



International Paper Company



IP NYSE

Paper Products

Market Capitalization USD:

\$10,162.59 mm

CONCERN LEVEL: LOW

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket. 

CEO: John V. Faraci**Age: 62****CEO Since: 2003**

	2009	2010	2011
Base Salary	\$1,261,400	\$1,308,725	\$1,374,375
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$2,727,400	\$2,250,000	\$2,500,000
Benefits and Perquisites	\$652,192	\$1,320,625	\$1,031,355
TOTAL ANNUAL COMPENSATION	\$4,640,992	\$4,879,350	\$4,905,730
Increase in Post-Retirement Benefits	\$5,125,575	\$5,545,920	\$3,196,058
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$2,397,230	\$7,424,073	\$9,001,717
TOTAL COMPENSATION	\$12,163,797	\$17,849,343	\$17,103,505
Median of Other Named Executive Officers Total Compensation	\$3,670,687	\$4,794,709	\$4,753,569
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$2,216,072	\$6,427,029	\$7,299,010
TOTAL REALIZED EQUITY COMPENSATION	\$2,216,072	\$6,427,029	\$7,299,010

Proxy Date: 5 Apr 2012

Annual Meeting Date: 7 May 2012

Equity Reserves: 7.82%

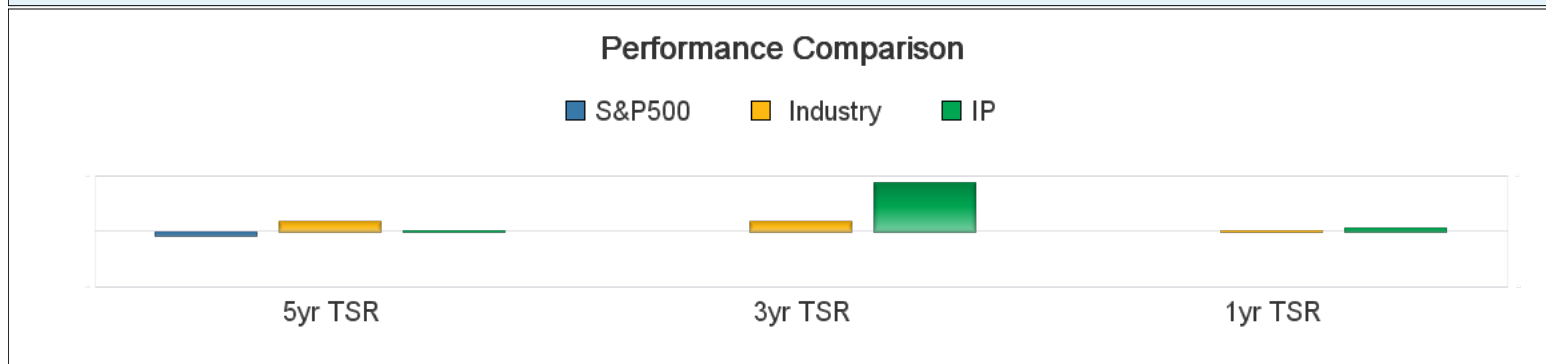
Stock Option Run Rate: 0.00%

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Peer Comparisons (TRBC) = Basic Materials

Ticker	Company Name	Total Summary CEO Compensation			Market Cap
		2009	2010	2011	
IP	International Paper Company	\$12,163,797	\$17,849,343	\$17,103,505	\$10,162,587,299
NUE	Nucor Corporation	\$2,884,064	\$6,770,807	\$8,130,890	\$9,999,569,006
RGLD	Royal Gold, Inc	\$991,641	\$2,475,823		\$3,507,187,052
RYN	Rayonier Inc.	\$6,103,812	\$6,915,820		\$4,481,729,729
SHW	Sherwin-Williams Company (The)	\$7,495,810	\$7,735,200	\$8,150,048	\$7,970,371,999
SIAL	Sigma-Aldrich Corporation	\$3,196,782	\$4,613,606	\$3,915,529	\$7,526,116,662
TIN	Temple-Inland Inc.	\$5,616,171	\$8,209,258		\$3,397,071,636

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

3M Company, Alcoa Inc., Bunge Limited, Caterpillar Inc., Dow Chemical Company, E.I. DuPont de Nemours, Eaton Corp., Emerson Electric Company, FedEx Corp., Goodyear Tire & Rubber Company, Hess Corp., Honeywell International Inc., Johnson Controls, Inc., Kimberly-Clark Corp., Lockheed Martin Corp., Occidental Petroleum, Schlumberger Limited, United States Steel Corp., Whirlpool Corp., Xerox Corp.

Performance Peer Group

2011 ROI Peer Group: Domtar Inc, M-real Corp, MeadWestvaco Corp, Mondi Group, Packaging Corporation of America, RockTenn Company, Smurfit Kappa Group, Stora Enso Corp, Temple-Inland Inc, UPM-Kymmene Corp

2011 TSR Peer Group: Alcoa Inc, Domtar Inc, Dow Chemical Company, E.I. DuPont de Nemours & Co, M-real Corp, MeadWestvaco Corp, Mondi Group, Norske Skog, Packaging Corporation of America, Rolute Forest Products, RockTenn Company, S&P 100 Index, S&P Basic Materials Index, Sappi Limited, Smurfit Kappa Group, Stora Enso Corp, Svenska Cellulosa Aktiebolaget, Temple-Inland Inc, United States Steel Corp, UPM-Kymmene Corp

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
J. Steven Whisler	Chairman	57	Male	5	Outside
John L. Townsend	Member	56	Male	6	Outside
William G. Walter	Member	66	Male	7	Outside

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