on purchasing (massification) and logistics costs,
- additional income (marginally).

IP announced that these synergies, which would require a one-time cost of \$370 million, would be implemented quickly and in any event within three years of the completion of the transaction.

In any case, the synergies identified and announced by International Paper at the outset of this transaction are only a first “hot” draft.

International Paper is engaged in regular “improvement” programs (*Building a Better IP*) that have not been known until now at DS Smith, which was in a growth phase.

In view of the movements that have occurred in recent years, the IP Group has significantly restructured its activities, particularly in the EMEA zone and in France, with several staff reduction measures, closures or site disposals,...

In addition to the need to announce synergies greater than Mondi’s previous offer, IP will have to implement what it has announced, whatever the cost...

An impact on employment is anticipated by IP on the administrative, support and general management functions of 400 jobs, without specifying the geographical areas or services concerned.

The IP group said the deal is not expected to result in job losses at the sites or plant closures.

In any case, an inevitable “review of the activities” of the new entity will be carried out in the near future and could lead to the sale of activities deemed far from the core business or insufficiently profitable for the shareholder.

4. The two groups are highly integrated, but the models of European paper mills are far from the “standards” of IP’s paper mills in the US

The new entity would become the world’s 3rd largest producer of PPOs with a capacity of 18 MT, behind Smurfit Westrock (?) and ahead of Nine Dragons (?). This operation would therefore strengthen the “market power” of the PPO players with the creation of two new giants: IP/DSS and SK/Westrock.

IP has a production capacity of 13 MT on the US market (mainly kraft), which is based on 17 production sites, an average of more than 0.8 MT per site.

DS Smith’s paper sites in Europe are far from these standards (average size of 0.2MT) and France has specificities with a small integrated paper mill (Contoire Hamel), a medium-sized paper mill (Rouen) and specialty sites (Kaysersberg and Coullons).

Both the IP and DS Smith Groups have highly integrated models (about 85% of paper is consumed) and a desire to optimize this integration.

The recent changes in DS Smith’s Paper division over the last few years (sale of De Hoop, closure of Trakia, reactivation of the Lucca project) and recent organisational changes seem to indicate that changes are coming.

5. The proximity of production sites and common delivery areas suggests commercial “dis-synergies” in France in cardboard factories

As far as France is concerned, the proximity of the IP and DS Smith production sites in certain areas is questionable and worrying, as are the presumed duplication of customers given the delivery areas of the two groups.

It is feared that choices will be made between sites during the control by the competition authorities or under the pretext of rationalizing existing production capacities. This risk is particularly significant given the cyclical decline in activity on the French corrugated cardboard market.

While no “dis-synergy” has been identified by IP at this stage, one may wonder about the consequences that this transaction could have on the customers of the two groups in Europe and in France, in particular on which the two groups already operate (France, Spain/Portugal, Italy).

Beyond that, we can question the investment policy that IP will have for Packaging in Europe and in France in a context of “digestion” of the operation and whether market growth remains weak. What future for small units or units that were poorly equipped in the past? What levels of return on investment will IP expect?

Over the past few years, the DS Smith Group has been able to create a strong brand with customers and in its communication to third parties in general. This is not the case for IP in Europe, which does not necessarily have a good reputation if we are to believe the rumors of the market. What will happen to the DS Smith brand?

DS Smith cultivates a policy of innovation, proximity and service with its customers and adaptation to local/regional needs and constraints; What is the culture of IP, a paper group by nature, in the Packaging segment?

6. DS Smith has a “Consumer Packaging” business in Europe and France, which IP divested in North America several years ago

It should be remembered that International Paper, which had a “Consumer packaging” activity in North America, transferred this activity to Graphic Packaging a few years ago, before selling its stake.

This strategic repositioning on its “Core Business” worries the elected representatives of the DS Smith Consumer Packaging division who fear that a similar choice could be made by IP in the short or medium term for DS Smith’s Consumer Packaging activities with a possible sale of the sites.

However, these activities are highly complementary to conventional cardboard mills in terms of recyclable and innovative packaging solutions, offer significant commercial synergies with first-class customers, as well as a strong resilience of its results.

In addition, the representatives questioned IP’s vision of cartonages given the weakness of this activity at IP, which has only one in France (IP Cabourg); What future for these sites in such a large group?

7. The rationalization of “central” and support functions raises fears for the employment of the head office, the shared service centers and more generally the “support” services in France

Given the synergies and job cuts already announced by IP, there is no doubt that the “support” services will inevitably be impacted by this operation on several levels.

Therefore, questions arise around:

- The future of “central” and support functions (France headquarters, shared service centers, support functions on sites, etc.) at DSS and IP.
- The evolution of site organization models in the future, as well as the evolution in organizations by clusters, by countries, by regions, ... with regard to the existing organizations at DS Smith.

What support functions will be retained in France?

What will be the model for the organisation of the sites for the future?

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