General Assembly meeting

EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS

EURO GRAPH

Online web conference

29th June 2022

Starting at 09h00 CET

Opening of the meeting

Agenda

- Opening of the meeting
- Streamlining of E-G activities
- Two Sides
- Print Power
- Environmental issues & CEPI update
- Statistics
- Financial issues
- Chairmanship and Board membership
- Next meeting
- Other business
- Adjournment

Legal Reminder

EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS
EURO GRAPH

ACTIVITIES OF EURO-GRAPH

IN RELATION TO COMPETITION LEGISLATION

EURO-GRAPH makes every effort to ensure that its activities do not contravene the provisions of competition legislation of countries with which its members trade, in particular those of the European Union. This is important for the individuals who take part in Association work, including company officials, EURO-GRAPH staff, member companies, and guest speakers at EURO-GRAPH meetings.

All who participate in EURO-GRAPH activities share the obligation of ensuring that those activities do not contravene these laws.

Subjects that should not be discussed are:

- Company specific, individual statistics and individual forecast, in particular, in relation to prices, volume of sales, volume of orders, production, capacity, downtime.
- Exchange of any commercially sensitive information, in particular where this exchange could influence competitors' future market behaviour.
- Any concrete recommendations or conclusions in such a form that would induce competitors to behave in an identical manner.
- Price of industry products, allocation of markets, terms and conditions of sales.

Further to that, member companies should not take any steps among themselves to:

- Allocate customers or territories;
- Influence competitors' business decisions;
- Co-ordinate pricing, production or other competitive practices, decisions or strategies.

In addition members should be aware that their offices and homes may be searched and that their personal notes may be taken and used as evidence by the authorities during investigations and so members should ensure that notes may not be misunderstood.

Should there ever be a question in the minds of any participants as to the propriety of a EURO-GRAPH activity or the way it is conducted, in particular on the preparation, handling or minuting of meetings, they should have no hesitation in seeking the advice of their own or EURO-GRAPH counsel.

European Association of Graphic Paper Producers asbl
www.euro-graph.org
Avenue Louise 250
B-1050 Brussels – Belgium
T +32 2 639 26 00
F +32 2 639 26 01
office@euro-graph.org
VAT BE 0476 557 733
IBAN BE 41 3101 6586 2410
BIC/SWIFT BBRUBEBB

Streamlining of E-G activities

- Proposal from the Board of Directors

Streamlining of Euro-Graph activities

- Over the past two months, the Board has carefully considered the present activities of Euro-Graph and their relevance and value for the association's members.
- After thorough discussion, the Board came to the following recommendations:
  - E-G activities should remain strictly focused to the core business of statistics
  - Communication projects, although valuable, should not be considered as core business for the association
  - Every possible efforts should be taken to reduce costs, while maintaining the quality of services

Streamlining of Euro-Graph activities

- To implement these recommendations the Board agreed to the following changes:
  - **Two Sides** should be separated from the regular activities of E-G and the contribution to their budget should be separated from the regular E-G budget. Each individual company will be free to continue their support to the project, but the decision will be on individual basis and the discussion will be between every company and the Two Sides management.
  - **Print Power** should be separated from the regular E-G activities and the budget should no longer be drawn from the E-G regular annual budget. A way forward for the project will be considered over the coming weeks. The alternatives currently explored include:
    - One company, or a group of companies continue the project independently from E-G
    - The project is offered to a different organization to be continued in future (FESPA, Intergraf, WAN-Ifra, FIPP…)
    - The project is offered to Mr Ulbe Jelluma to carry on with sponsors he should find separately from E-G
    - The project is completely dismissed at the end of 2022

Streamlining of Euro-Graph activities

- To implement these recommendations the Board agreed to the following changes:
  - **Statistics:** with the aim to reduce costs, it is proposed to terminate the production of the annual grammage distribution survey and the quarterly end use survey. In addition, the subscription to the Svan Data import files (and their distribution to members) will be terminated.
  - **Meetings**: with the aim to reduce costs and increase time efficiency, it is proposed that all meetings organized by E-G should be held online, with the exception of one General Assembly meeting per year. This will apply to meetings of all working groups of the association (Board, Environmental Working Group, Internal Auditors Committee, Statistics Expert Group, Marketing Working Group, …). If need be, meetings in person could still be organized on exceptional basis.
  - **Office and admin**: remote working should be encouraged possibly reducing the current office space. The management is mandated to find any further possible cost reduction (IT, staff, …).
  - **Budget**: following the mentioned changes, the annual budget 2023 should not be higher than 655 000 €.

Formal proposal

- It is proposed to approve the recommendation of the Board, and in particular:
  - Spin-off of Two Sides
  - Spin-off of Print Power
  - Termination of some statistics
  - Shift of almost all meetings online
  - General costs reduction

Two Sides

- IMPLICATIONS OF E-G POLICY CHANGE IN FUNDING PROJECTS
- STATUS AND PLANNING OF THE PROJECT

JONATHAN TAME / MARTYN EUSTACE

Print Power

- IMPLICATIONS OF E-G POLICY CHANGE IN FUNDING PROJECTS
- STATUS AND PLANNING OF THE PROJECT

Status Print Power

1 Jan – 23 Jun 2022 (vs. 8 Jul – 31 Dec 2021)

- Business as usual: website articles, postings on LinkedIn, and Newsletters (May and June have been slow on postings on website and LinkedIn)
- Updating: technical part of website and Search Engine Optimization (SEO)

Website performance

Users/visitors	9.577	17%
Page views	16.604	15%
Average duration	1.10	4.4%
Bounce rate	82	1.9%
Domain authority	57	39%
Speed index (desktop)	3.3	48%
Speed index (mobile)	5.6	8%

Very strong improvements of website performance: faster loadtime site,
more visitors who stay longer on the site and much better authority of the printpower.eu website
May & June slow decline as less content posted

Results SEO

Search term	Current position	Previous position
Are newspapers still effective	1	3
Coca-Cola newsprint advertising	1	7
Stabilo Highlight	1	2
Is newspaper advertising still effective	1	4
Effect of print advertising	3	44
Newspaper marketing campaigns	3	19
Power of print	4	8
Cross-media study	4	12
Print advertising effectiveness	6	22
Uses of print media	6	21
Print media	10	17

When searching one of the above short descriptions, the Print Power website appears in a lot more cases on the first page of the search results

LinkedIn performance

Number of posts	67	34%
Followers	1158	12%
Impressions	17.068	22%
Engagement rate	5.08	39%

More focus on acquiring new followers. Less posts = less impressions/ engagement

Newsletter performance

Number of newsletters	6	
Open rate	21.38%	0.05%
Click-through-rate	9.77%	17.2%
Subscribe vs unsubscribe	126 - 127	1

One in five reads newsletter and increasingly more people click to read articles on website

Implications of E-G funding decision

- Project current budget 65 000 € /year
- Alternatives under consideration:
    - One company, or a group of companies continue the project independently from E-G
    - The project is offered to a different organization to be continued in future (FESPA, Intergraf, WAN-Ifra, FIPP…)
    - The project is offered to Mr Ulbe Jelluma to carry on with sponsors he should find separately from E-G
    - The project is completely dismissed at the end of 2022
- Continued activities under E-G until end of 2022 to maintain project alive and interesting for possible third parties

Update on environmental issues & CEPI update

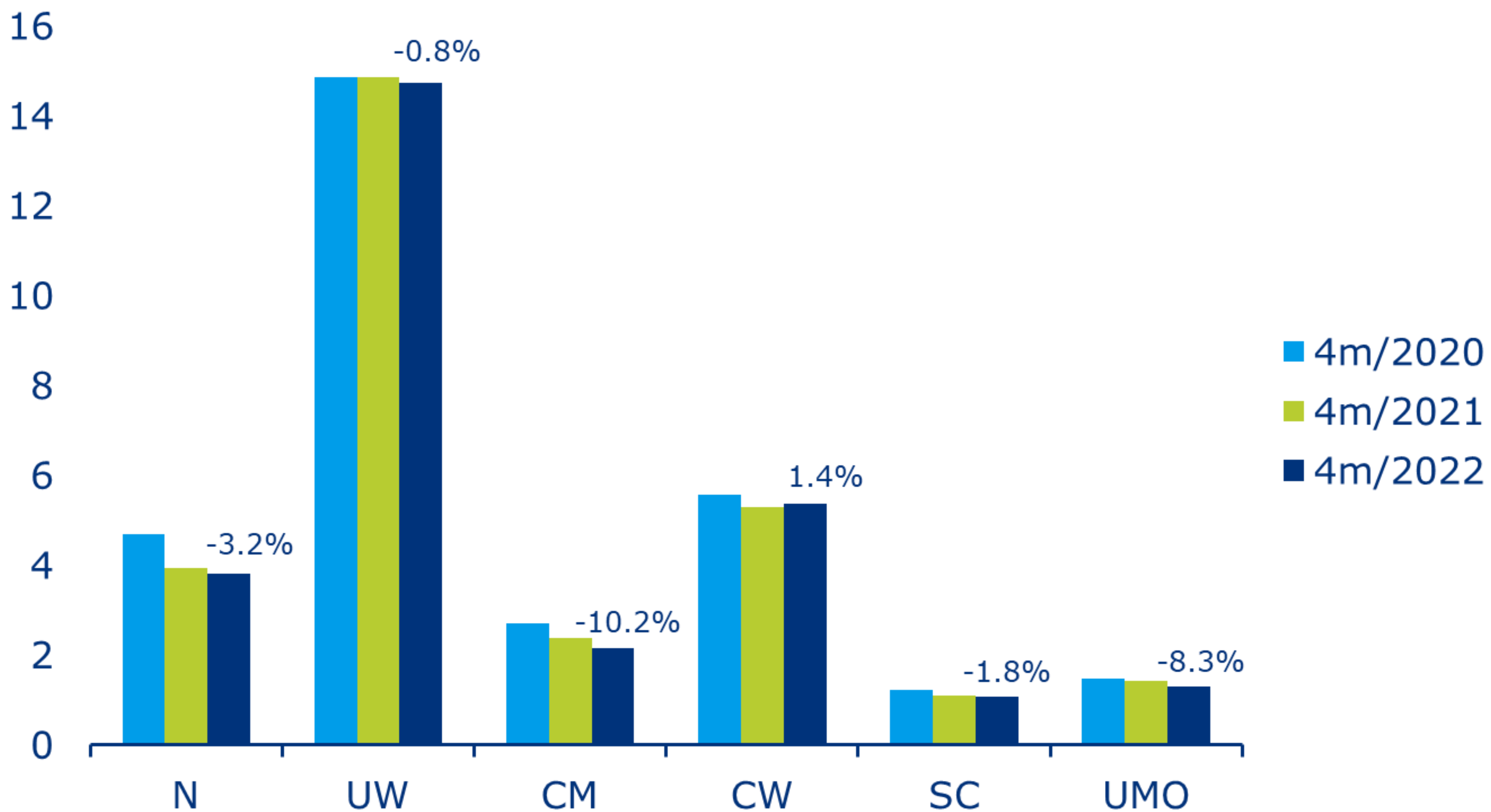
- **Anna Papagrigoraki, CEPI, Sustainability Director**

Statistics

Recent Market Development

Graphic papers – World demand

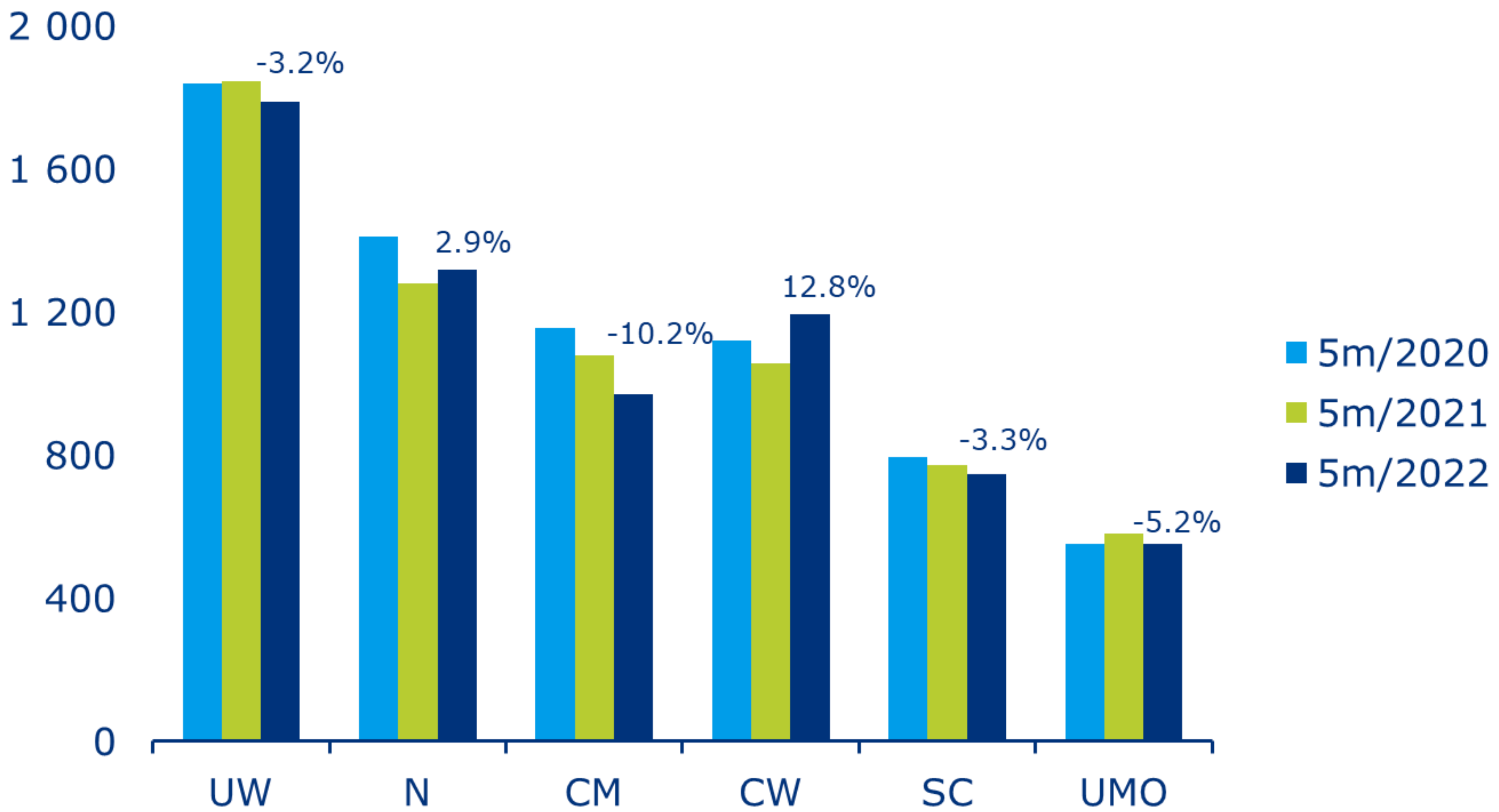
4m 2022 vs. 2021: -1.9% (-560 kt) (million of tonnes)



Source: PPPC

Graphic papers – W.E. demand

5m 2022 vs. 2021: -0.8% (-51 kt) (000 of tonnes)



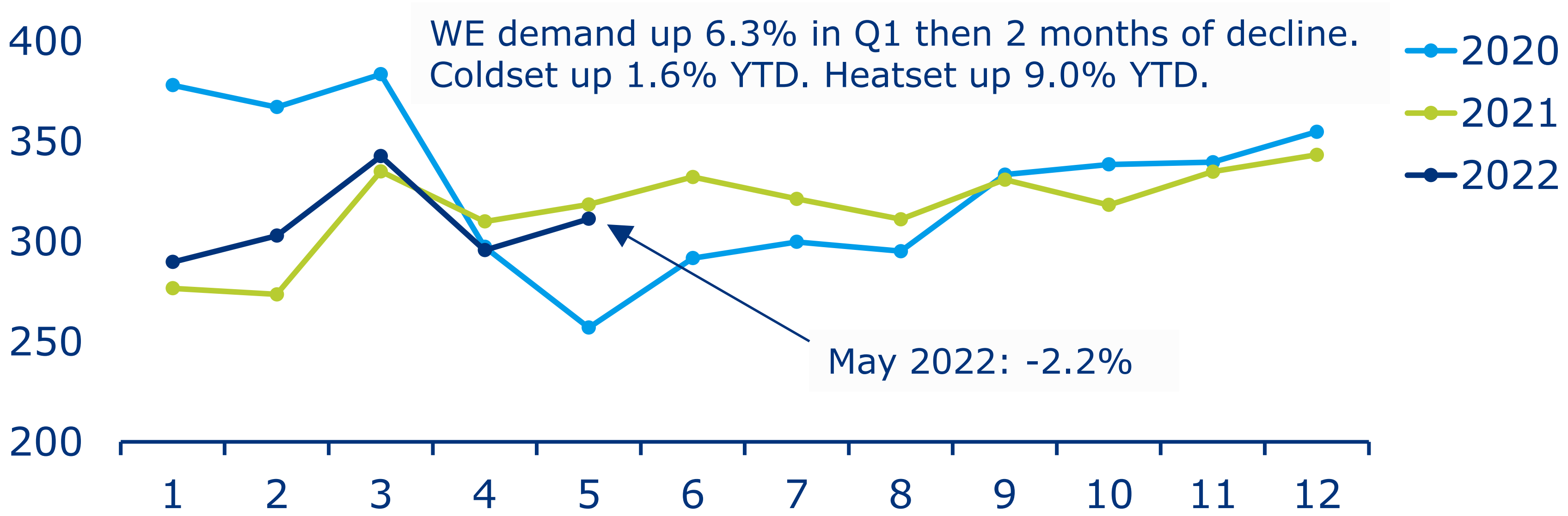
Source: EURO-GRAPH / PPPC

- Newsprint

Newsprint – European demand

Jan-May 2022: 1.9% (29 kt) (000 of tonnes)

Country	Jan-May 2021	Jan-May 2022	% chg	Country	Jan-May 2021	Jan-May 2022	% chg
WE	1,280 kt	1,320 kt	3.1%	EE	234 kt	222 kt	-4.9%
DE	475 kt	506 kt	6.6%	RU	89 kt	68 kt	-24%
GB	210 kt	206 kt	-2.2%	PL	36 kt	40 kt	12%
IT	116 kt	120 kt	3.3%	HU	17 kt	24 kt	42%
FR	87 kt	90 kt	3.2%	CZ	18 kt	21 kt	15%
NL	61 kt	67 kt	9.5%	SI	16 kt	16 kt	1.7%
Other	330 kt	331 kt	0.3%	Other	58 kt	54 kt	-7.8%

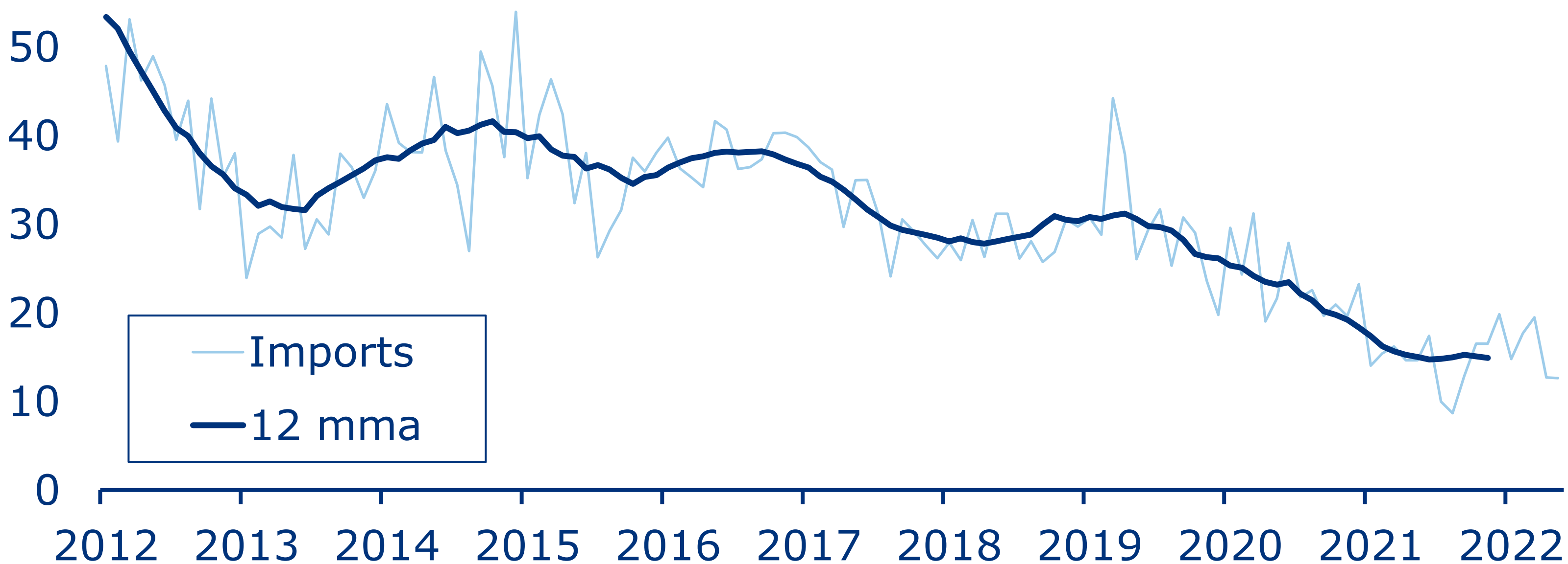


Source: EURO-GRAPH / PPPC

Newsprint – W.E. Imports

Jan-May 2022: 3.1% (2 kt) - (000 tonnes)

Country	Jan-May 2021	Jan-May 2022	% chg	% share of imports
Total Imports	75 kt	77 kt	3.1%	100%
EE	27 kt	26 kt	-0.5%	34%
NA	48 kt	51 kt	4.8%	66%

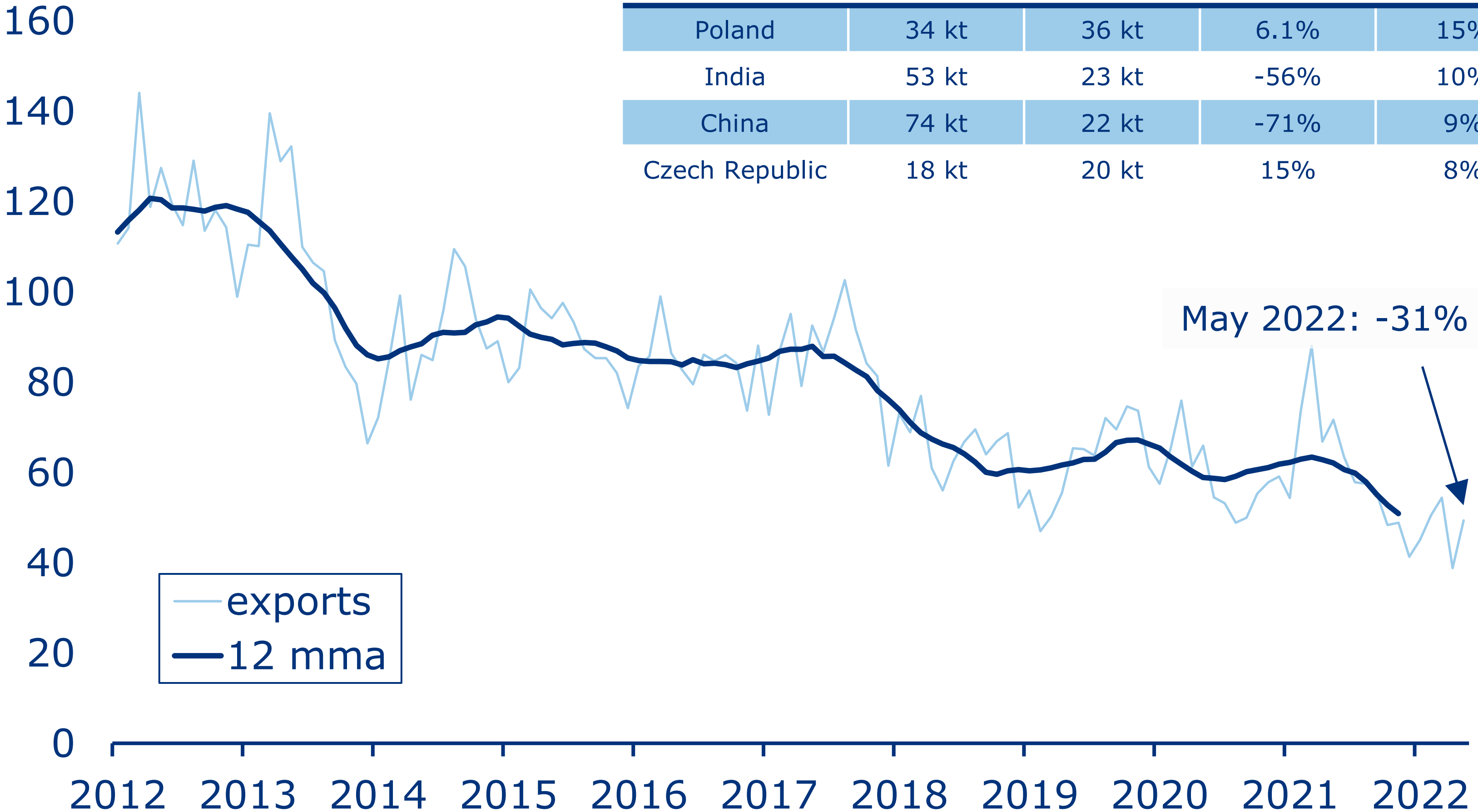


Source: EURO-GRAPH

Newsprint – W.E. Exports

Jan-May 2022: -33% (-116 kt) - (000 tonnes)

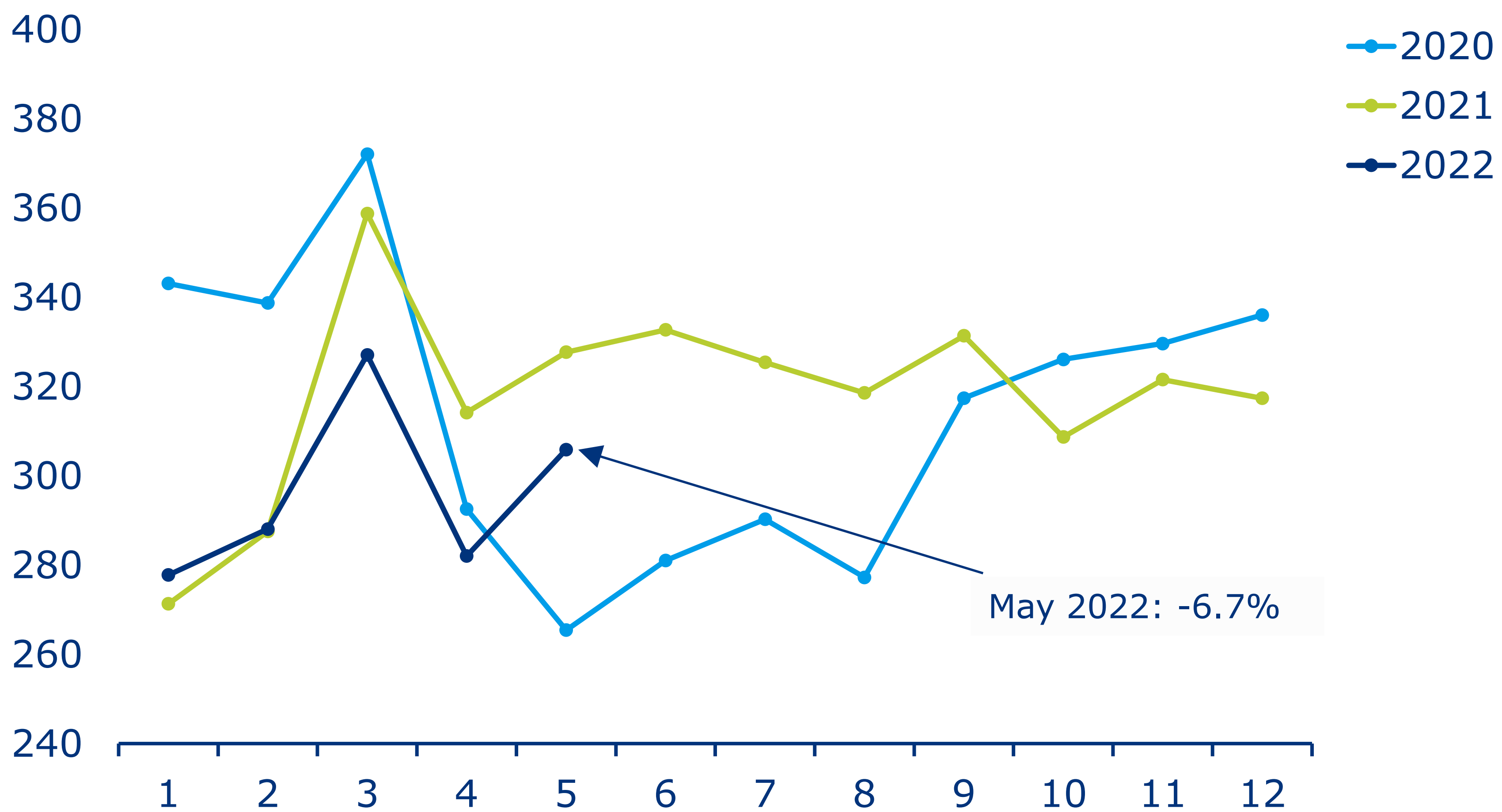
Country	Jan-May 2021	Jan-May 2022	% chg	% share of exports
Tot. Export	355 kt	238 kt	-33%	100%
Poland	34 kt	36 kt	6.1%	15%
India	53 kt	23 kt	-56%	10%
China	74 kt	22 kt	-71%	9%
Czech Republic	18 kt	20 kt	15%	8%



Source: EURO-GRAPH

Newsprint – W.E. total deliveries

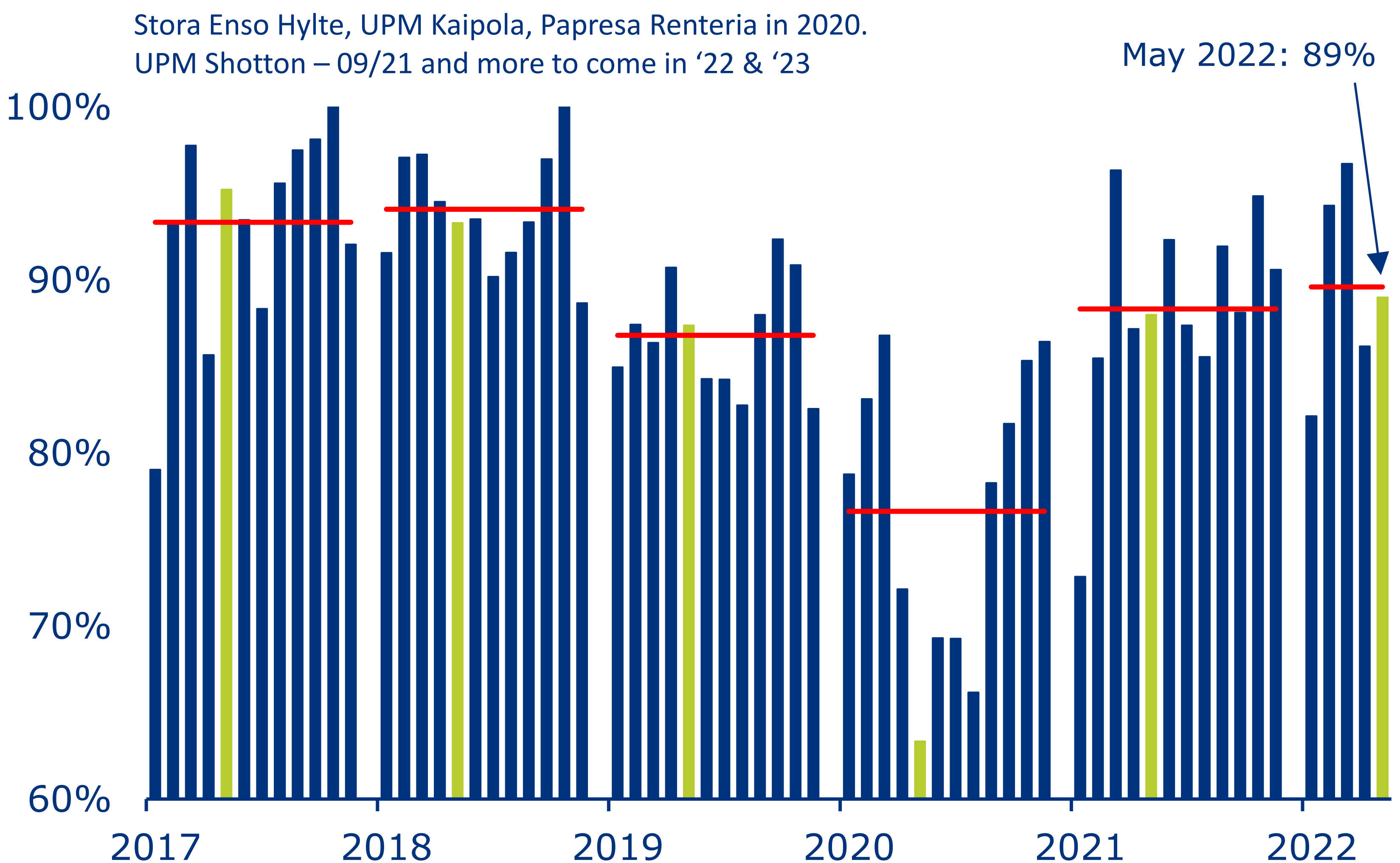
Jan-May 2022: -5.0% (-79 kt) (000 of tonnes)



Source: EURO-GRAPH

Newsprint – delivery-to-capacity ratio

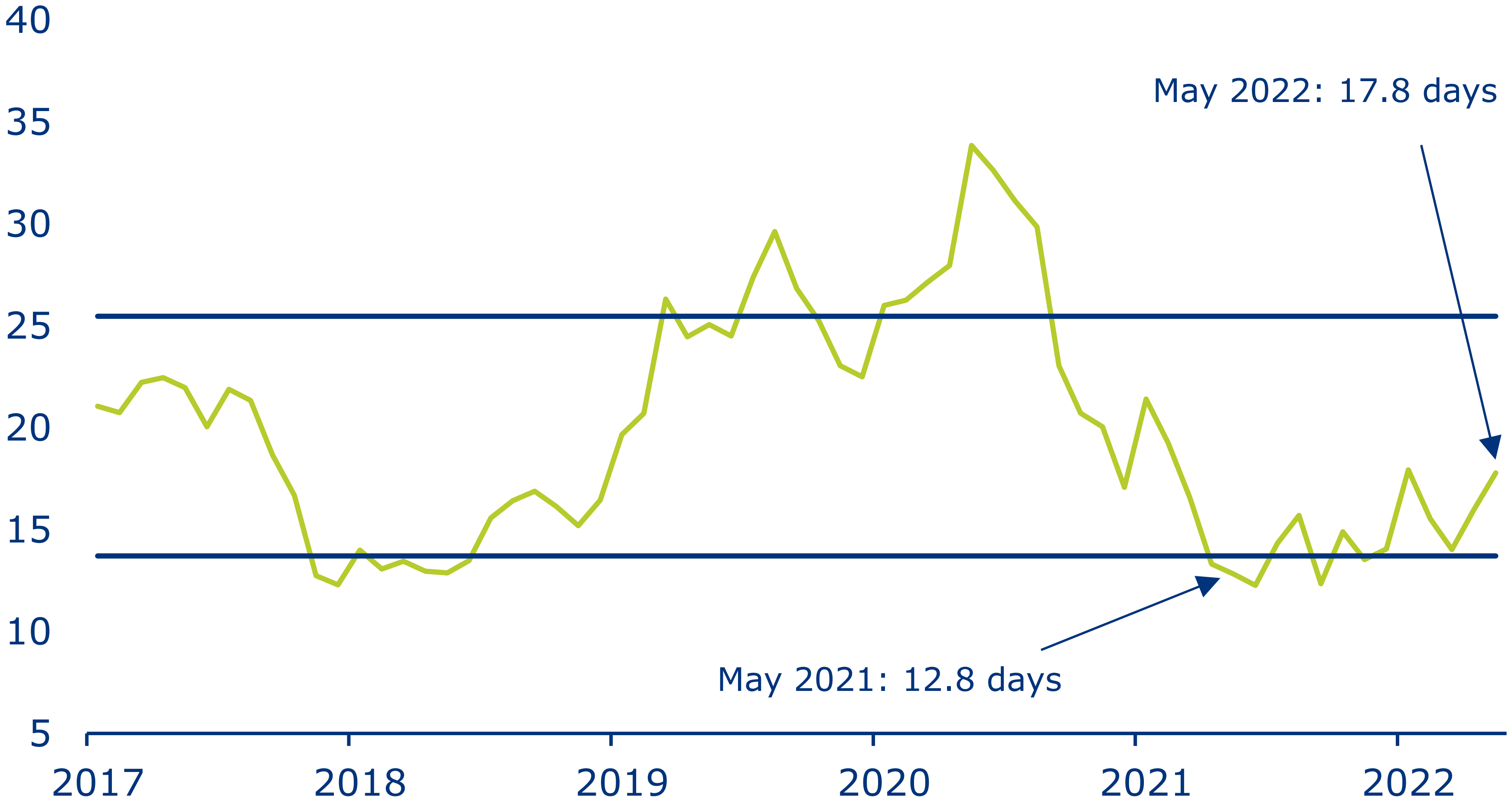
Jan-May 2022: 89.6% (2021: 86.0%)



Source: EURO-GRAPH

Newsprint – Mills' Stocks

Average May 2017-2021: 21.3 days



Source: EURO-GRAPH

Note: The range is given by the 5-year average +/- one standard deviation

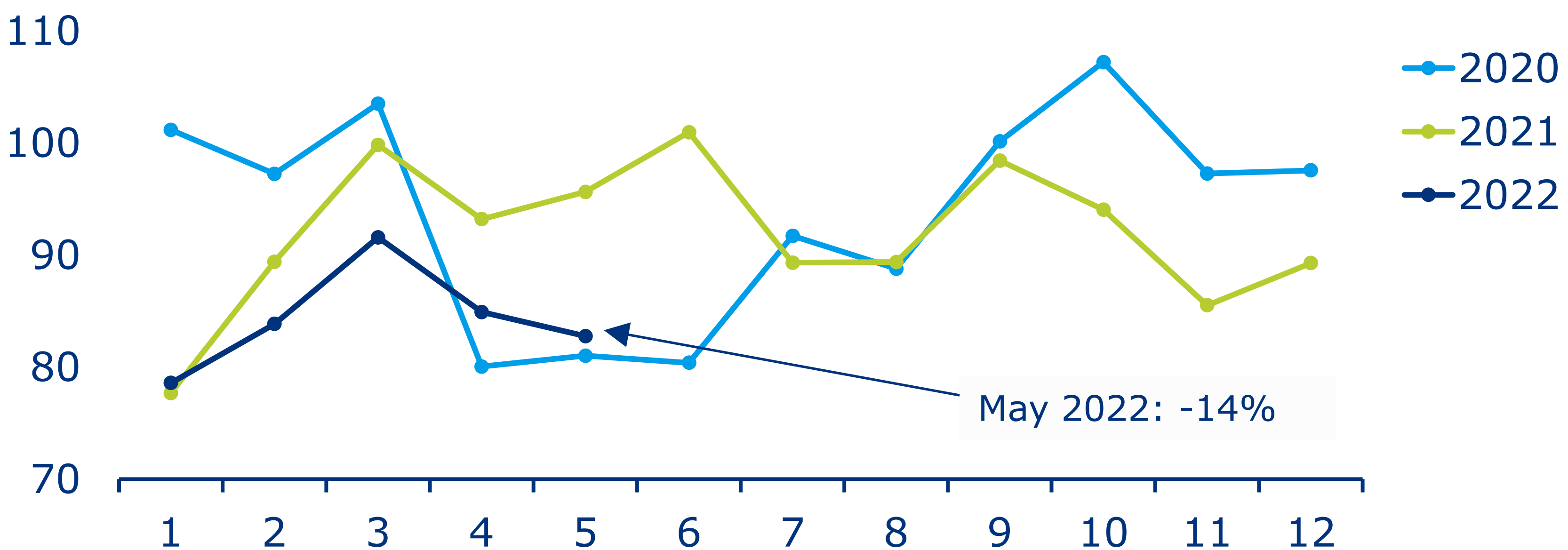
- Uncoated Mechanical Improved – UMI

UMI – European demand

Jan-May 2022: -7.5% (-34 kt) (000 of tonnes)

Country	Jan-May 2021	Jan-May 2022	% chg
WE	387 kt	361 kt	-6.8%
DE	127 kt	100 kt	-21%
GB	42 kt	41 kt	-2.2%
NL	37 kt	40 kt	6.5%
IT	43 kt	36 kt	-15%
FR	27 kt	33 kt	25%
Other	112 kt	110 kt	-1.4%

Country	Jan-May 2021	Jan-May 2022	% chg
EE	69 kt	61 kt	-11%
PL	28 kt	22 kt	-23%
CZ	15 kt	15 kt	5.2%
RO	9 kt	7 kt	-22%
HU	6 kt	6 kt	4.7%
SK	1 kt	3 kt	81%
Other	9 kt	8 kt	-16%

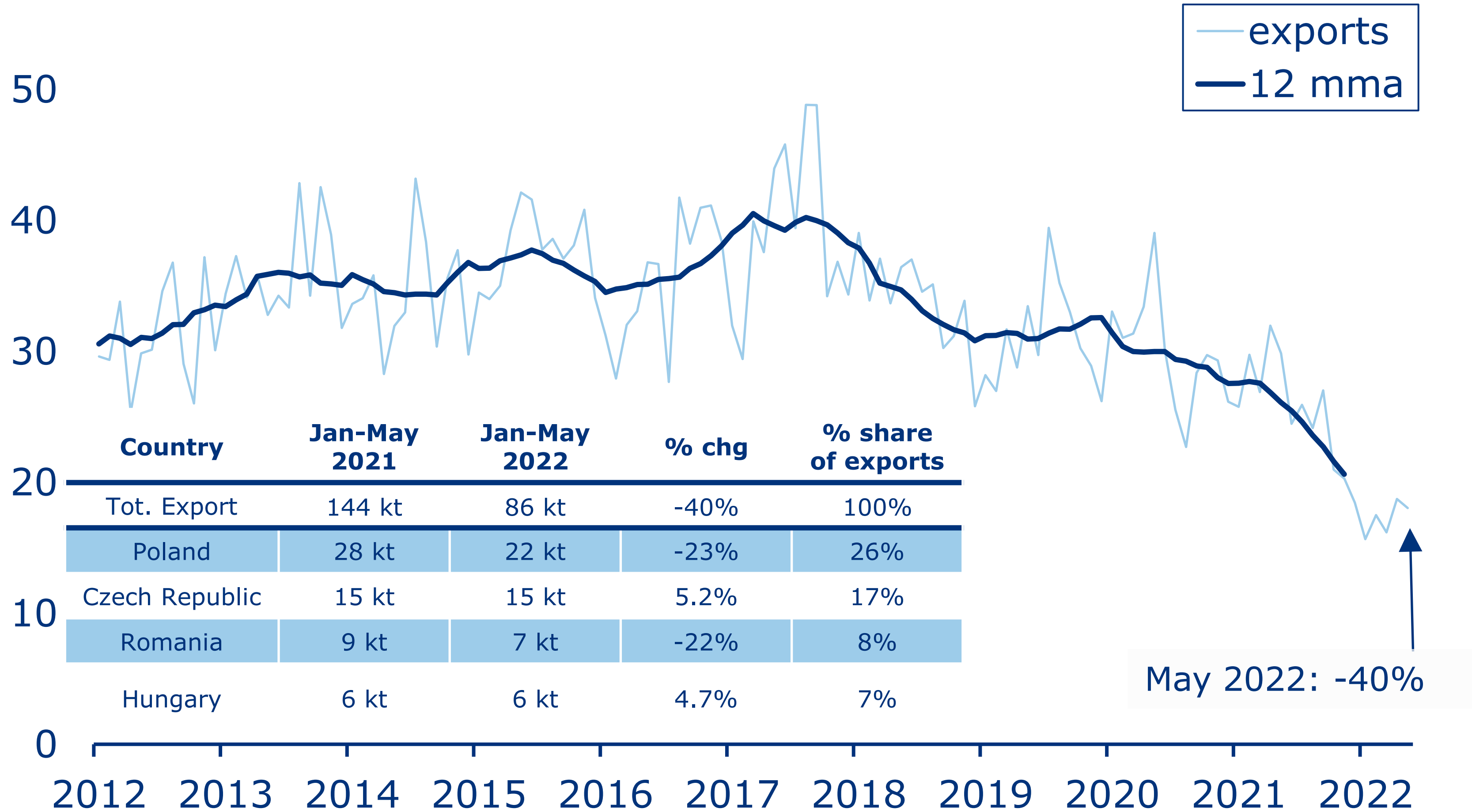


Source: EURO-GRAPH

Deliveries to Europe from W.E. suppliers

UMI – W.E. exports

Jan-May 2022: -40% (-58 kt) - (000 tonnes)

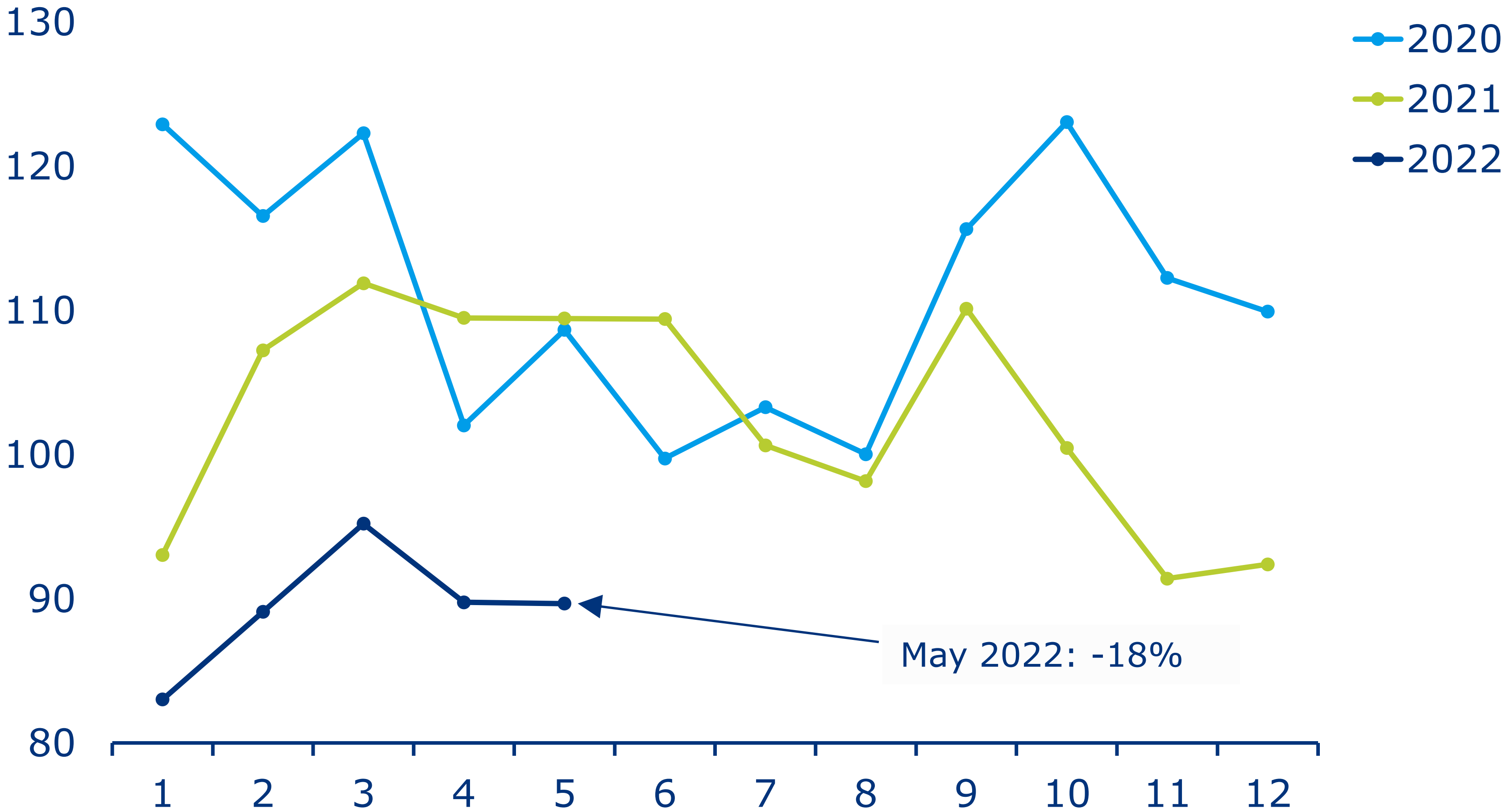


Country	Jan-May 2021	Jan-May 2022	% chg	% share of exports
Tot. Export	144 kt	86 kt	-40%	100%
Poland	28 kt	22 kt	-23%	26%
Czech Republic	15 kt	15 kt	5.2%	17%
Romania	9 kt	7 kt	-22%	8%
Hungary	6 kt	6 kt	4.7%	7%

Source: EURO-GRAPH

UMI – W.E. total deliveries

Jan-May 2022: -16% (-84 kt) (000 of tonnes)

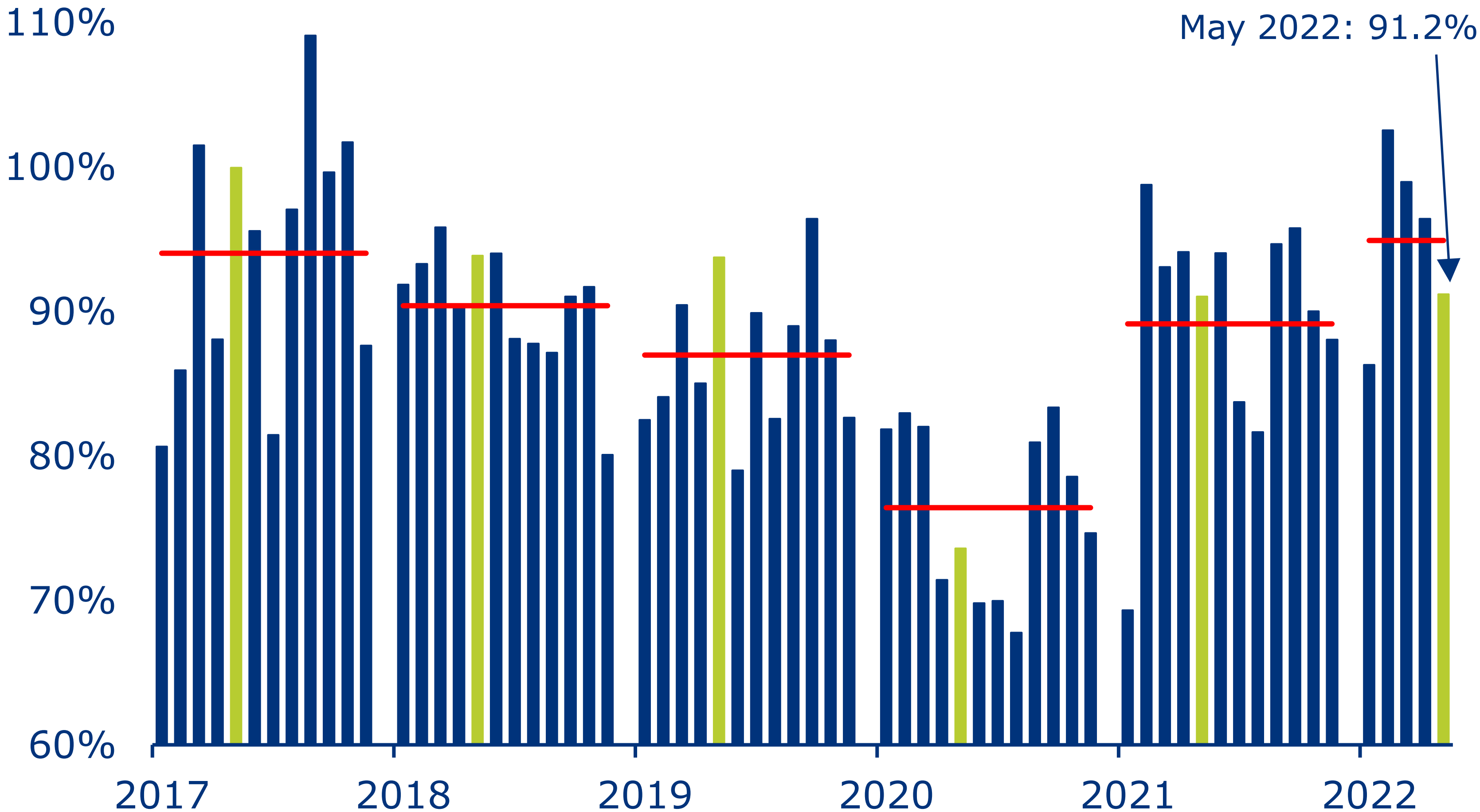


Source: EURO-GRAPH

UMI – delivery-to-capacity ratio

Jan-May 2022: 94.9% (2021: 88.6%)

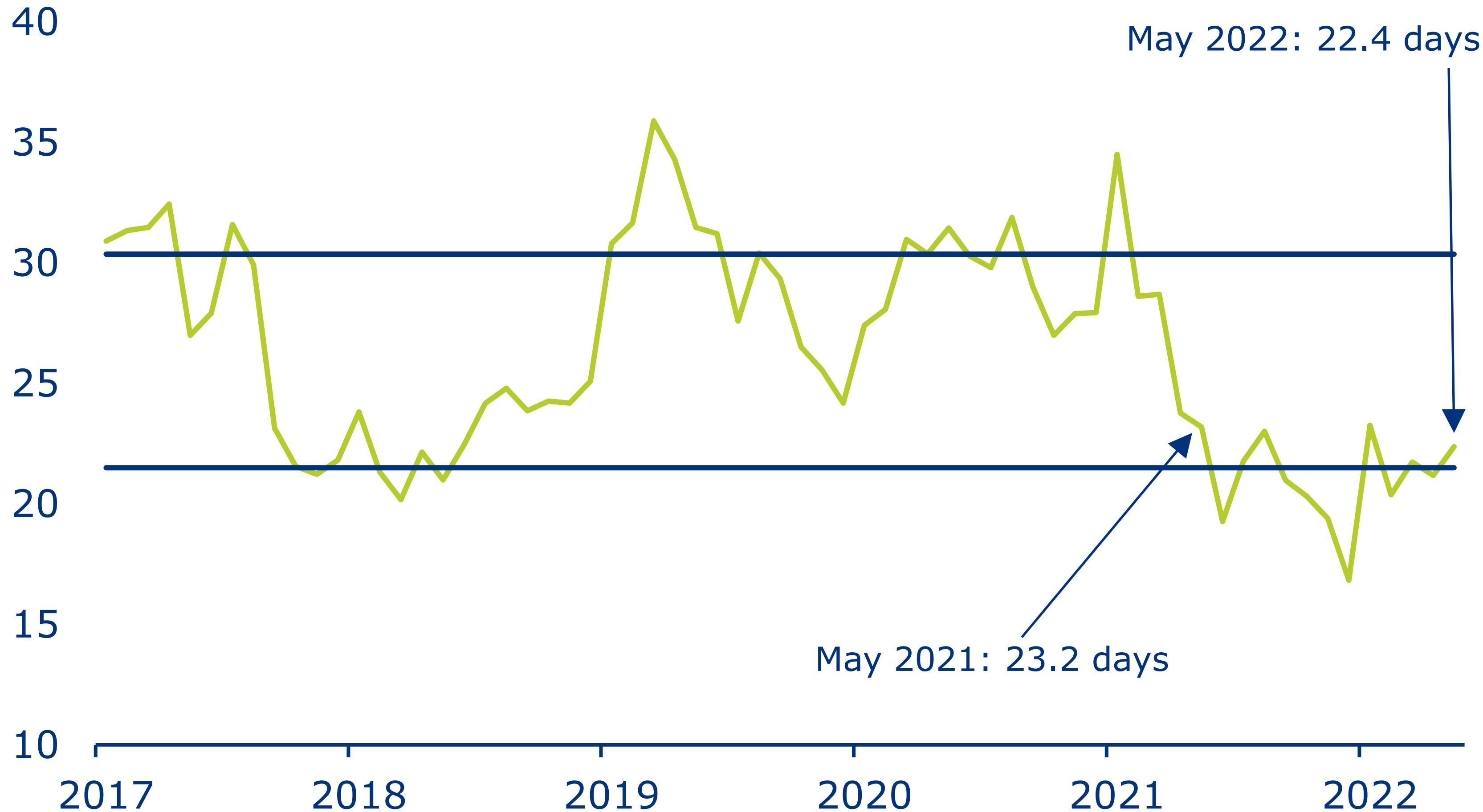
Stora Enso closed SC-mag & UMI capacity at Kvarnsveden, Q3/21; UPM completed shutdown of Kaipola mill end-2020; SCA closed down production of UMI in Q1/21; more changes this year



Source: EURO-GRAPH

UMI – Mills' Stocks

Average May 2017-2021: 26.8 days



Source: EURO-GRAPH

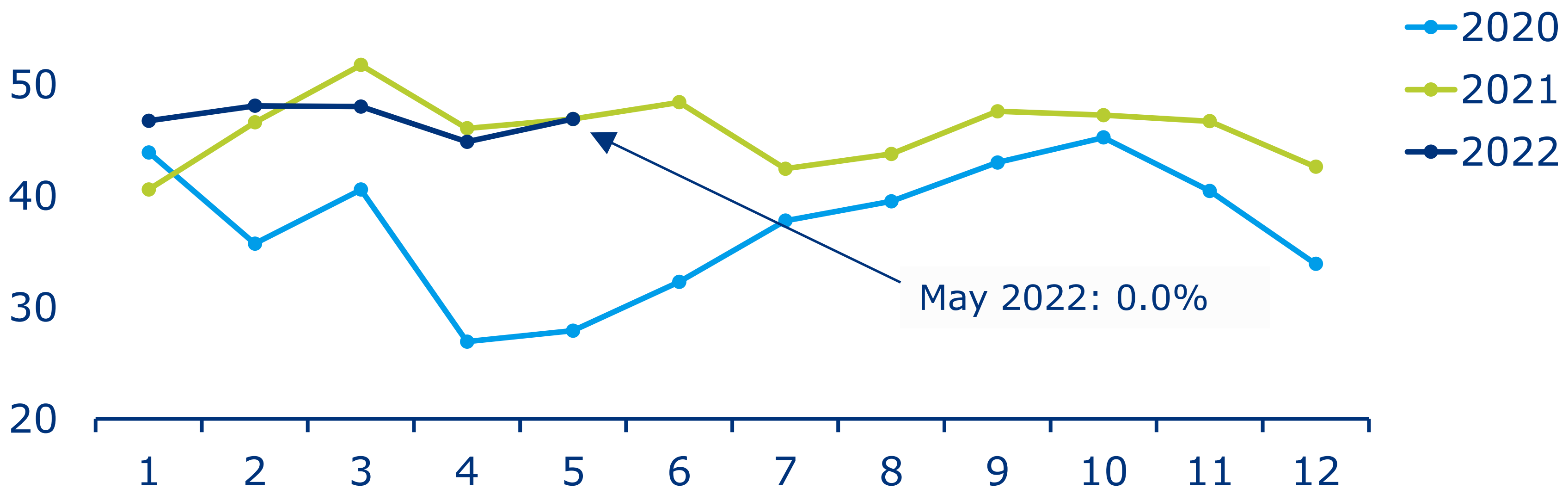
Note: The range is given by the 5-year average +/- one standard deviation

- Uncoated Mechanical Others – UMO

UMO – European demand

Jan-May 2022: 1.2% (3 kt) (000 of tonnes)

Country	Jan-May 2021	Jan-May 2022	% chg	Country	Jan-May 2021	Jan-May 2022	% chg
WE	182 kt	183 kt	0.8%	EE	50 kt	52 kt	2.6%
IT	44 kt	45 kt	1.9%	PL	17 kt	18 kt	9.2%
GB	45 kt	44 kt	-0.3%	CZ	9 kt	10 kt	13%
DE	34 kt	33 kt	-0.6%	LT	7 kt	7 kt	-7.1%
FR	20 kt	24 kt	22%	RO	2 kt	3 kt	65%
ES	20 kt	20 kt	3.4%	LV	2 kt	2 kt	21%
Other	20 kt	16 kt	-20%	Other	14 kt	12 kt	-16%



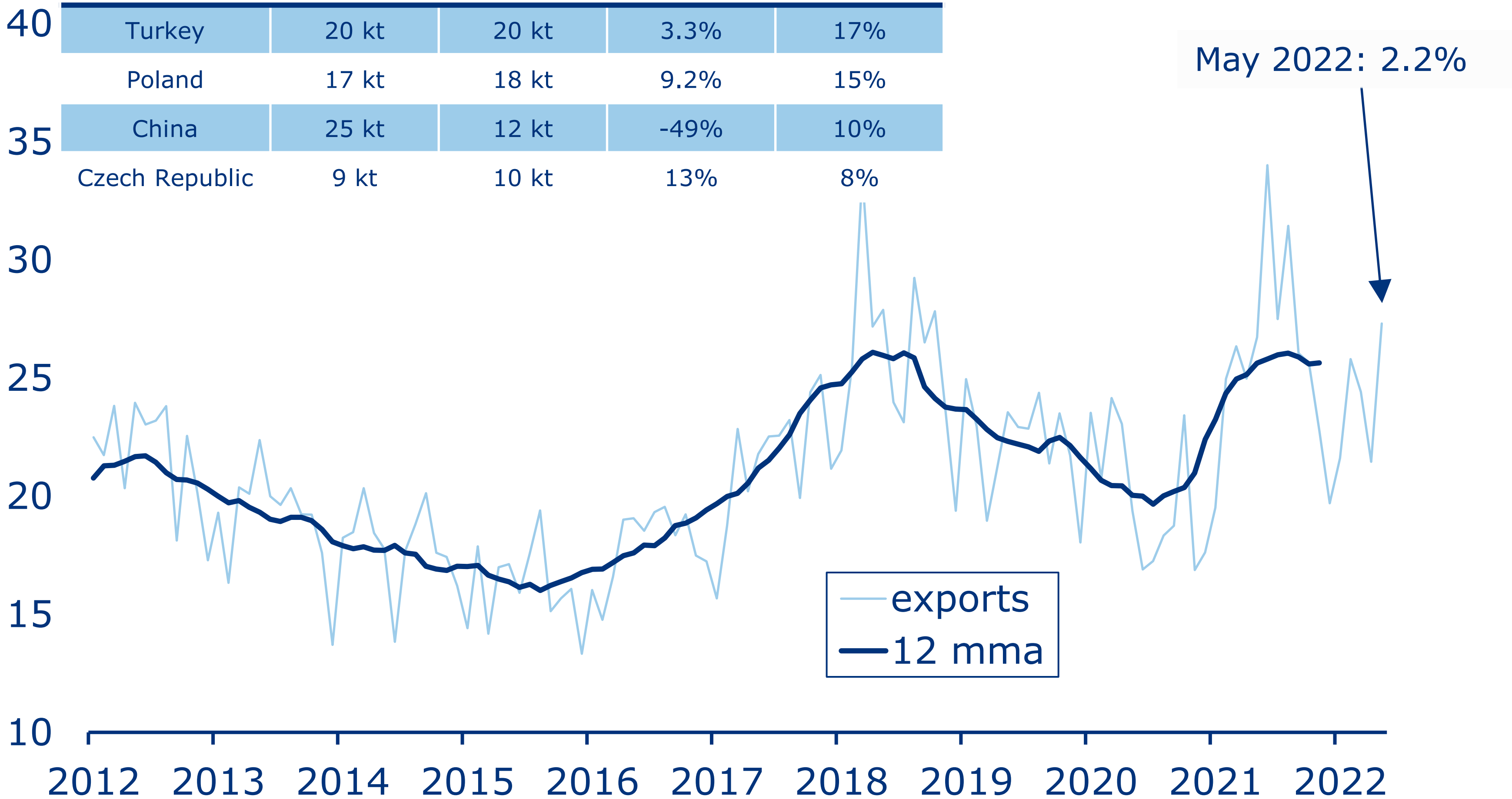
Source: EURO-GRAPH

Deliveries to Europe from W.E. suppliers

UMO – W.E. exports

Jan-May 2022: -1.6% (-2 kt) - (000 tonnes)

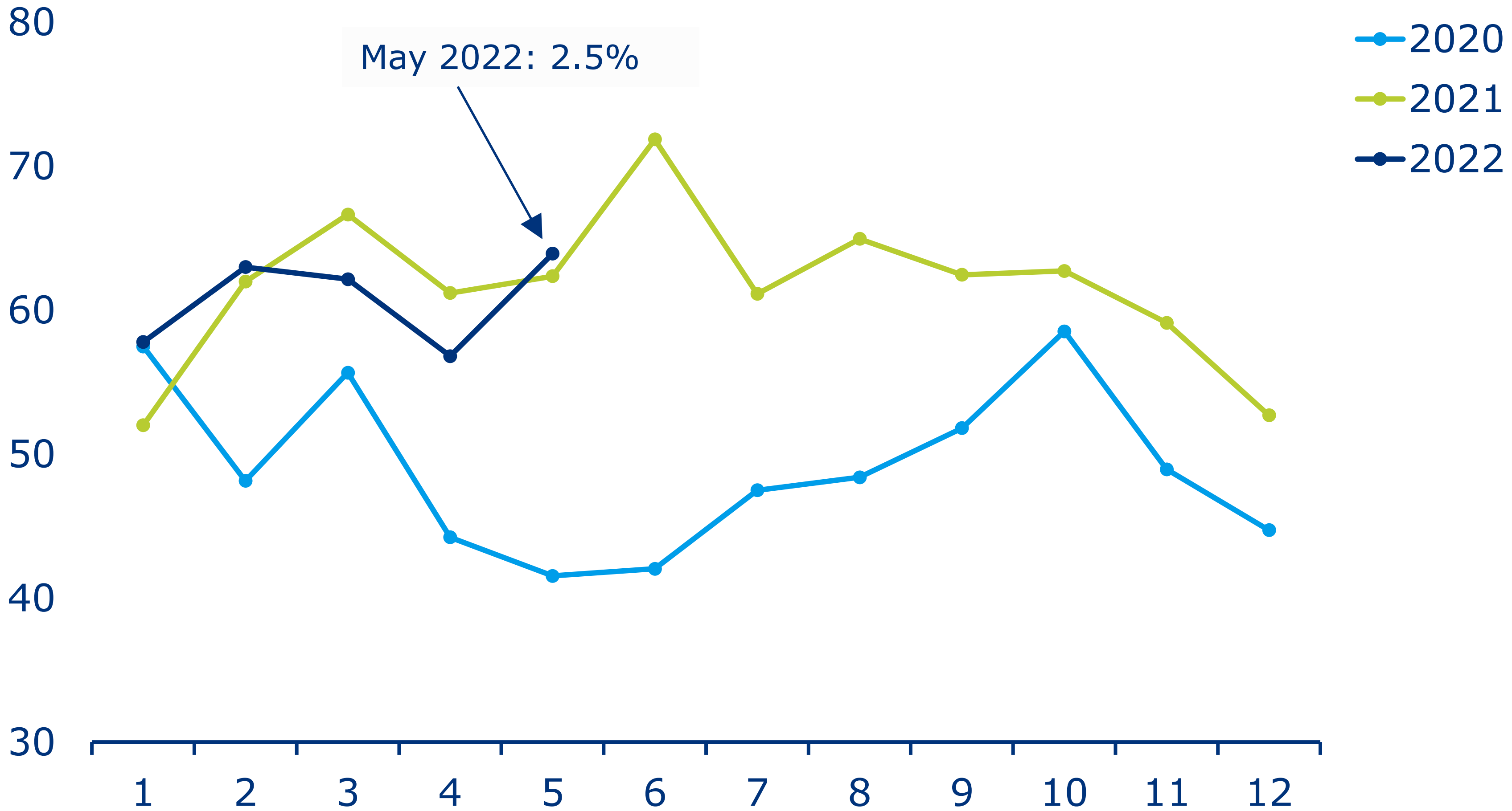
Country	Jan-May 2021	Jan-May 2022	% chg	% share of exports
Tot. Export	123 kt	121 kt	-1.6%	100%
Turkey	20 kt	20 kt	3.3%	17%
Poland	17 kt	18 kt	9.2%	15%
China	25 kt	12 kt	-49%	10%
Czech Republic	9 kt	10 kt	13%	8%



Source: EURO-GRAPH

UMO – W.E. total deliveries

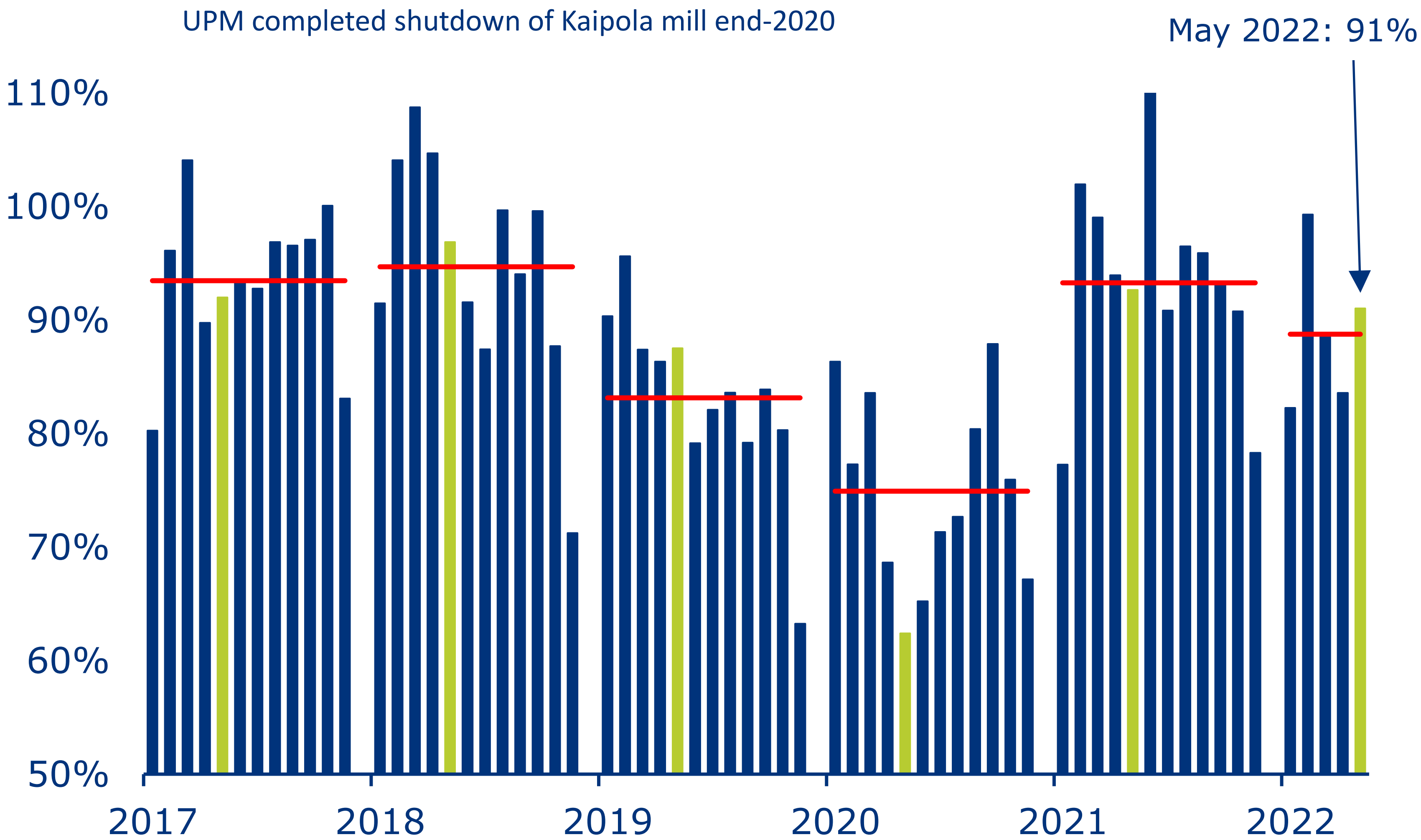
Jan-May 2022: -0.2% (-1 kt) (000 of tonnes)



Source: EURO-GRAPH

UMO – delivery-to-capacity ratio

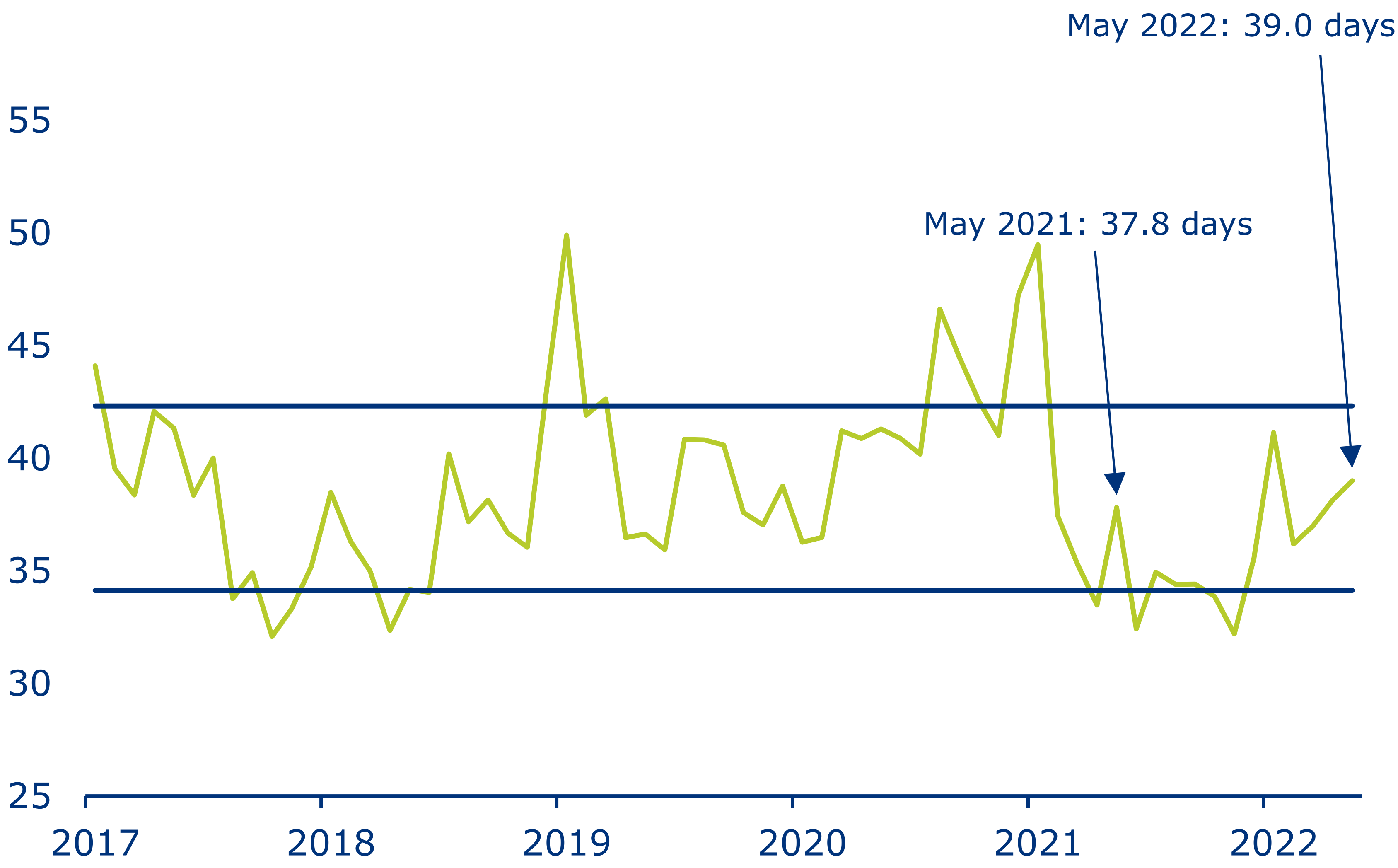
Jan-May 2022: 88.8% (2021: 92.8%)



Source: EURO-GRAPH

UMO – Mills' Stocks

Average May 2017-2021: 38.2 days



Source: EURO-GRAPH

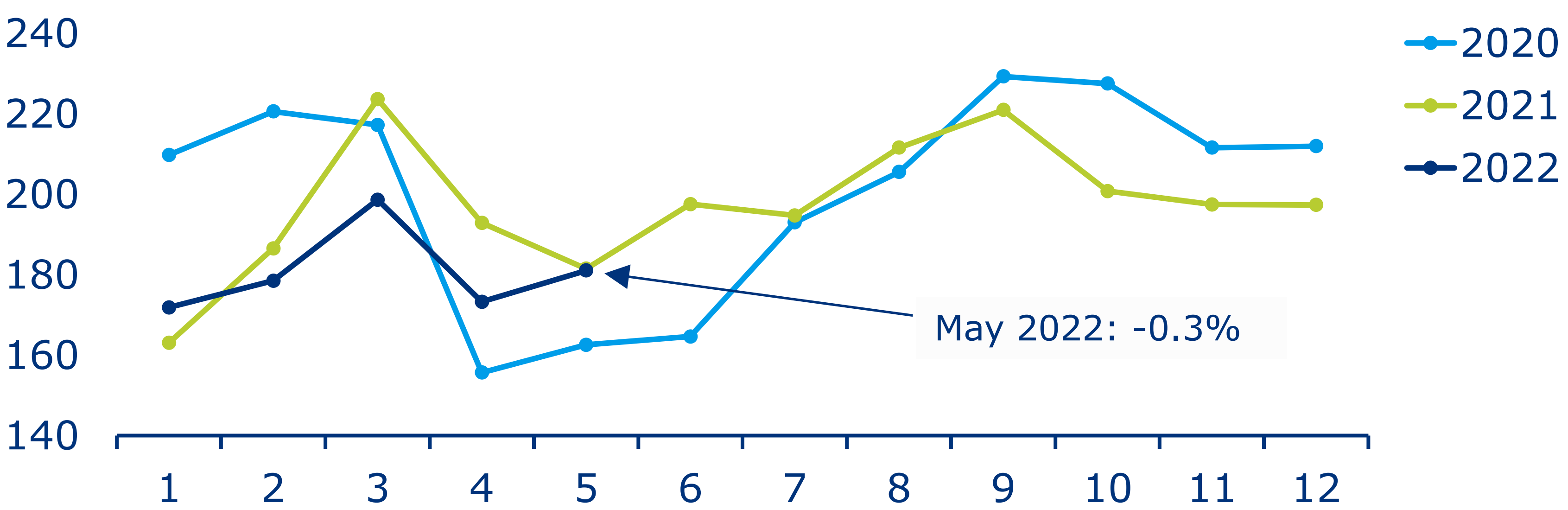
Note: The range is given by the 5-year average +/- one standard deviation

- SC Magazine

SC – European demand

Jan-May 2022: -4.7% (-44 kt) (000 of tonnes)

Country	Jan-May 2021	Jan-May 2022	% chg	Country	Jan-May 2021	Jan-May 2022	% chg
WE	752 kt	718 kt	-4.6%	EE	195 kt	186 kt	-4.9%
DE	375 kt	362 kt	-3.5%	PL	72 kt	80 kt	11%
FR	126 kt	127 kt	0.3%	CZ	28 kt	27 kt	-5.2%
IT	83 kt	81 kt	-3.5%	SK	27 kt	22 kt	-19%
ES	30 kt	28 kt	-9.1%	HU	18 kt	16 kt	-9.4%
BE	18 kt	27 kt	53%	SI	25 kt	16 kt	-37%
Other	119 kt	93 kt	-22%	Other	25 kt	25 kt	0.5%

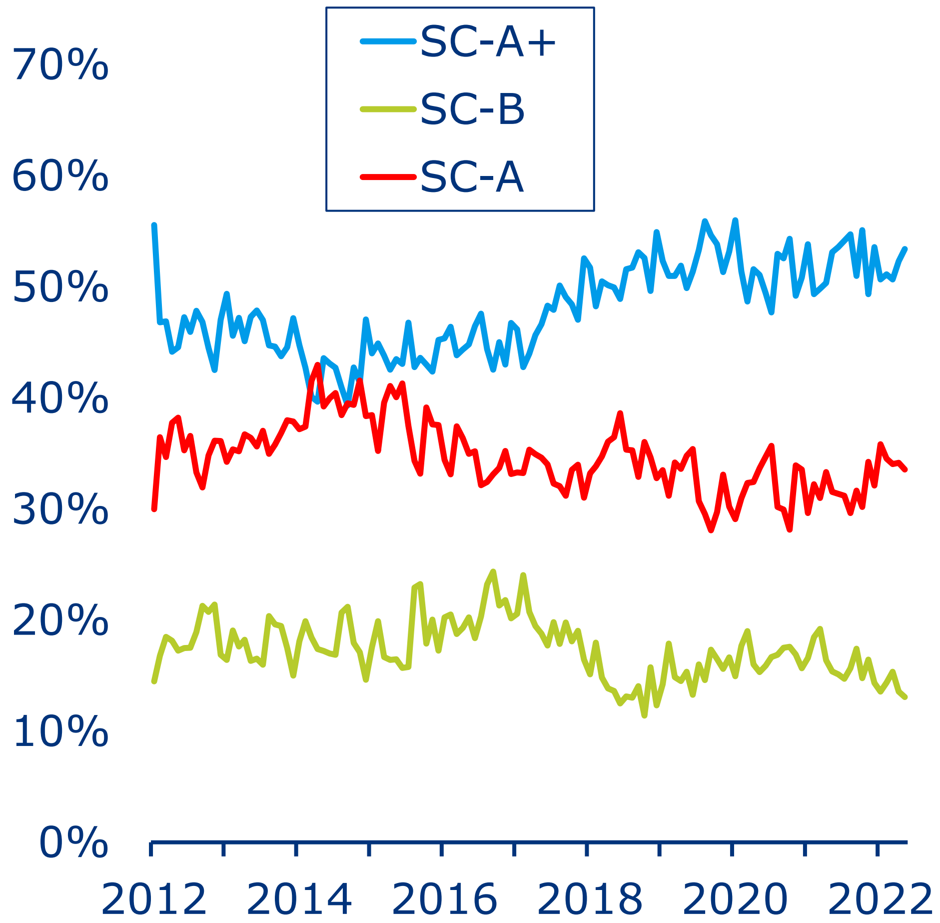


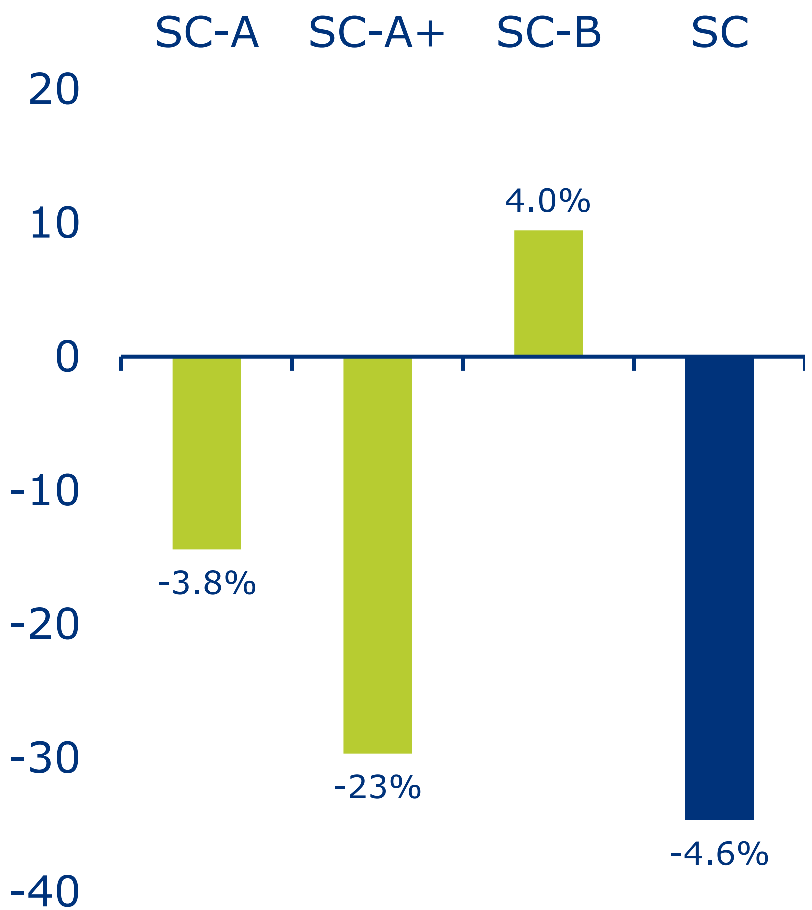
Source: EURO-GRAPH

Deliveries to Europe from W.E. suppliers

SC – W.E. demand by sub-quality

Jan-May 2022: -4.6% (-35 kt) - by sub-quality (000 of tonnes)



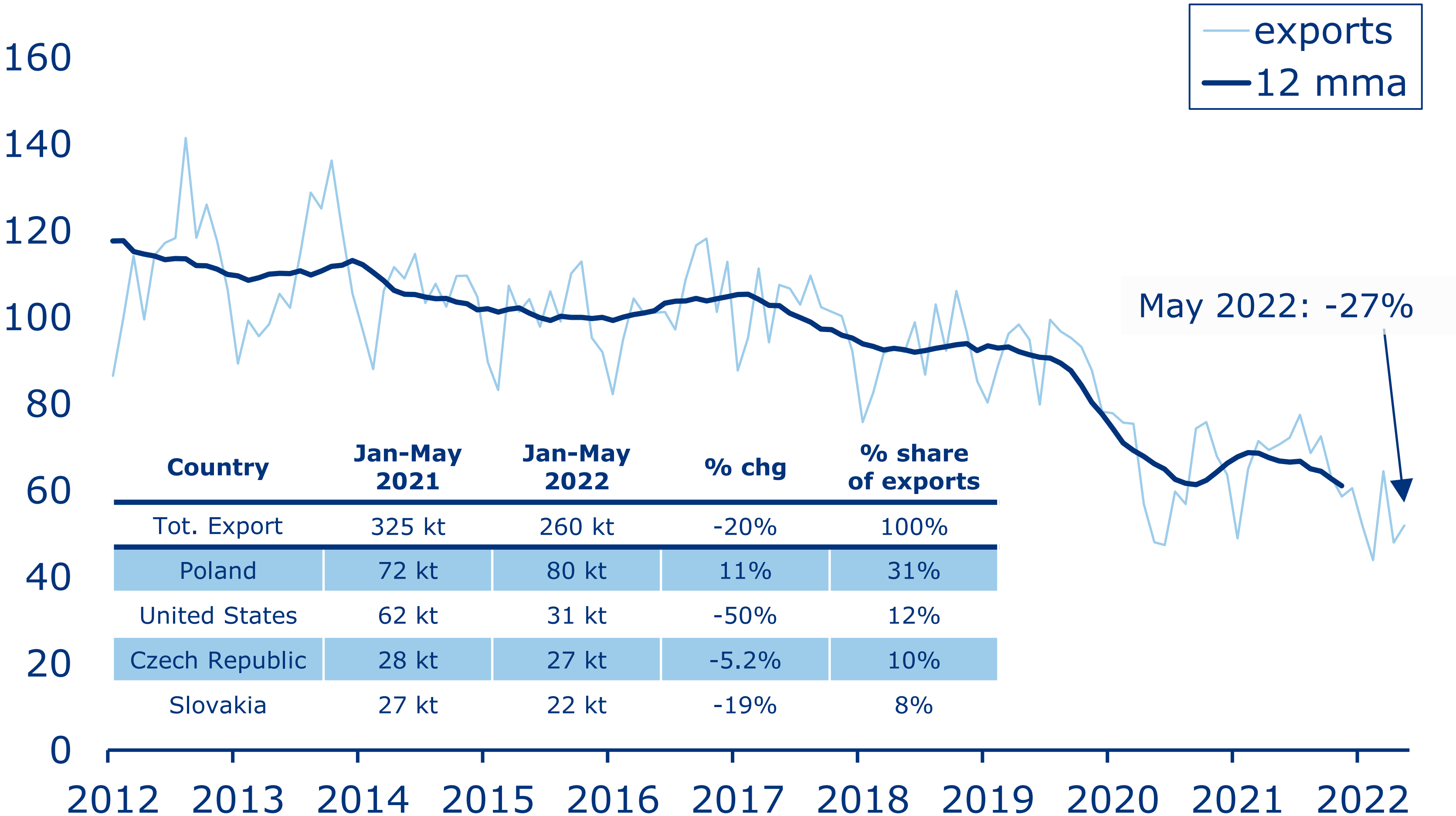


Source: EURO-GRAPH

Deliveries to W.E. from W.E. suppliers

SC – W.E. exports

Jan-May 2022: -20% (-65 kt) - (000 tonnes)

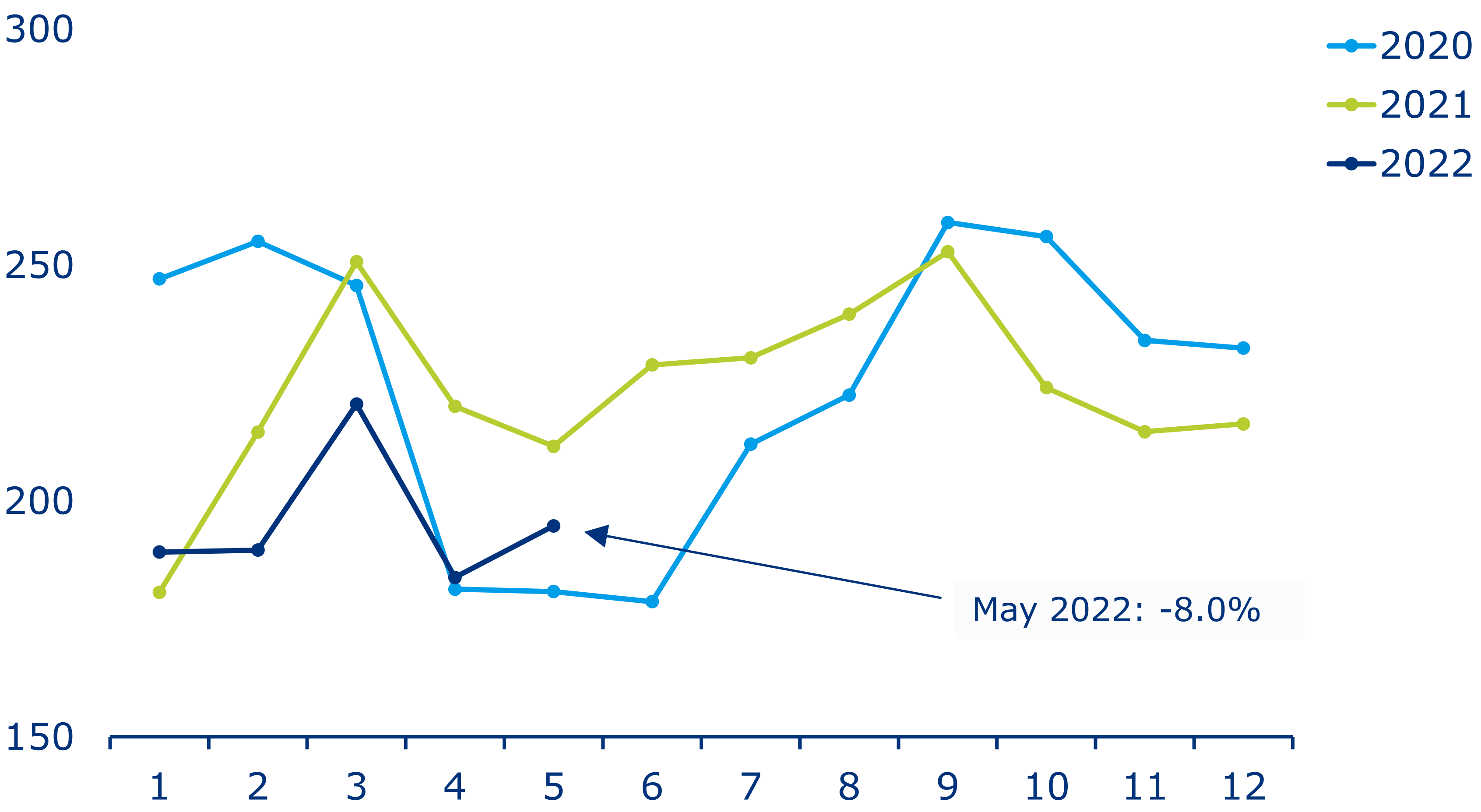


Country	Jan-May 2021	Jan-May 2022	% chg	% share of exports
Tot. Export	325 kt	260 kt	-20%	100%
Poland	72 kt	80 kt	11%	31%
United States	62 kt	31 kt	-50%	12%
Czech Republic	28 kt	27 kt	-5.2%	10%
Slovakia	27 kt	22 kt	-19%	8%

Source: EURO-GRAPH

SC – W.E. total deliveries

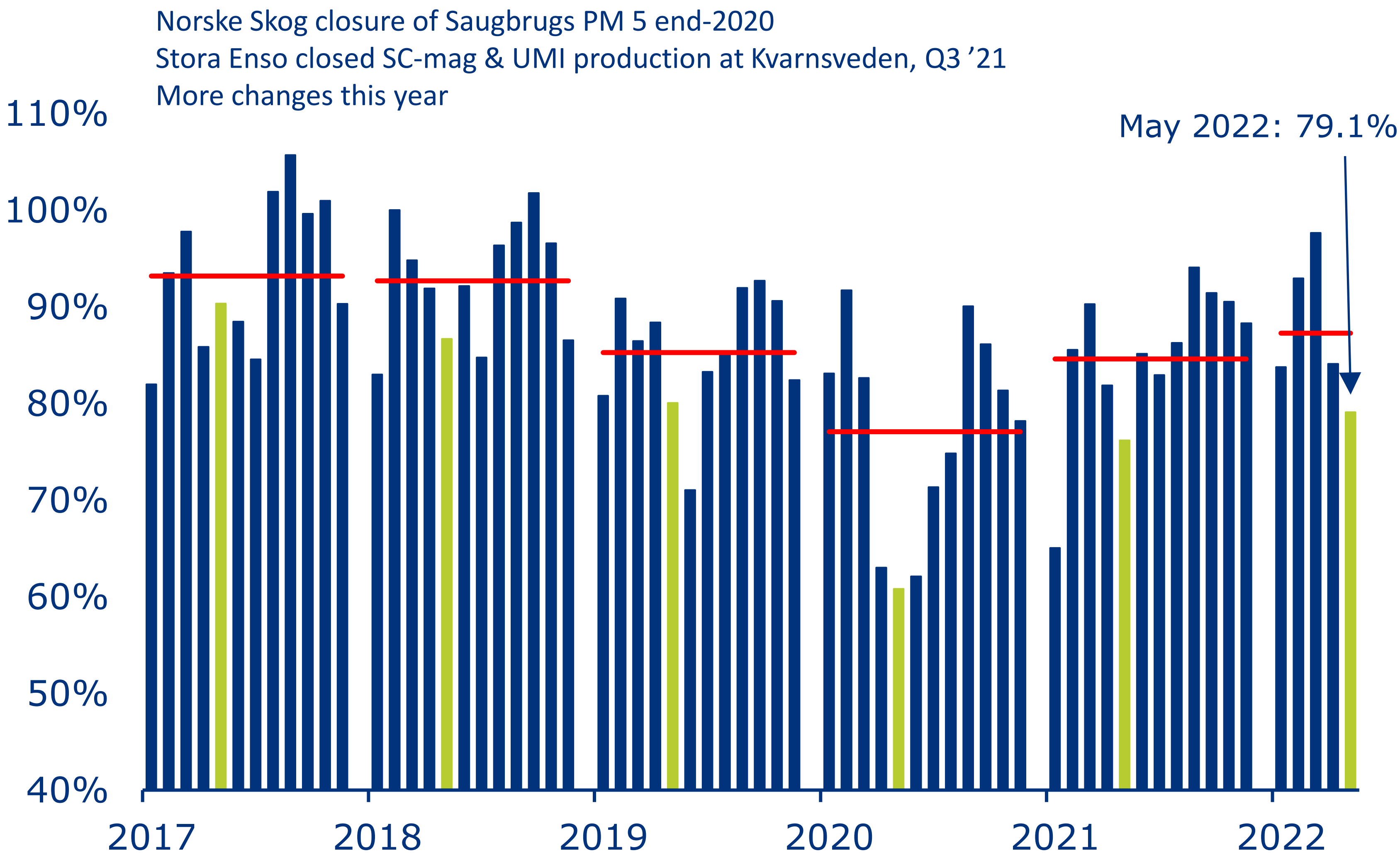
Jan-May 2022: -9.3% (-100 kt) (000 of tonnes)



Source: EURO-GRAPH

SC – delivery-to-capacity ratio

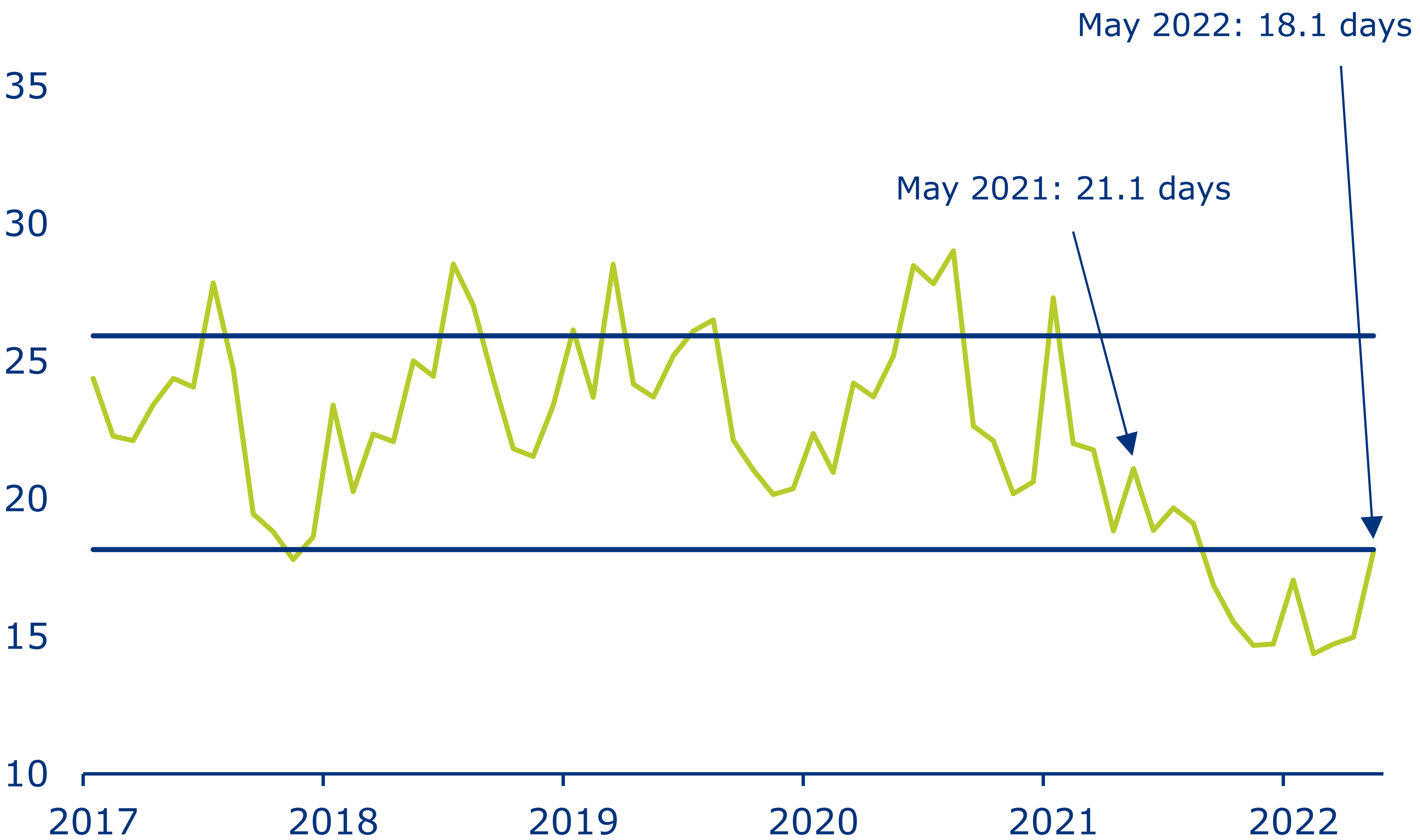
Jan-May 2022: 87.3% (2021: 79.7%)



Source: EURO-GRAPH

SC – Mills' Stocks

Average May 2017-2021: 23.9 days

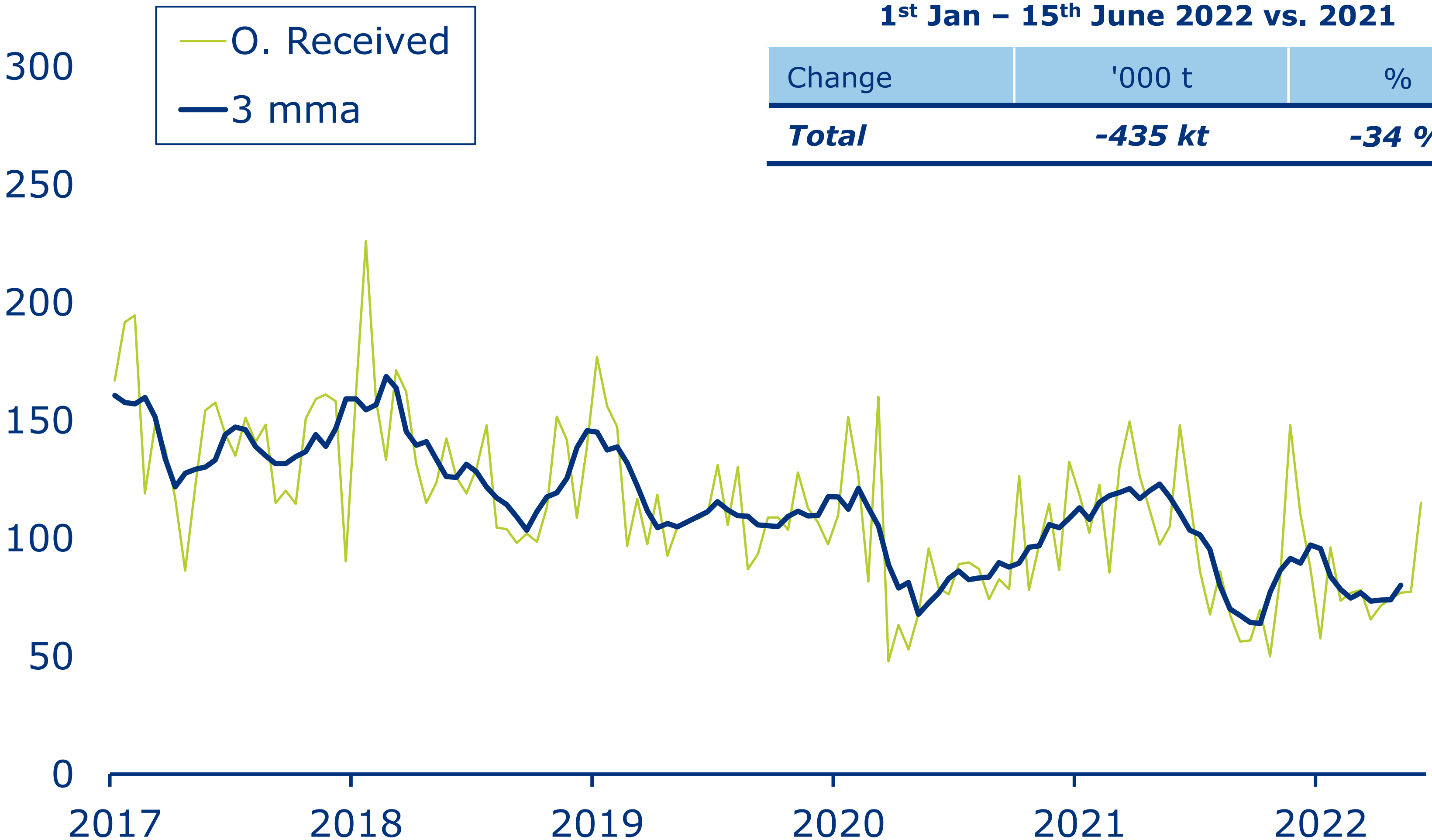


Source: EURO-GRAPH

Note: The range is given by the 5-year average +/- one standard deviation

SC - Orders Received

1st Jan 2017 – 15th June 2022 (half month periods - 000 tonnes)



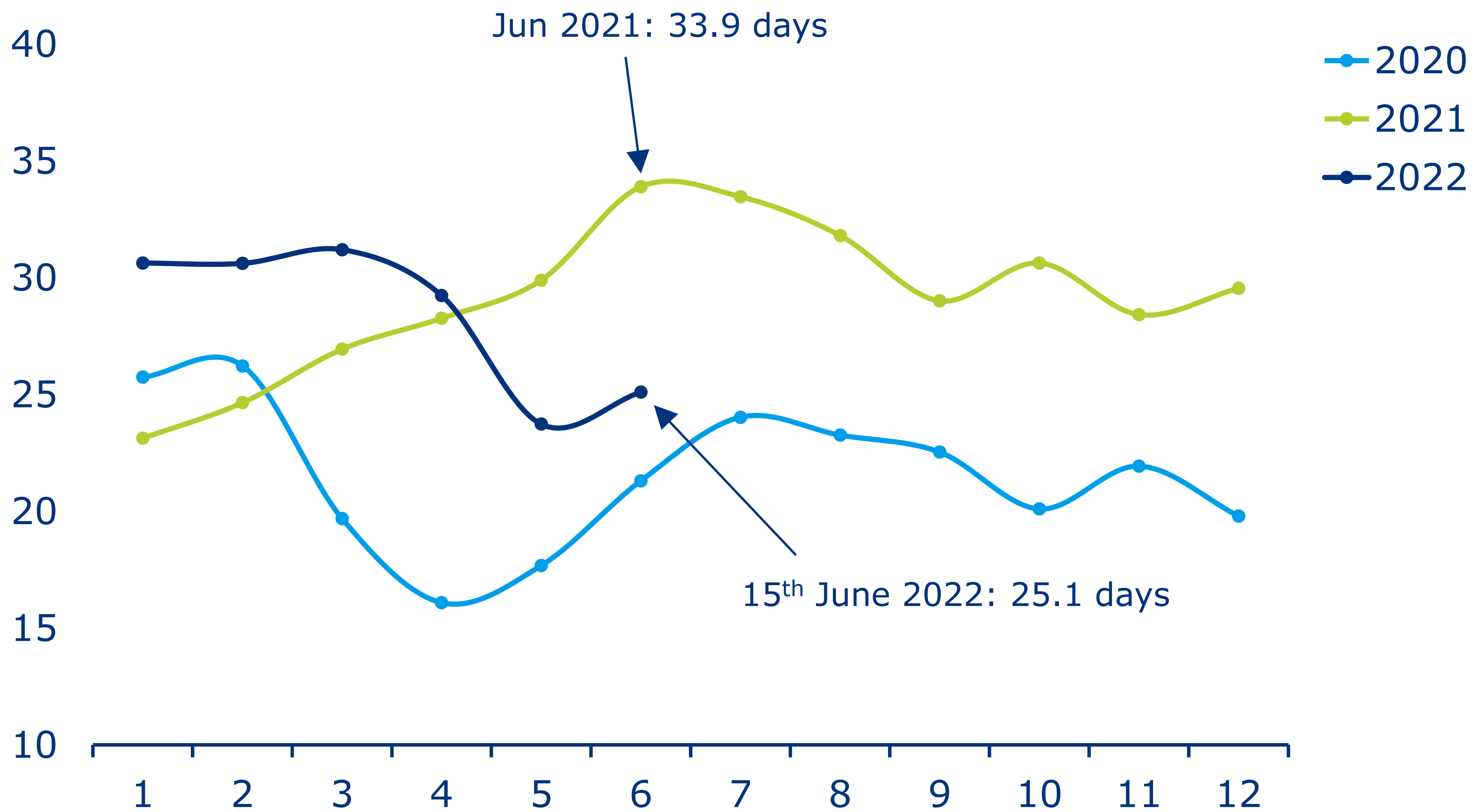
1st Jan – 15th June 2022 vs. 2021

Change	'000 t	%
Total	***-435 kt***	***-34 %***

Source: EURO-GRAPH

SC – Orders stocks

(days of supply)



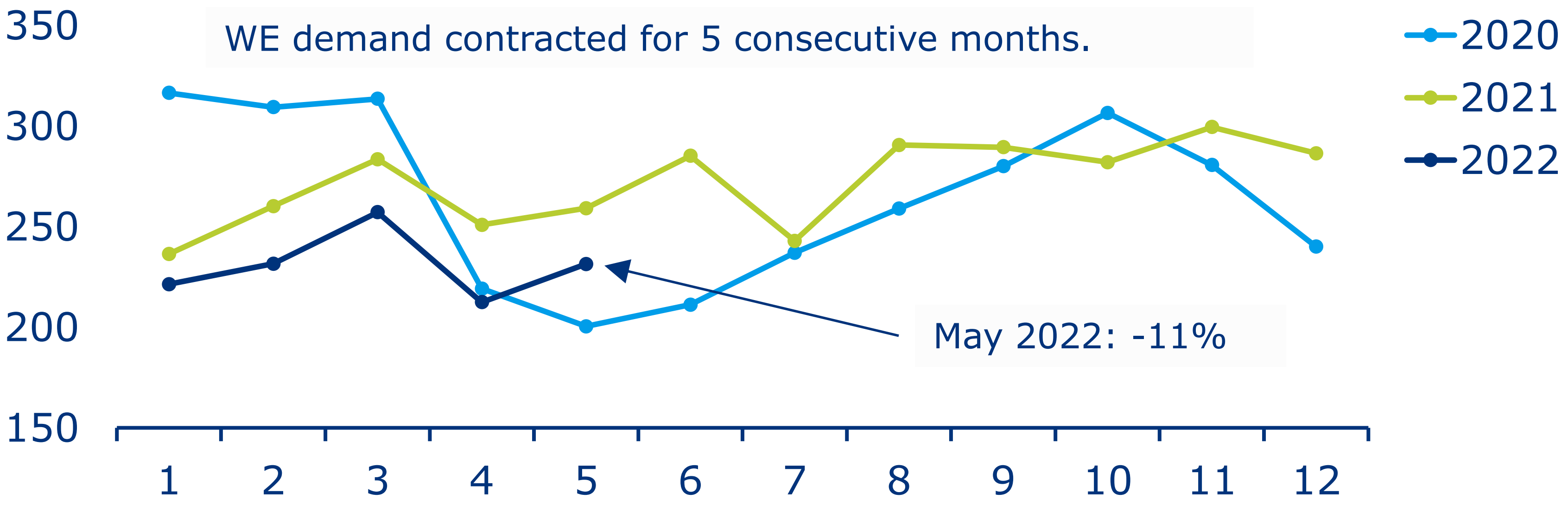
Source: EURO-GRAPH

- Coated Mechanical – CMR + CMS

CM – European demand

Jan-May 2022: -11% (-136 kt) (000 of tonnes)

Country	Jan-May 2021	Jan-May 2022	% chg	Country	Jan-May 2021	Jan-May 2022	% chg
WE	1,077 kt	962 kt	-11%	EE	213 kt	192 kt	-9.9%
DE	462 kt	413 kt	-11%	PL	119 kt	111 kt	-6.3%
FR	134 kt	126 kt	-6.0%	CZ	23 kt	20 kt	-10%
GB	120 kt	114 kt	-4.7%	SK	11 kt	10 kt	-7.9%
IT	111 kt	104 kt	-6.1%	EE	9 kt	8 kt	-19%
BE	47 kt	42 kt	-11%	HU	6 kt	7 kt	13%
Other	203 kt	163 kt	-20%	Other	46 kt	36 kt	-21%

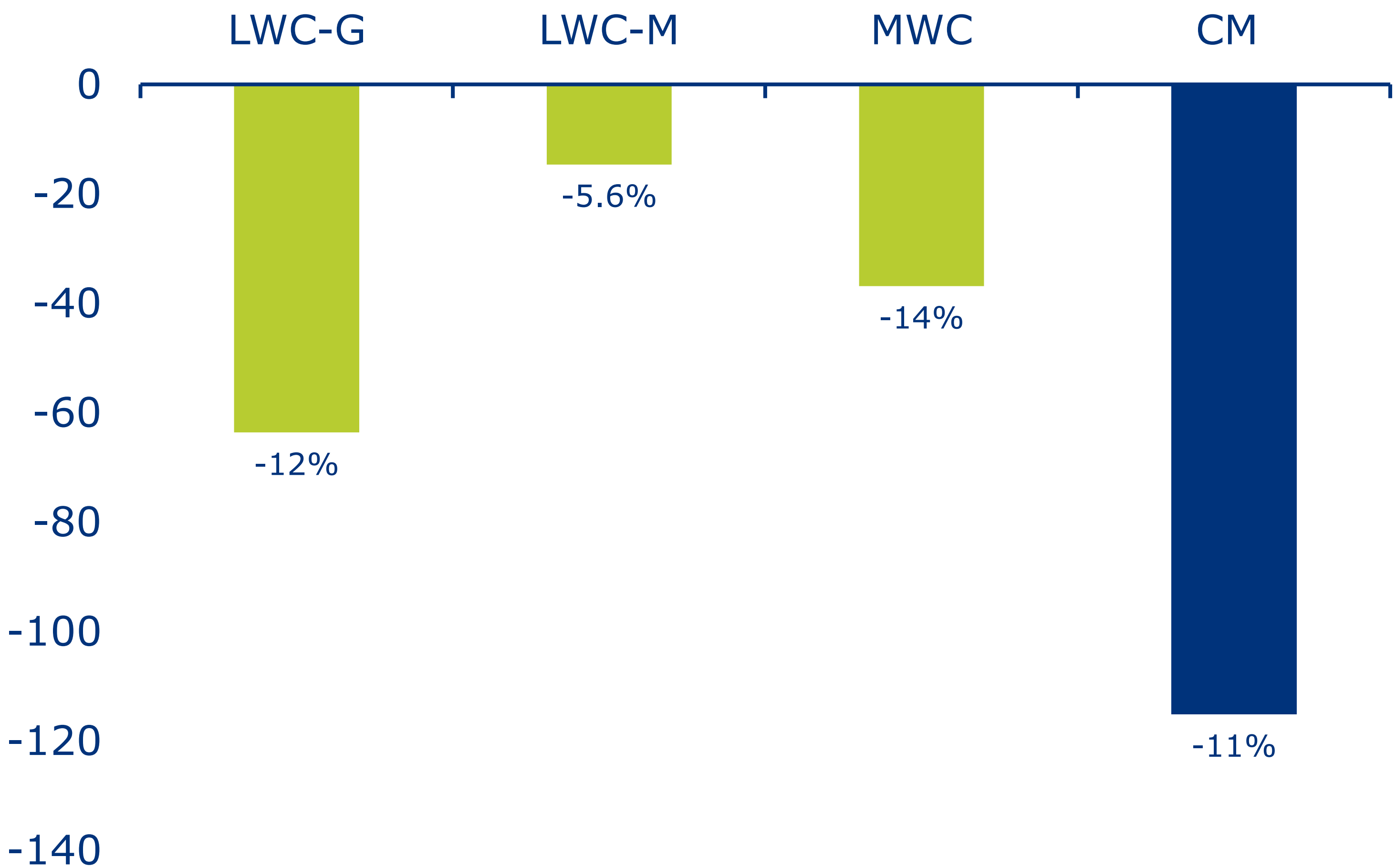


Source: EURO-GRAPH

Deliveries to Europe from W.E. suppliers

CM – W.E. demand by sub-quality

Jan-May 2022: -11% (-115 kt) (000 of tonnes)



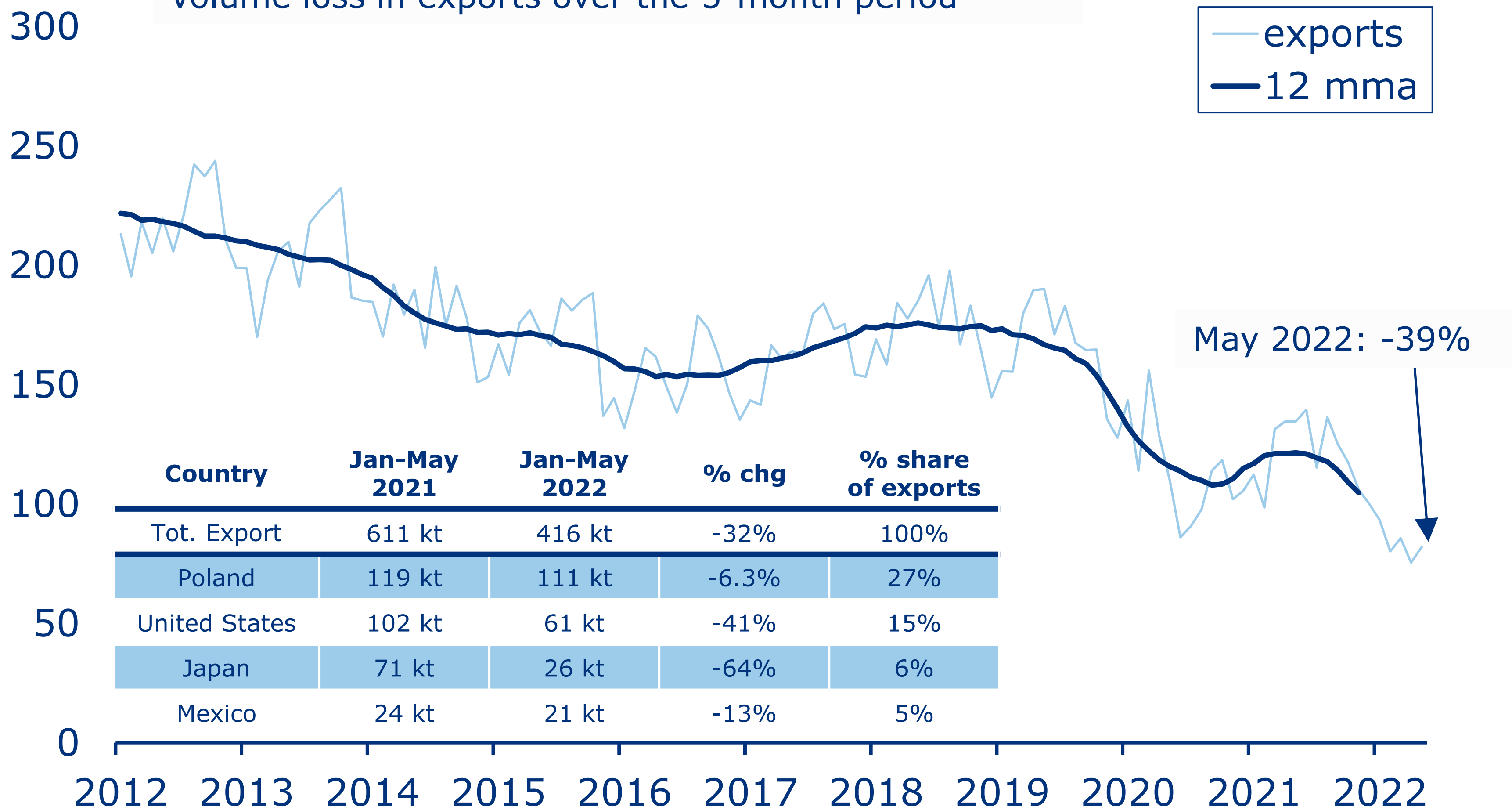
Source: EURO-GRAPH

Deliveries to W.E. from W.E. suppliers (excluding imports)

CM – W. E. exports

Jan-May 2022: -32% (-195 kt) - (000 tonnes)

Asia -58% in Jan-May accounted for over half of the volume loss in exports over the 5-month period

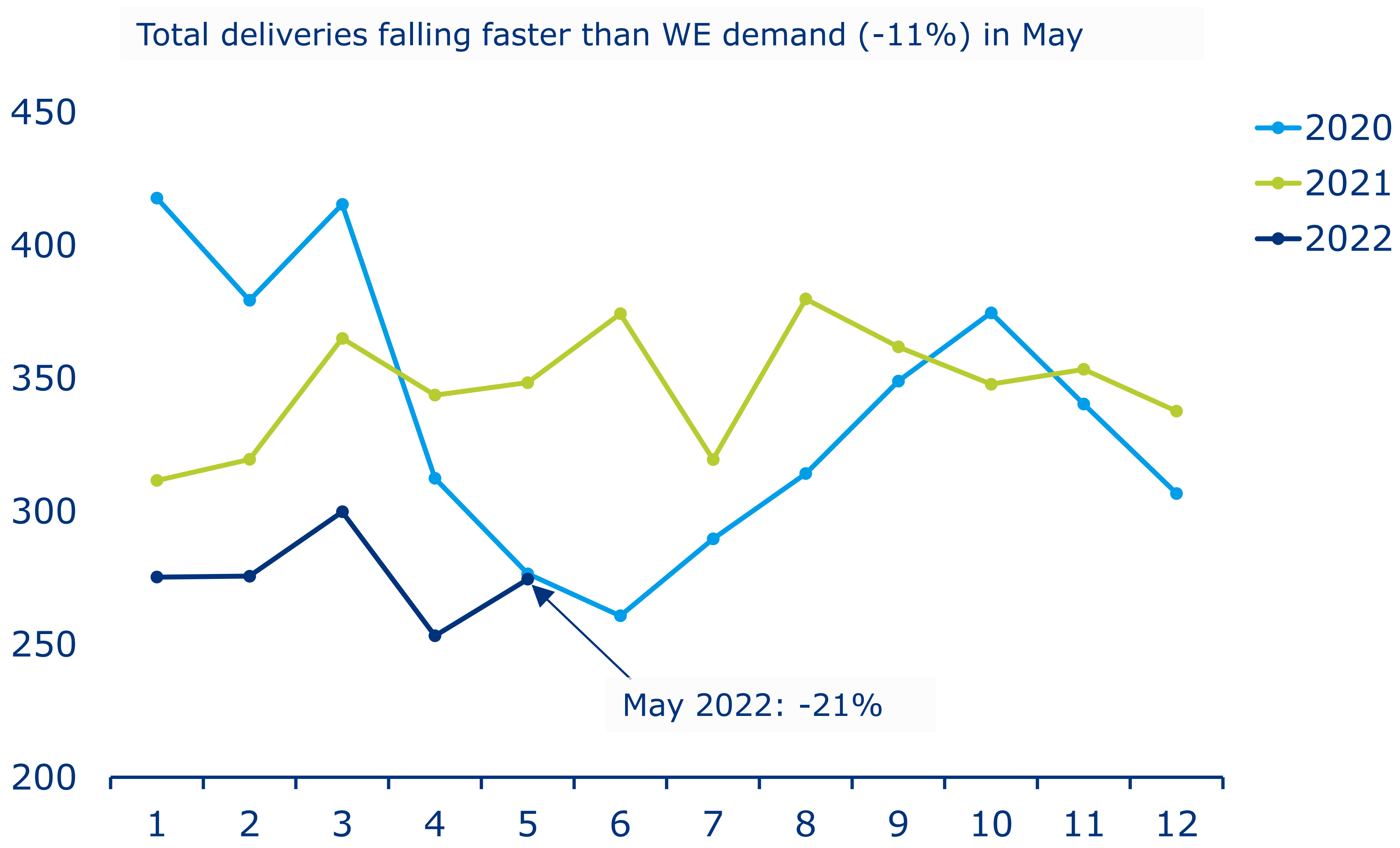


Country	Jan-May 2021	Jan-May 2022	% chg	% share of exports
Tot. Export	611 kt	416 kt	-32%	100%
Poland	119 kt	111 kt	-6.3%	27%
United States	102 kt	61 kt	-41%	15%
Japan	71 kt	26 kt	-64%	6%
Mexico	24 kt	21 kt	-13%	5%

Source: EURO-GRAPH

CM – W.E. total deliveries

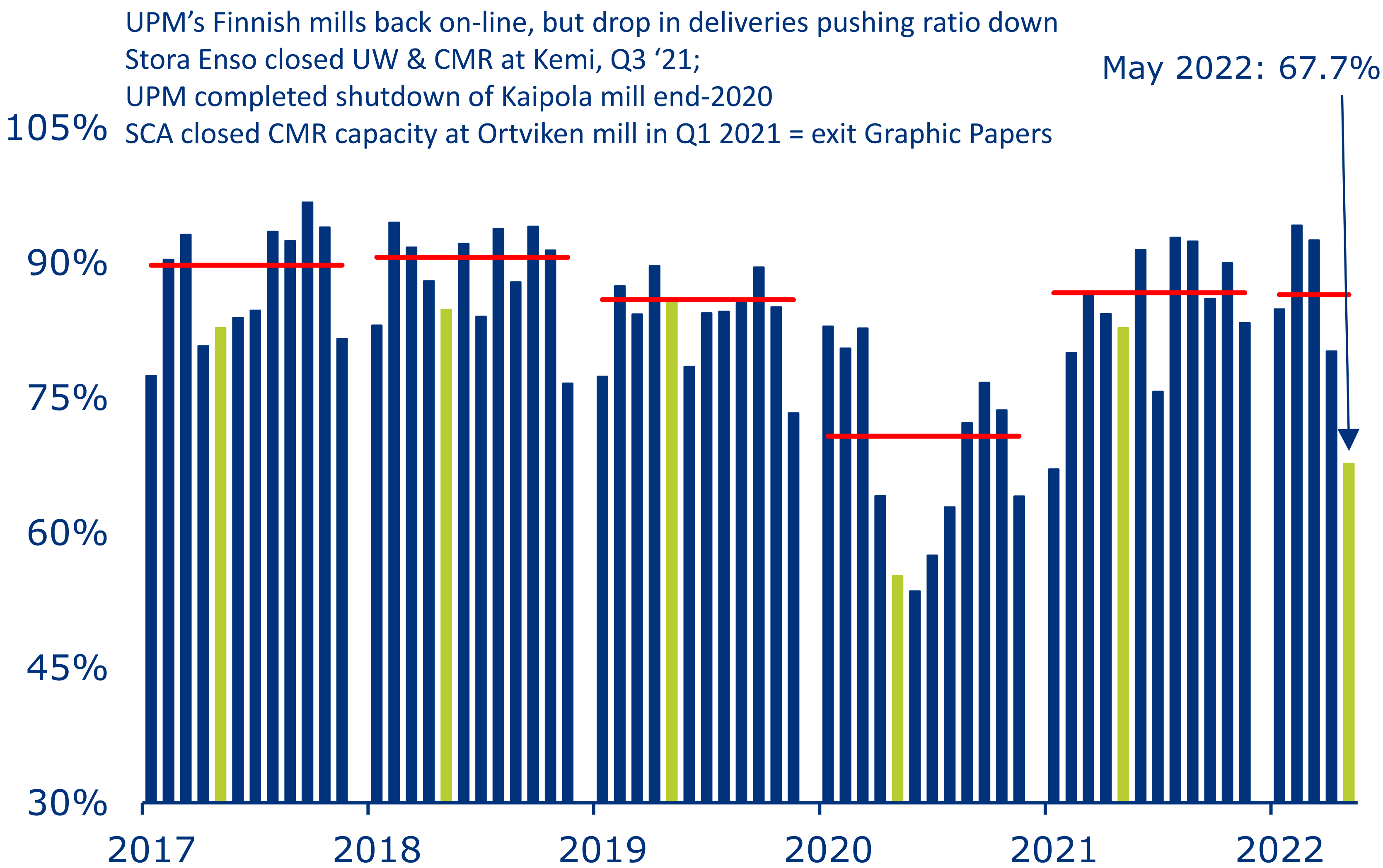
Jan-May 2022: -18% (-310 kt) (000 of tonnes)



Source: EURO-GRAPH

CM – delivery-to-capacity ratio

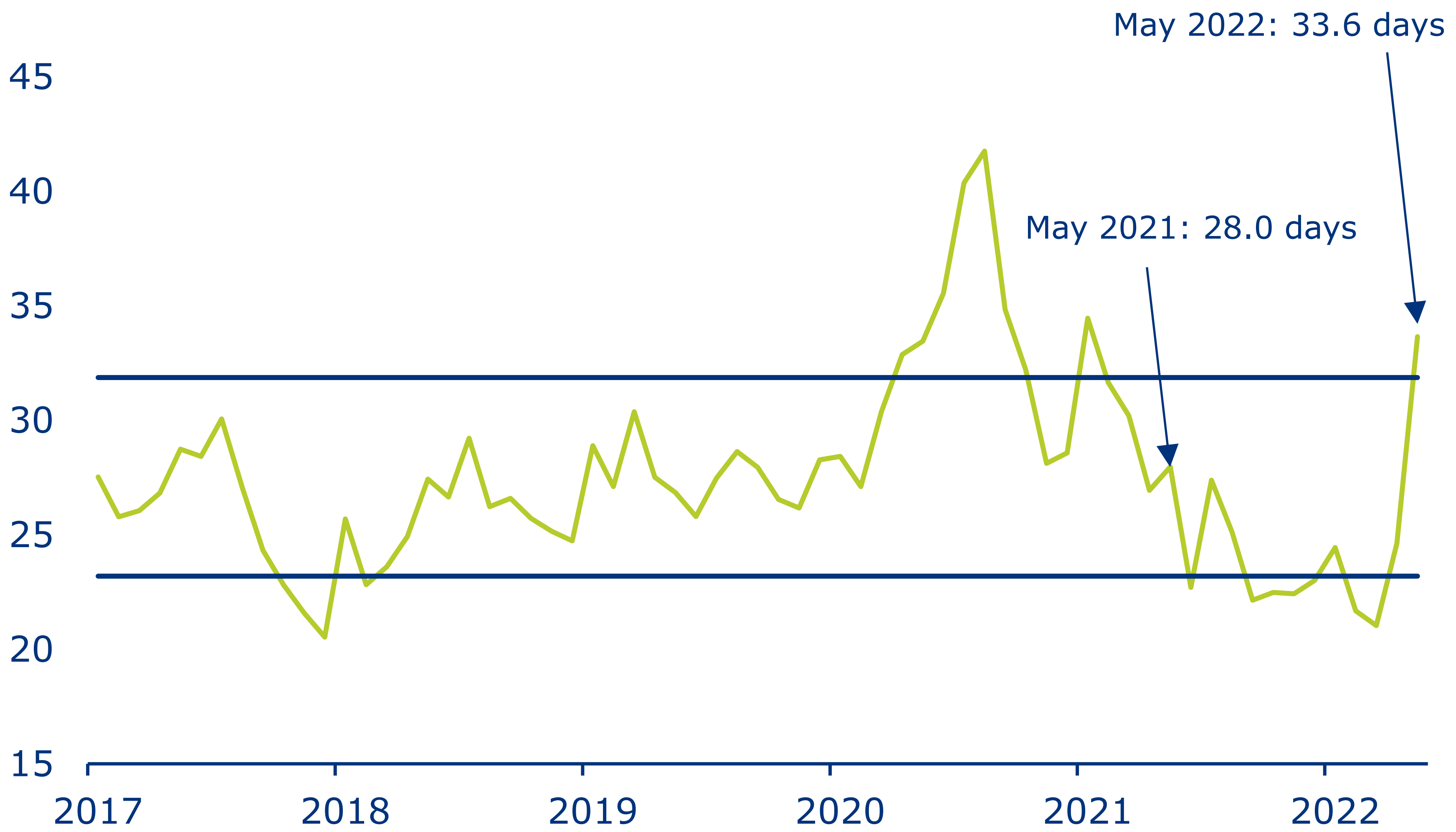
Jan-May 2022: 86.4% (2021: 82.2%)



Source: EURO-GRAPH

CM – Mills’ Stocks

Average May 2017-2021: 28.9 days



Source: EURO-GRAPH

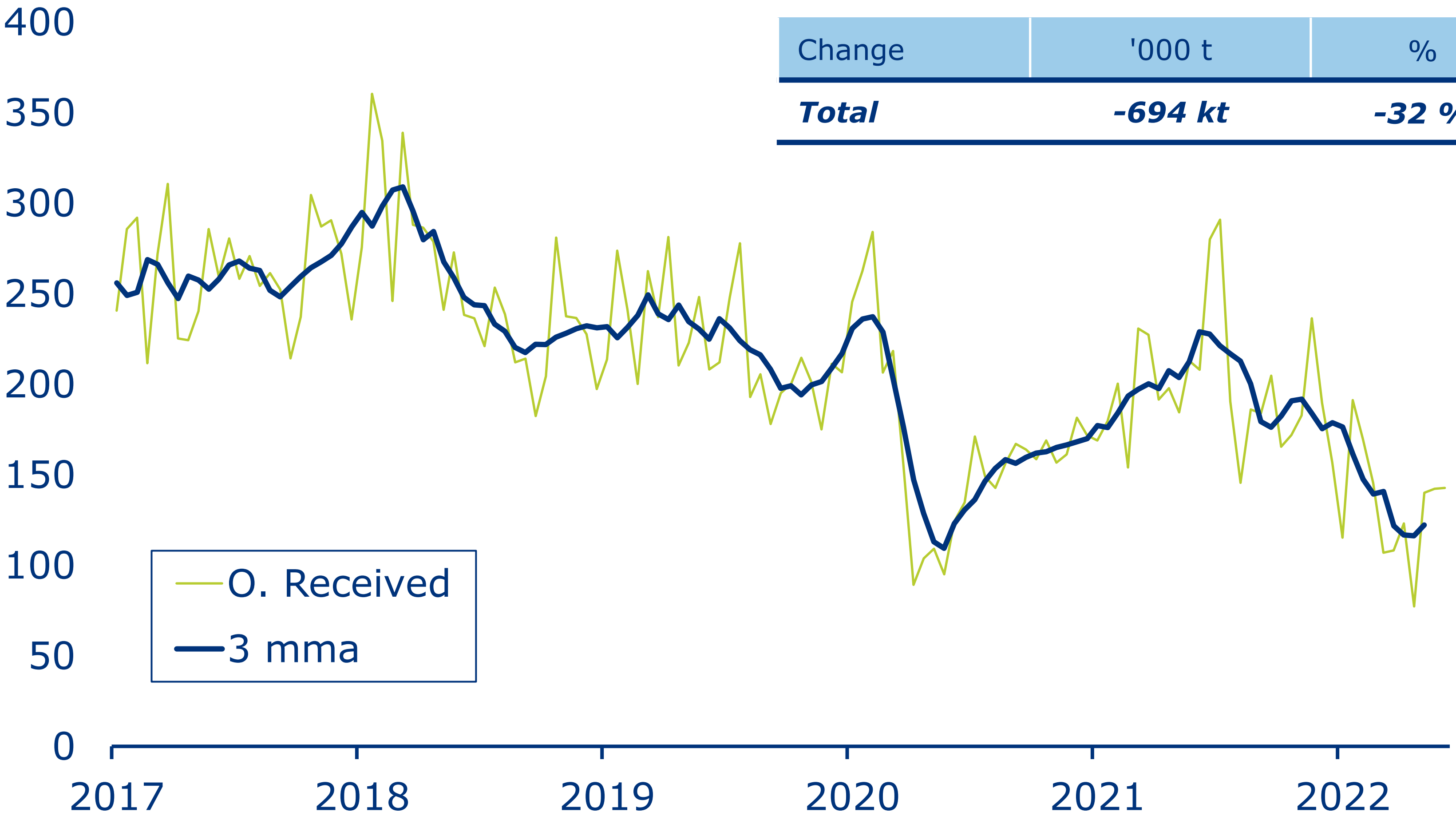
Note: The range is given by the 5-year average +/- one standard deviation

CM – Orders Received

1st Jan 2017 – 15th June 2022 (half month periods - 000 tonnes)

1st Jan – 15th June 2022 vs. 2021

Change	'000 t	%
Total	***-694 kt***	***-32 %***



Source: EURO-GRAPH

CM – Orders stocks

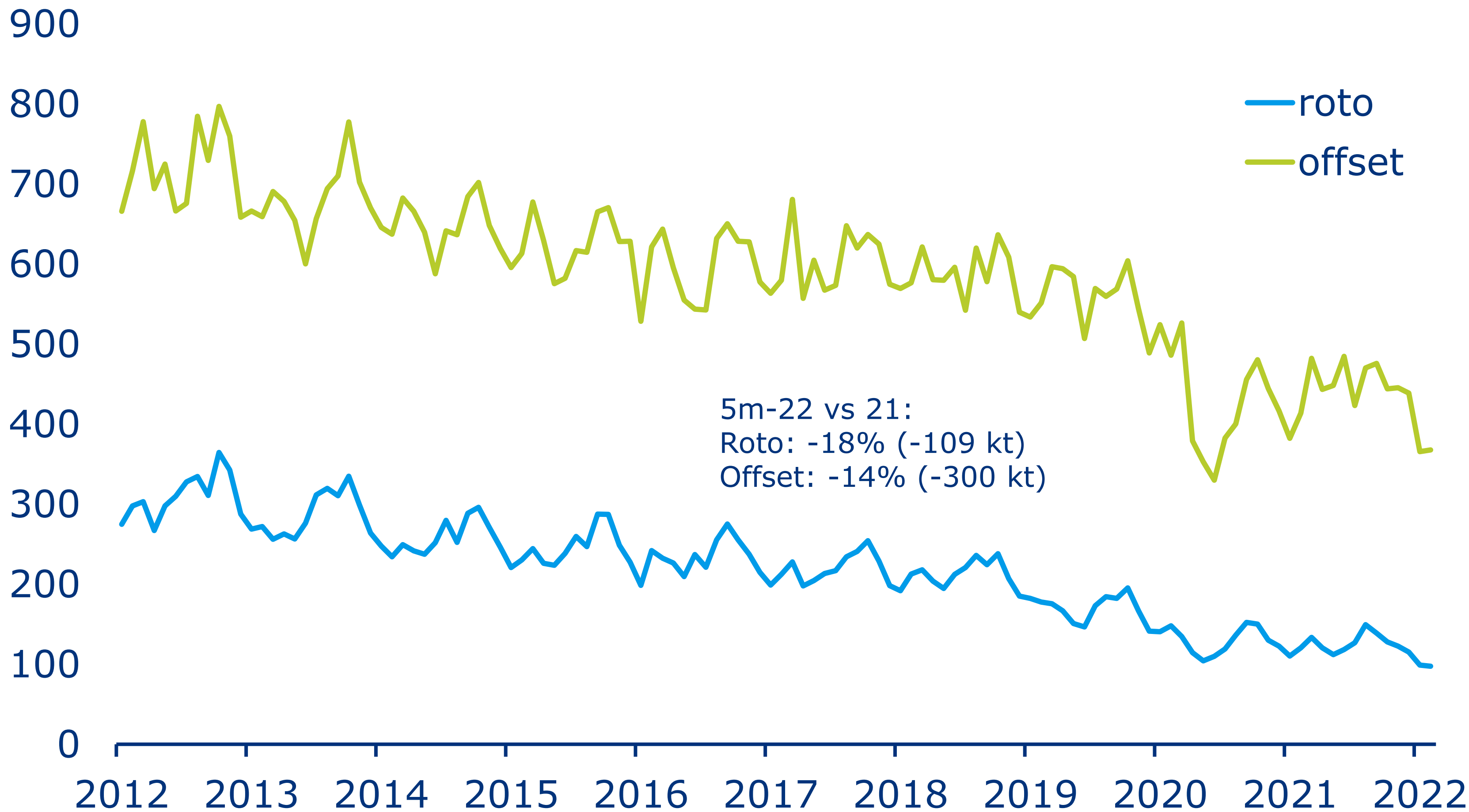
(days of supply)

Source: EURO-GRAPH

SC + CM / split by Roto/Offset

SC+CM – W.E. total deliveries by roto/offset

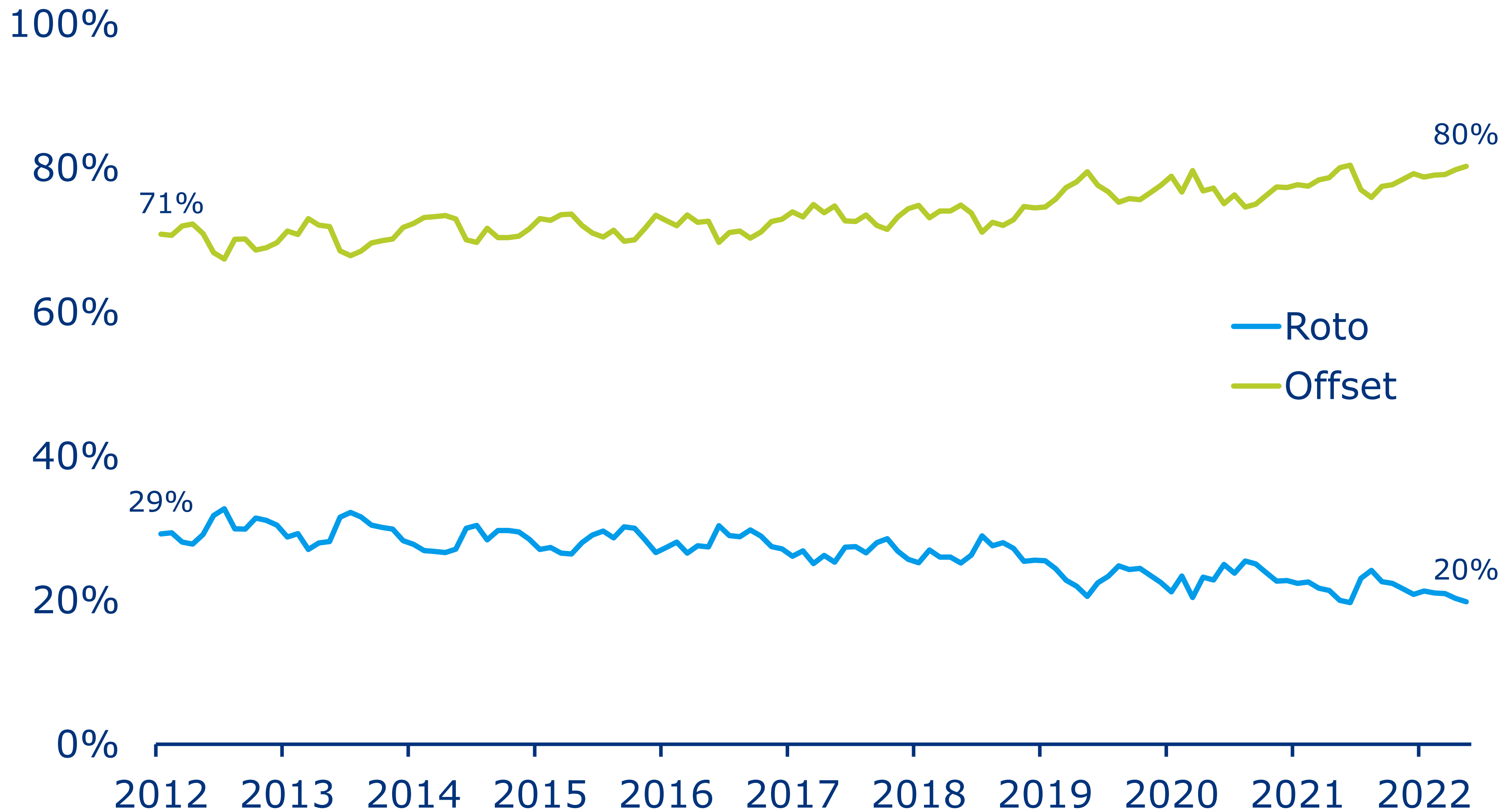
Jan-May 2022: -15% (-410 kt) - (000 tonnes)



Source: EURO-GRAPH

SC+CM – W.E. total deliveries by roto/offset

Jan-May 2022: -15% (-410 kt) - (000 tonnes)

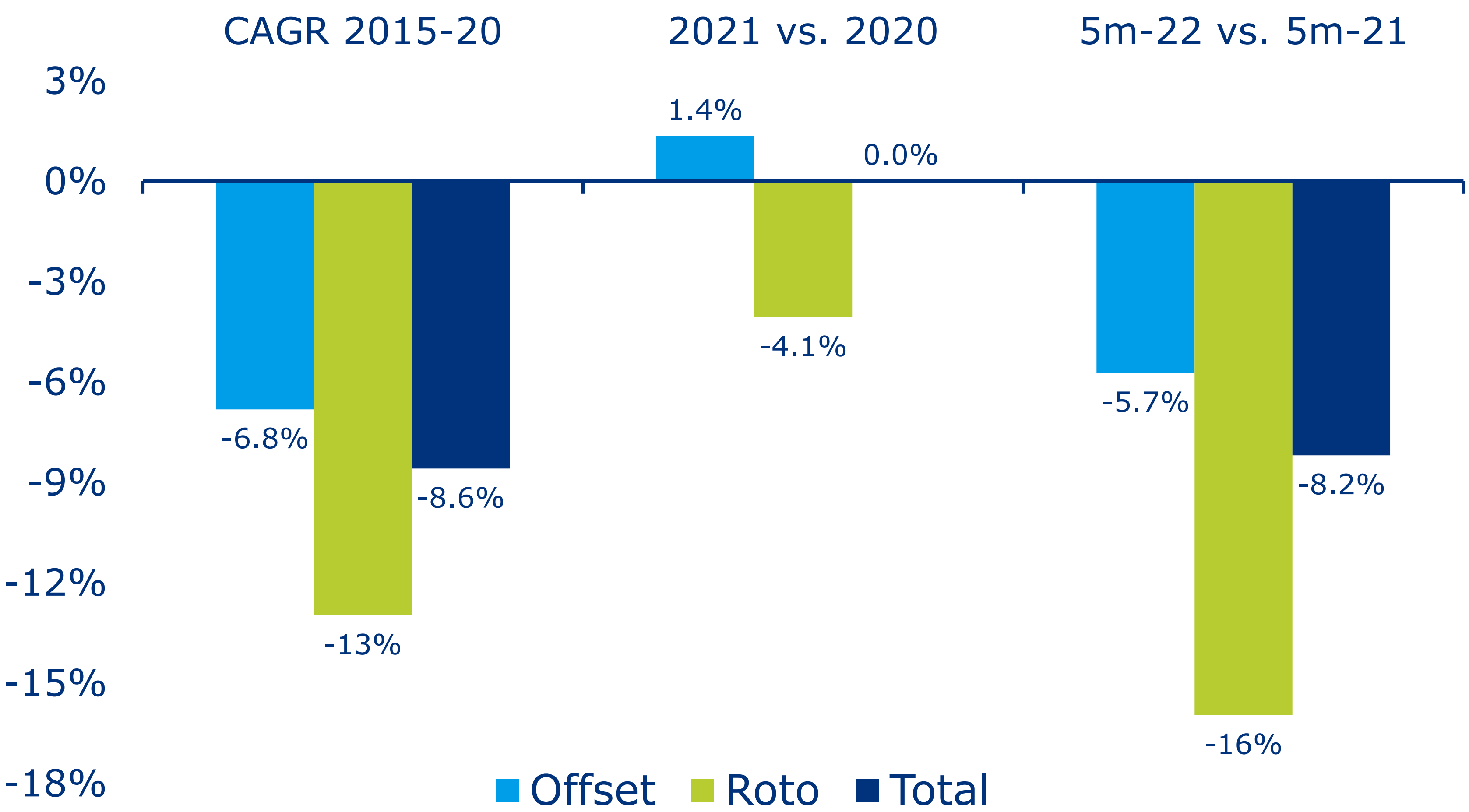


Source: EURO-GRAPH

Note: Share of each sector, having the total Roto + Offset =100%

SC+CM – W.E. demand by roto/offset

Jan-May 2022: -8.2% (-150 kt) (000 of tonnes)



Source: EURO-GRAPH

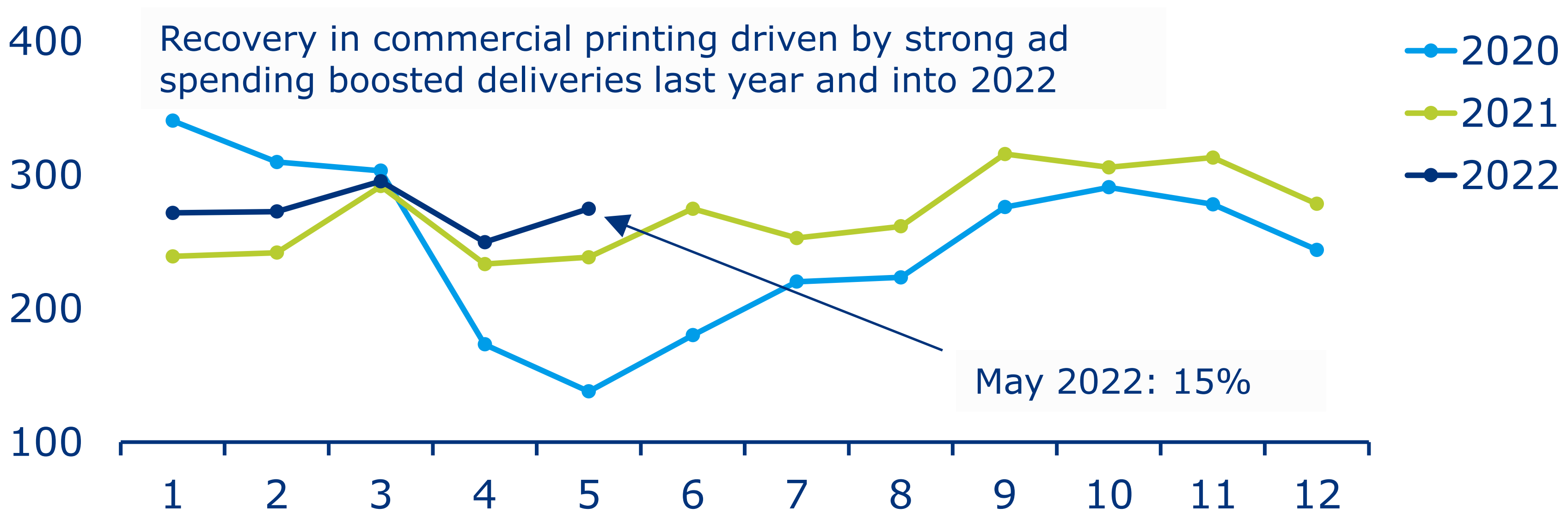
Deliveries to W.E. from W.E. suppliers (excluding imports)

- Coated Woodfree Papers

CW – European demand

Jan-May 2022: 9.6% (119 kt) (000 of tonnes)

Country	Jan-May 2021	Jan-May 2022	% chg	Country	Jan-May 2021	Jan-May 2022	% chg
WE	1,016 kt	1,141 kt	12%	EE	228 kt	222 kt	-2.3%
DE	326 kt	345 kt	5.8%	PL	79 kt	82 kt	4.1%
IT	137 kt	172 kt	25%	CZ	28 kt	31 kt	13%
FR	135 kt	152 kt	13%	HU	14 kt	15 kt	7.2%
GB	132 kt	142 kt	8.1%	SK	12 kt	12 kt	1.8%
ES	77 kt	93 kt	20%	SI	8 kt	10 kt	33%
Other	210 kt	237 kt	13%	Other	88 kt	72 kt	-18%



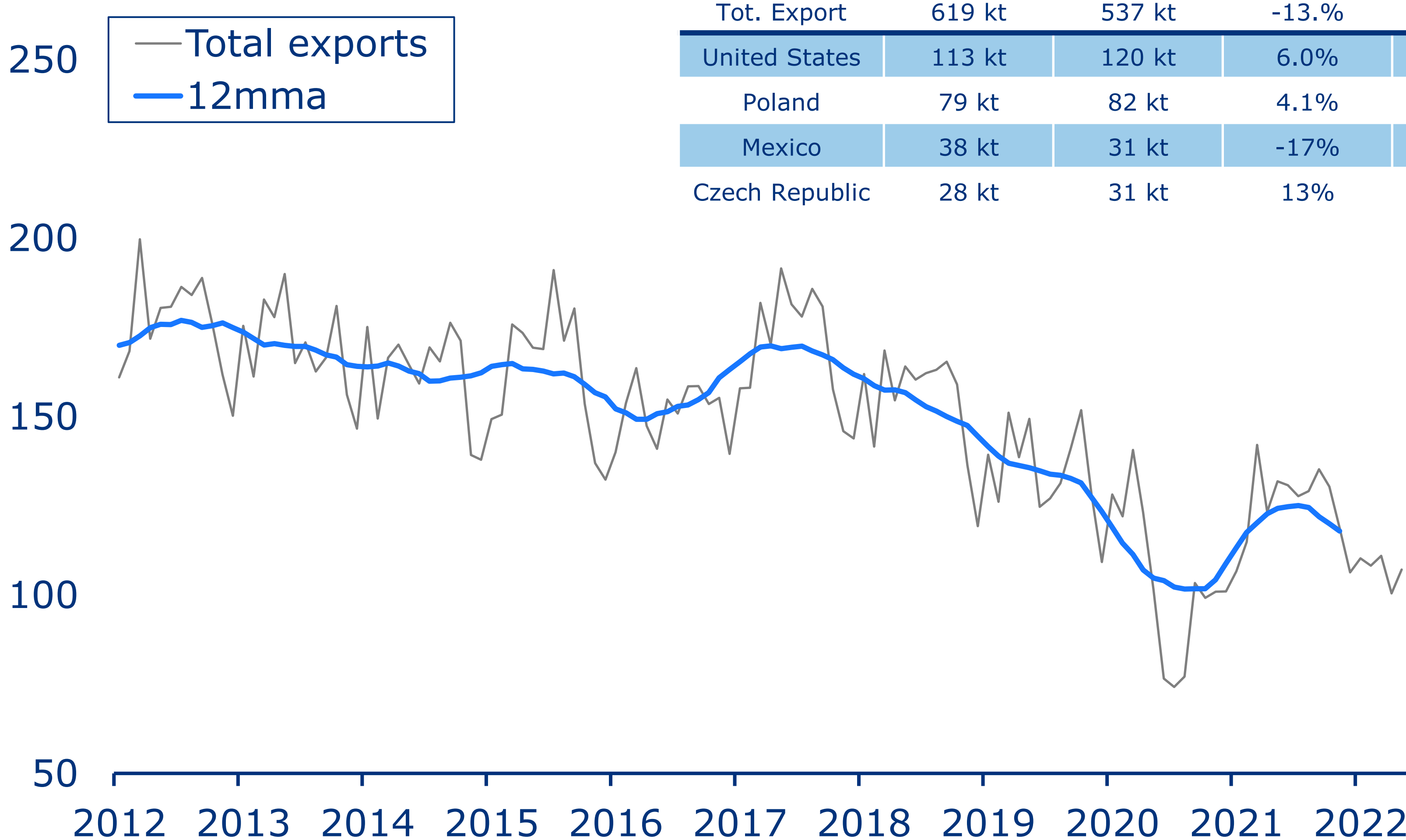
Source: EURO-GRAPH

Deliveries to Europe from W.E. suppliers

CW – Total exports

Jan-May 2022: -13% (-82 kt) - (000 tonnes)

Country	Jan-May 2021	Jan-May 2022	% chg	% share of exports
Tot. Export	619 kt	537 kt	-13.%	100%
United States	113 kt	120 kt	6.0%	22%
Poland	79 kt	82 kt	4.1%	15%
Mexico	38 kt	31 kt	-17%	6%
Czech Republic	28 kt	31 kt	13%	6%

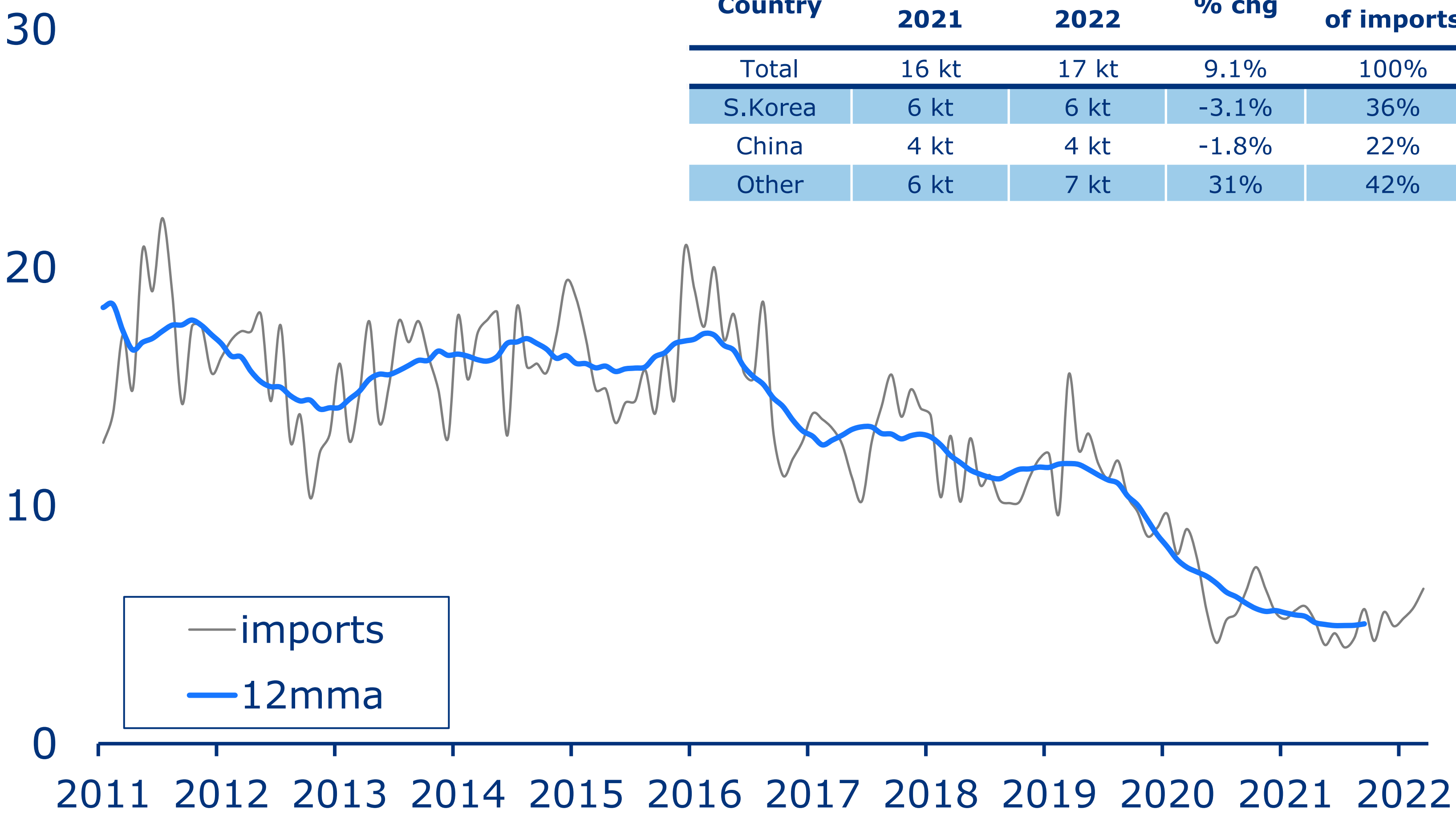


Source: EURO-GRAPH

CW – W.E. imports

3m 2022 vs. 2021: 9.1% (1 kt) - (000 tonnes)

Country	3m 2021	3m 2022	% chg	% share of imports
Total	16 kt	17 kt	9.1%	100%
S.Korea	6 kt	6 kt	-3.1%	36%
China	4 kt	4 kt	-1.8%	22%
Other	6 kt	7 kt	31%	42%

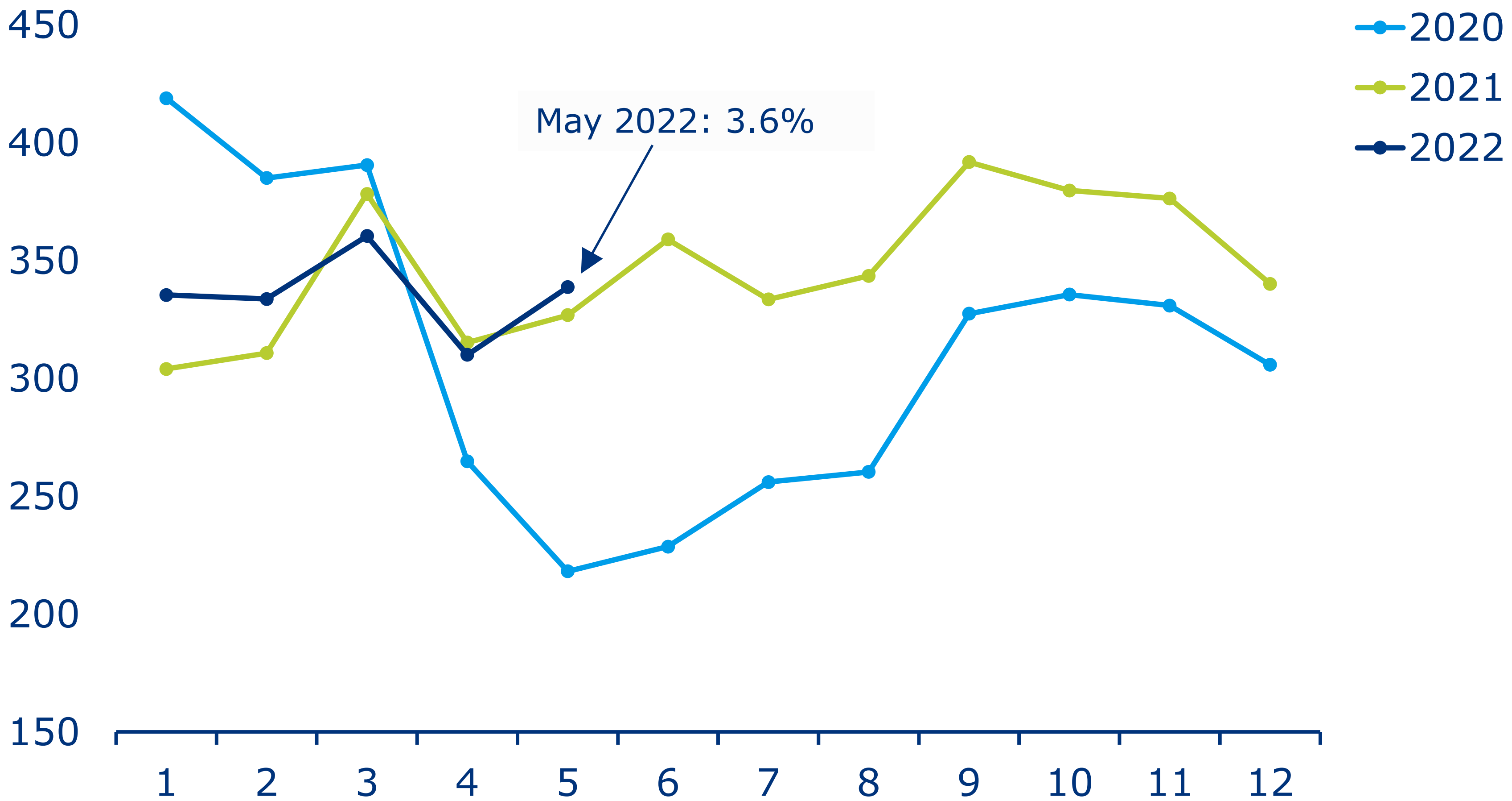


Source: EURO-GRAPH/Svan Data

CW – Total deliveries

Jan-May 2022: 2.6% (43 kt) (000 of tonnes)

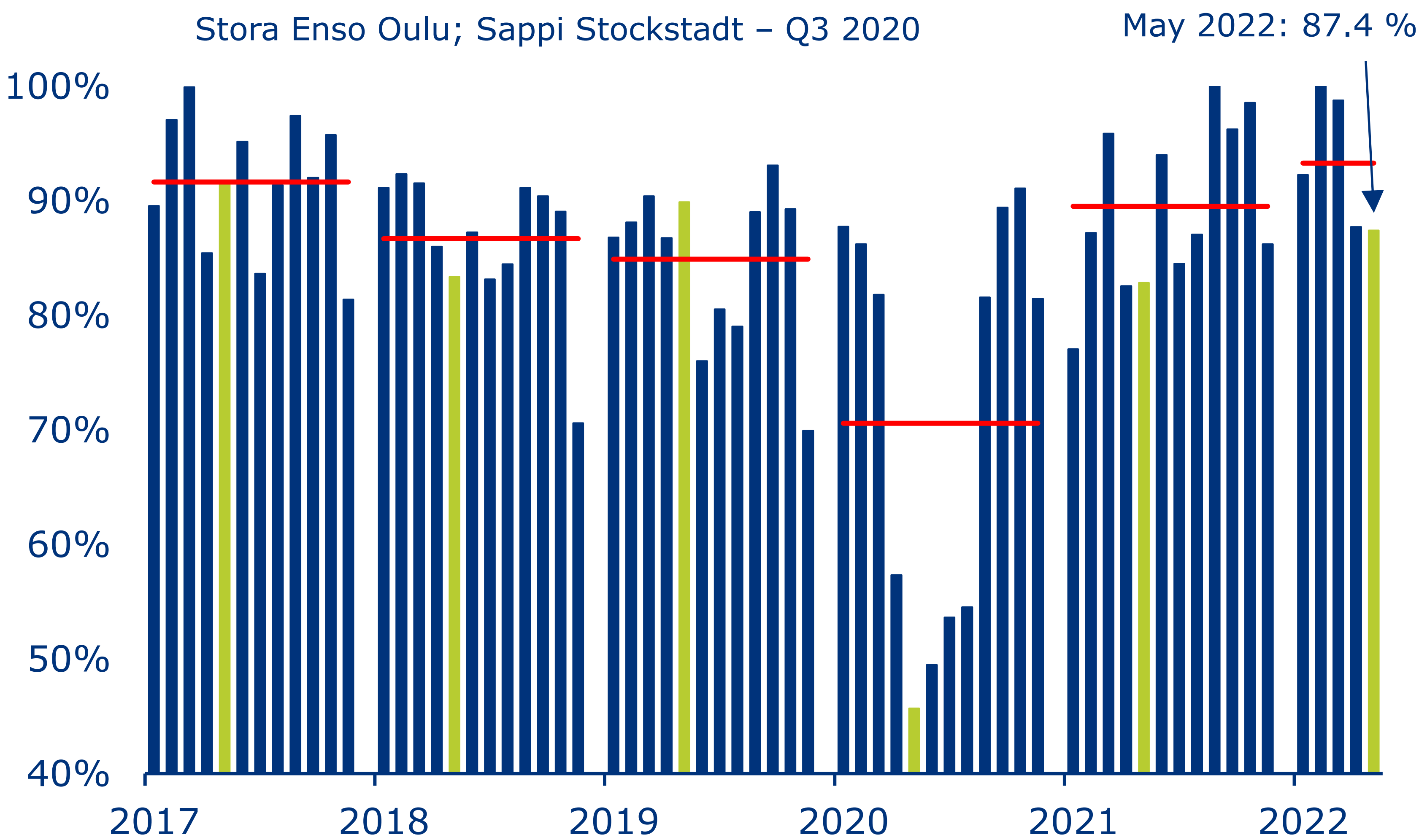
CW Sheets	5.2%	(64 kt)
CW Reels	-5.3%	(-21 kt)



Source: EURO-GRAPH

CW – Delivery-to-capacity

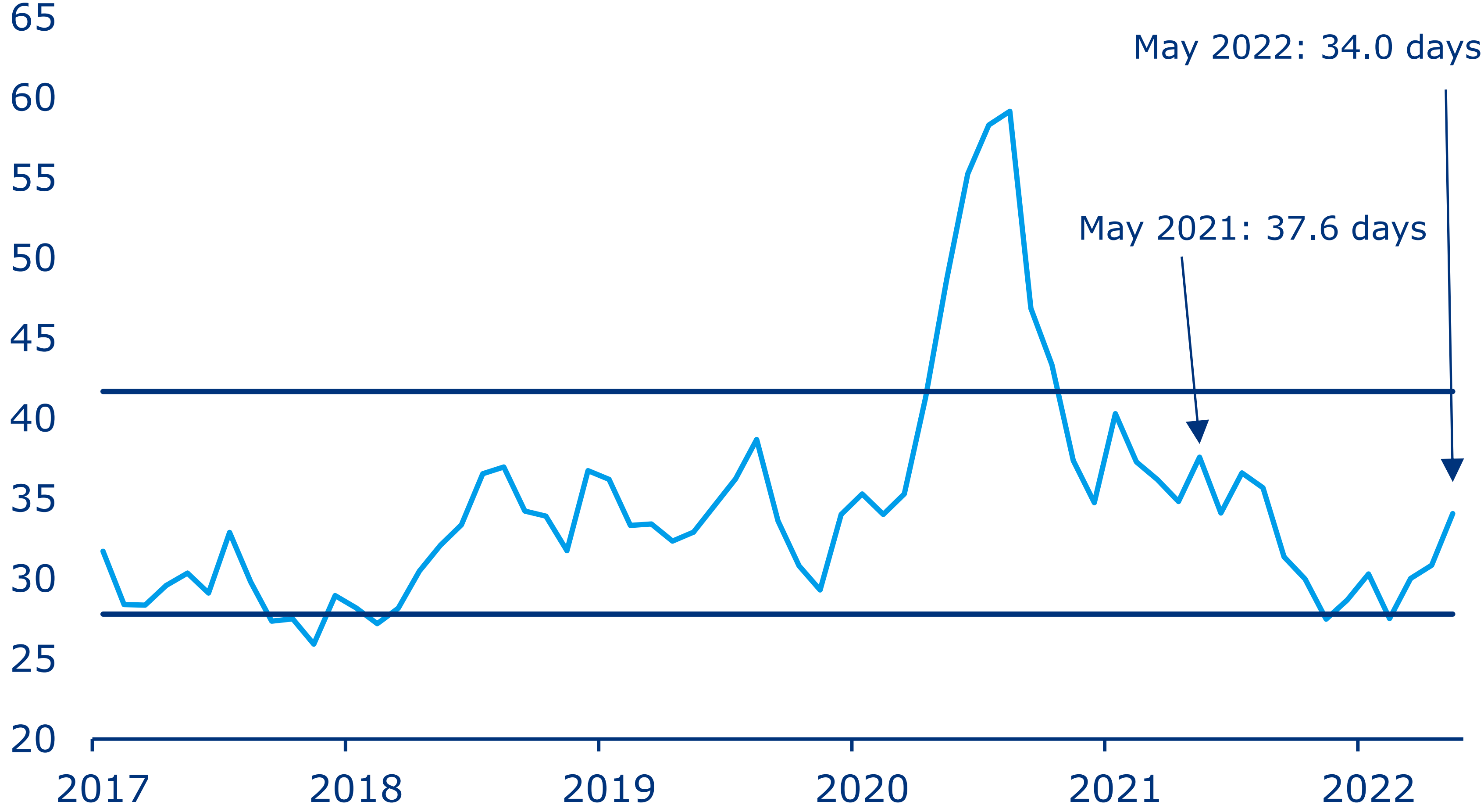
Jan-May 2022: 93.3% (2021: 85.1%)



Source: EURO-GRAPH

CW – Mills’ Stocks

Average May 2017-2021: 36.3 days



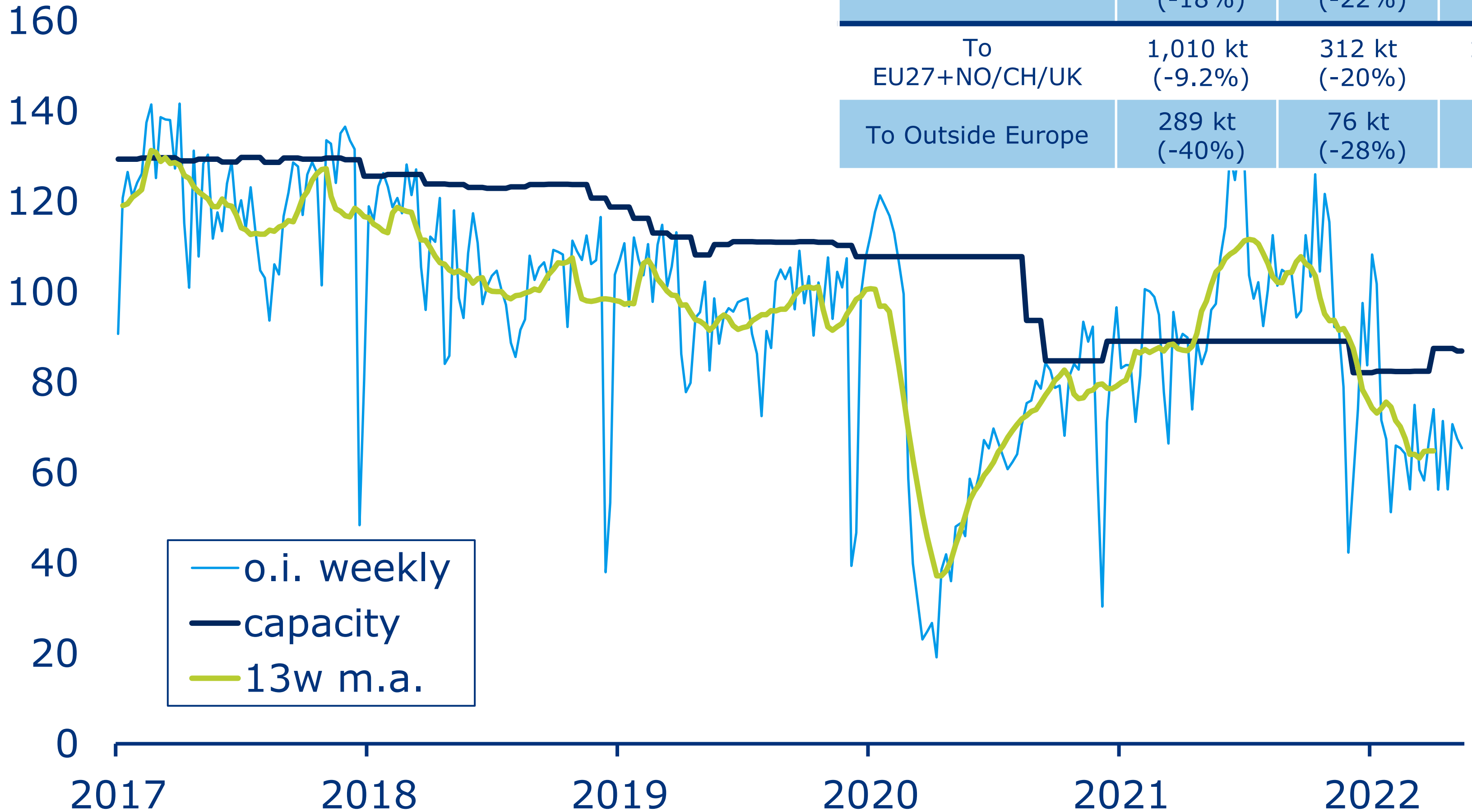
Source: EURO-GRAPH

Note: The range is given by the 5-year average +/- one standard deviation

CW – Order inflow to all destinations

24 weeks 2022 vs. 2021: -400 kt (-19%) - (weekly - 000 tonnes)

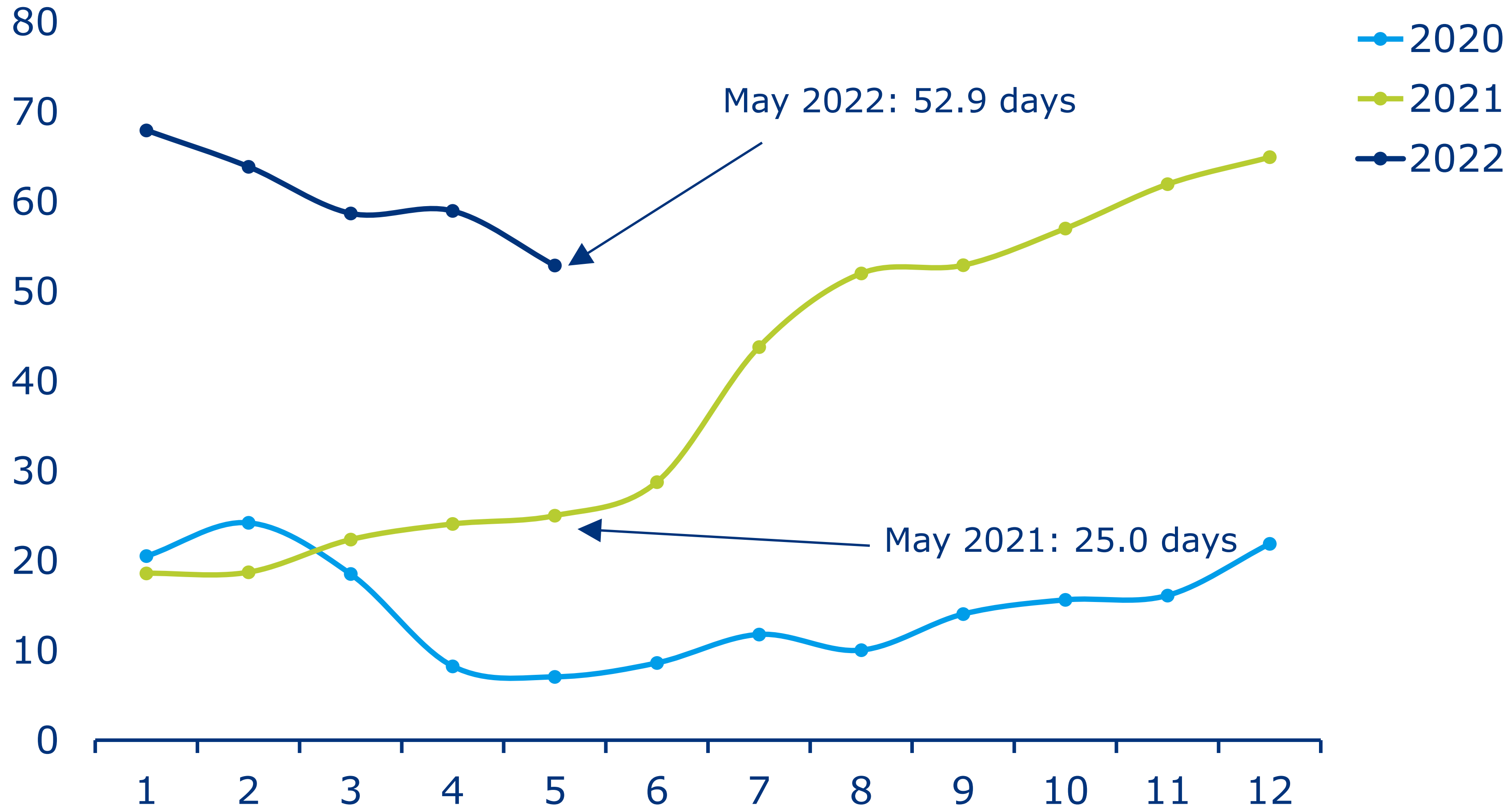
	CWS	CWR	CWT
Total	1,299 kt (-18%)	387 kt (-22%)	1,687 kt (-19%)
To EU27+NO/CH/UK	1,010 kt (-9.2%)	312 kt (-20%)	1,322 kt (-12%)
To Outside Europe	289 kt (-40%)	76 kt (-28%)	365 kt (-38%)



Source: EURO-GRAPH

CW – Orders stocks

(days of supply)



Source: EURO-GRAPH

CW – Summary by sub-quality

Jan-May 2022 vs. 2021 (% change y-o-y)

	CW Total	CW Sheets	CW Reels
Deliveries to WE	12%	18%	-2.6%
Total Deliveries	2.6%	5.2%	-5.3%
Imports (3m 2022 vs 2021)	9.1%	9.1%	9.1%
Exports	-13%	-14%	-12%

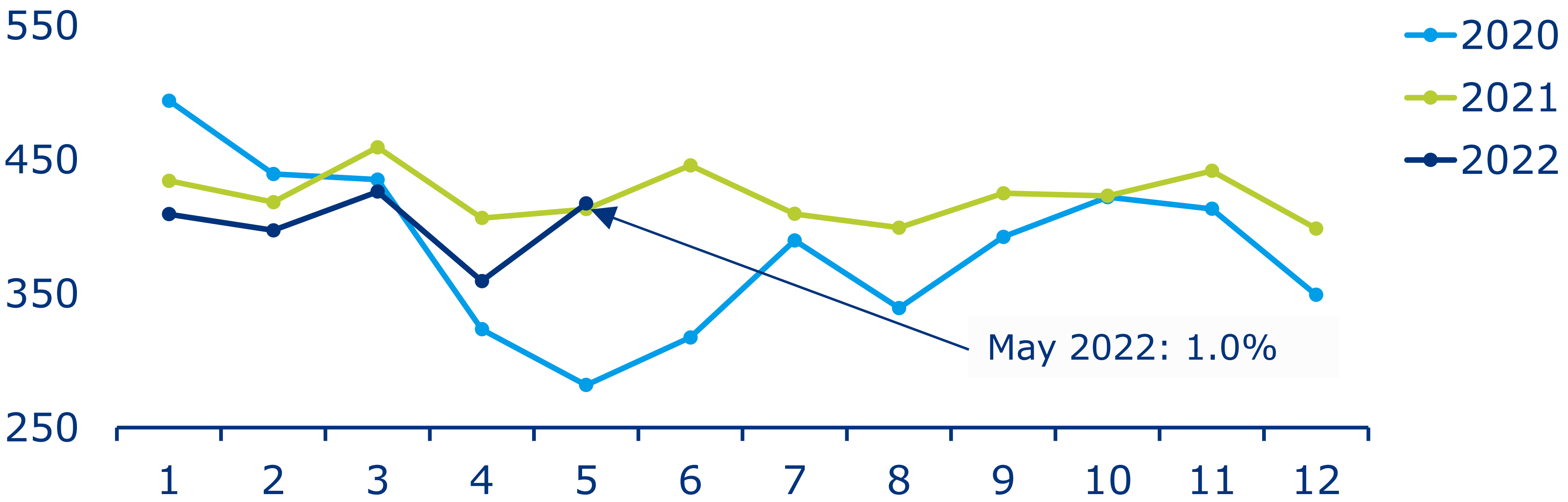
Source: EURO-GRAPH

- Uncoated Woodfree Papers

UW – European demand

Jan-May 2022: -5.7% (-122 kt) (000 of tonnes)

Country	Jan-May 2021	Jan-May 2022	% chg	Country	Jan-May 2021	Jan-May 2022	% chg
WE	1,671 kt	1,594 kt	-4.6%	EE	460 kt	415 kt	-9.9%
DE	416 kt	407 kt	-2.2%	PL	166 kt	161 kt	-3.0%
FR	296 kt	269 kt	-8.9%	CZ	41 kt	43 kt	5.4%
IT	229 kt	208 kt	-9.2%	HU	38 kt	41 kt	5.9%
GB	180 kt	174 kt	-3.3%	RO	43 kt	37 kt	-15%
ES	169 kt	150 kt	-12%	SK	22 kt	23 kt	5.9%
Other	381 kt	386 kt	1.4%	Other	150 kt	110 kt	-27%

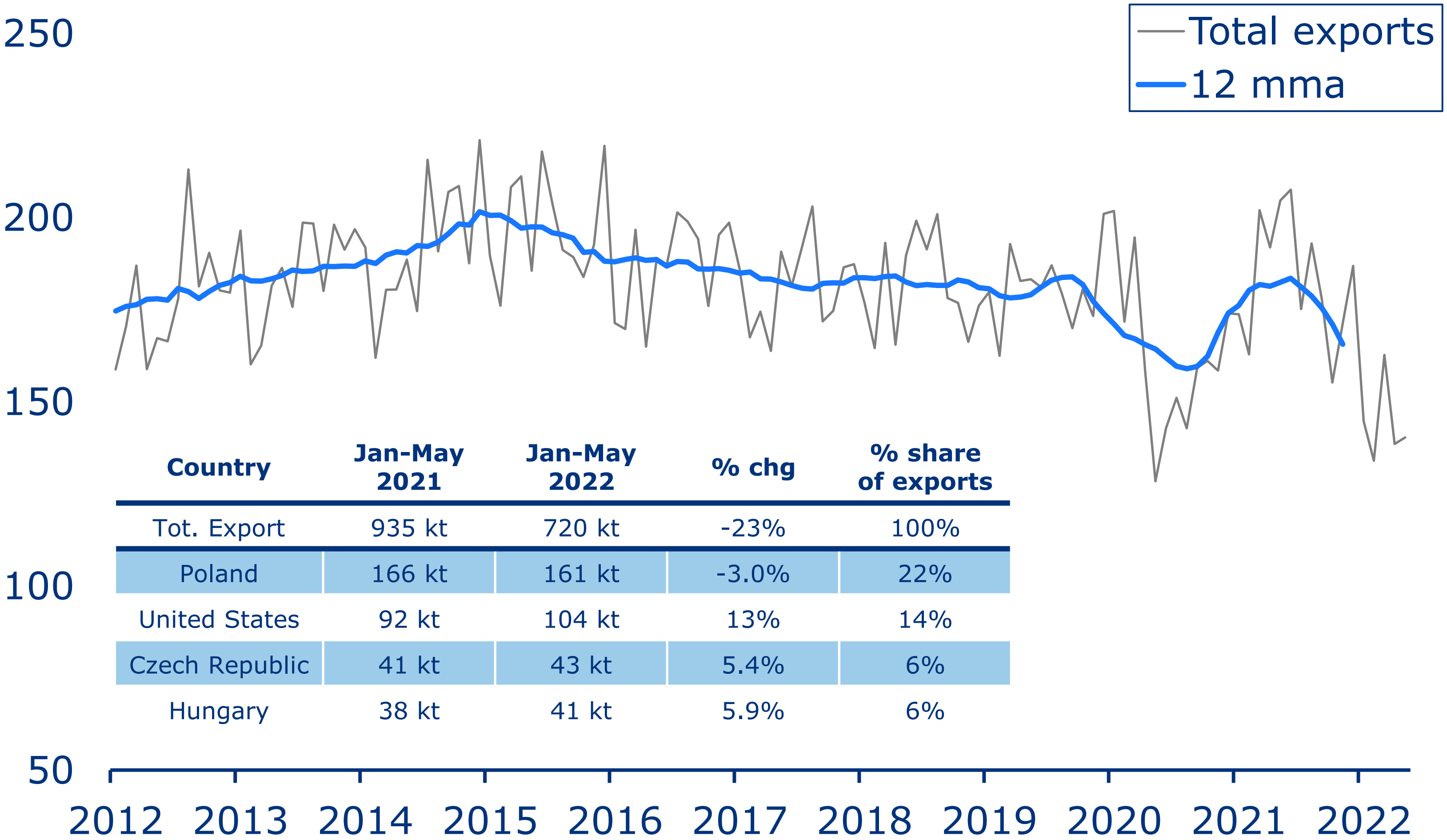


Source: EURO-GRAPH

Deliveries to Europe from all Euro-Graph members (in W.E., Poland and Slovakia)

UW – Total exports

Jan-May 2022: -23% (-215 kt) - (000 tonnes)



Country	Jan-May 2021	Jan-May 2022	% chg	% share of exports
Tot. Export	935 kt	720 kt	-23%	100%
Poland	166 kt	161 kt	-3.0%	22%
United States	92 kt	104 kt	13%	14%
Czech Republic	41 kt	43 kt	5.4%	6%
Hungary	38 kt	41 kt	5.9%	6%

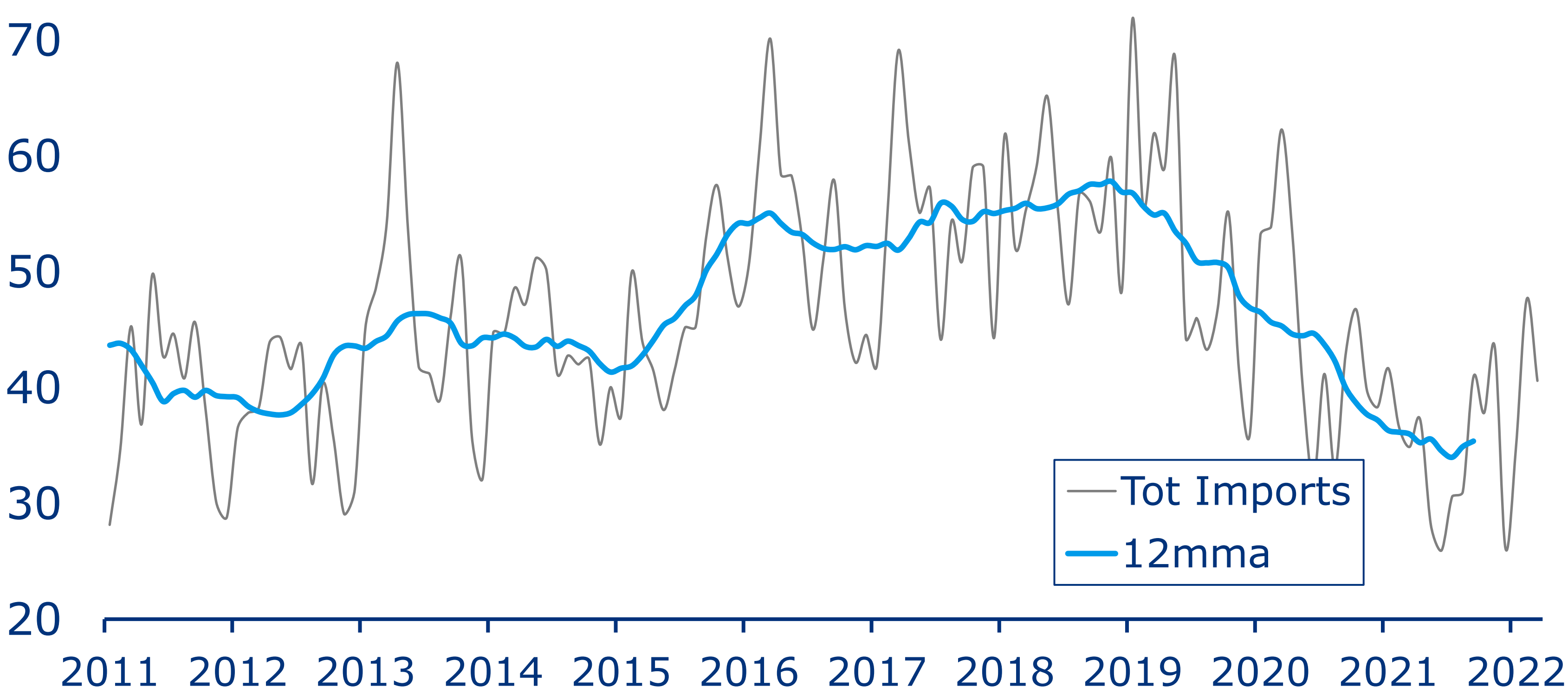
Source: EURO-GRAPH

From all Euro-Graph members (in W.E., Poland and Slovakia)

UW – Total imports

3m 2022 vs. 2021: 8.9% (10 kt) - (000 tonnes)

Country	3m 2021	3m 2022	% chg	% share of imports
Tot. Import	113 kt	123 kt	8.9%	100%
Asia	47 kt	59 kt	26%	48%
N.A.	18 kt	17 kt	-8.1%	14%
L.A.	29 kt	25 kt	-14%	21%
Others	19 kt	23 kt	19%	18%

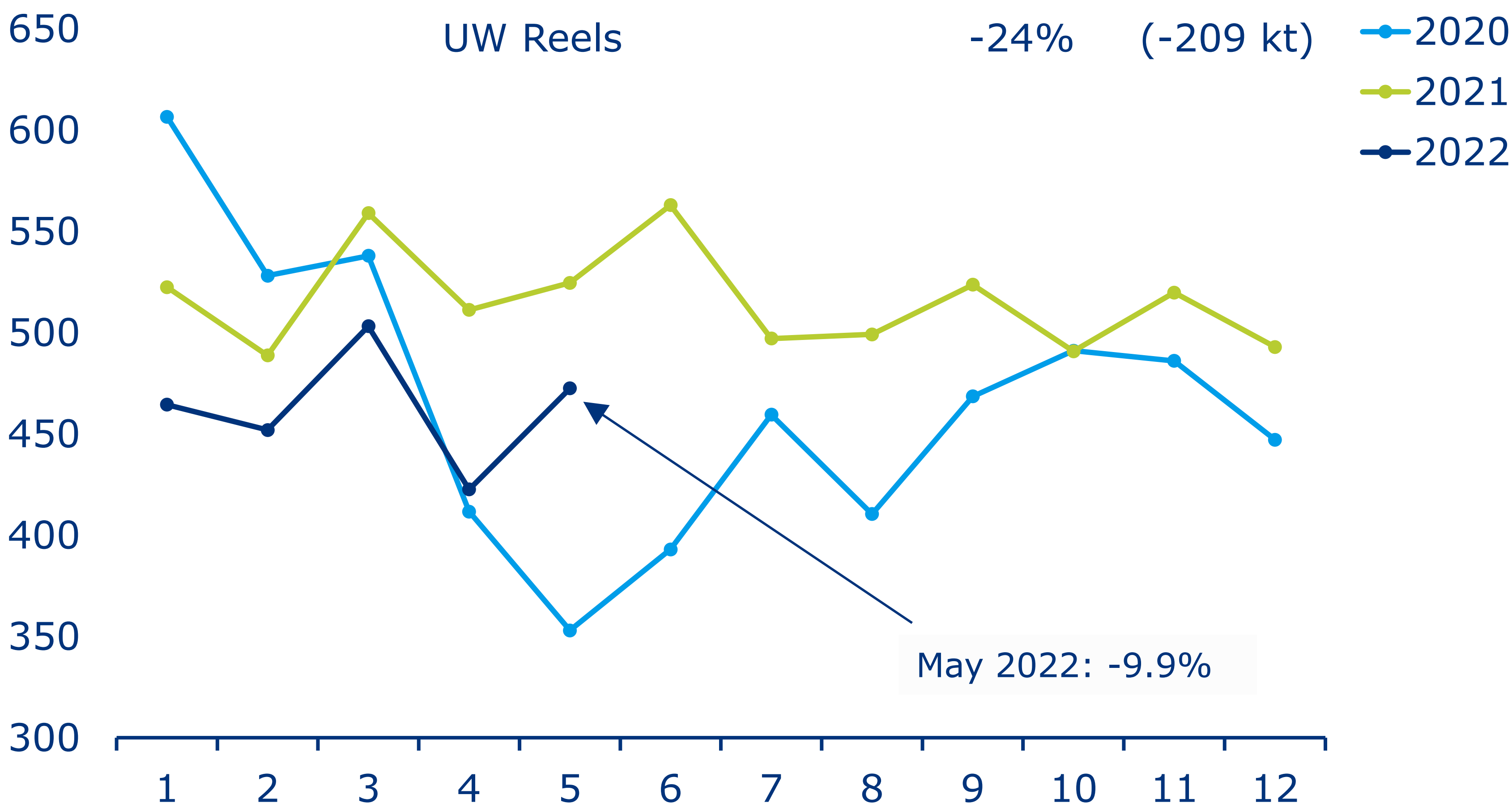


Source: EURO-GRAPH/Svan Data

UW – Total deliveries

Jan-May 2022: -11% (-291 kt) (000 of tonnes)

UW Cut Size	-8.6%	(-101 kt)
UW Folio Sheet	3.2%	(18 kt)
UW Reels	-24%	(-209 kt)

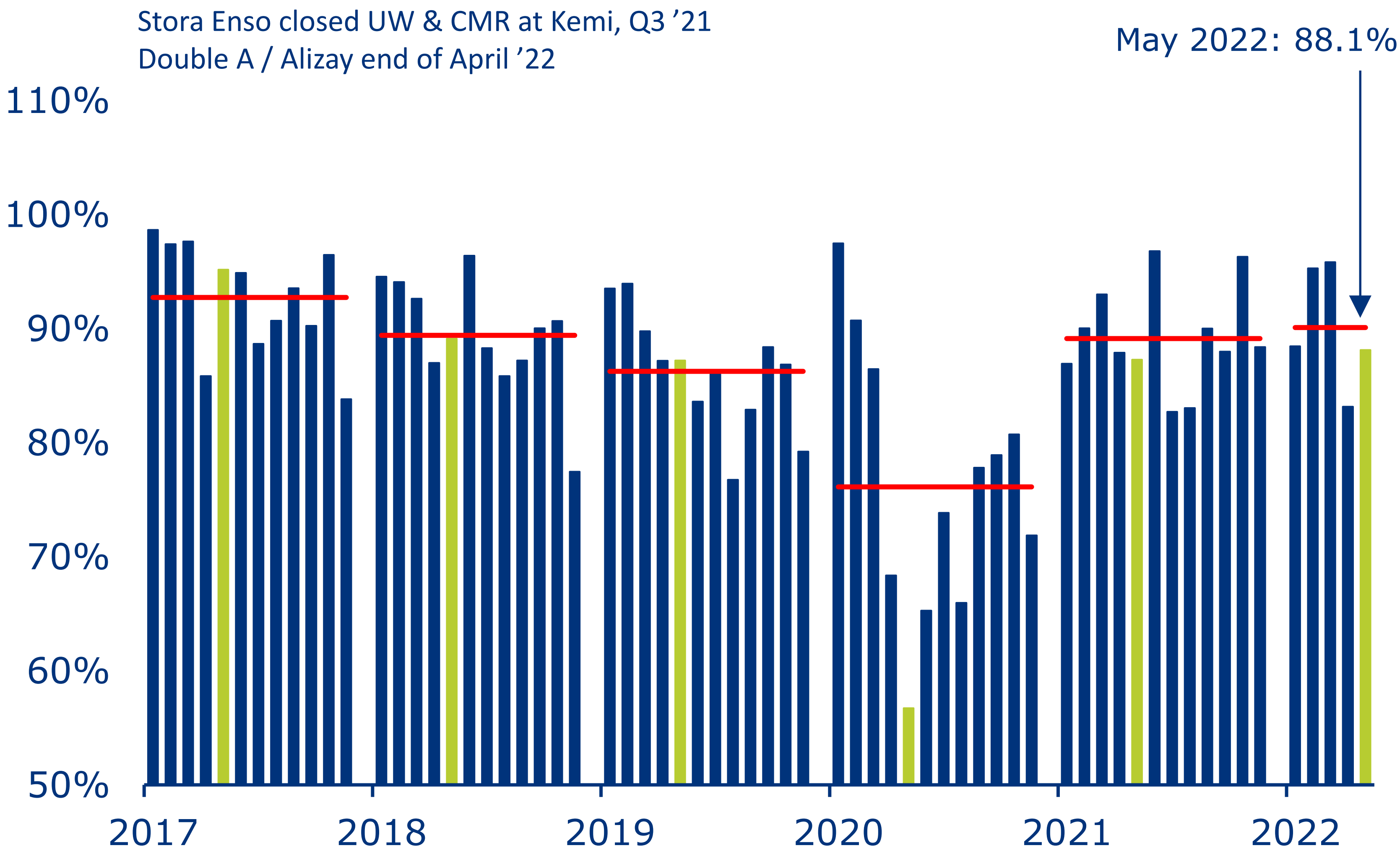


Source: EURO-GRAPH

From all Euro-Graph members, W.E., Poland and Slovakia

UW – Delivery-to-capacity

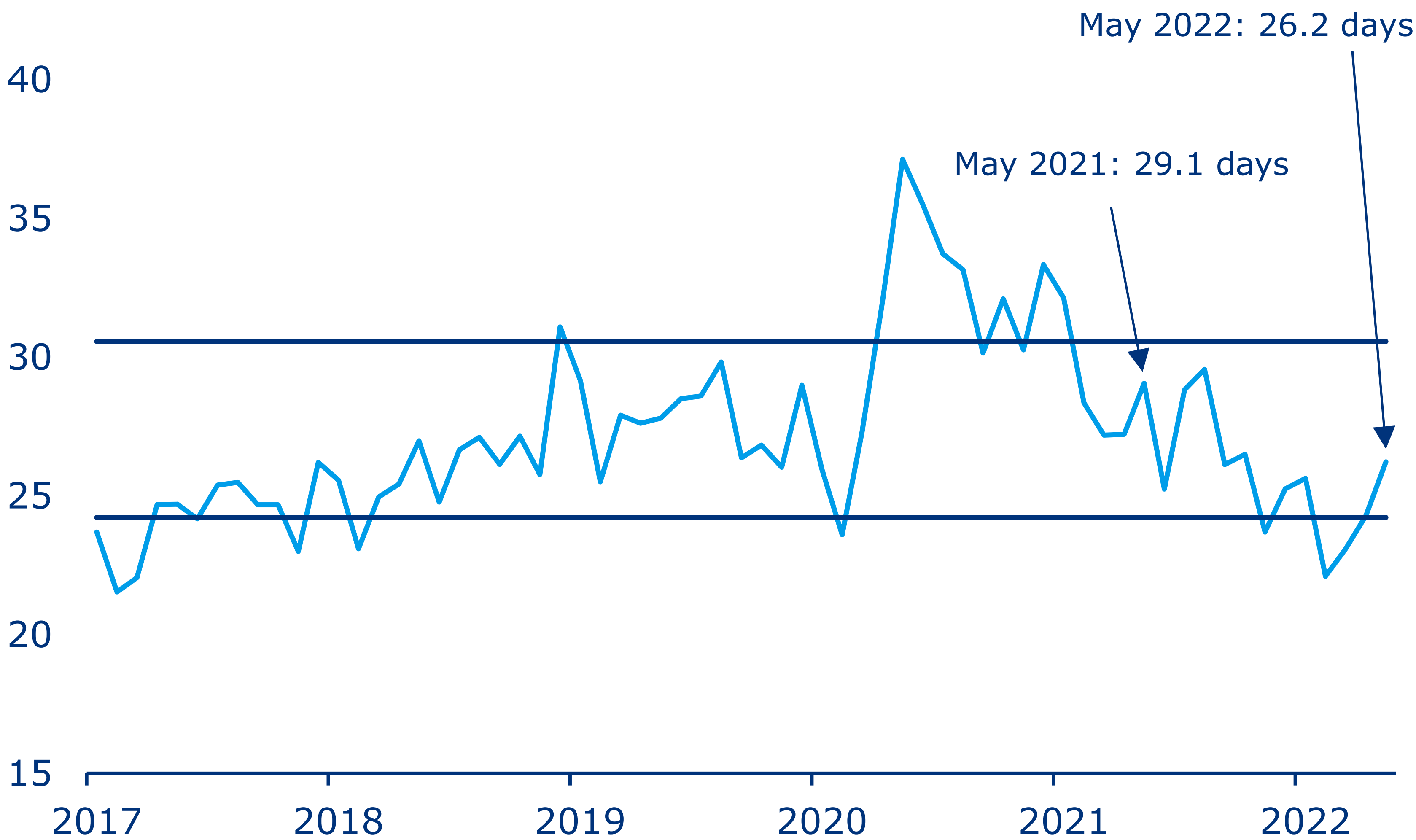
Jan-May 2022: 90.1% (2021: 89.0%)



Source: EURO-GRAPH

UW – Mills' Stocks

Average May 2017-2021: 29.1 days



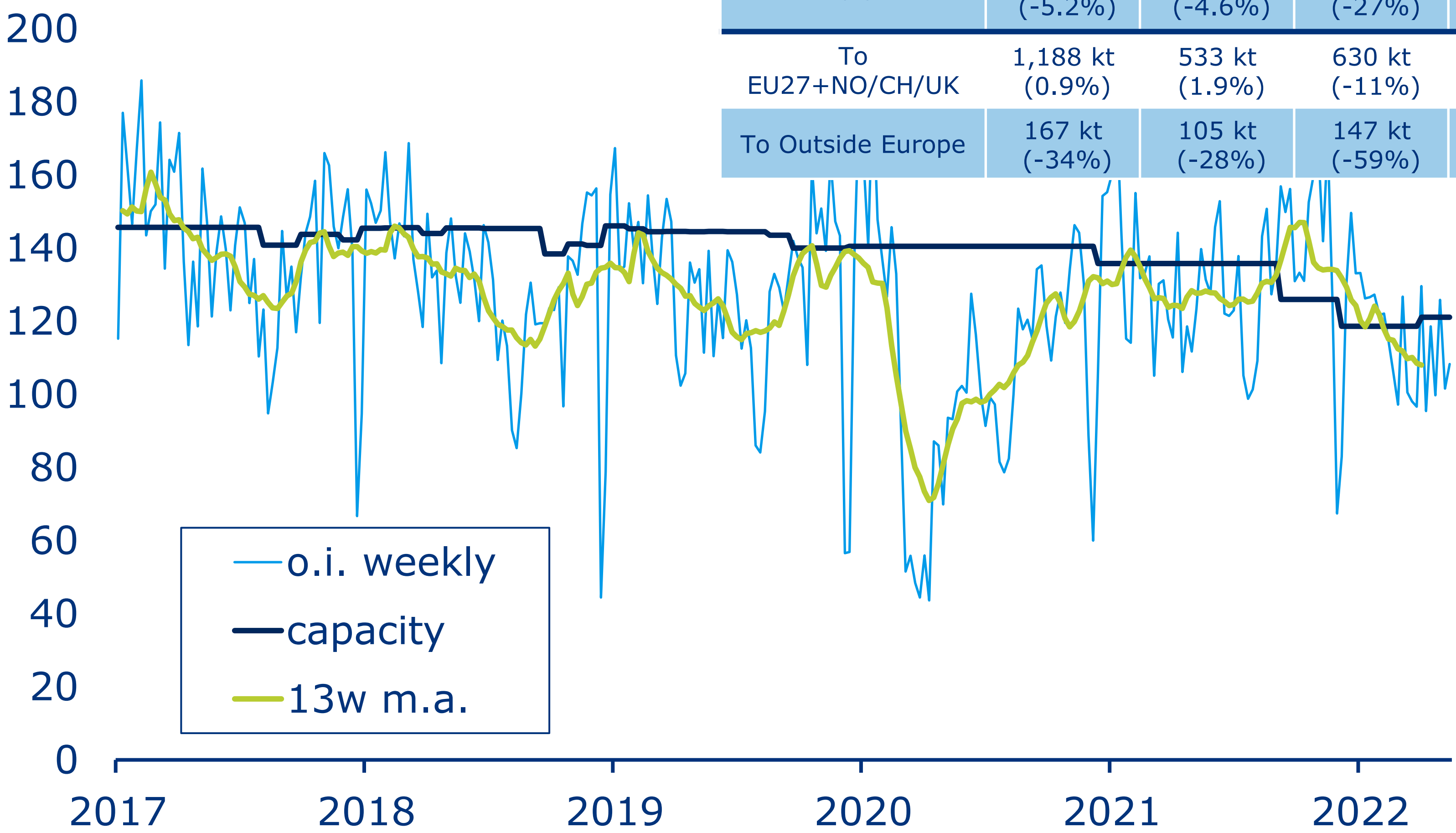
Source: EURO-GRAPH

Note: The range is given by the 5-year average +/- one standard deviation

UW – Order inflow to all destinations

24 weeks 2022 vs. 2021: -389 kt (-12.3%) - (weekly - 000 tonnes)

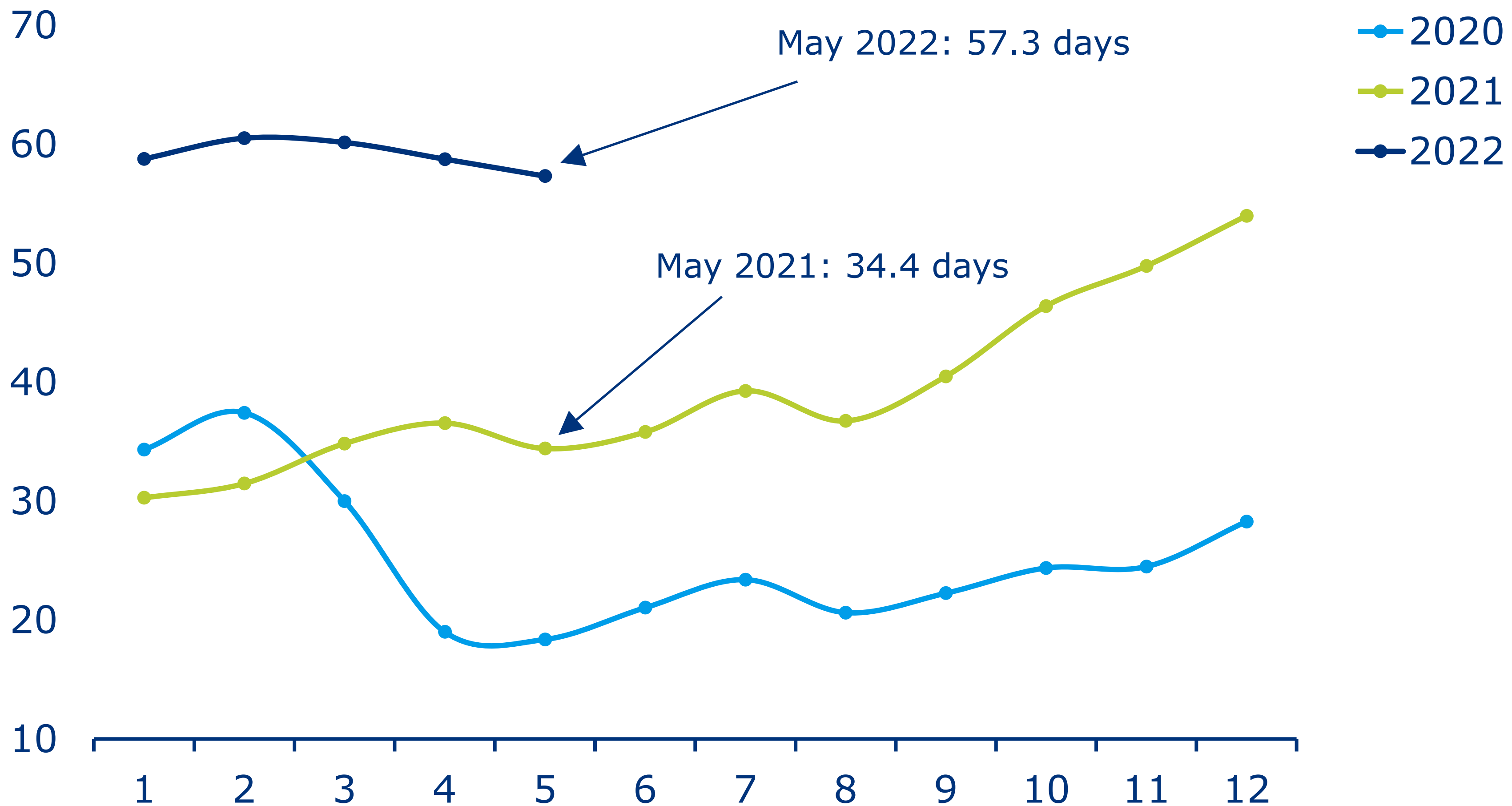
	UWC	UWF	UWR	UWT
Total	1,355 kt (-5.2%)	638 kt (-4.6%)	777 kt (-27%)	2,770 kt (-12%)
To EU27+NO/CH/UK	1,188 kt (0.9%)	533 kt (1.9%)	630 kt (-11%)	2,352 kt (-2.3%)
To Outside Europe	167 kt (-34%)	105 kt (-28%)	147 kt (-59%)	418 kt (-44%)



Source: EURO-GRAPH

UW – Orders stocks

(days of supply)



Source: EURO-GRAPH

UW – Summary by sub-quality

Jan-May 2022 vs. 2021 (% change y-o-y)

	UW Total	UW Cut Size	UW Folio Sheet	UW Reels
Deliveries to WE	-4.6%	-5.9%	11%	-13%
Total Deliveries	-11%	-8.6%	3.2%	-24%
Imports (3m 2022 vs 2021)	8.9%	3.3%	51%	17%
Exports	-23%	-15%	-9.7%	-40%

Source: EURO-GRAPH

Financial issues

- Closure of the Accounts 2021
- Discharge of Liability for the Officials 2021

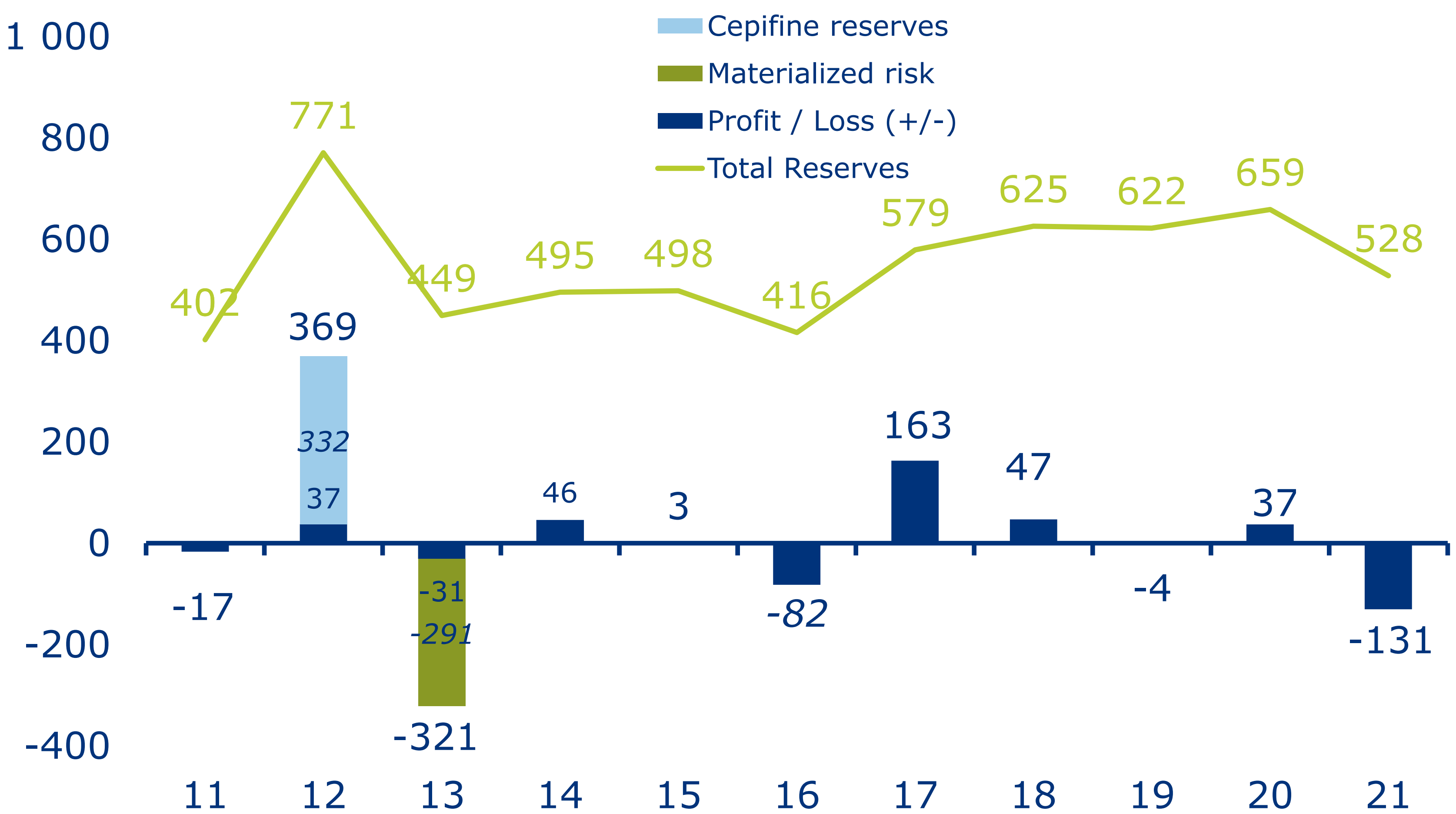
P&L Summary – 2021 vs. 2020

All figures in '000 €	2021 Actual	2020 Actual	Diff. €	Diff. %
Personnel	434	433	1	0%
Meetings and Travelling	3	4	-1	-24%
Office & Administration	205	166	38	23%
IT	116	107	9	9%
Projects	441	435	6	1%
Total Costs	***1 199***	***1 146***	***53***	***5%***
Members Contributions	1 056	1 170	-114	-10%
"Regular" budget	*656*	*800*	*-144*	*-18%*
Print Power	*30*	*0*	*30*	*n.m.*
Two Sides	*370*	*370*	*0*	*0%*
Other Revenues	12	12	0	-2%
Total Income	***1 068***	***1 182***	***-114***	***-10%***
Profit (+) / Loss (-)	***-131***	***+37***		

Balance Sheet Summary – 2021 vs. 2020

All figures in '000 €	2021 Actual	2020 Actual	Diff. €	Diff. %
Fixed Assets	3	5	-2	-46%
Guarantees	0	0	0	n.m.
Receivables	17	14	3	18%
Cash and other investments	561	676	-115	-17%
Deferred charges and accrued income	5	11	-6	-51%
Total Assets	***586***	***706***	***-120***	***-17%***
Profits carried forward	528	659	-131	-20%
Amounts payable within one year	58	47	11	23%
Accrued charges and deferred income	0	0	0	n.m.
Total Liabilities	***586***	***706***	***-120***	***-17%***

Reserves development



Auditors statements

Statutory Auditors

Delvaux Associés

Gérard Delvaux
Réviseur d'Entreprises Honoraire

Vincent Misselyn
Véronique Lebrun
Pierre Lerusse
Réviseurs d'Entreprises Associés

Report from the Chartered Accountant to the management body of the ASBL "EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS", in short "EURO-GRAPH" on the limited contractual examination of the financial statements of the Association for the year ended on December 31, 2021

In accordance with our mission described below and confirmed by our engagement letter of April 7, 2022, we carried out a limited examination of the financial statements of the non-profit association "EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS", in short "EURO-GRAPH" , for the twelve-month period ended December 31, 2021, established on the basis of the accounting regulations applicable in Belgium, whose balance sheet total amounts to € 586.084,07 and whose income statement shows a loss for the year of € -130.760,73.

The alleged user is the general assembly.

The management body is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting regulations applicable in Belgium. Our responsibility is to express a conclusion on these financial statements based on our review.

We carried out our limited examination in accordance with the standard relating to the contractual control of SMEs and small A (I) SBLs and foundations and to reserved and shared legal missions with SMEs and small A (I) SBLs and foundations. A review of the financial statements consists of requests for information, primarily from those responsible for financial and accounting matters and in the performance of analytical and other review procedures. The scope of a limited examination is much less than that of a control carried out aimed at expressing reasonable assurance and, consequently, does not allow us to obtain the assurance that we have identified all the material facts. that a control would identify.

On the basis of our limited examination and in accordance with the provisions of the standard relating to the contractual control of SMEs and small A (I) SBLs and foundations and the reserved and shared legal missions with SMEs and small A (I) SBLs and foundations, we have not identified any elements that would imply significant corrections to the accompanying financial statements, drawn up in accordance with the accounting regulations applicable in Belgium.

This report may not be used for other purposes and its dissemination is limited to the use intended in the engagement letter.

Lasne, May 10, 2022

SRL "DELVAUX ASSOCIES Company Auditors"
Represented by Vincent MISSELYN
Company auditor

Delvaux Associés, Réviseurs d'Entreprise srl
Société à Responsabilité Limitée
Siège social : Chaussée de Louvain 428 (boîte 1) – 1380 Lasne (Ohain) – Tél. : +32 (0) 2 385 08 28
IBAN CBC Banque BE43 7320 3155 8801 – T.V.A. : 0548.694.950 – IRE n°B00864
info@delvauxassocies.be

Internal Auditors

EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS
EURO GRAPH

Member Company Auditors' Report 2021

As the Member Company Auditors of EURO-GRAPH asbl, nominated by its General Assembly, we have examined the financial statement of the association for the period January 1st, 2021 to December 31st, 2021.

Documentation covering statements of income and expenses and the financial balance has been presented to us, together with explanatory details of main items of the accounts by Mr Vincent Misselyn, of DELVAUX ASSOCIES Réviseurs d'Entreprises SRL, who provided an unqualified audit report to the financial statements.

After having examined the accounts together with the Director General of the company, we confirm our opinion that these accounts give a fair picture of the results and of the financial position of the association.

We, therefore, propose that the Board and the Director General be declared free of liability.

Brussels, 19th May 2022

Bente Krogsethagen
Norske Skog

Christos Koutras
Sappi Europe

Jean-Pierre Deregnieaux
UPM-Kymmene

European Association of Graphic Paper Producers asbl
www.euro-graph.org
Avenue Louise 250
B-1050 Brussels – Belgium
T +32 2 639 26 00
F +32 2 639 26 01
office@euro-graph.org
VAT BE 0476 557 733
IBAN BE 41 3101 6586 2410
BIC/SWIFT BBRUBEBB

Auditors statements

Statutory Auditors

Delvaux Associés

Gérard Delvaux
Réviseur d'Entreprises Honoraire

Vincent Misselyn
Véronique Lebrun
Pierre Lerusse
Réviseurs d'Entreprises Associés

Report from the Chartered Accountant to the management body of the ASBL "EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS", in short "EURO-GRAPH" on the limited contractual examination of the financial statements of the Association for the year ended on December 31, 2021

In accordance with our mission described below and confirmed by our engagement letter of April 7, 2022, we carried out a limited examination of the financial statements of the non-profit association "EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS", in short "EURO-GRAPH" , for the twelve-month period ended December 31, 2021, established on the basis of the accounting regulations applicable in Belgium, whose balance sheet total amounts to € 586.084,07 and whose income statement shows a loss for the year of € -130.760,73.

The alleged user is the general assembly.

The management body is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting regulations applicable in Belgium. Our responsibility is to express a conclusion on these financial statements based on our review.

We carried out our limited examination in accordance with the standard relating to the contractual control of SMEs and small A (I) SBLs and foundations and to reserved and shared legal missions with SMEs and small A (I) SBLs and foundations. A review of the financial statements consists of requests for information, primarily from those responsible for financial and accounting matters and in the performance of analytical and other review procedures. The scope of a limited examination is much less than that of a control carried out aimed at expressing reasonable assurance and, consequently, does not allow us to obtain the assurance that we have identified all the material facts. that a control would identify.

On the basis of our limited examination and in accordance with the provisions of the standard relating to the contractual control of SMEs and small A (I) SBLs and foundations and the reserved and shared legal missions with SMEs and small A (I) SBLs and foundations, we have not identified any elements that would imply significant corrections to the accompanying financial statements, drawn up in accordance with the

Internal Auditors

EURO GRAPH
EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS

Member Company Auditors' Report 2021

As the Member Company Auditors of EURO-GRAPH asbl, nominated by its General Assembly, we have examined the financial statement of the association for the period January 1st, 2021 to December 31st, 2021.

Documentation covering statements of income and expenses and the financial balance has been presented to us, together with explanatory details of main items of the accounts by Mr Vincent Misselyn, of DELVAUX ASSOCIES Réviseurs d'Entreprises SRL, who provided an unqualified audit report to the financial statements.

After having examined the accounts together with the Director General of the company, we confirm our opinion that these accounts give a fair picture of the results and of the financial position of the association.

We, therefore, propose that the Board and the Director General be declared free of liability.

Brussels, 19th May 2022

Bente Krogsethagen
Norske Skog

Christos Koutras
Sappi Europe

Jean-Pierre Deregnieaux
UPM-Kymmene

After having examined the accounts together with the Director General of the company, we confirm our opinion that these accounts give a fair picture of the results and of the financial position of the association.

We, therefore, propose that the Board and the Director General be declared free of liability.

Formal proposals

- It is proposed to approve the 2021 Annual Accounts as distributed and presented. Copy of the proposed full Annual Report is enclosed to this document.

- It is proposed to discharge from liability the company officials (Board of Directors, Director General, Auditors), for the financial year 2021

Board of Directors

- Chairmanship of the Board of Directors
- Membership of the Board of Directors

Proposal Officials 2022

Board members

- Anu Ahola, UPM
- Marco Eikelenboom, Sappi
- Tomaso Esposito, Burgo
- Klemens Gottstein, Perlen
- Joachim Lange, Palm
- Corrado Lignana, Lecta
- Lars Lundin, Holmen Paper
- Antonio Redondo, Navigator
- Gunilla Saltin, Mondi
- Kati ter Horst, Stora Enso → to be replaced by Mikko Antsalo, Stora Enso
- Robert Wood, Norske Skog

Chair of the Board

- Kati ter Horst, Stora Enso → to be replaced by Robert Wood, Norske Skog

Vice-Chair of the Board

- Robert Wood, Norske Skog → replacement to be proposed in November

Formal proposals

- It is proposed to accept the resignation of Ms ter Horst from the chairmanship and from the Board of Directors
- It is proposed to appoint Mr Wood as new Chairman
- It is proposed to appoint Mr Antsalo as member of the Board

Meeting Dates 2022

Meeting dates 2022

- Board
  - March 3rd, 09h00-11h00 CET, online web-meeting
- G.A.
  - March 24th, at 09h00-12h00 CET (TBC online vs in-person)

- Board
  - June 10th, 09h00-11h00 CET, online web-meeting
- G.A.
  - June 29th, at 09h00-12h00 CET, online

- Board
  - November 3rd, 14h00-16h00 CET, online web-meeting
- G.A.
  - November 23rd, at 09h00-12h00 CET, in person (Brussels)
- Meeting with EUGROPA Board
  - November 23rd, at 13h00-14h00 CET, in person (Brussels)

Other business

- Mandate for Admin Formalities
- Any Other Issue

Admin proposal

- It is proposed to grant a power of attorney to Mr. Alain Costantini and Mr. Julian Delplanche, lawyers, with offices at 1435 Mont-Saint-Guibert, rue Emile Francqui 1, each of them empowered to act individually, to carry out all filing and publication formalities resulting from the decisions taken during this Board meeting.

Other issues

- Euro-Graph has recently been invited to participate in a meeting with CEPI, Intergraf (printers’ federation) and FEP-FEE (book publishers’ federation), to address the current status of the graphic paper market.
- Although CEPI insured legal compliance for the meeting and a competition lawyer would have been present to the discussion, Euro-Graph has declined the invitation on the ground of avoiding any collective discussion on commercially-sensitive topics.

Thank you!

EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS

EURO GRAPH

European Association of Graphic Paper Producers asbl

www.euro-graph.org
Avenue Louise 250
B-1050 Brussels - Belgium

T +32 2 639 26 00
E office@euro-graph.org