

General Assembly meeting




23rd March 2023
Starting at 09h00 CET
Online

Opening of the meeting

Agenda

- Opening of the meeting
- Guest speaker – G. Janssens, Etion
- Guest speaker – M. Eustace, J. Tame, Two Sides
- Guest speaker – U. Leberle, CEPI
- Other business
 - Defense measures UW imports
- Update on membership
- Statistics
- Financial issues
- Projects update
- Other business
- Next meeting
- Adjournment

Legal Reminder



EURO-GRAPH
EUROPEAN ASSOCIATION OF GRAPHIC PAPER PRODUCERS

**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.

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Guest Speaker

GEERT JANSSENS
CHIEF ECONOMIST, ETION



Guest Speakers

JONATHAN TAME / MARTYN EUSTACE, TWO SIDES



Guest Speaker

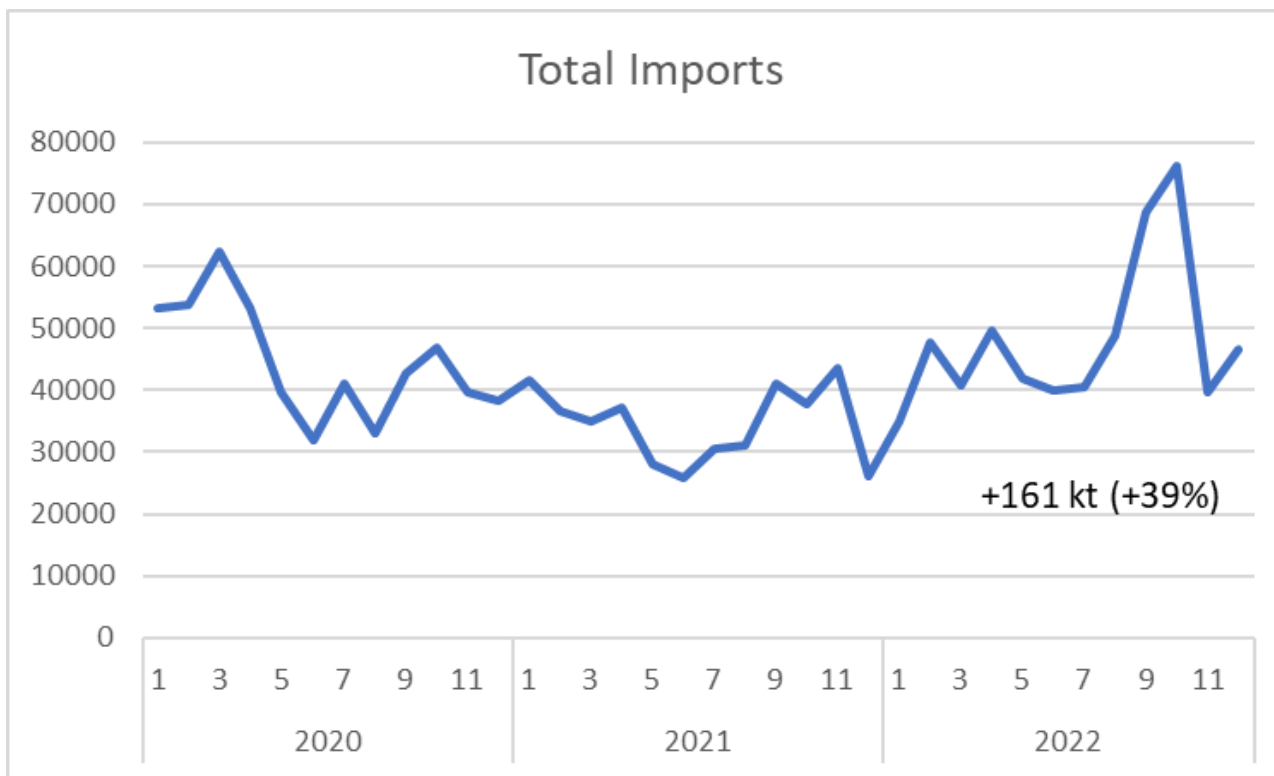
ULRICH LEBERLE, CEPI, RAW MATERIAL DIRECTOR



Other business

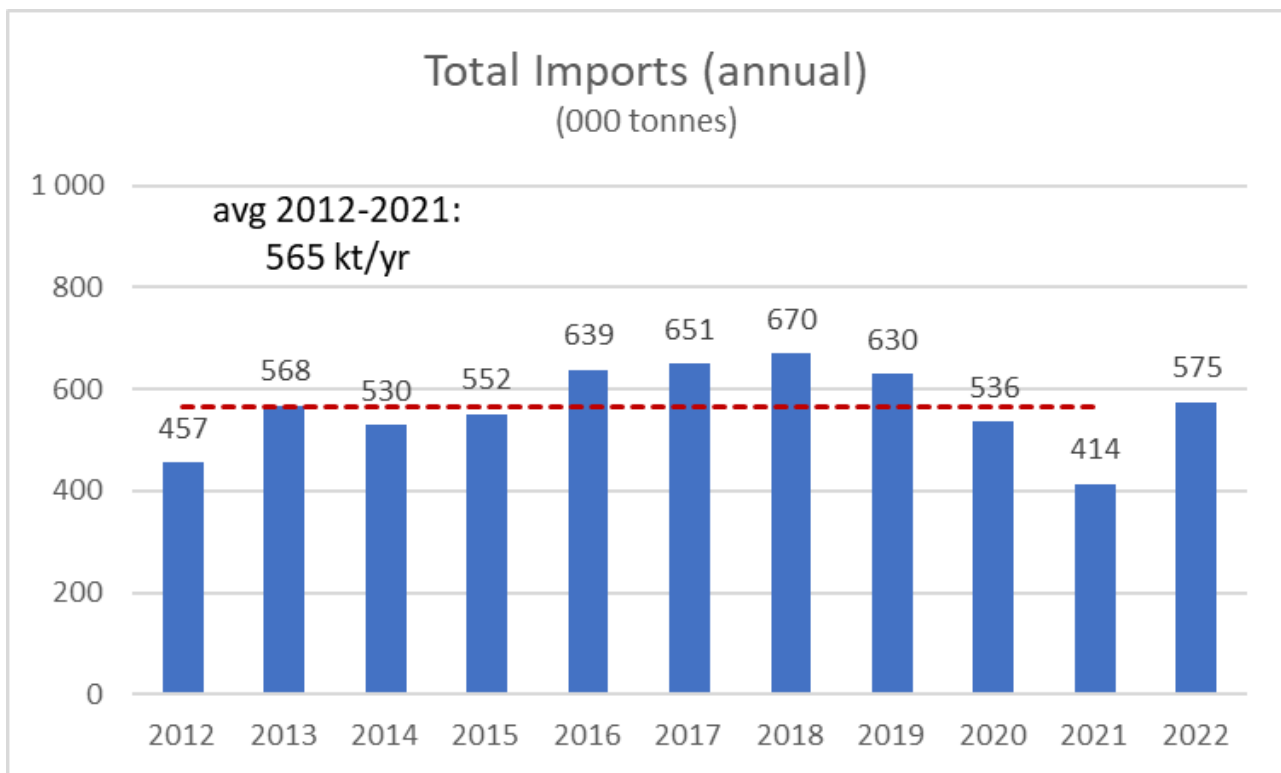
- **CONSIDERATION OF POSSIBLE DEFENSE MEASURES AGAINST IMPORTS OF UW PAPERS INTO THE EU**

Defence measures – imports of UW papers



- In 2022, significant jump in UW imports to the EU
- YoY increase of 39% (+161 kt)
- Increased mainly concentrated to the summer months

Defence measures – imports of UW papers

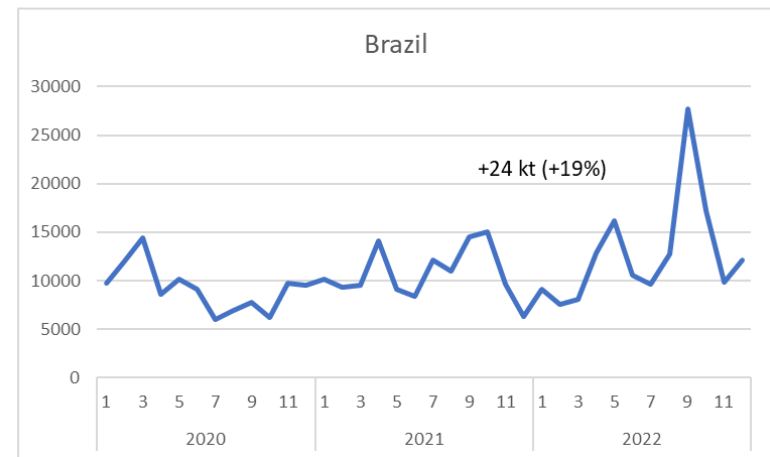
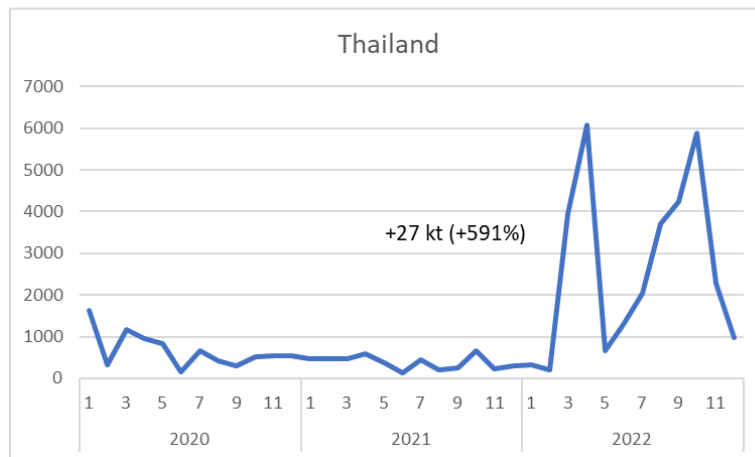
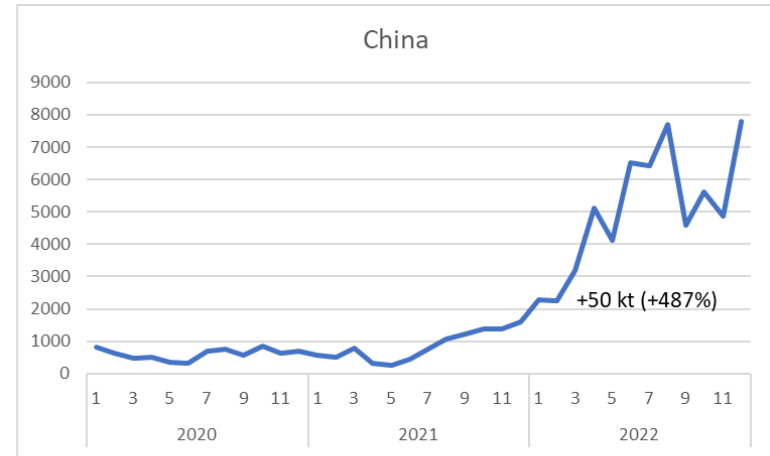


In 2022, the annual level of imports was in line with average imports of previous 10 years (2012-2021: 565 kt/year)



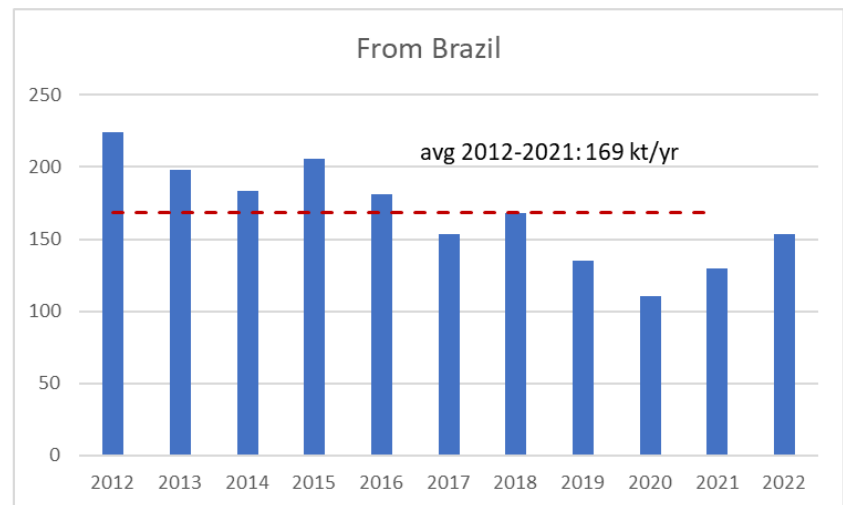
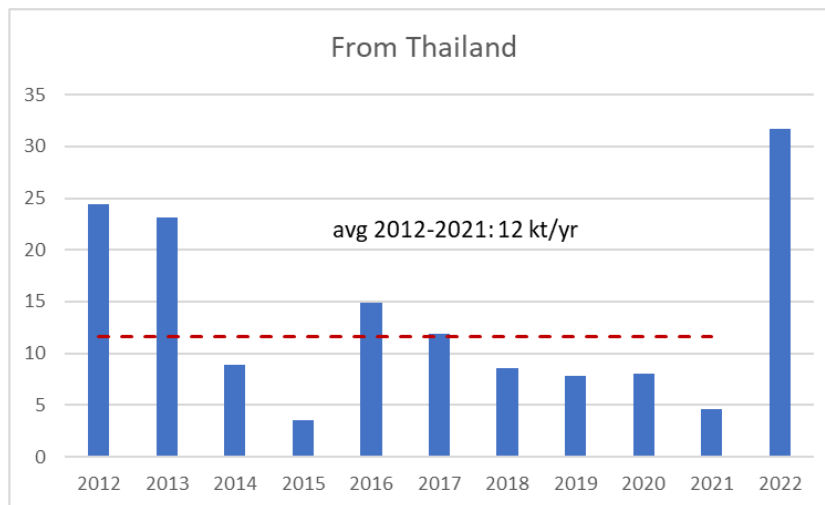
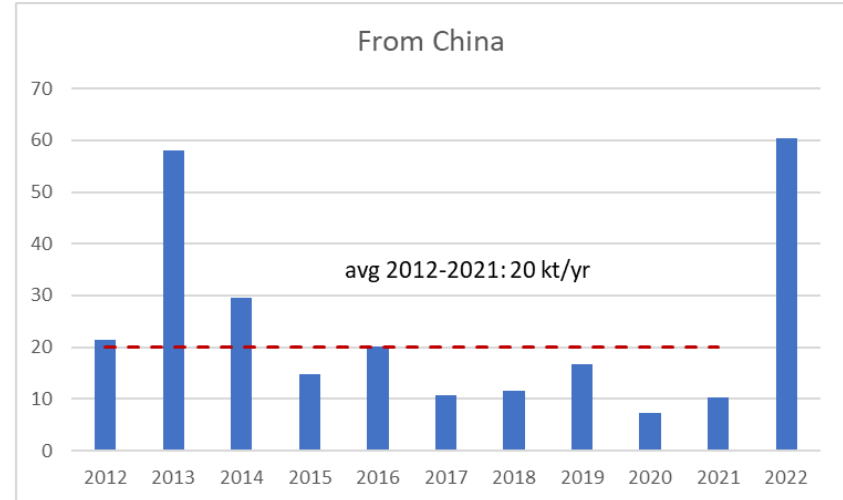
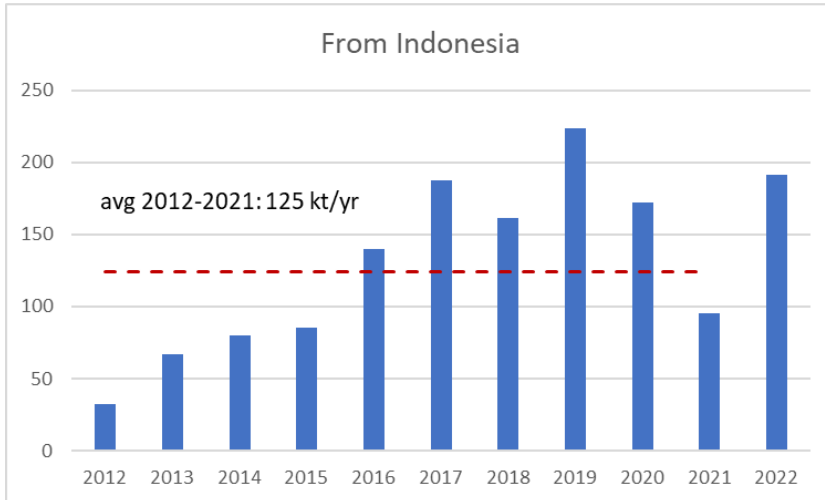
Defence measures – imports of UW papers

In 2022, the largest increase of UW were from Indonesia, China, Thailand, Brazil



Defence measures – imports of UW papers

Comparison with previous 10-year development



Source: Svan Data



Defence measures – imports of UW papers

- Board discussion:
 - E-G should not be directly involved, but could offer support with data and market info
 - Preliminary support from some UW producing companies (Navigator, Mondi, Burgo, Lecta), but opposition from UPM
 - Other suppliers to be consulted (Sylvamo, Arctic, Zicunaga, Fedrigoni, MM Board & Paper, Steinbeis, Crown van Gelder)
 - Anti-dumping / Anti-subsidies
 - If majority of producers express interest, possibility to use same Brussels law firm (GIDE) who worked on a similar case in 2017-2019 (already familiar with the sector, product, and main problematics)
 - Concerns:
 - Chance of success could be jeopardized by positive industry results in 2022 (damage to the industry to be proved)
 - From past experience, it is difficult finding clear evidence of dumped prices (invoices on European and domestic markets)
 - Need of targeting all importing countries (no cherry-picking)
 - Legal costs likely between 500 000 € / 1 million €



Defence measures – imports of UW papers

- Next steps:
 - Companies to inform whether they would be ready to support the case (and divide the costs), or if they would remain neutral or against a possible formal complaint
 - Coordination with CEPI
 - If majority is interested, E-G to contact law firm to explain the case and gather initial thoughts
 - Organization of online meeting between interested companies and law firm to go through the details and analyse chance of success
 - Preliminary budget to consider



Update on membership



Update on membership

- Stora Enso Nymolla mill sold to Sylvamo (completed on Jan 2, 2023)
- Stora Enso Maxau mill sold to Schwarz Produktion (completed on Feb 28, 2023).
- Stora Enso Hylte mill to be sold to Sweden Timber (completion of the transaction is expected in the first half of 2023).
- Sappi Maastricht, Stockstadt and Kirkniemi mills to be sold to Aurelius (sale is expected to close in the first calendar quarter of 2023).

- Burgo Duino mill sold to Mondi (completed Jan 2023, Burgo to continue selling CM paper until end 2023. Mondi to convert PM#3 to packaging grades in 2024).
- UPM Steyrermühl mill to be sold to Heinzl (closing of the transaction on Jan 1, 2024, contingent on approval from relevant competition authorities. Graphic papers production to be continued until end Q2/2023).

- CVG relaunch (EPAC Technologies)

- For now, data of all companies remain included in E-G statistics
- Possible new membership pending



Statistics

RECENT MARKET DEVELOPMENT



Confidentiality of Euro-Graph statistics

Board recommendation:

- Reminder to all members of the importance of the confidentiality of the Euro-Graph statistics.
- Some leakage of data has again been reported to the association.
- All members should bear in mind that E-G data, in their aggregated format, are property of the association and not of its individual members. No member company is allowed to disseminate the detailed statistics.
- Aggregated data can be used, upon authorization of the E-G secretariat.



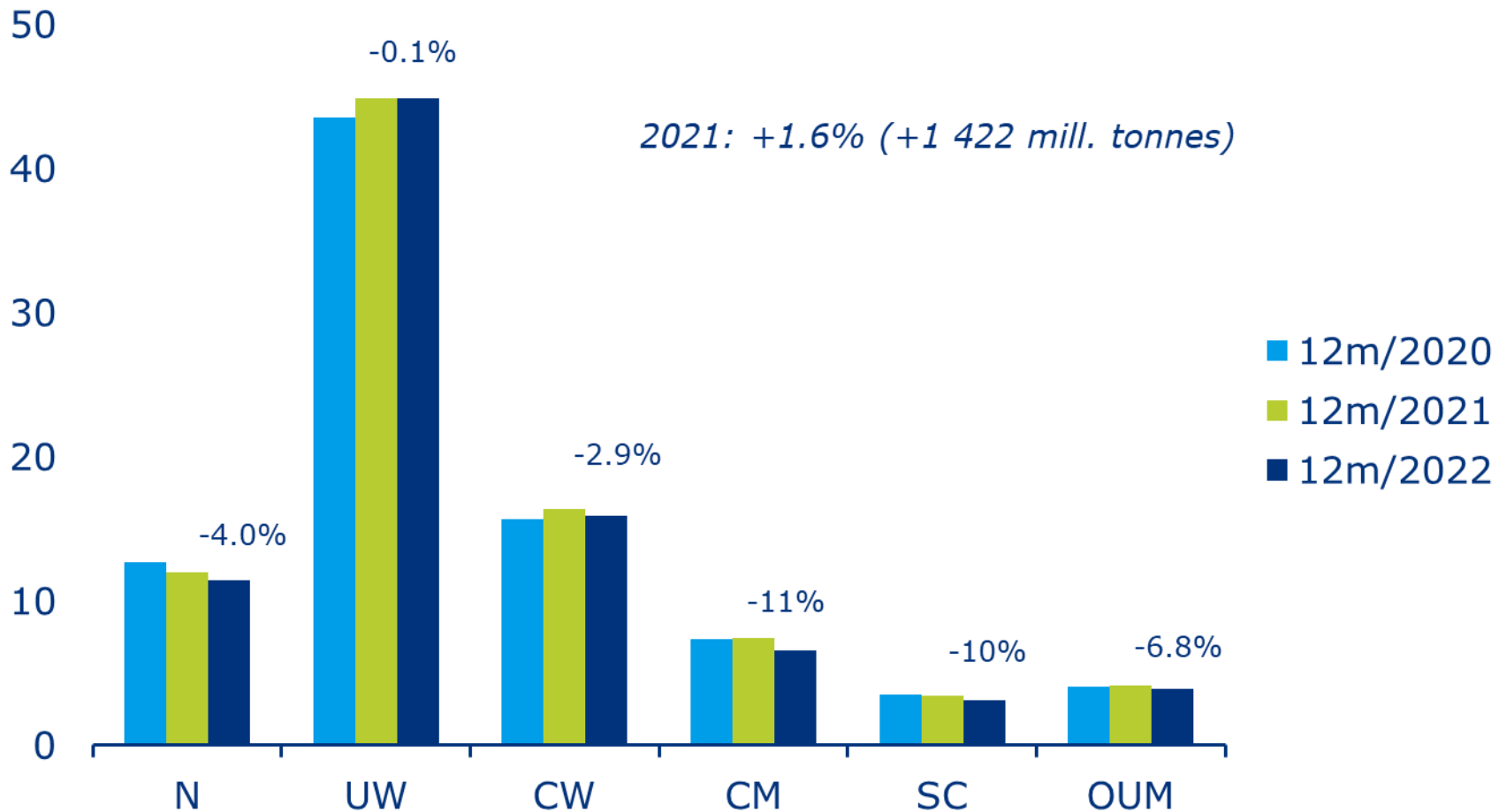
Statistics

RECENT MARKET DEVELOPMENT



Graphic papers – World demand

12m 2022 vs. 2021: -2.8% (-2 484 kt) (million of tonnes)



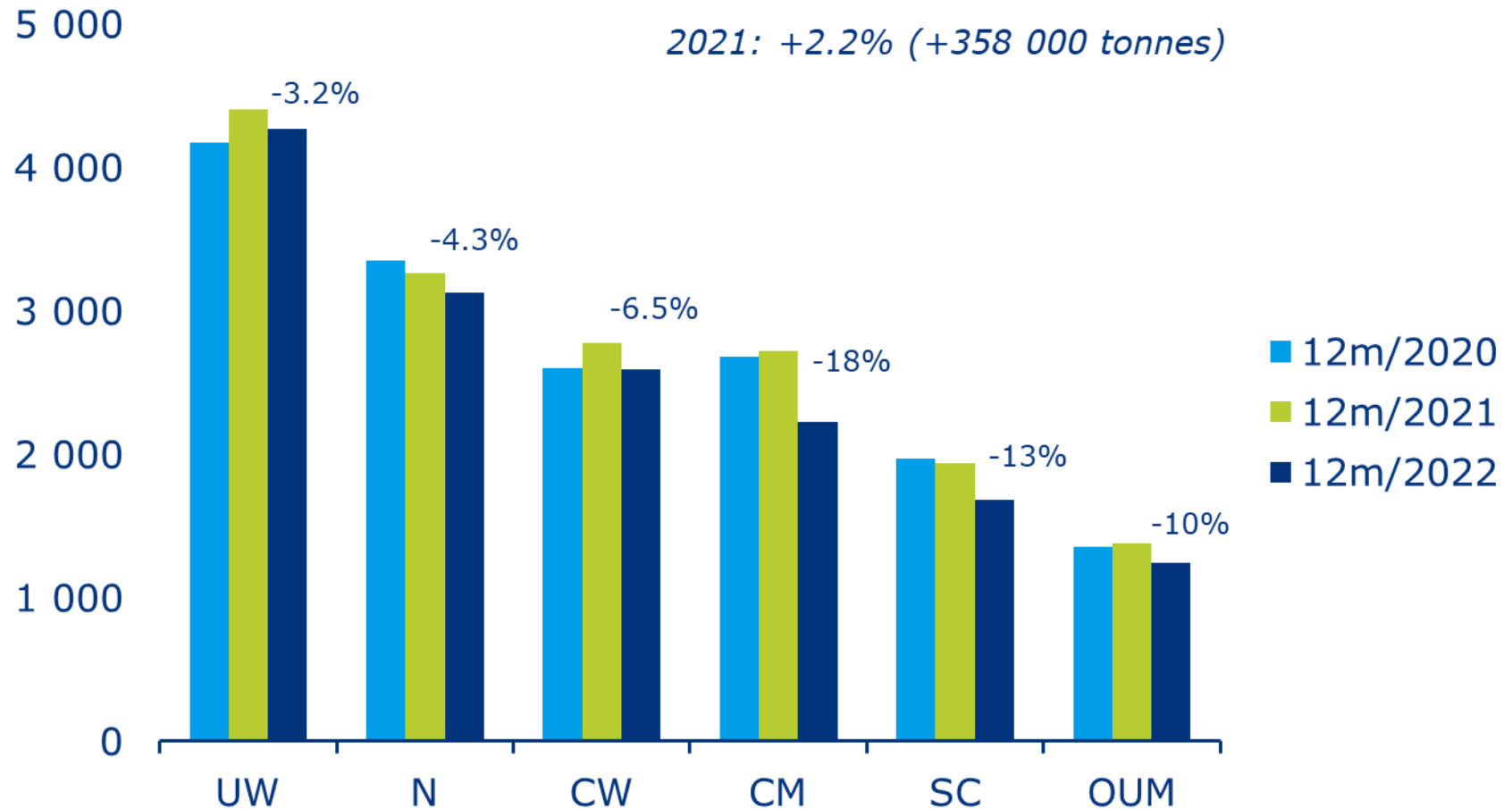
Source: PPPC



Graphic papers – W.E. demand

12m 2022 vs. 2021: -8.2% (-1 350 kt) (000 of tonnes)

Weak economic conditions after pandemic rebound; high raw material costs; high energy prices; poor demand.



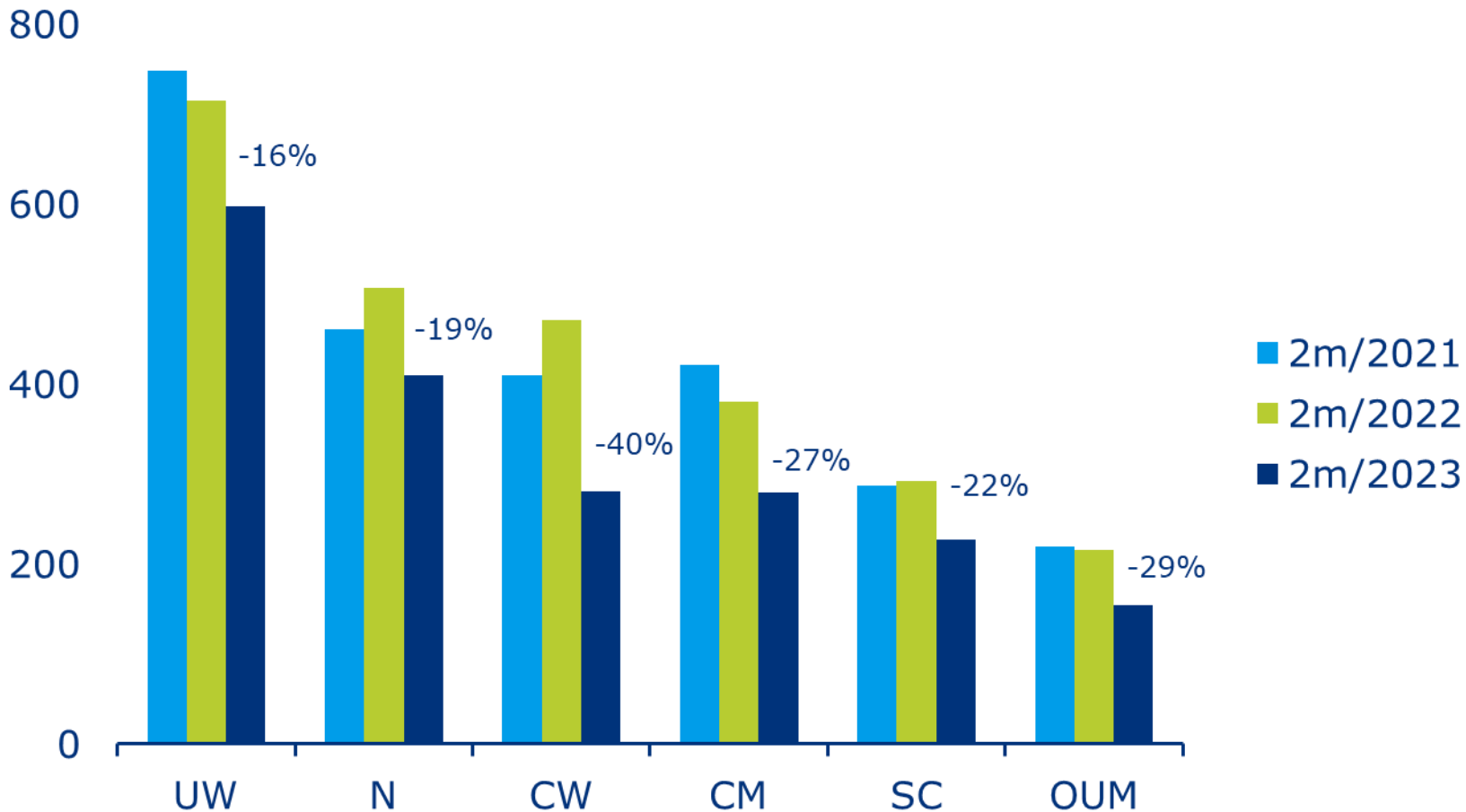
Source: EURO-GRAPH / PPPC



Graphic papers – W.E. demand

2m 2023 vs. 2022: -24% (-631 kt) (000 of tonnes)

Weak economic and market conditions continue, plus the impact of several large retailers in Germany and France announcing moves away from print advertising, also aggressive destocking from 2022 into 2023.



Source: EURO-GRAPH / PPPC



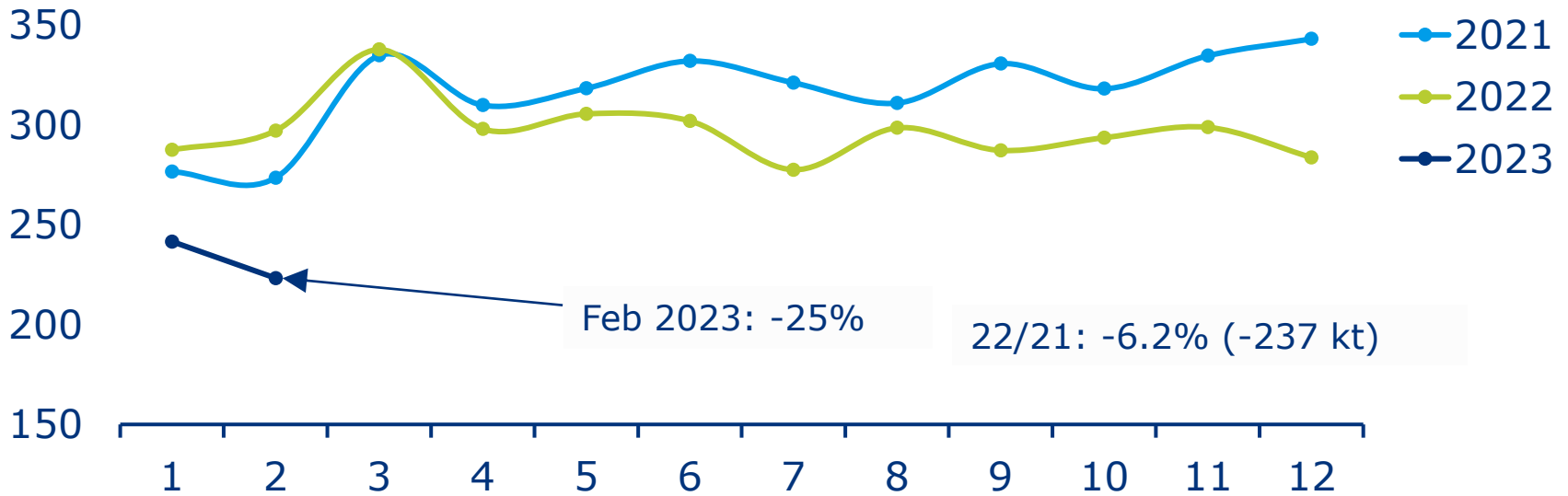
● Newsprint



Newsprint – European demand

Jan-Feb 2023: -21% (-120 kt) (000 of tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	Country	Jan-Feb 2022	Jan-Feb 2023	% chg
WE	506 kt	410 kt	-19%	EE	79 kt	55 kt	-30%
DE	196 kt	144 kt	-26%	RU	17 kt	12 kt	-31%
GB	76 kt	69 kt	-9.3%	PL	15 kt	11 kt	-28%
IT	47 kt	37 kt	-20%	HU	10 kt	6 kt	-42%
FR	35 kt	32 kt	-10%	CZ	8 kt	6 kt	-28%
NL	24 kt	29 kt	+18%	SI	5 kt	5 kt	-3.8%
Other	127 kt	99 kt	-22%	Other	24 kt	16 kt	-32%



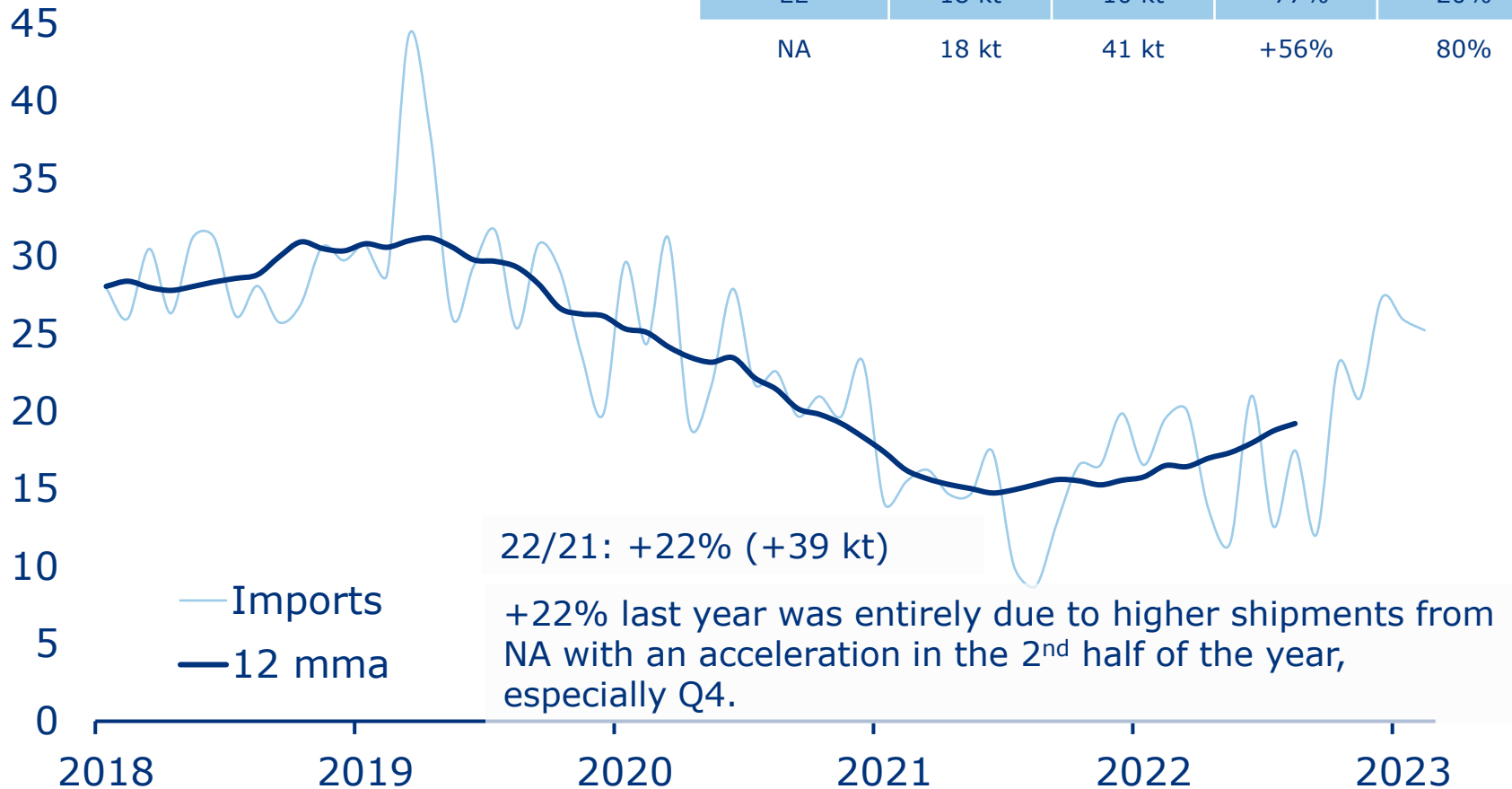
Source: EURO-GRAPH / PPPC



Newsprint – W.E. Imports

Jan-Feb 2023: +29% (15 kt) - (000 tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	% share of imports
Total Import	36 kt	51 kt	+29%	100%
EE	18 kt	10 kt	-77%	20%
NA	18 kt	41 kt	+56%	80%



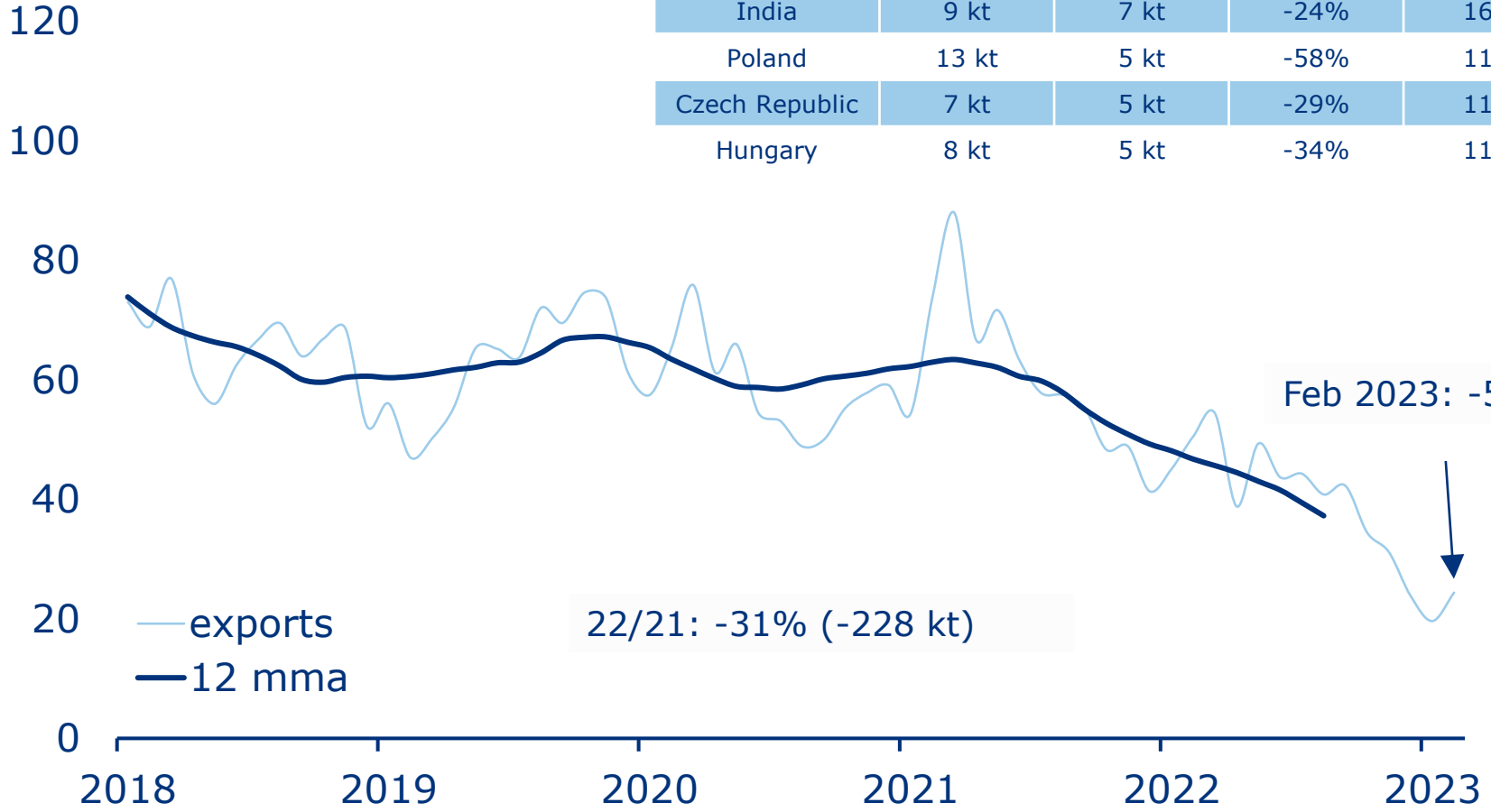
Source: EURO-GRAPH



Newsprint – W.E. Exports

Jan-Feb 2023: -54% (-52 kt) - (000 tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	% share of exports
Tot. Export	96 kt	44 kt	-54%	100%
India	9 kt	7 kt	-24%	16%
Poland	13 kt	5 kt	-58%	11%
Czech Republic	7 kt	5 kt	-29%	11%
Hungary	8 kt	5 kt	-34%	11%

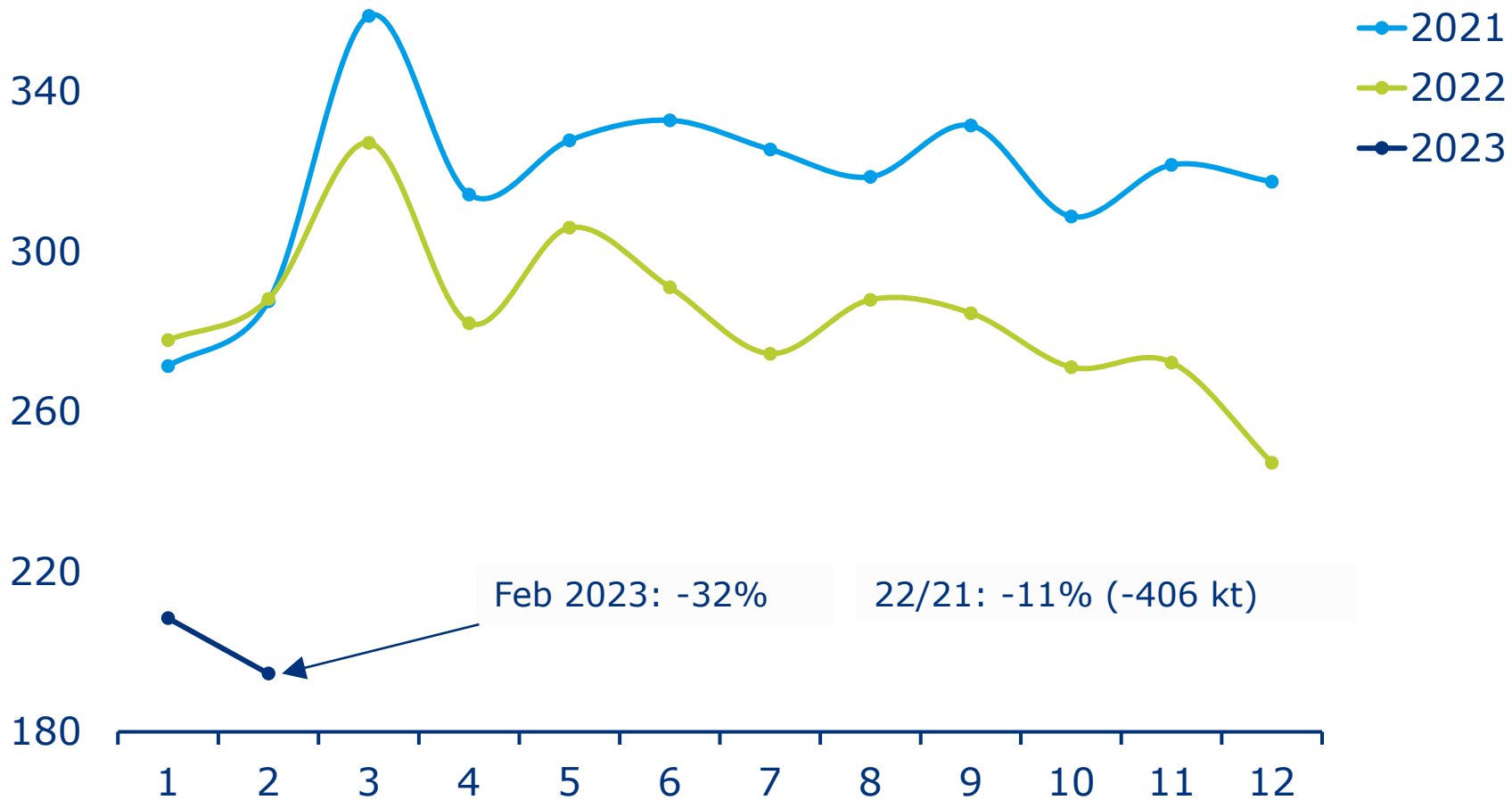


Source: EURO-GRAPH



Newsprint – W.E. total deliveries

Jan-Feb 2023: -29% (-163 kt) (000 of tonnes)



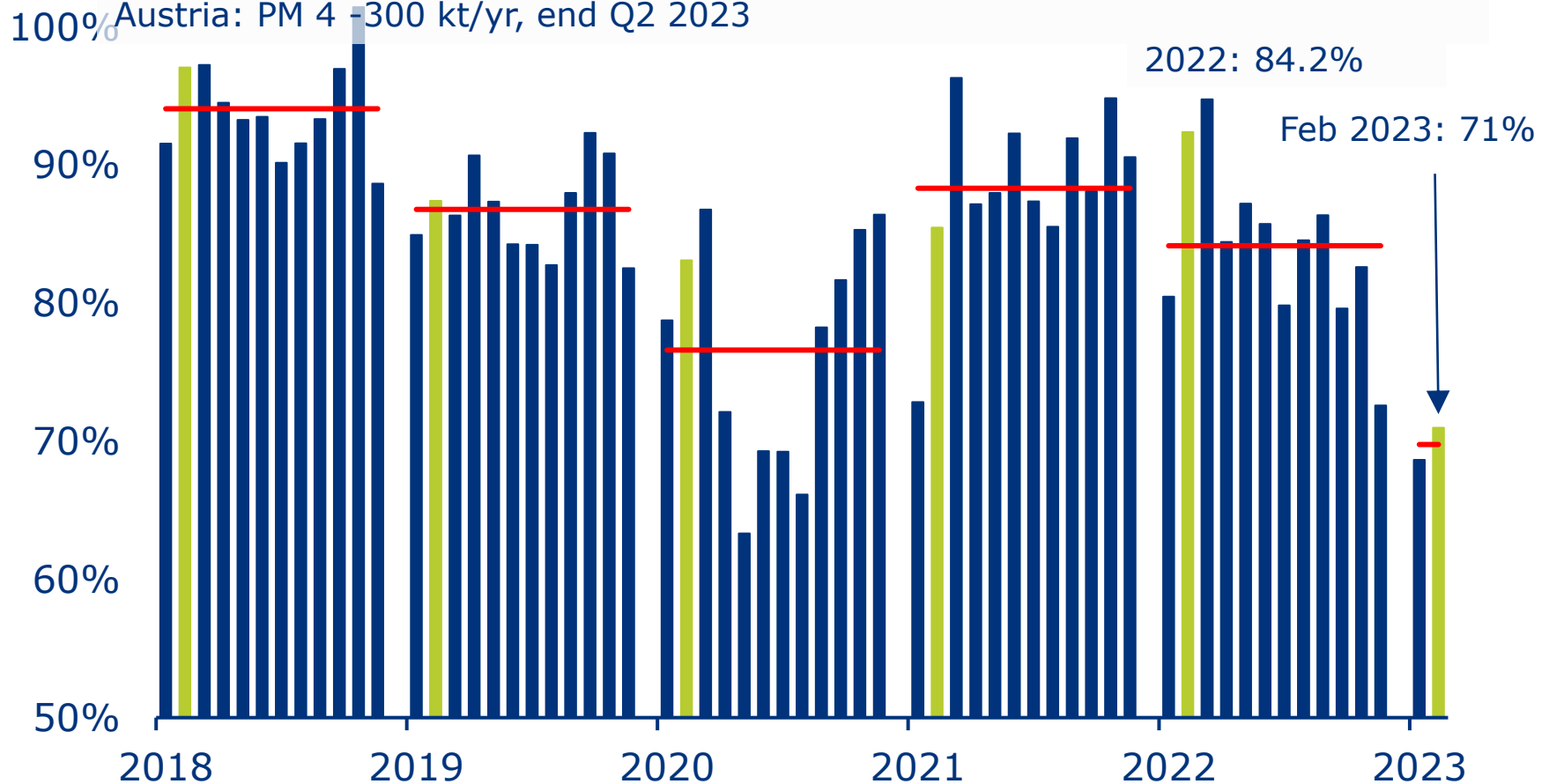
Source: EURO-GRAPH



Newsprint – delivery-to-capacity ratio

Jan-Feb 2023: 70% (2022: 86%)

UPM Shotton, UK: -270 kt/yr, Oct 21; Norske Skog Bruck, Austria: PM 3 -125 kt/yr, Jul 22; Stora Enso/Model, Germany, 310 kt/yr (incl. UM), end-2022; Norske Skog Golbey, France: PM 1 -235 kt/yr, Dec 2022; UPM Steyrermuhl, Austria: PM 4 -300 kt/yr, end Q2 2023

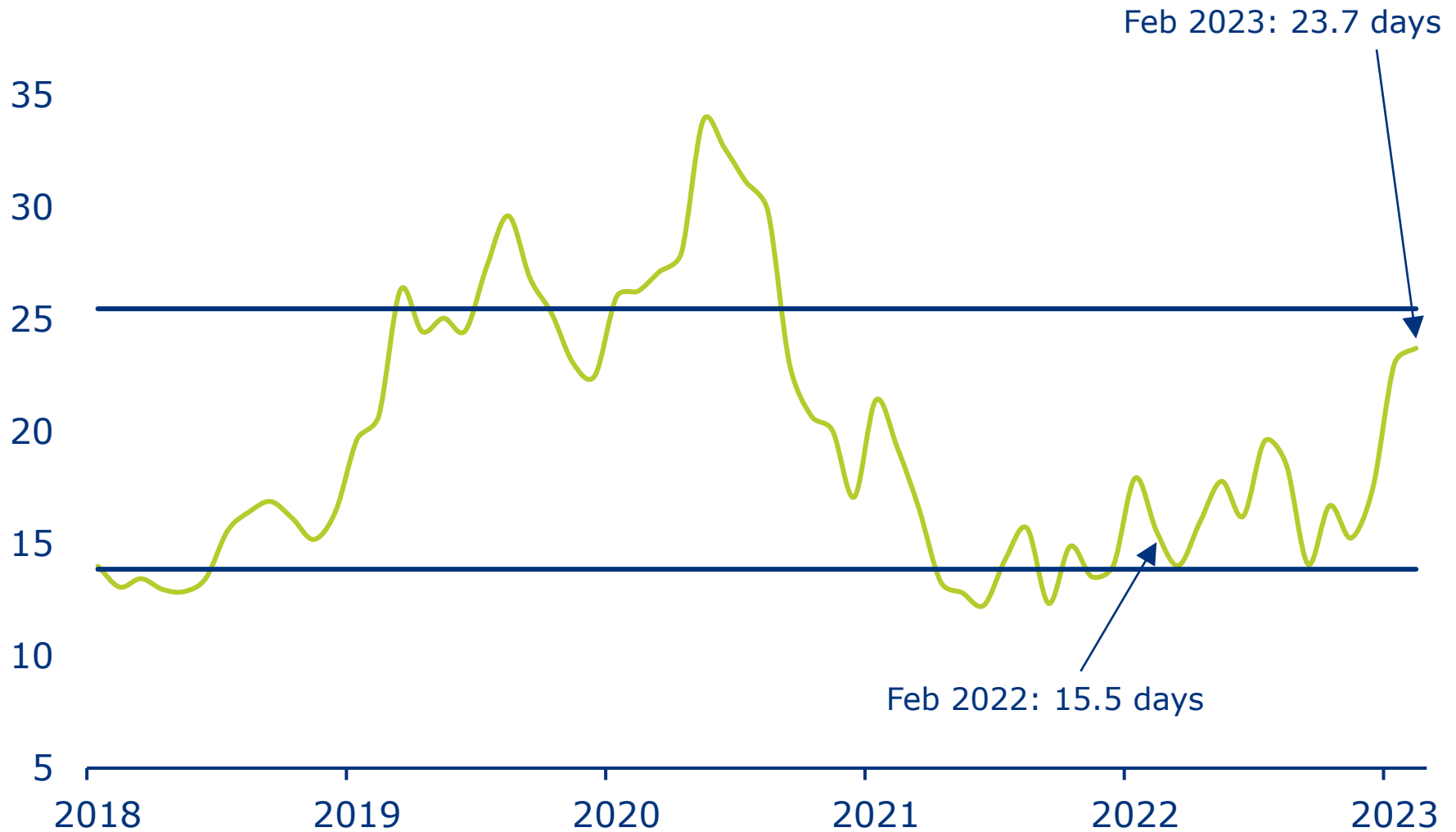


Source: EURO-GRAPH



Newsprint – Mills' Stocks

Average Feb 2018-2022: 19.0 days



Source: EURO-GRAPH

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



■ Uncoated Mechanical Improved – UMI

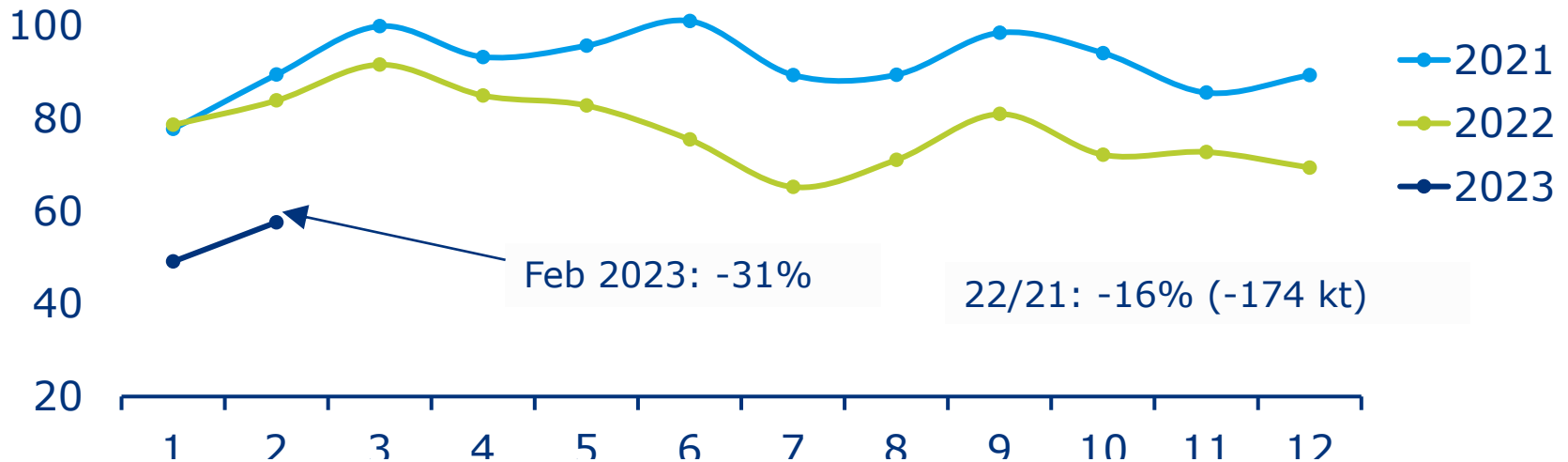


UMI – European demand

Jan-Feb 2023: -34% (-56 kt) (000 of tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	Country	Jan-Feb 2022	Jan-Feb 2023	% chg
WE	139 kt	94 kt	-33%	EE	23 kt	13 kt	-44%
DE	38 kt	29 kt	-23%	PL	8 kt	5 kt	-35%
GB	16 kt	12 kt	-24%	CZ	6 kt	2 kt	-59%
NL	15 kt	11 kt	-26%	RO	3 kt	1 kt	-48%
IT	14 kt	9 kt	-37%	HU	2 kt	1 kt	-60%
FR	14 kt	7 kt	-49%	SK	1 kt	1 kt	-33%
Other	42 kt	25 kt	-40%	Other	3 kt	2 kt	-31%

120 Worsening in advertising expenditure and retailers shifting away from paper catalogues. Grade switching with Newsprint Heatset.



Source: EURO-GRAPH

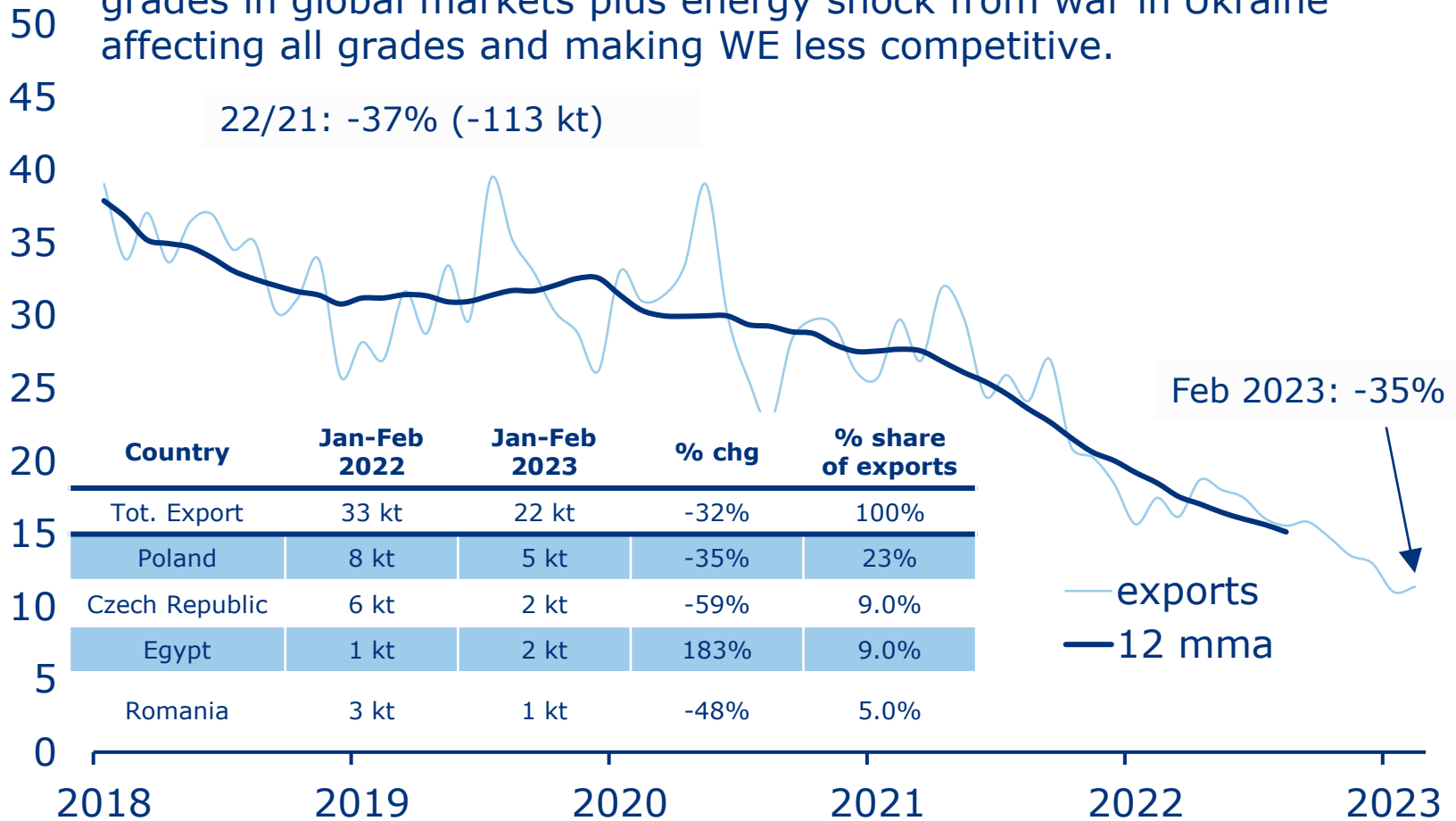
Deliveries to Europe from W.E. suppliers



UMI – W.E. exports

Jan-Feb 2023: -32% (-11 kt) - (000 tonnes)

Last year's drop due to negative growth for printing/writing grades in global markets plus energy shock from war in Ukraine affecting all grades and making WE less competitive.

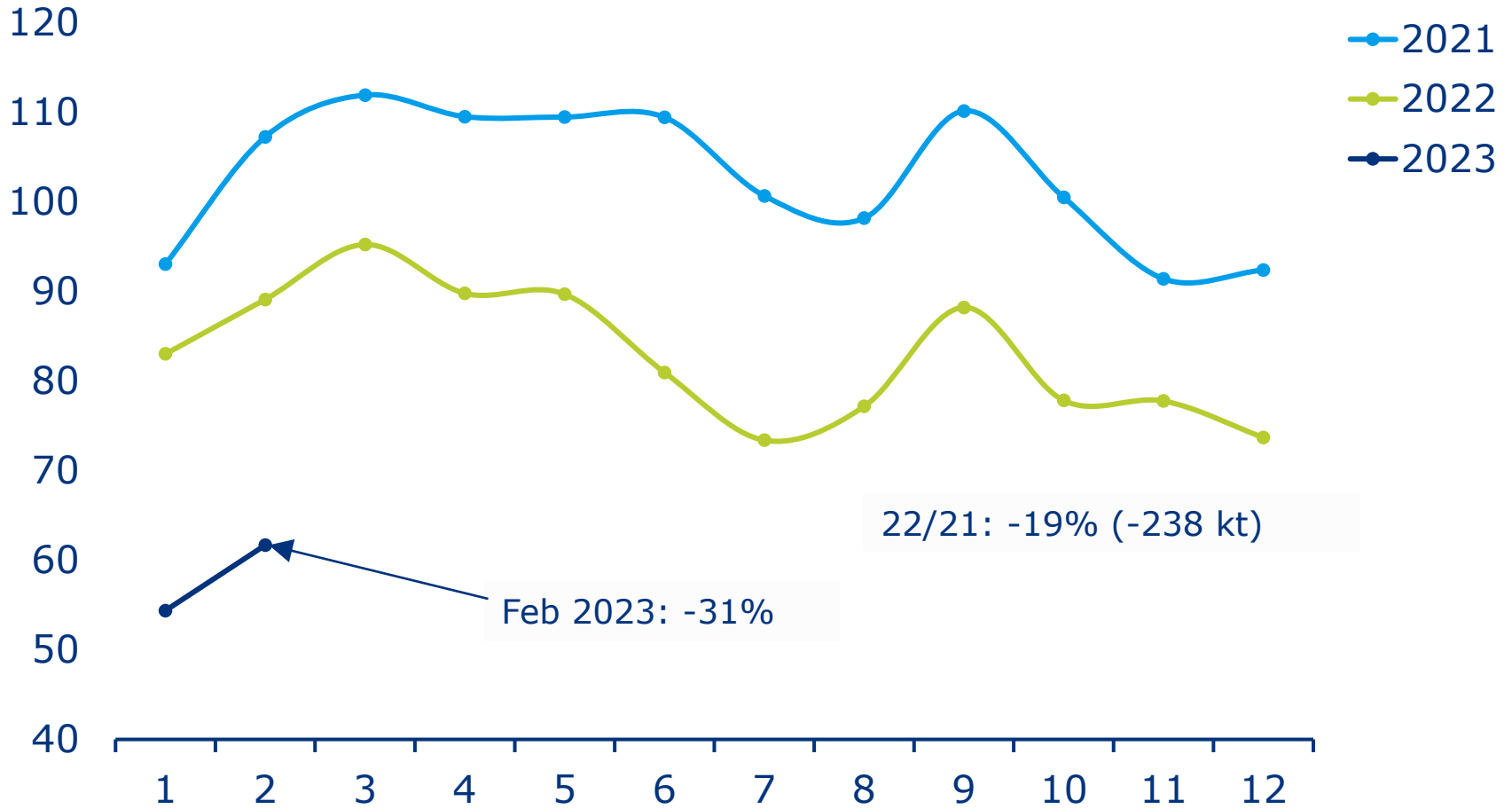


Source: EURO-GRAPH



UMI – W.E. total deliveries

Jan-Feb 2023: -33% (-56 kt) (000 of tonnes)



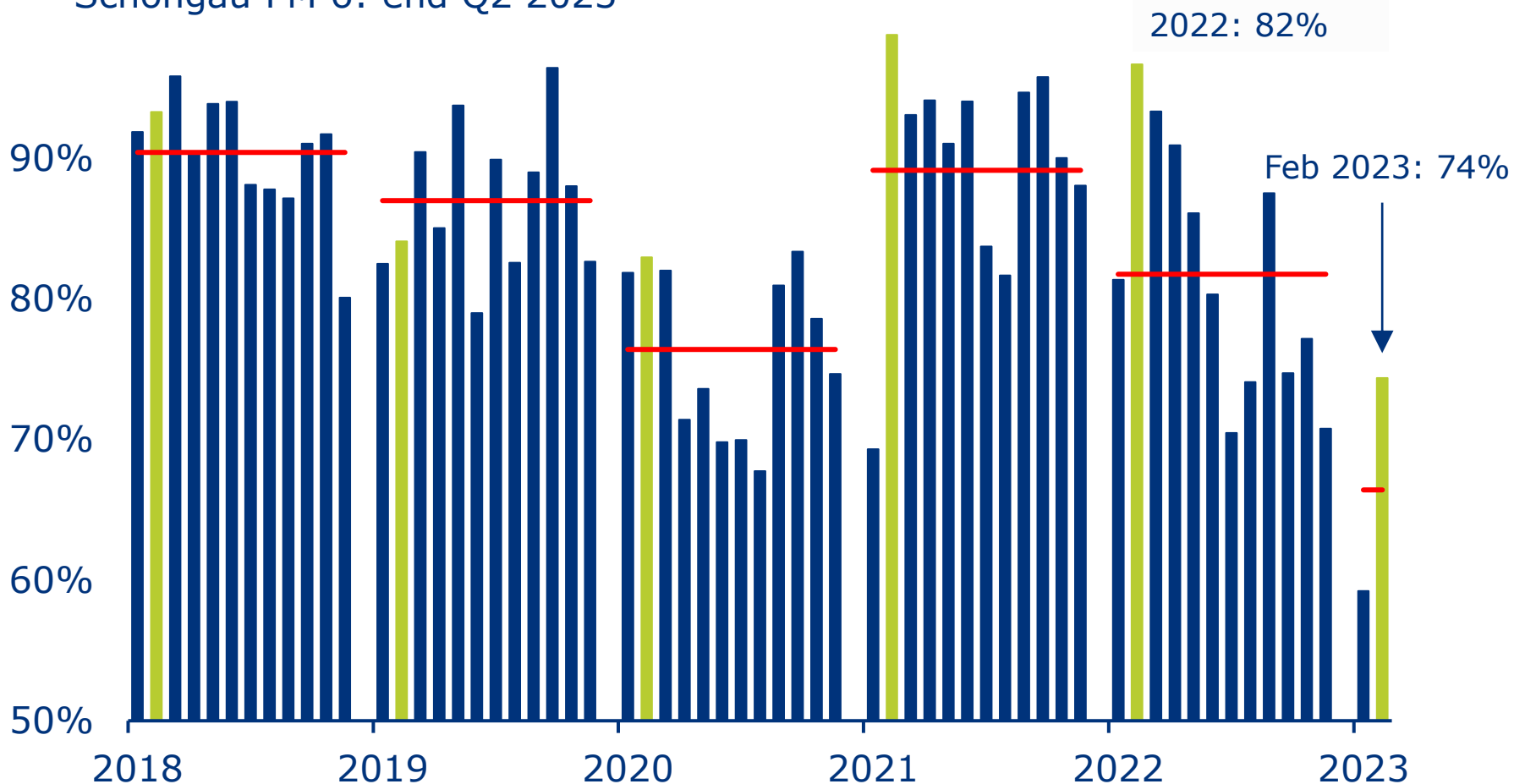
Source: EURO-GRAPH



UMI – delivery-to-capacity ratio

Jan-Feb 2023: 66% (2022: 89%)

UPM/strikes: Jan-Apr 2022; Stora Enso/Eilenburg: end 2022; UPM Schongau PM 6: end Q2 2023

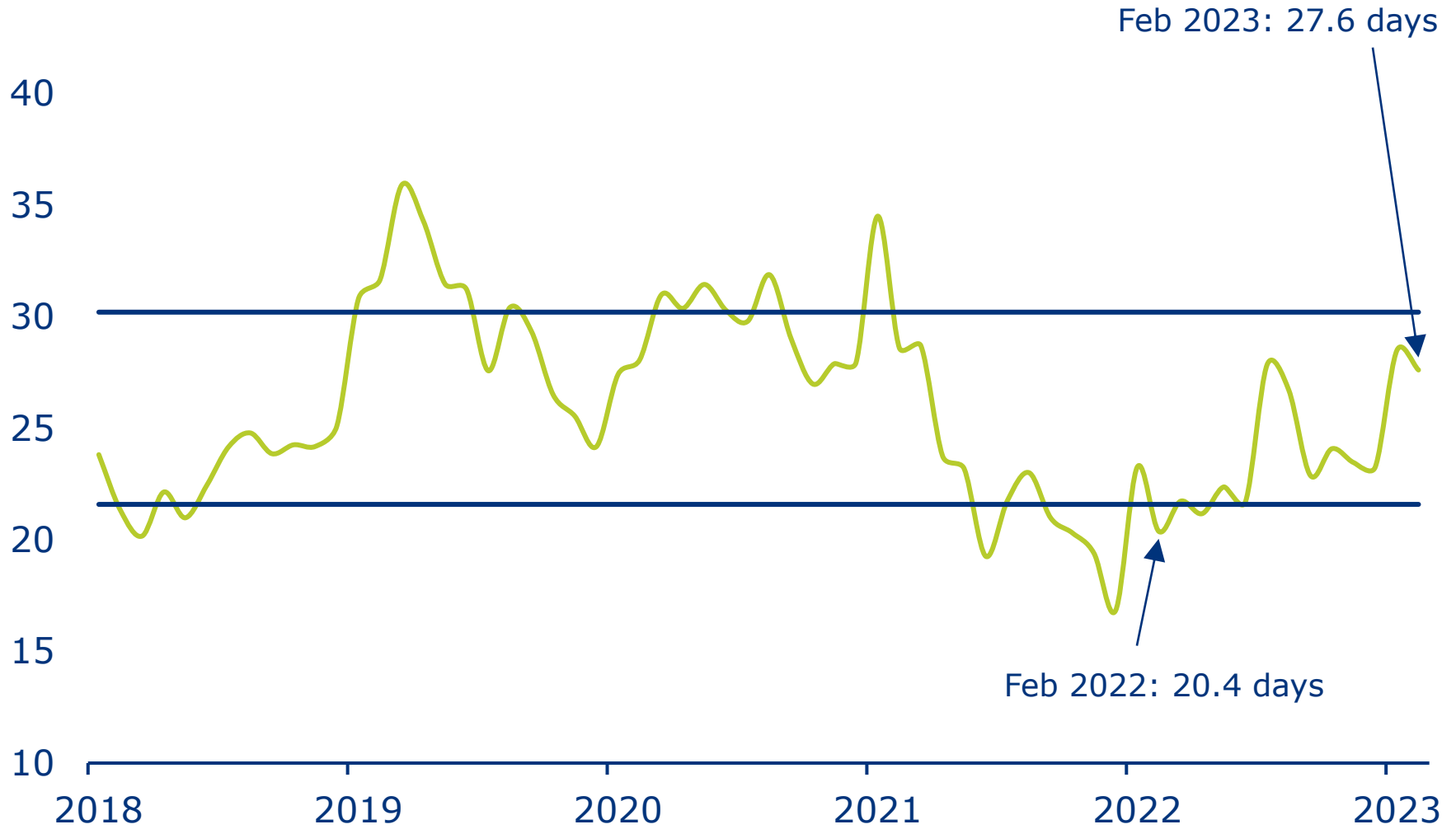


Source: EURO-GRAPH



UMI – Mills' Stocks

Average Feb 2018-2022: 26.0 days



Source: EURO-GRAPH

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



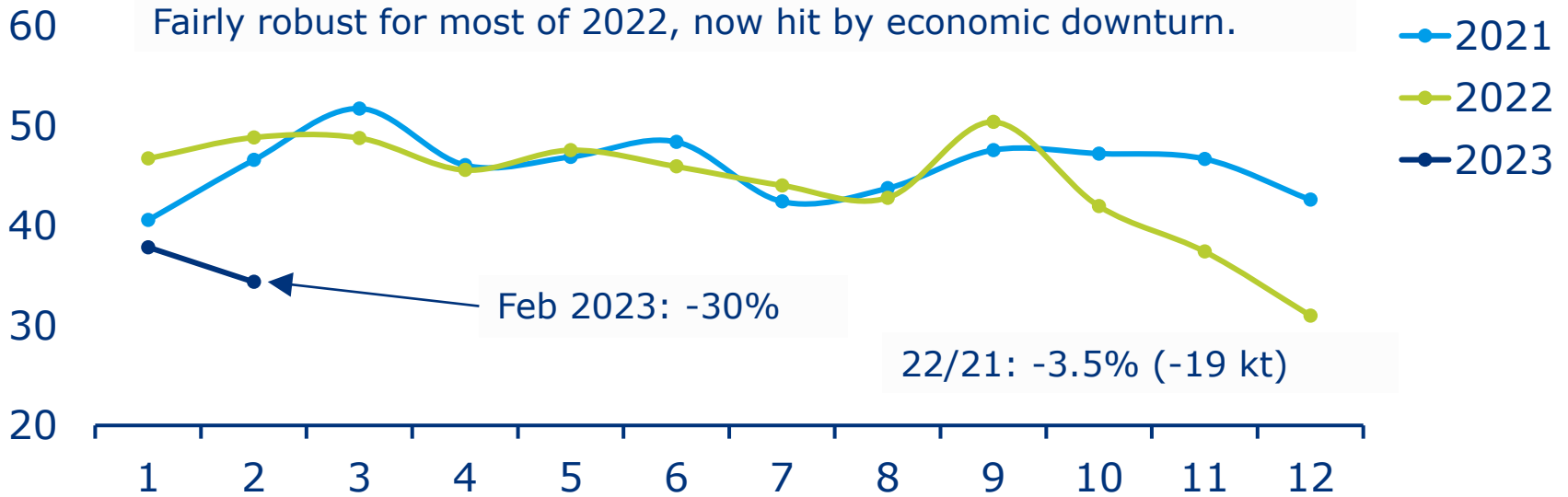
■ Uncoated Mechanical Others – UMO



UMO – European demand

Jan-Feb 2023: -24% (-23 kt) (000 of tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	Country	Jan-Feb 2022	Jan-Feb 2023	% chg
WE	74 kt	57 kt	-23%	EE	21 kt	15 kt	-28%
GB	18 kt	17 kt	-3.1%	PL	7 kt	5 kt	-26%
IT	18 kt	10 kt	-40%	CZ	4 kt	4 kt	3.5%
DE	13 kt	10 kt	-27%	BG	1 kt	1 kt	21%
FR	10 kt	8 kt	-22%	LV	1 kt	1 kt	-13%
ES	9 kt	7 kt	-26%	UA	1 kt	1 kt	22%
Other	7 kt	5 kt	-24%	Other	9 kt	4 kt	-53%



Source: EURO-GRAPH

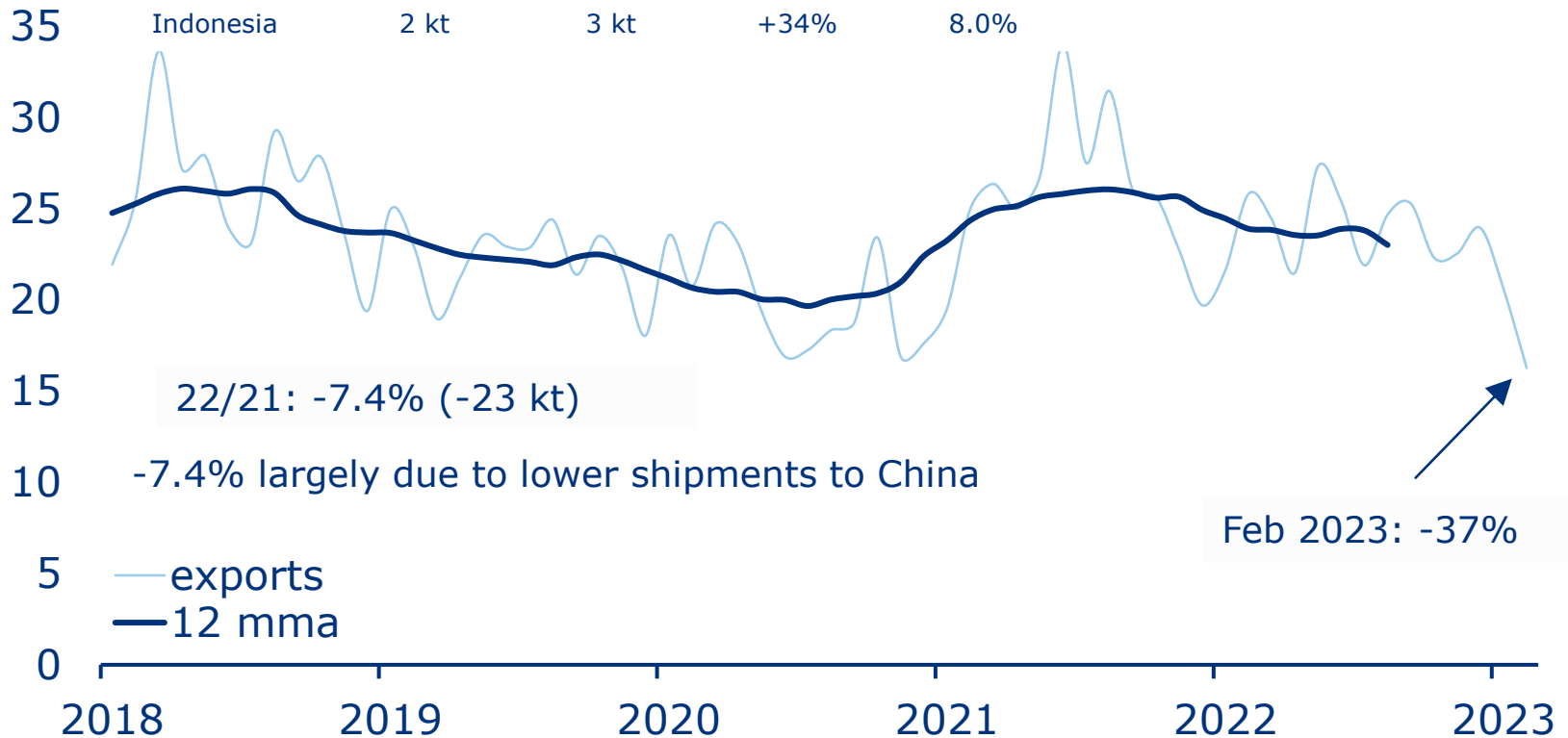
Deliveries to Europe from W.E. suppliers



UMO – W.E. exports

Jan-Feb 2023: -22% (-11 kt) - (000 tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	% share of exports
Tot. Export	47 kt	37 kt	-22%	100%
Turkey	7 kt	8 kt	+6.5%	22%
Poland	7 kt	5 kt	-26%	14%
Czech Republic	4 kt	4 kt	+3.5%	11%
Indonesia	2 kt	3 kt	+34%	8.0%

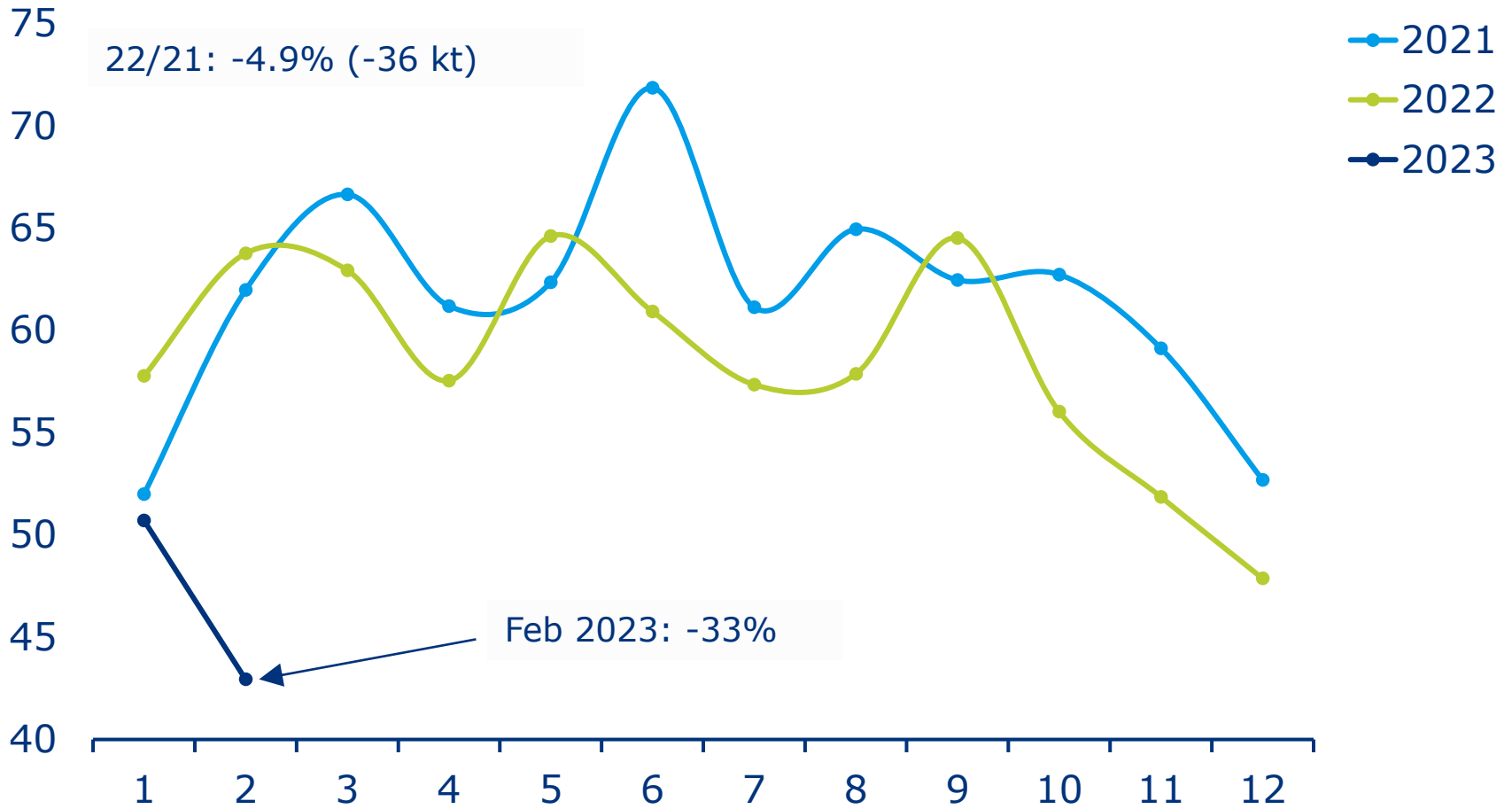


Source: EURO-GRAPH



UMO – W.E. total deliveries

Jan-Feb 2023: -23% (-28 kt) (000 of tonnes)



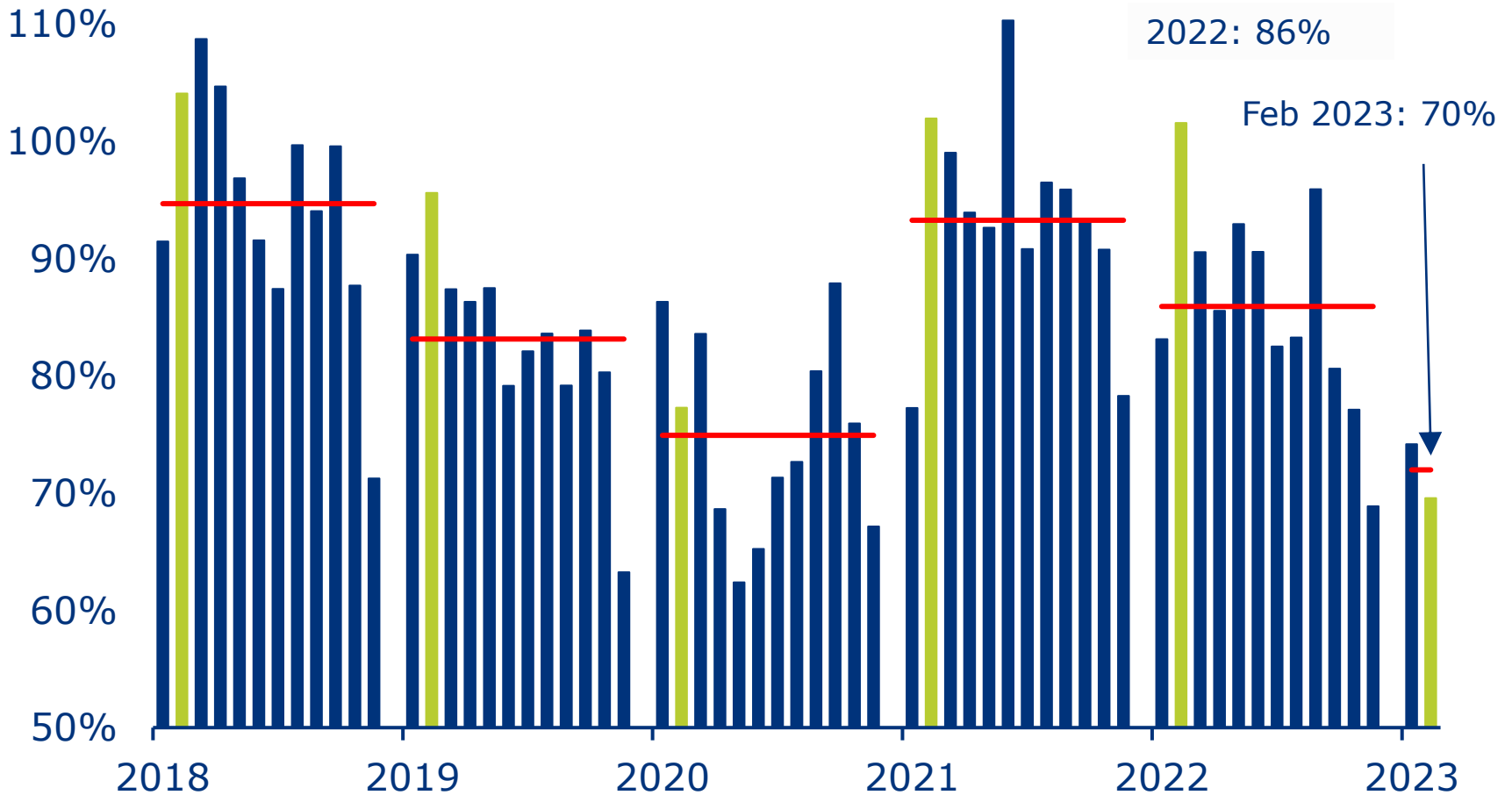
Source: EURO-GRAPH



UMO – delivery-to-capacity ratio

Jan-Feb 2023: 72% (2022: 92%)

UPM/strikes: Jan-Apr 2022; Stora Enso/Eilenburg: end 2022; UPM Schongau PM 6: end-Q2 2023

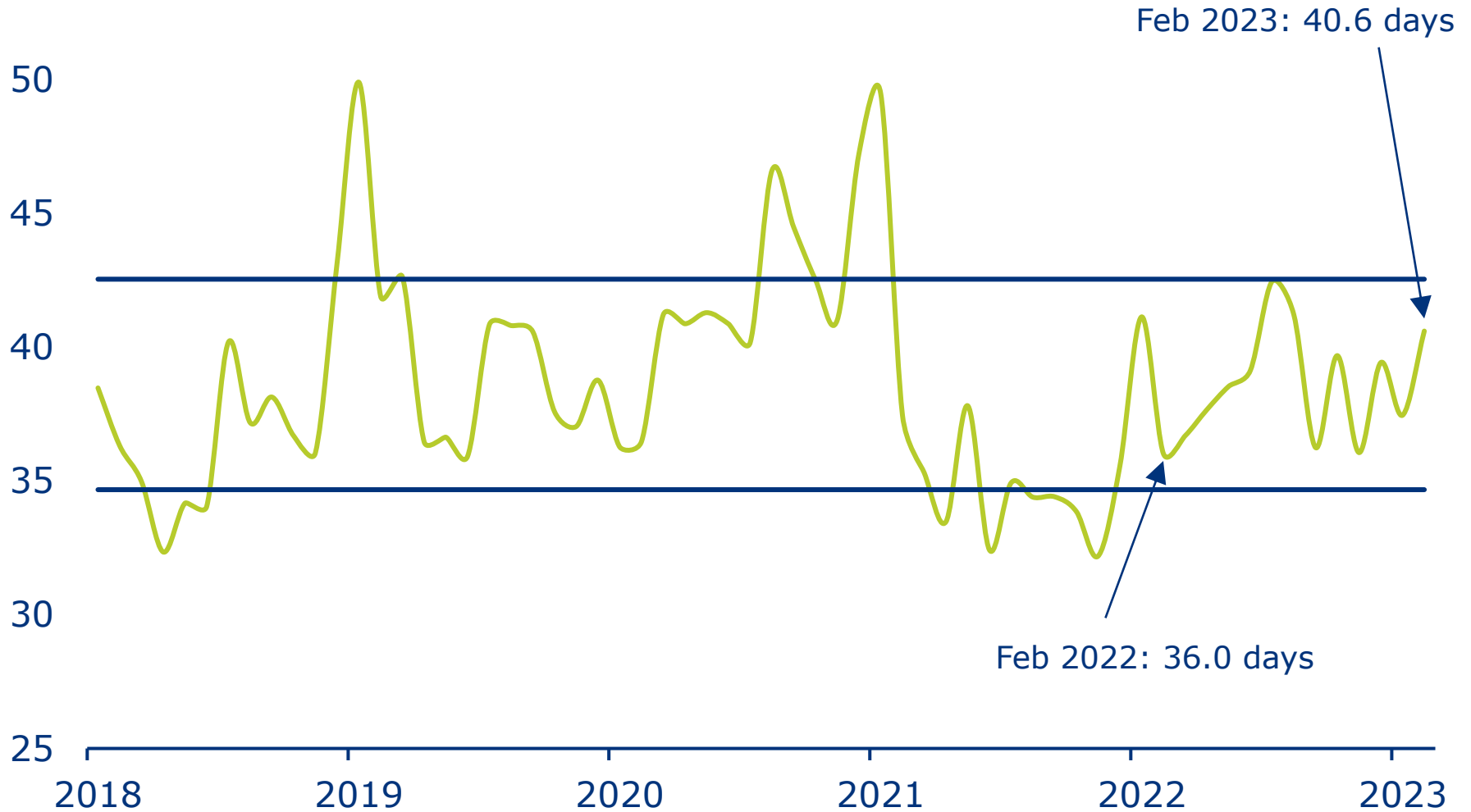


Source: EURO-GRAPH



UMO – Mills' Stocks

Average Feb 2018-2022: 37.6 days



Source: EURO-GRAPH

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



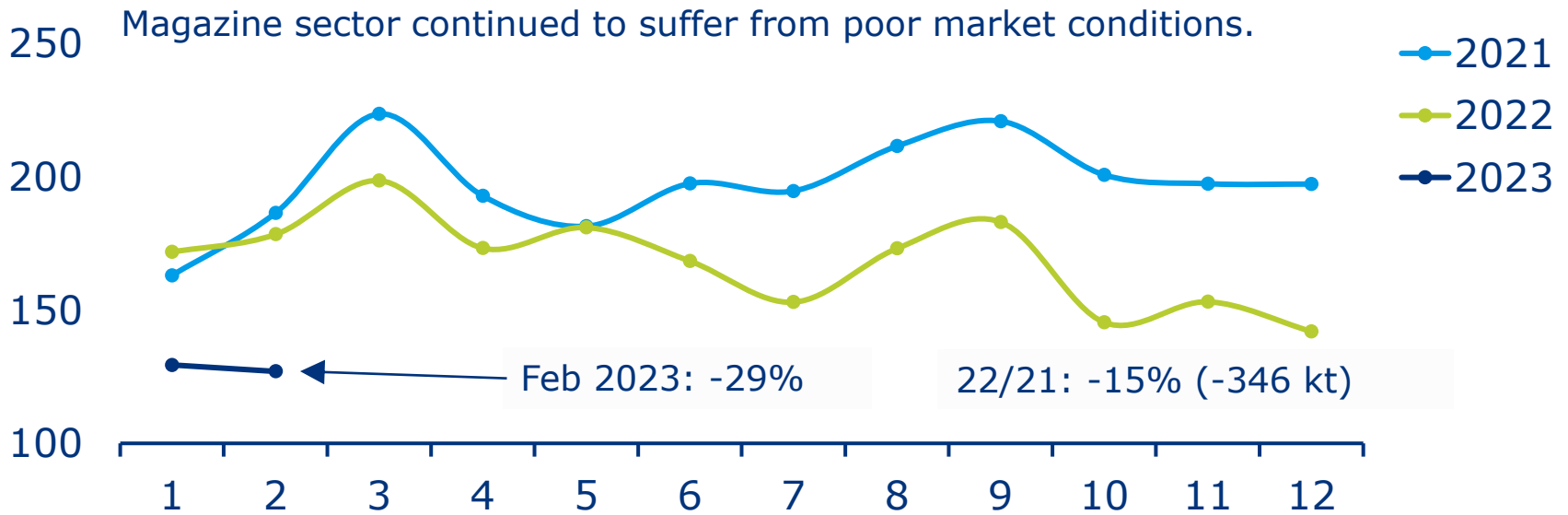
▲ SC Magazine



SC – European demand

Jan-Feb 2023: -27% (-94 kt) (000 of tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	Country	Jan-Feb 2022	Jan-Feb 2023	% chg
WE	283 kt	214 kt	-24%	EE	67 kt	42 kt	-37%
DE	146 kt	118 kt	-19%	PL	28 kt	17 kt	-38%
FR	49 kt	38 kt	-22%	CZ	10 kt	7 kt	-30%
IT	34 kt	15 kt	-57%	SK	8 kt	6 kt	-32%
ES	9 kt	10 kt	+1.3%	RO	5 kt	4 kt	-21%
BE	8 kt	8 kt	-6.5%	SI	4 kt	3 kt	-22%
Other	36 kt	26 kt	-27%	Other	12 kt	5 kt	-56%



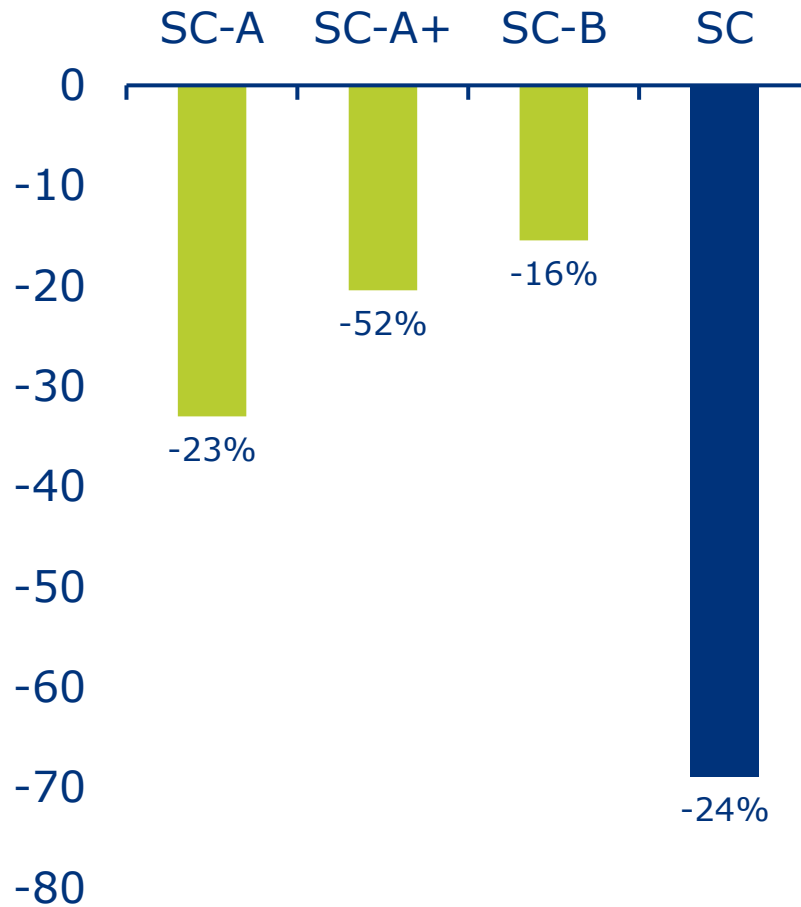
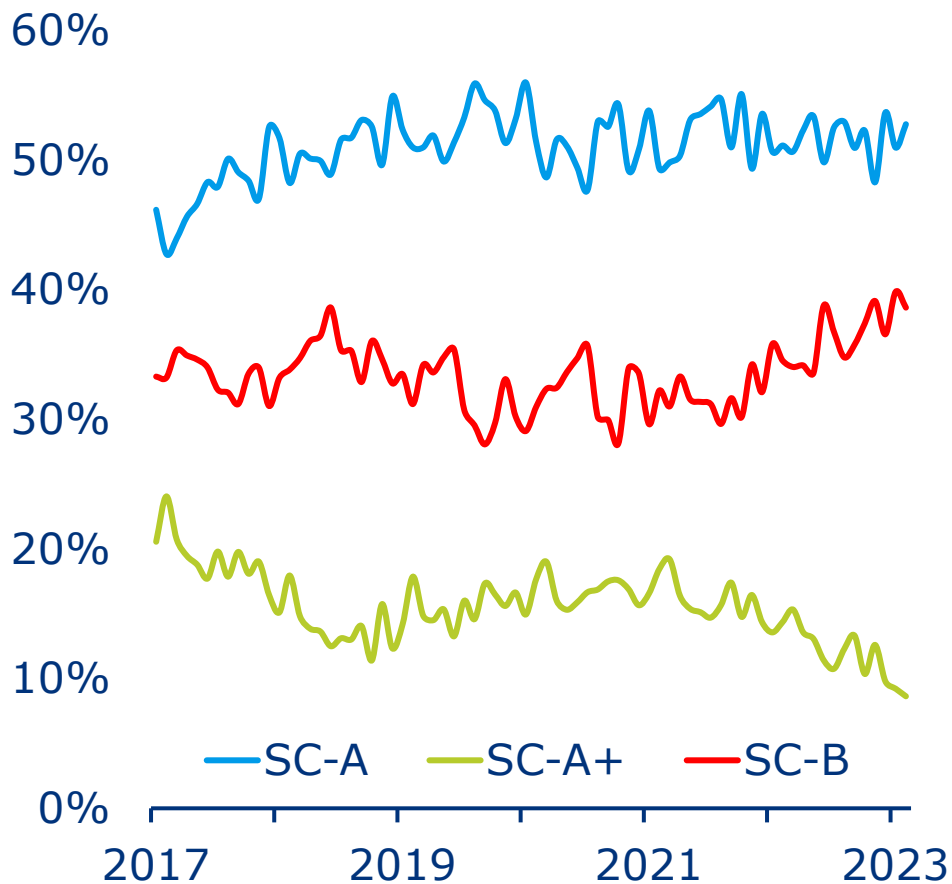
Source: EURO-GRAPH

Deliveries to Europe from W.E. suppliers



SC – W.E. demand by sub-quality

Jan-Feb 2023: -24% (-69 kt) - by sub-quality (000 of tonnes)



Source: EURO-GRAPH

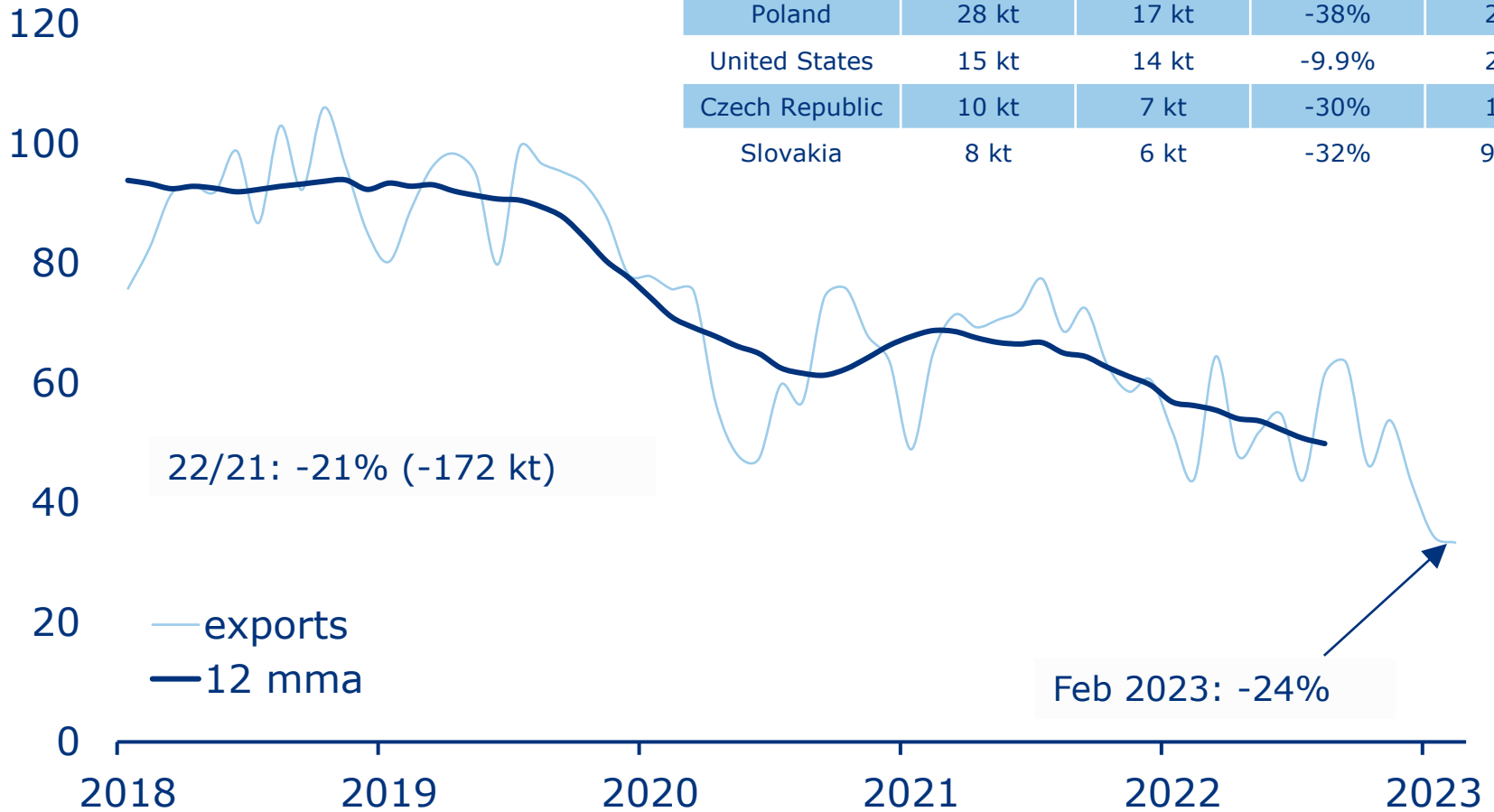
Deliveries to W.E. from W.E. suppliers



SC – W.E. exports

Jan-Feb 2023: -29% (-28 kt) - (000 tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	% share of exports
Tot. Export	96 kt	68 kt	-29%	100%
Poland	28 kt	17 kt	-38%	25%
United States	15 kt	14 kt	-9.9%	21%
Czech Republic	10 kt	7 kt	-30%	10%
Slovakia	8 kt	6 kt	-32%	9.0%

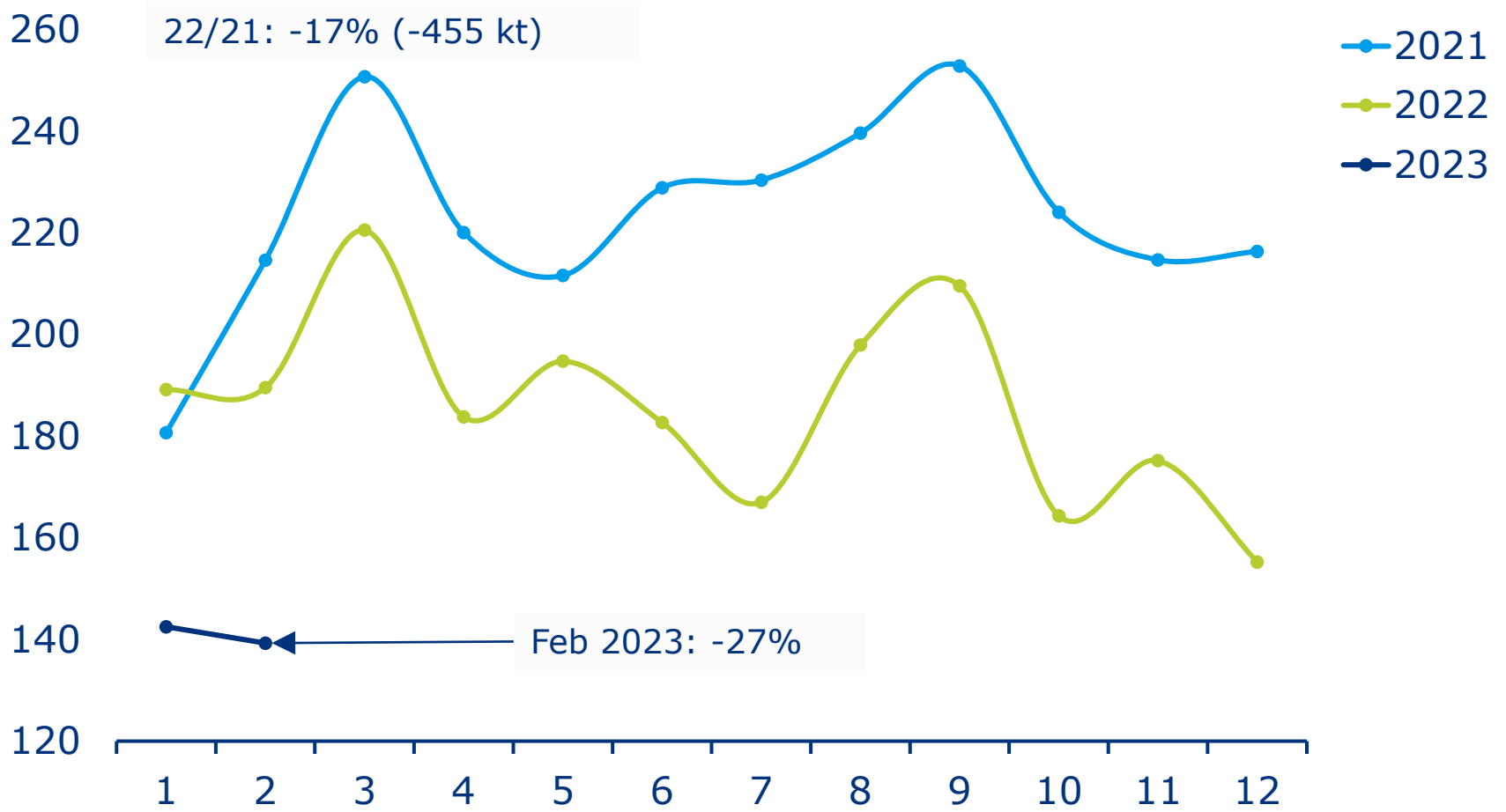


Source: EURO-GRAPH



SC – W.E. total deliveries

Jan-Feb 2023: -26% (-97 kt) (000 of tonnes)



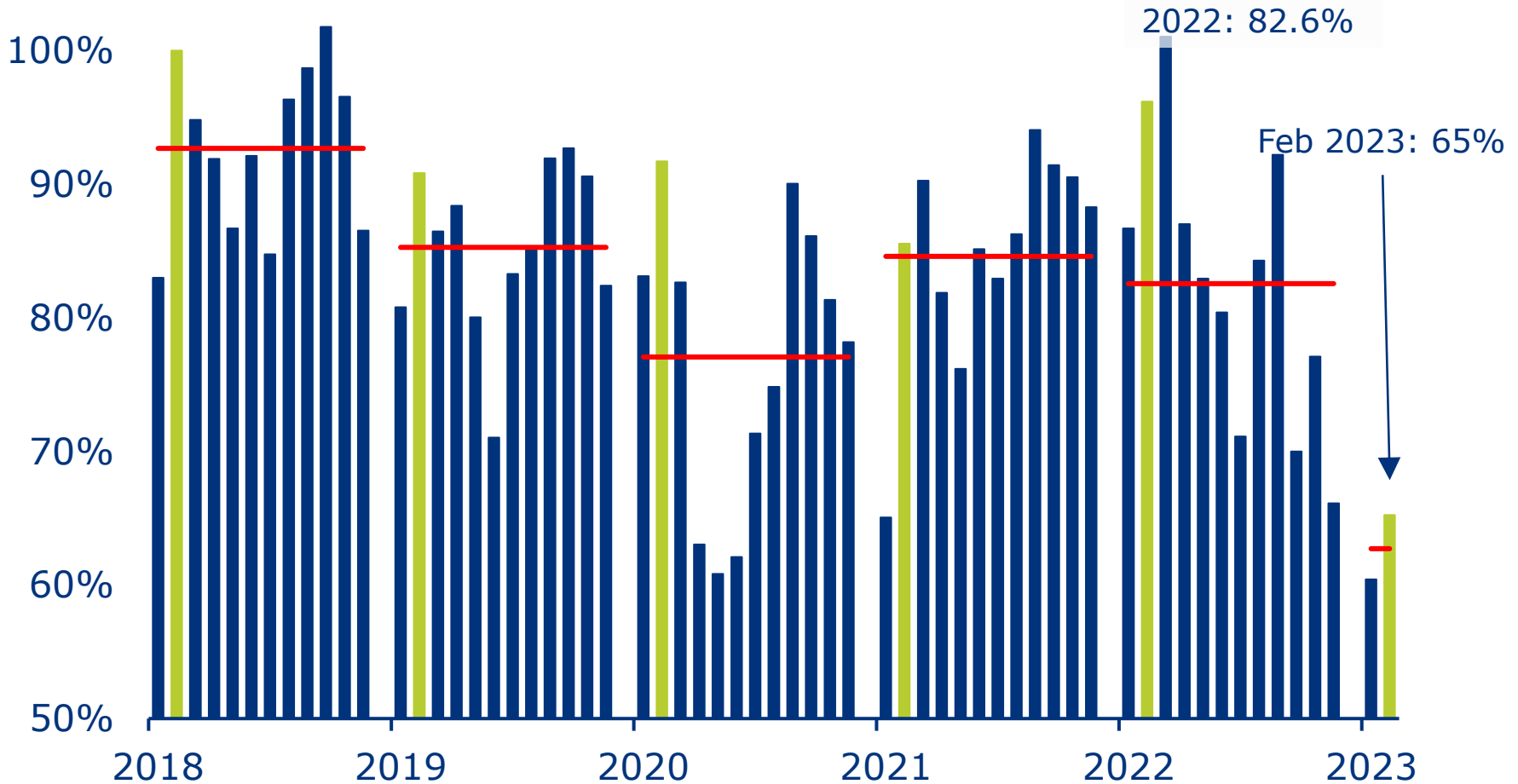
Source: EURO-GRAPH



SC – delivery-to-capacity ratio

Jan-Feb 2023: 63% (2022: 91%)

UPM/strikes: Jan-Apr 2022; Heinzl/Laakirchen: -330 kt/yr, Dec 2023

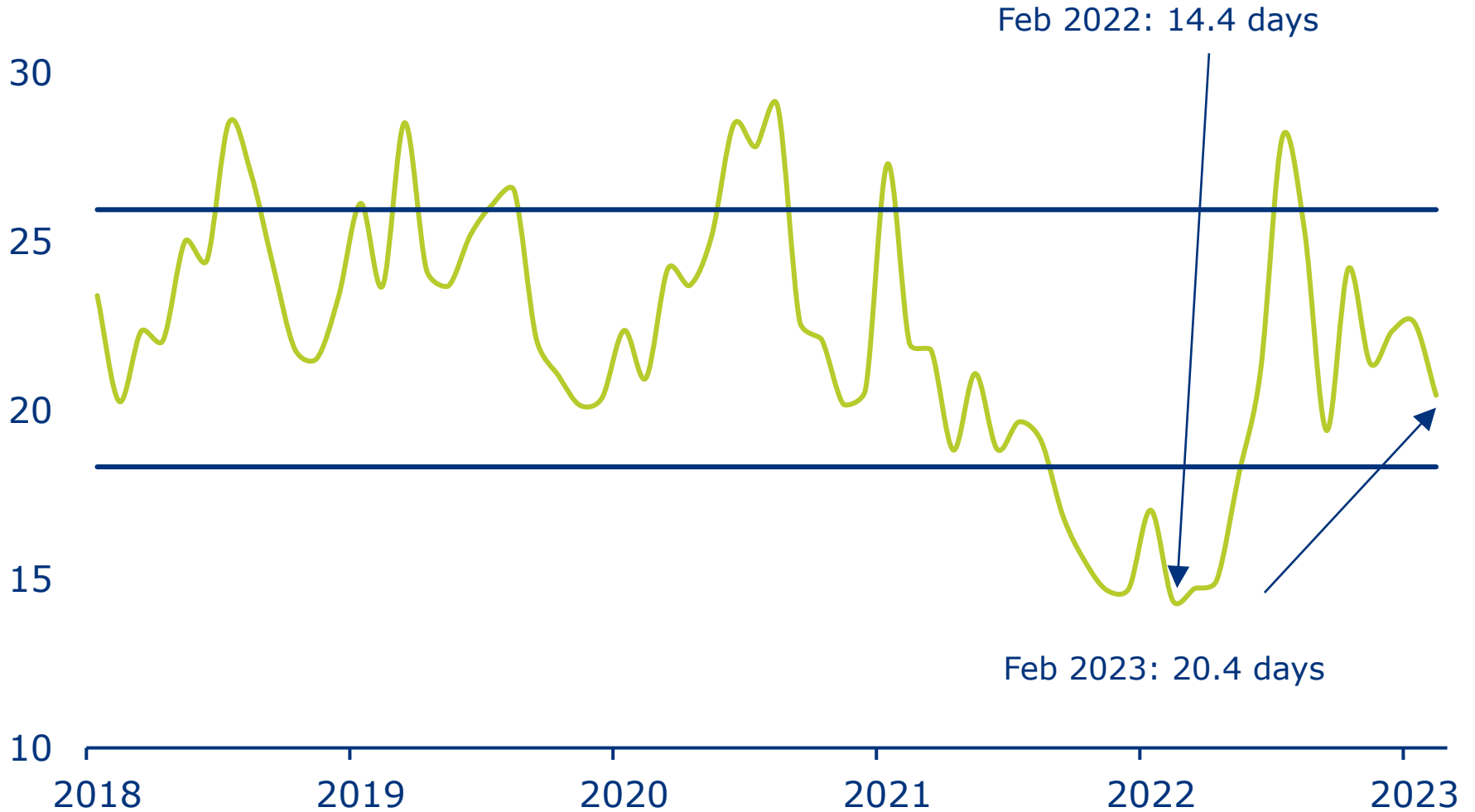


Source: EURO-GRAPH



SC – Mills' Stocks

Average Feb 2018-2022: 20.3 days



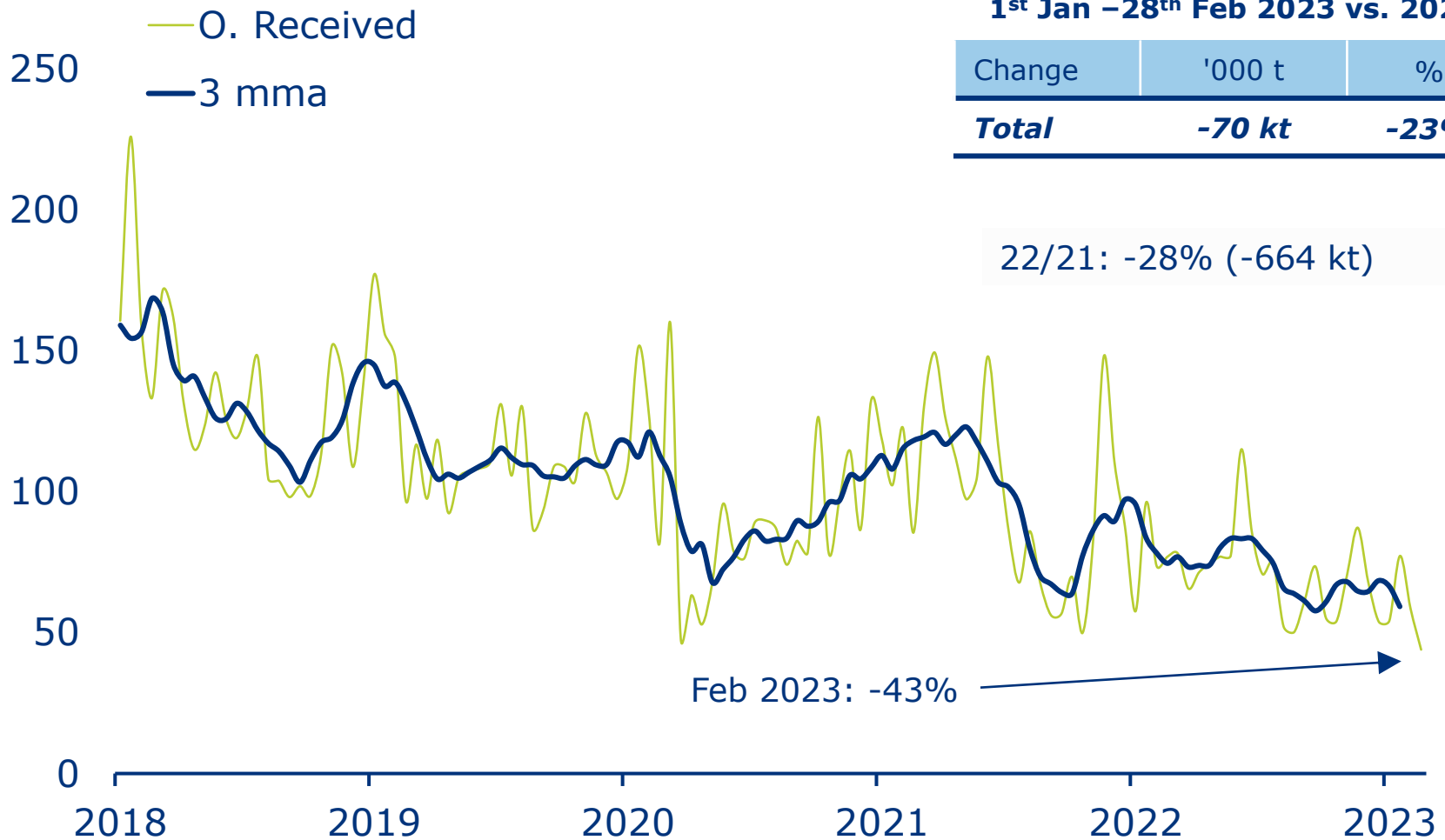
Source: EURO-GRAPH

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



SC - Orders Received

1st Jan 2018 – 28th Feb 2023 (half month periods - 000 tonnes)

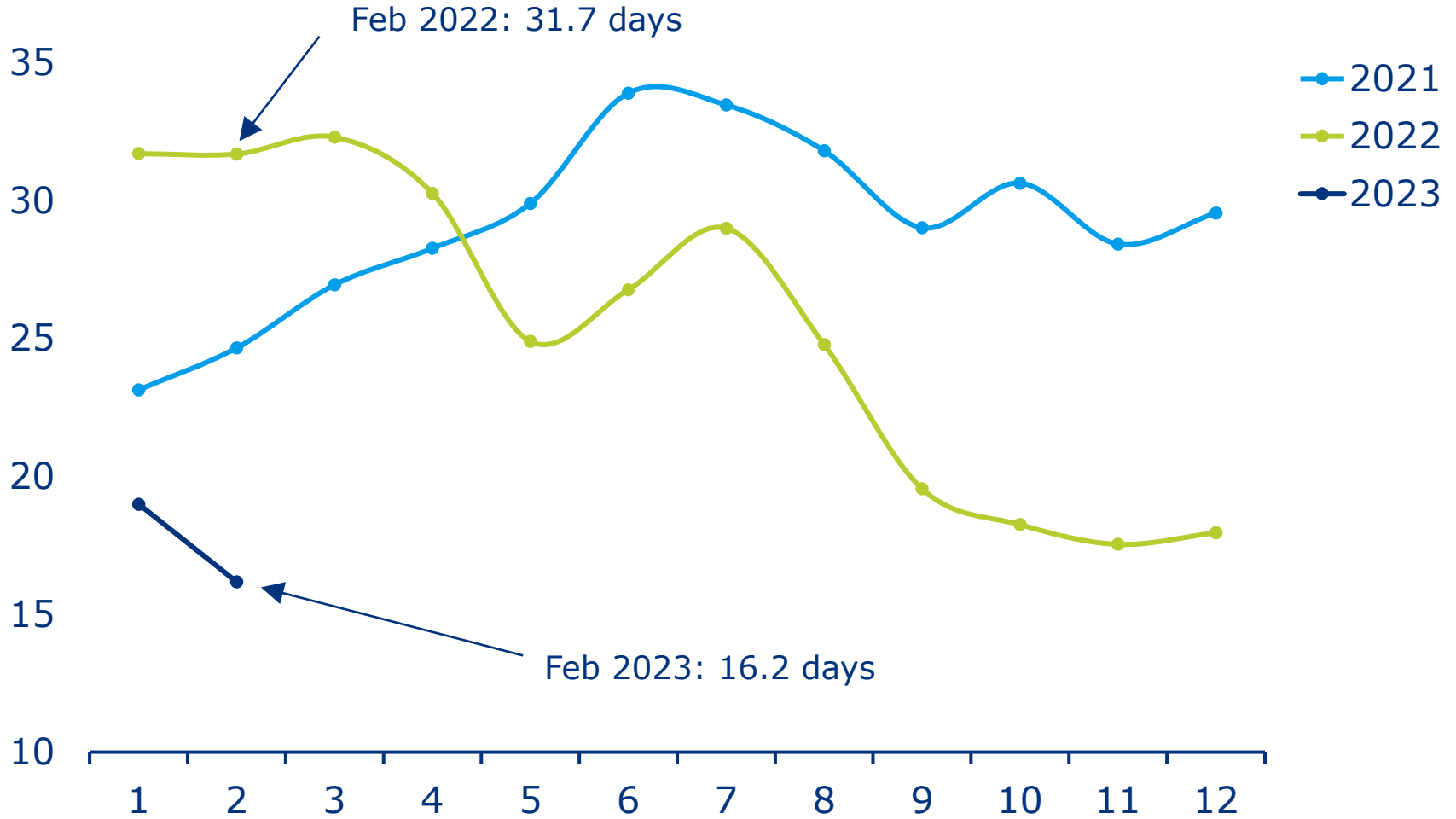


Source: EURO-GRAPH



SC – Orders stocks

(days of supply)



Source: EURO-GRAPH



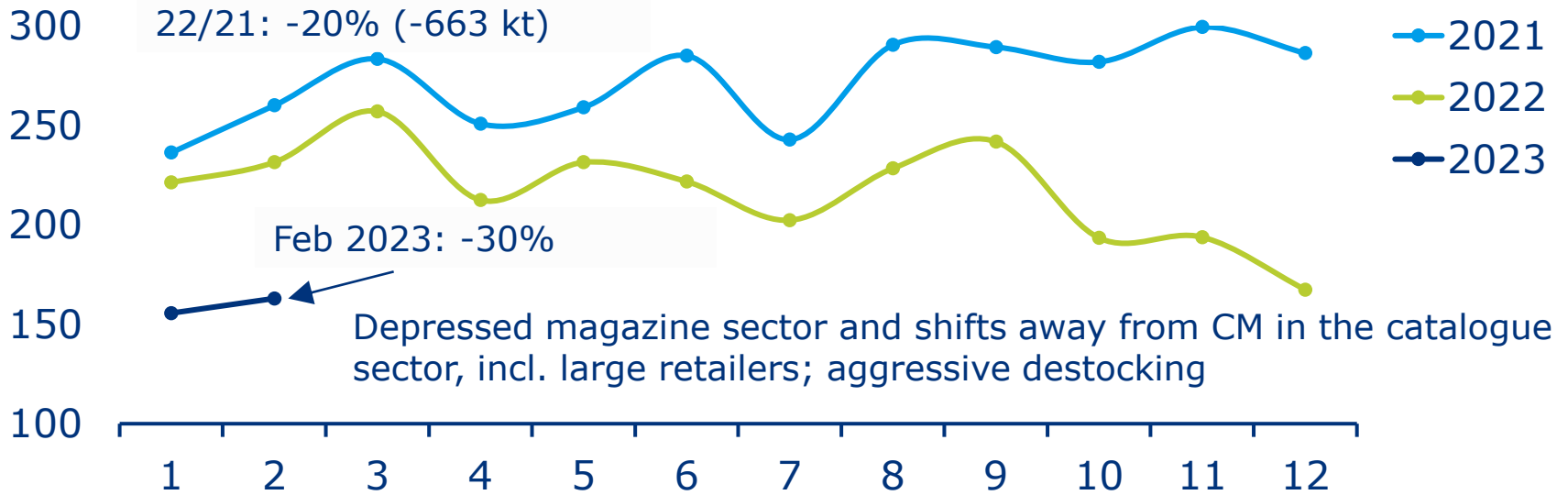
◆ Coated Mechanical – CM (Reels + Sheets)



CM – European demand

Jan-Feb 2023: -30% (-134 kt) (000 of tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	Country	Jan-Feb 2022	Jan-Feb 2023	% chg
WE	377 kt	273 kt	-28%	EE	76 kt	45 kt	-40%
DE	168 kt	113 kt	-32%	PL	41 kt	27 kt	-35%
FR	52 kt	36 kt	-31%	CZ	8 kt	5 kt	-32%
GB	44 kt	36 kt	-20%	SK	3 kt	3 kt	-26%
IT	38 kt	23 kt	-40%	EE	2 kt	2 kt	-2.5%
ES	17 kt	15 kt	-8.7%	HU	3 kt	2 kt	-55%
Other	58 kt	50 kt	-14%	Other	18 kt	7 kt	-59%



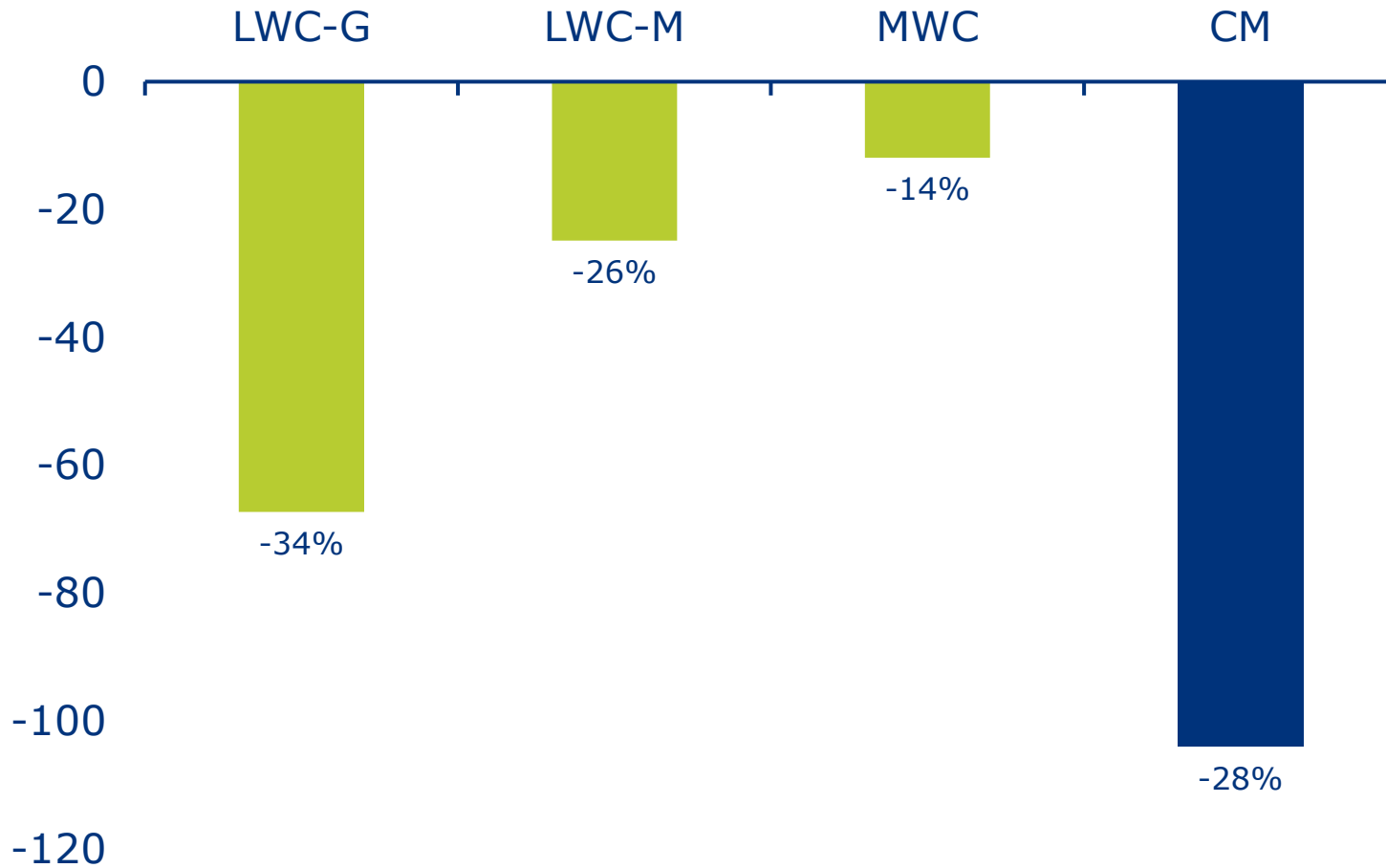
Source: EURO-GRAPH

Deliveries to Europe from W.E. suppliers



CM – W.E. demand by sub-quality

Jan-Feb 2023: -28% (-104 kt) (000 of tonnes)



Source: EURO-GRAPH

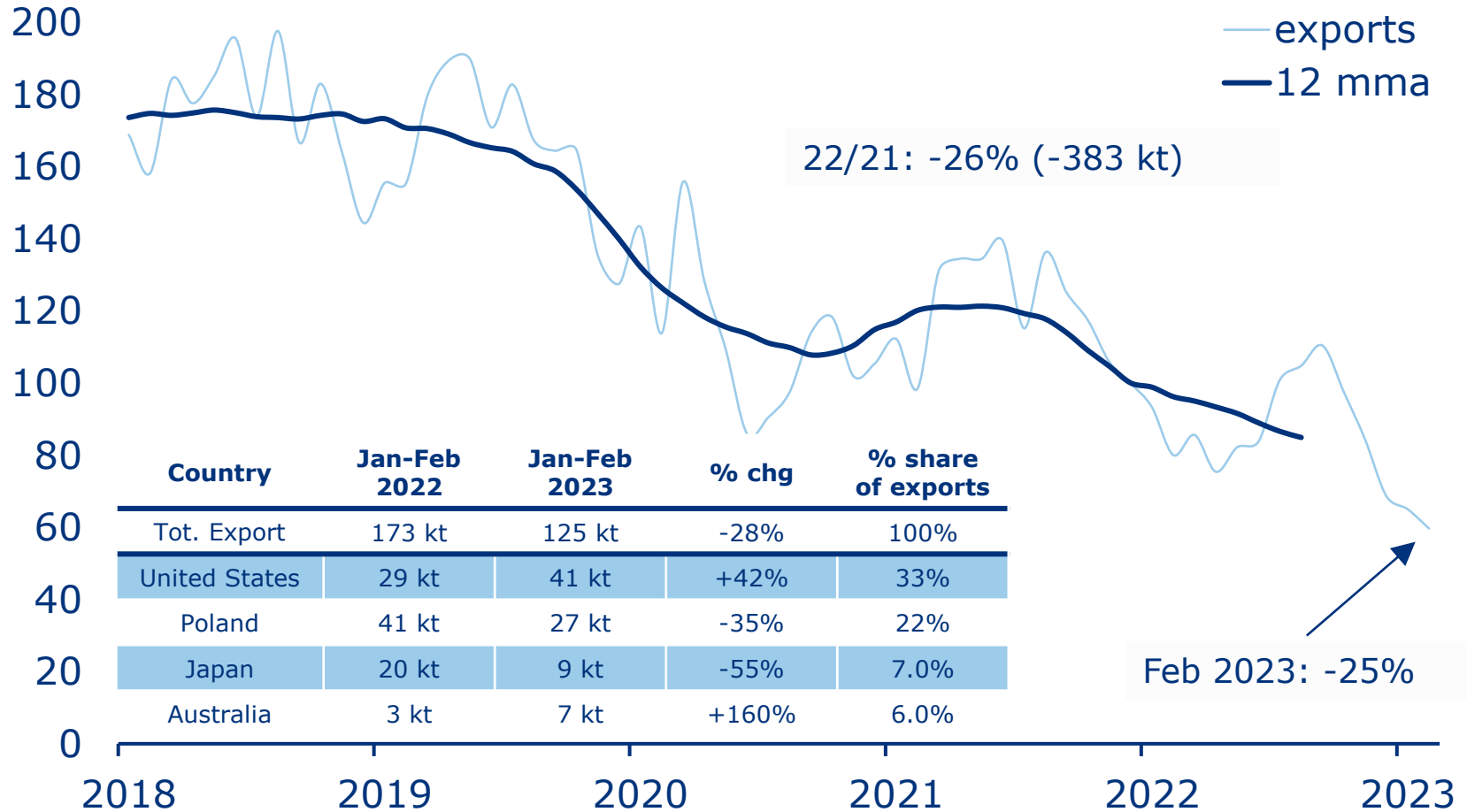
Deliveries to W.E. from W.E. suppliers (excluding imports)



CM – W. E. exports

Jan-Feb 2023: -28% (-49 kt) - (000 tonnes)

Exports dropped last year, while imports rose by 200% (+18 kt) due to widespread depressed consumption and cost pressures.



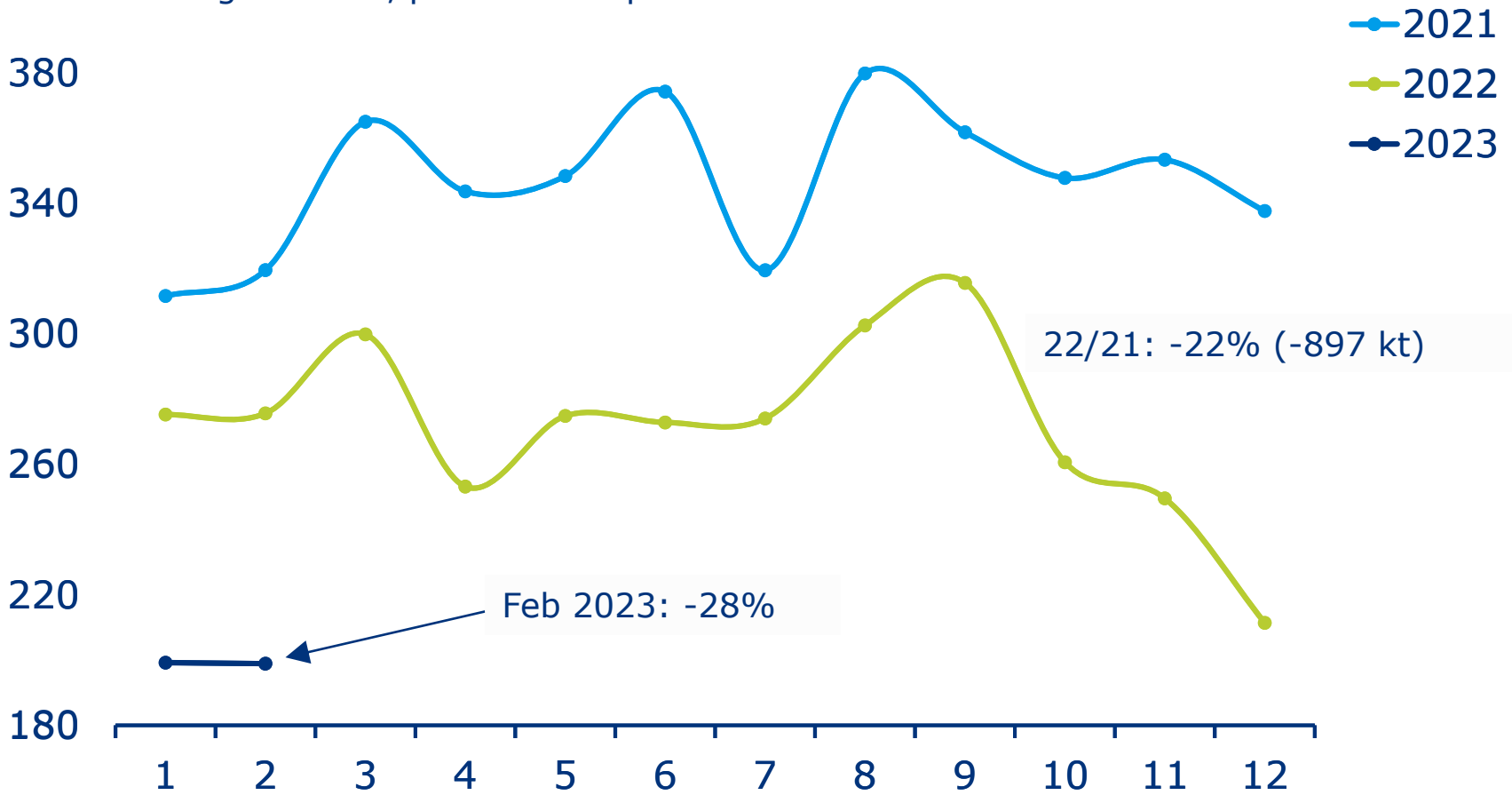
Source: EURO-GRAPH



CM – W.E. total deliveries

Jan-Feb 2023: -28% (-153 kt) (000 of tonnes)

Depressed magazine sector and shifts away from CM in the catalogue sector, plus weak export market.



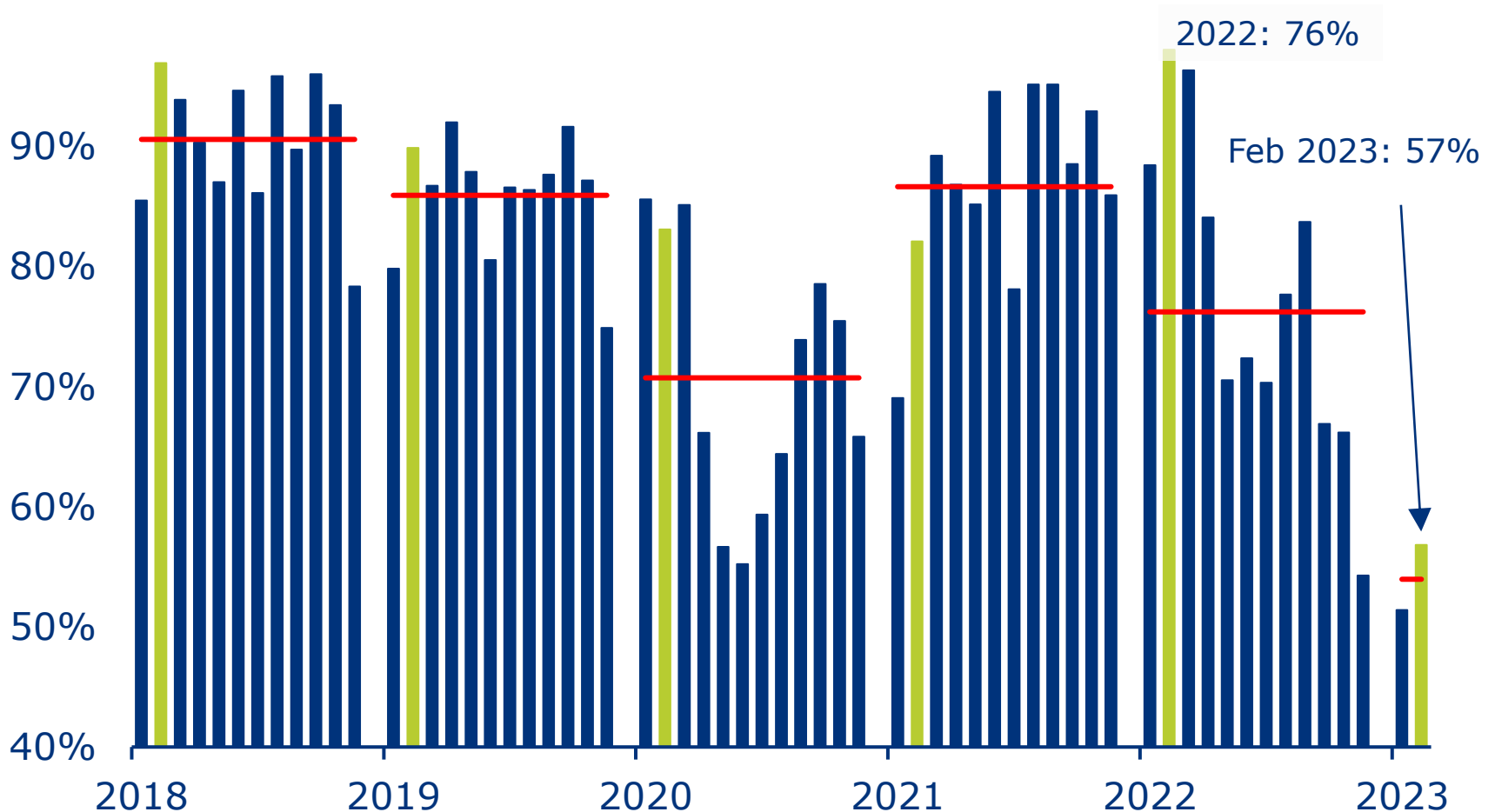
Source: EURO-GRAPH



CM – delivery-to-capacity ratio

Jan-Feb 2023: 54% (2022: 93%)

UPM/strikes: Jan-Apr 2022; Burgo-Mondi/Duino: -205 kt/yr, end 2023

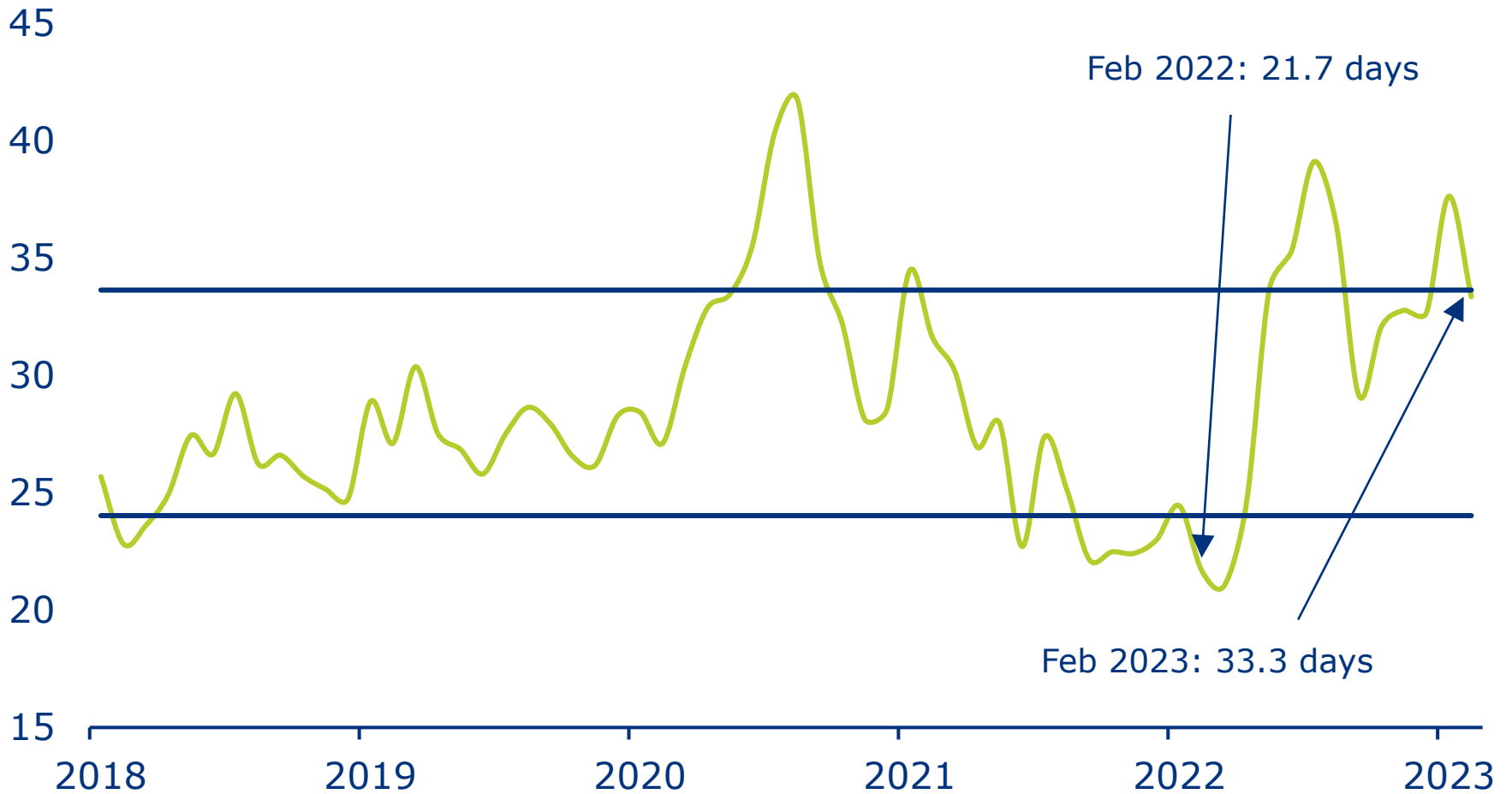


Source: EURO-GRAPH



CM – Mills' Stocks

Average Feb 2018-2022: 26.1 days



Source: EURO-GRAPH

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

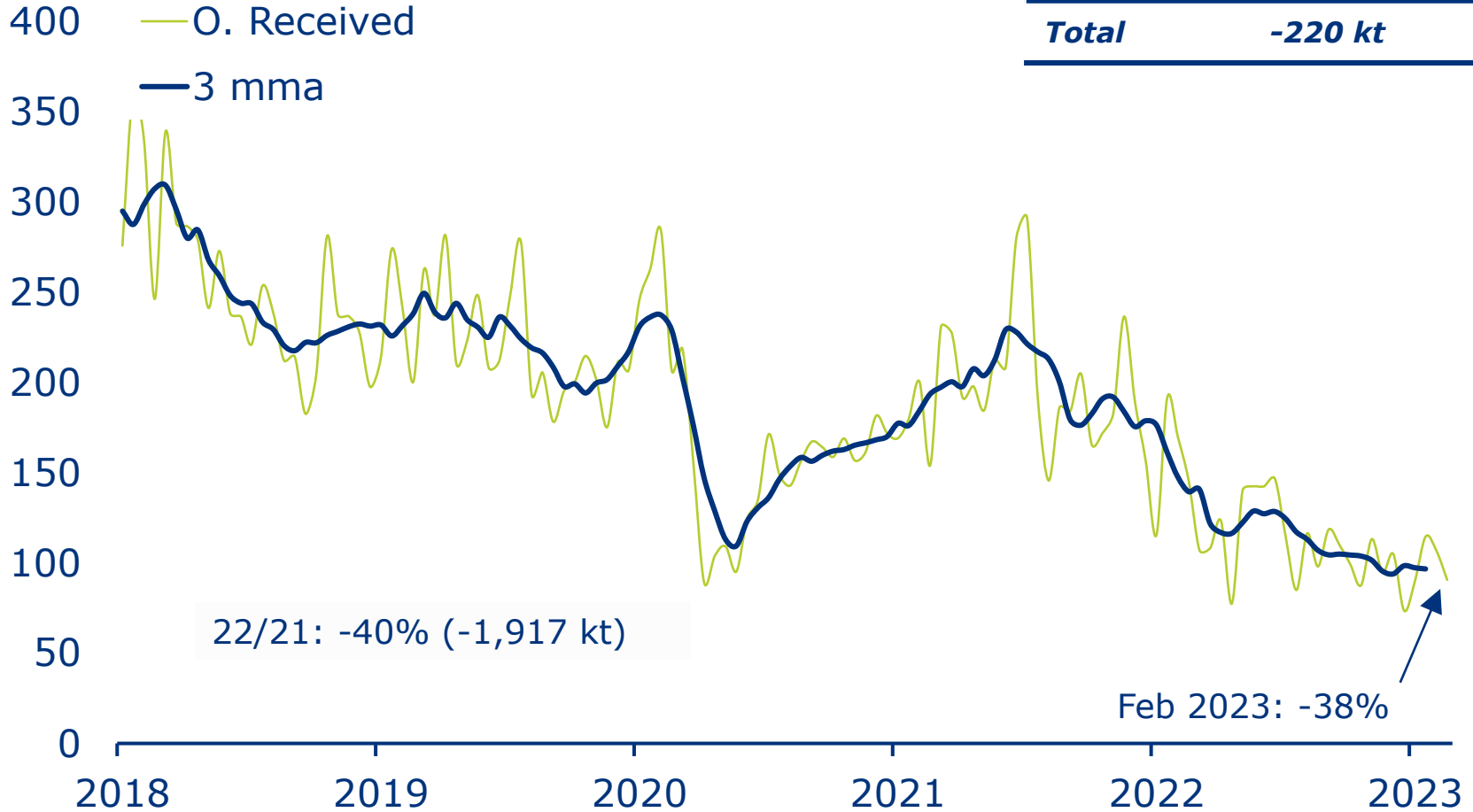


CM – Orders Received

1st Jan 2018 – 28th Feb 2023 (half month periods - 000 tonnes)

1st Jan – 28th Feb 2023 vs. 2022

Change	'000 t	%
Total	-220 kt	-35%

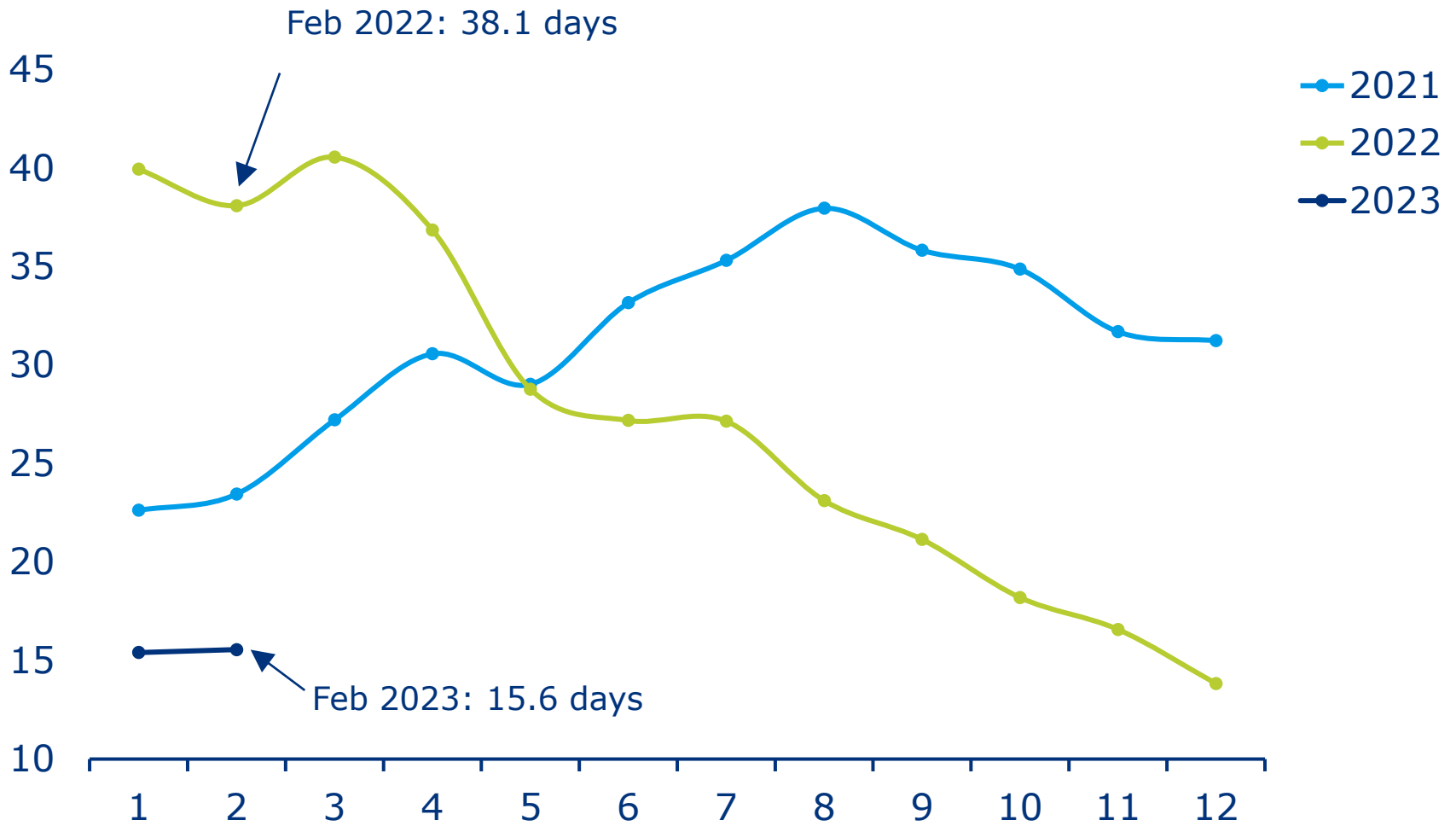


Source: EURO-GRAPH



CM – Orders stocks

(days of supply)



Source: EURO-GRAPH



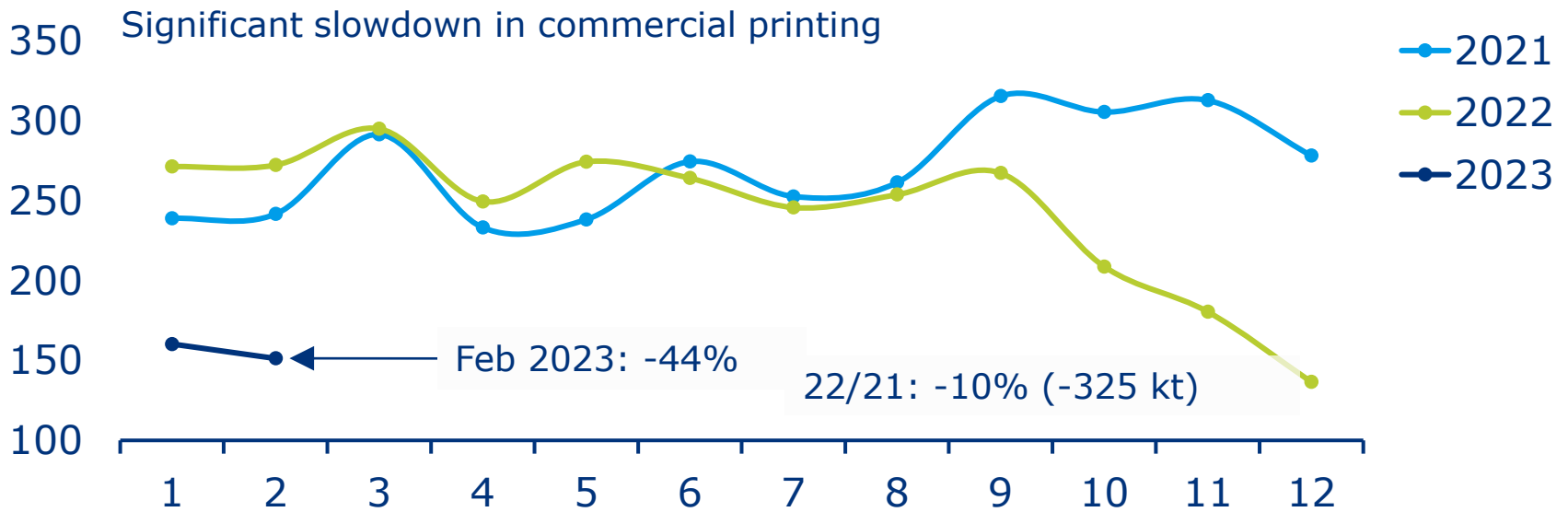
▼ Coated Woodfree Papers



CW – European demand

Jan-Feb 2023: -43% (-232 kt) (000 of tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	Country	Jan-Feb 2022	Jan-Feb 2023	% chg
WE	451 kt	263 kt	-42%	EE	93 kt	49 kt	-48%
DE	139 kt	81 kt	-42%	PL	32 kt	19 kt	-40%
FR	61 kt	38 kt	-38%	CZ	12 kt	8 kt	-39%
IT	63 kt	37 kt	-41%	HU	6 kt	3 kt	-47%
GB	57 kt	33 kt	-42%	SK	4 kt	3 kt	-38%
ES	36 kt	19 kt	-49%	HR	3 kt	3 kt	-12%
Other	95 kt	56 kt	-42%	Other	36 kt	14 kt	-62%



Source: EURO-GRAPH

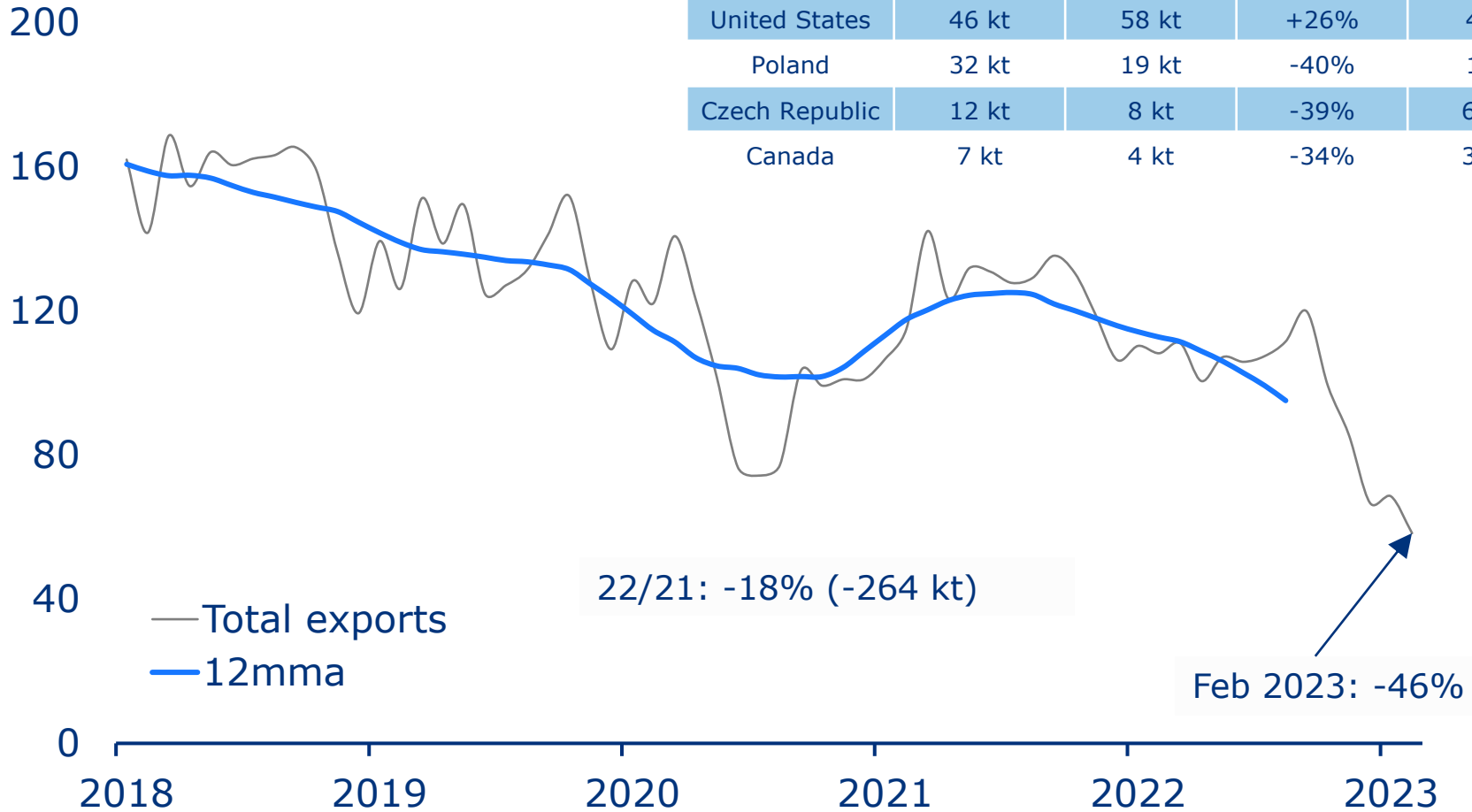
Deliveries to Europe from W.E. suppliers



CW – Total exports

Jan-Feb 2023: -42% (-92 kt) - (000 tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	% share of exports
Tot. Export	218 kt	127 kt	-42%	100%
United States	46 kt	58 kt	+26%	46%
Poland	32 kt	19 kt	-40%	15%
Czech Republic	12 kt	8 kt	-39%	6.0%
Canada	7 kt	4 kt	-34%	3.0%



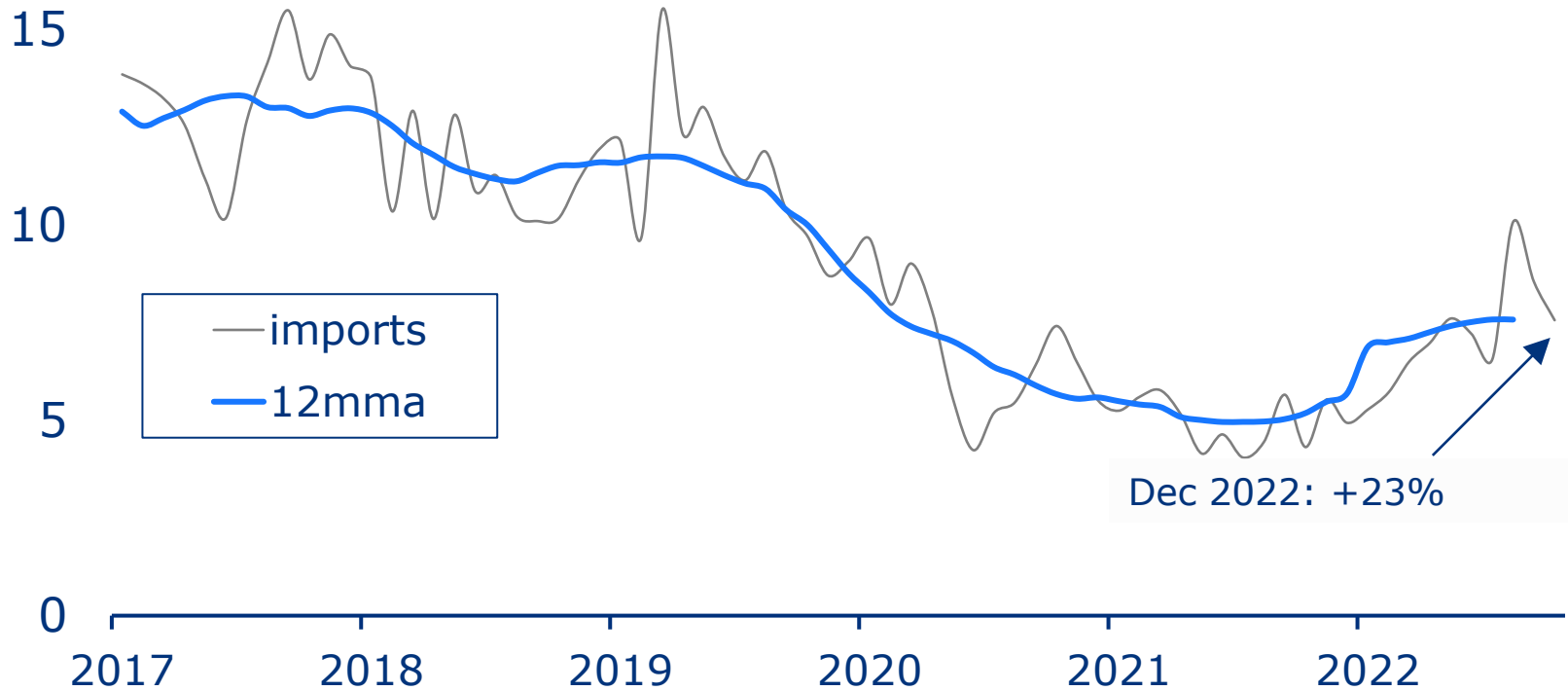
Source: EURO-GRAPH



CW – W.E. imports

12m 2022 vs. 2021: +43% (+26 kt) - (000 tonnes)

Country	12m 2021	12m 2022	% chg	% share of imports
Total	59 kt	85 kt	+43%	100%
S.Korea	23 kt	33 kt	+46%	39%
China	12 kt	22 kt	+85%	25%
Other	25 kt	30 kt	+21%	35%



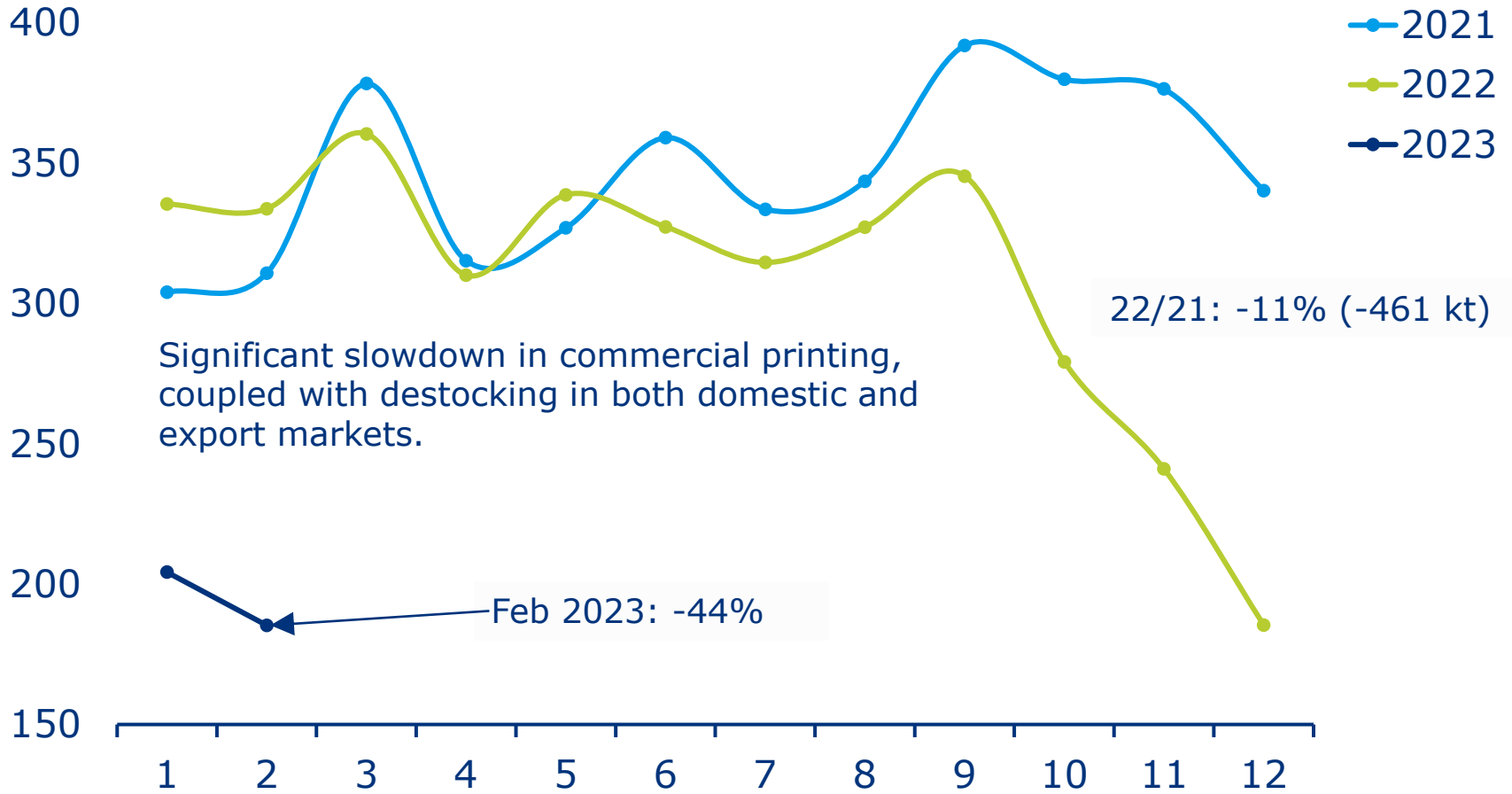
Source: EURO-GRAPH/Svan Data



CW – Total deliveries

Jan-Feb 2023: -42% (-279 kt) (000 of tonnes)

CW Sheets	-42%	(-216 kt)
CW Reels	-43%	(-63 kt)



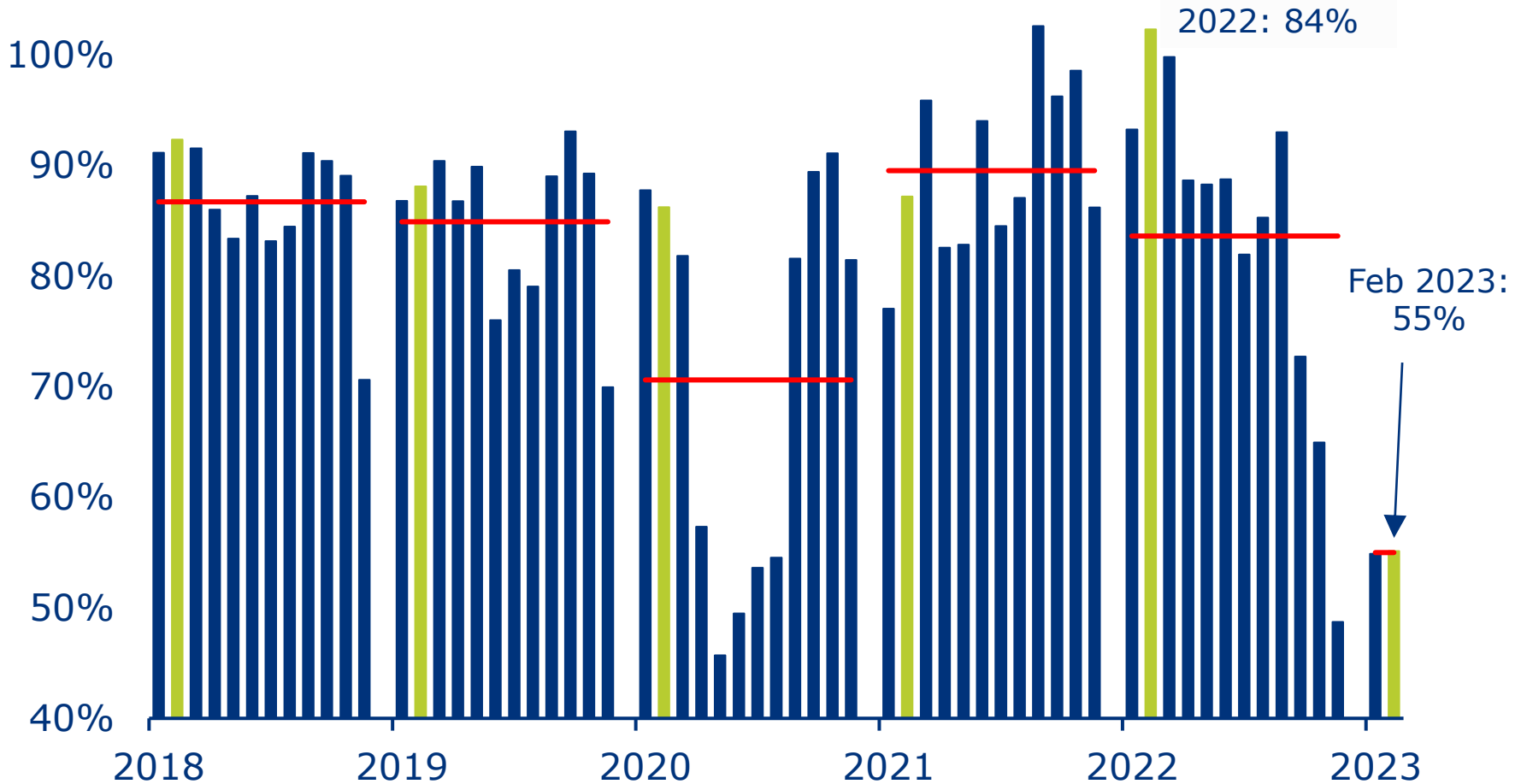
Source: EURO-GRAPH



CW – Delivery-to-capacity

Jan-Feb 2023: 55% (2022: 98%)

Sappi Gratkorn, 2022; UPM/strikes, Jan-April 2022; Sappi Gratkorn, 2023.

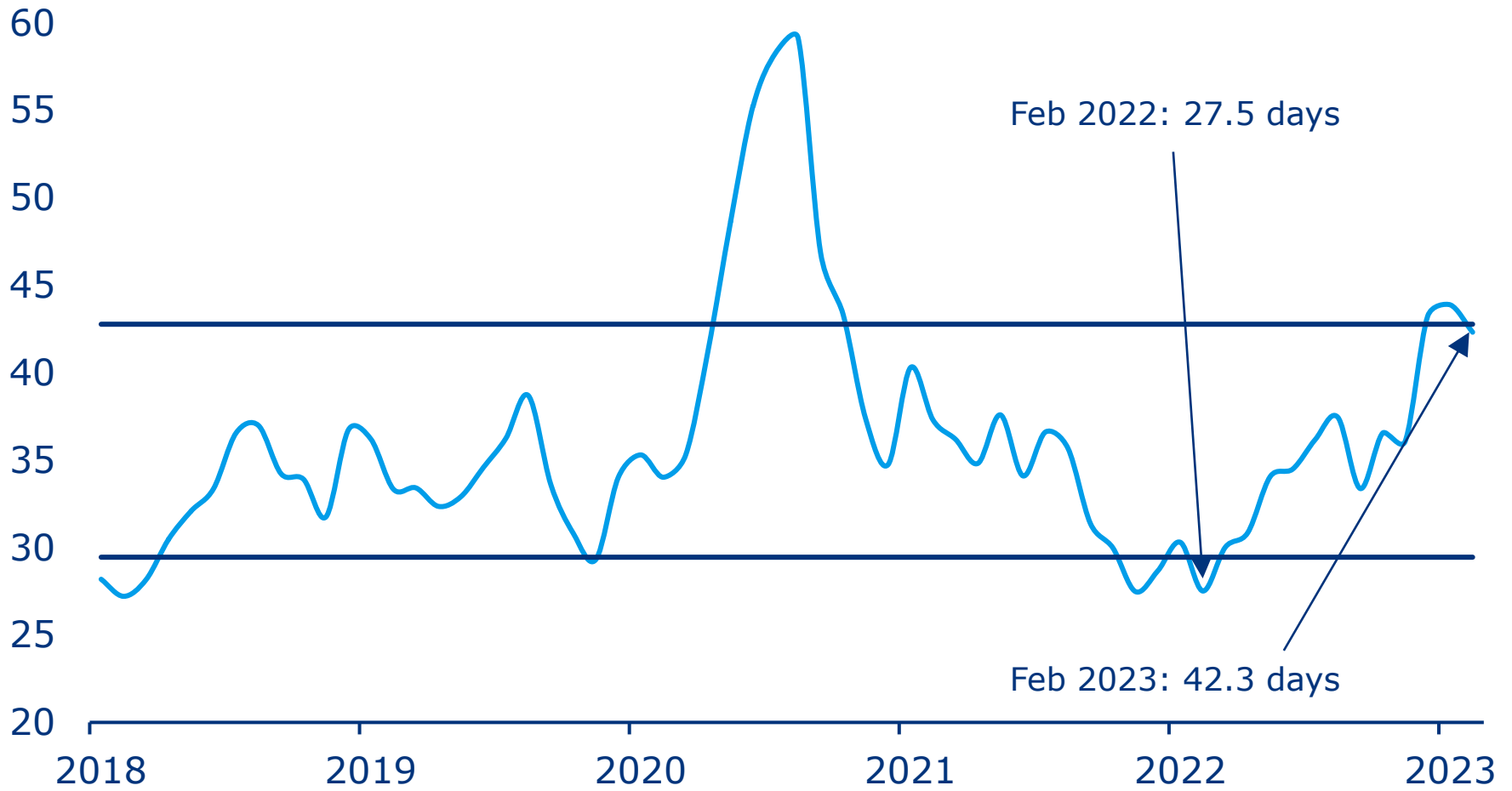


Source: EURO-GRAPH



CW – Mills' Stocks

Average Feb 2018-2022: 31.9 days



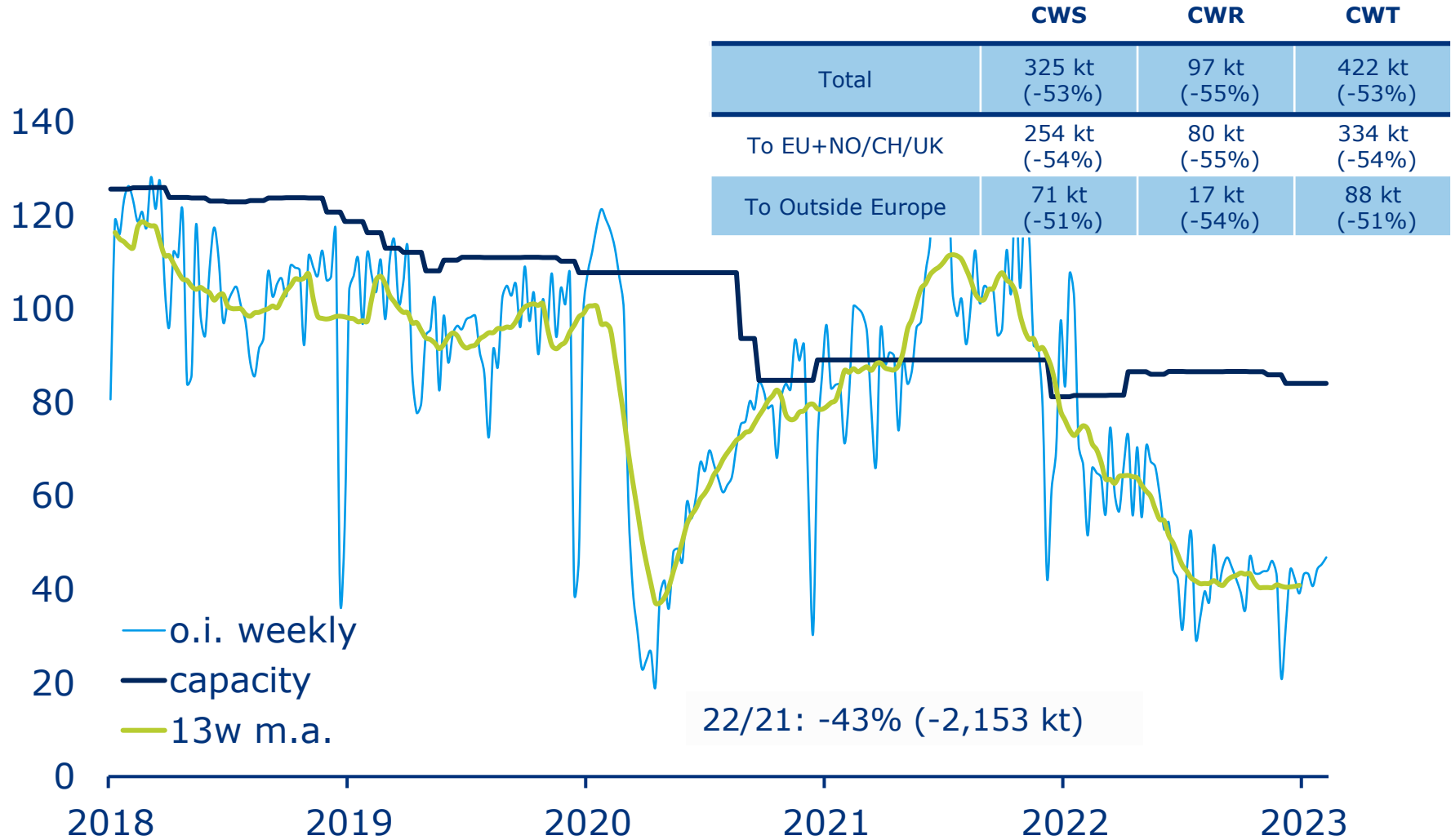
Source: EURO-GRAPH

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



CW – Order inflow to all destinations

10 weeks 2023 vs. 2022: -484 kt (-53%) - (weekly - 000 tonnes)

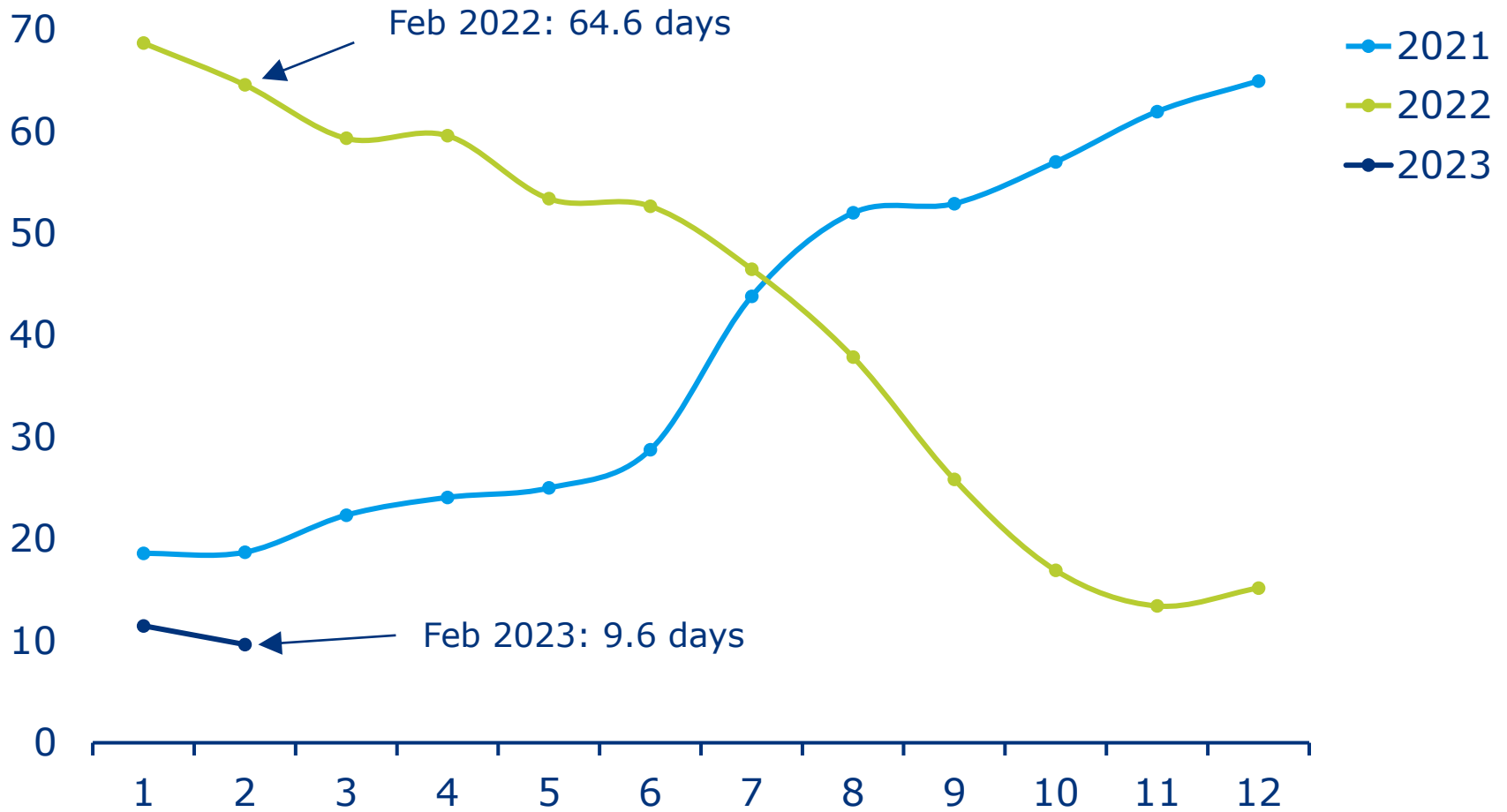


Source: EURO-GRAPH



CW – Orders stocks

(days of supply)



Source: EURO-GRAPH



CW – Summary by sub-quality

Jan-Feb 2023 vs. 2022 (% change y-o-y)

	CW Total	CW Sheets	CW Reels
Deliveries to WE	-42%	-42%	-40%
Total Deliveries	-42%	-42%	-43%
Imports (Jan-Dec 22)	+43%	+52%	+10%
Exports	-42%	-40%	-50%

Source: EURO-GRAPH



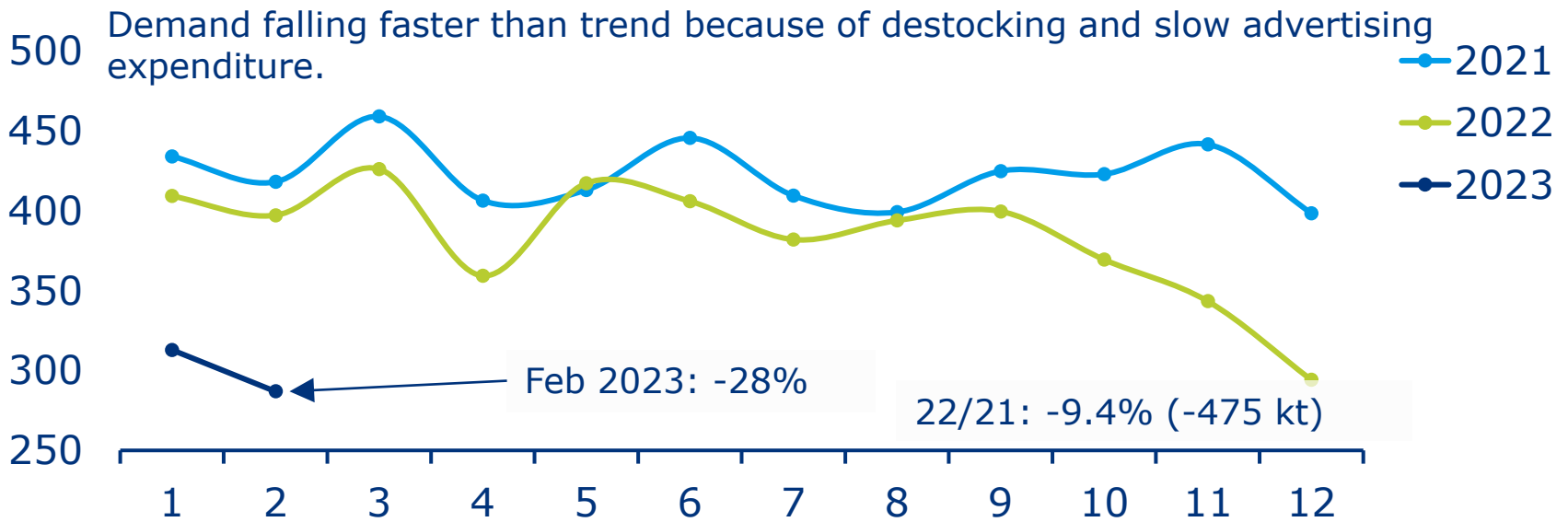
◆ Uncoated Woodfree Papers



UW – European demand

Jan-Feb 2023: -26% (-207 kt) (000 of tonnes)

Country	Jan-Feb 2022	Jan-Feb 2023	% chg	Country	Jan-Feb 2022	Jan-Feb 2023	% chg
WE	638 kt	491 kt	-23%	EE	169 kt	109 kt	-36%
DE	163 kt	123 kt	-24%	PL	64 kt	43 kt	-32%
FR	104 kt	85 kt	-18%	CZ	17 kt	11 kt	-35%
GB	72 kt	61 kt	-16%	HU	15 kt	11 kt	-29%
IT	84 kt	58 kt	-31%	UA	11 kt	9 kt	-25%
ES	59 kt	46 kt	-22%	RO	15 kt	8 kt	-46%
Other	155 kt	118 kt	-24%	Other	46 kt	26 kt	-42%



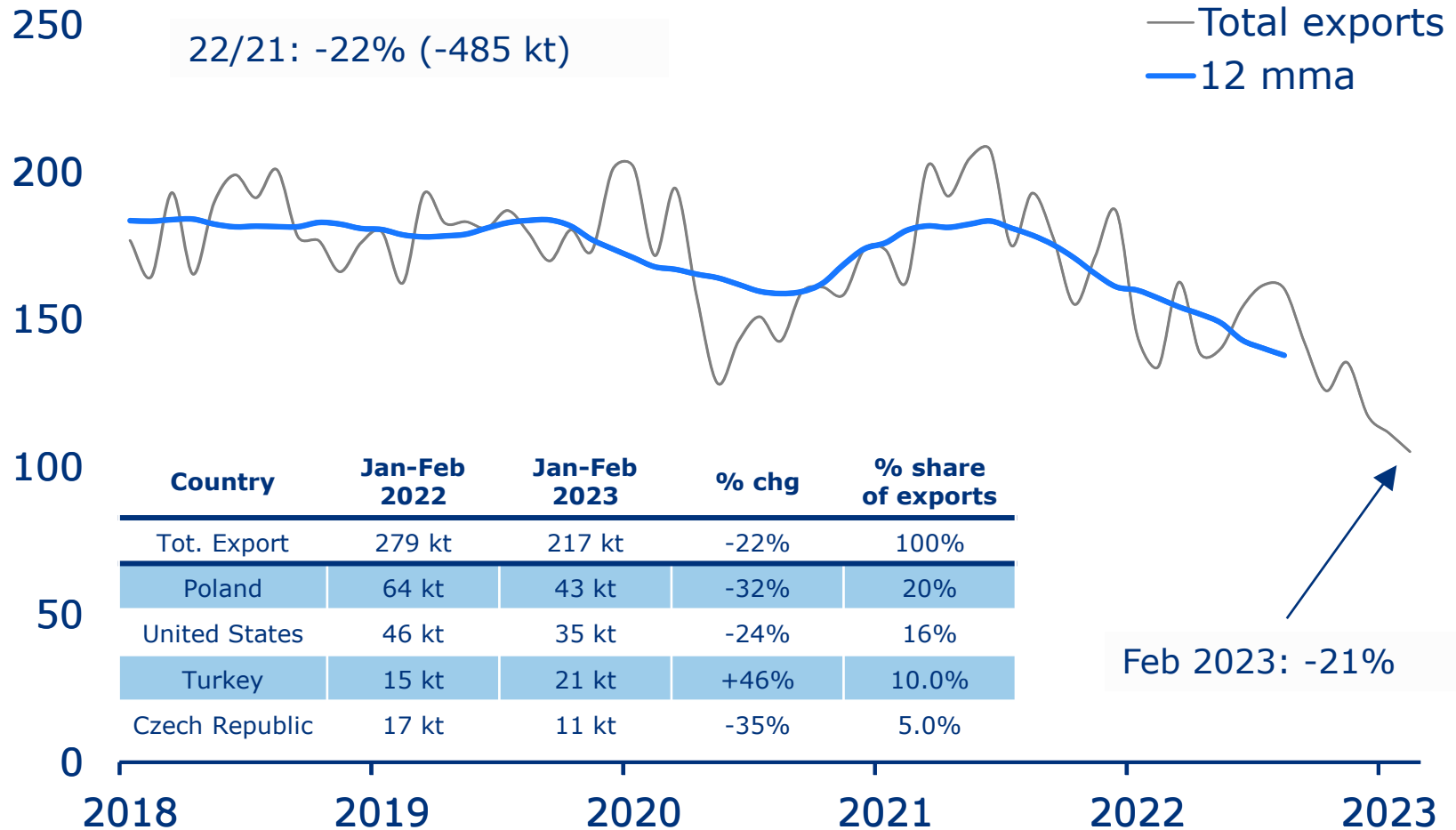
Source: EURO-GRAPH

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



UW – Total exports

Jan-Feb 2023: -22% (-62 kt) - (000 tonnes)



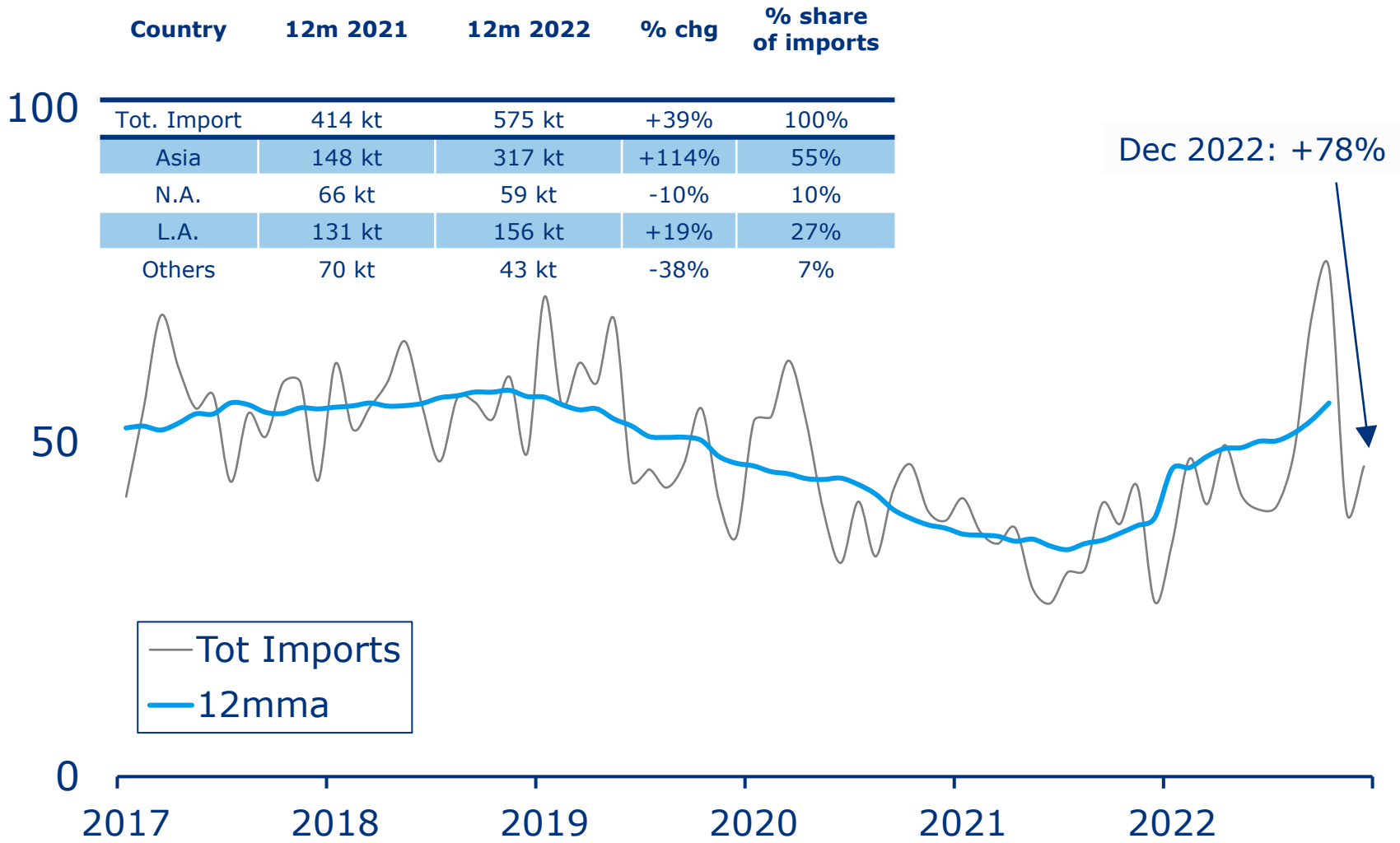
Source: EURO-GRAPH

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



UW – Total imports

12m 2022 vs. 2021: +39% (+160 kt) - (000 tonnes)



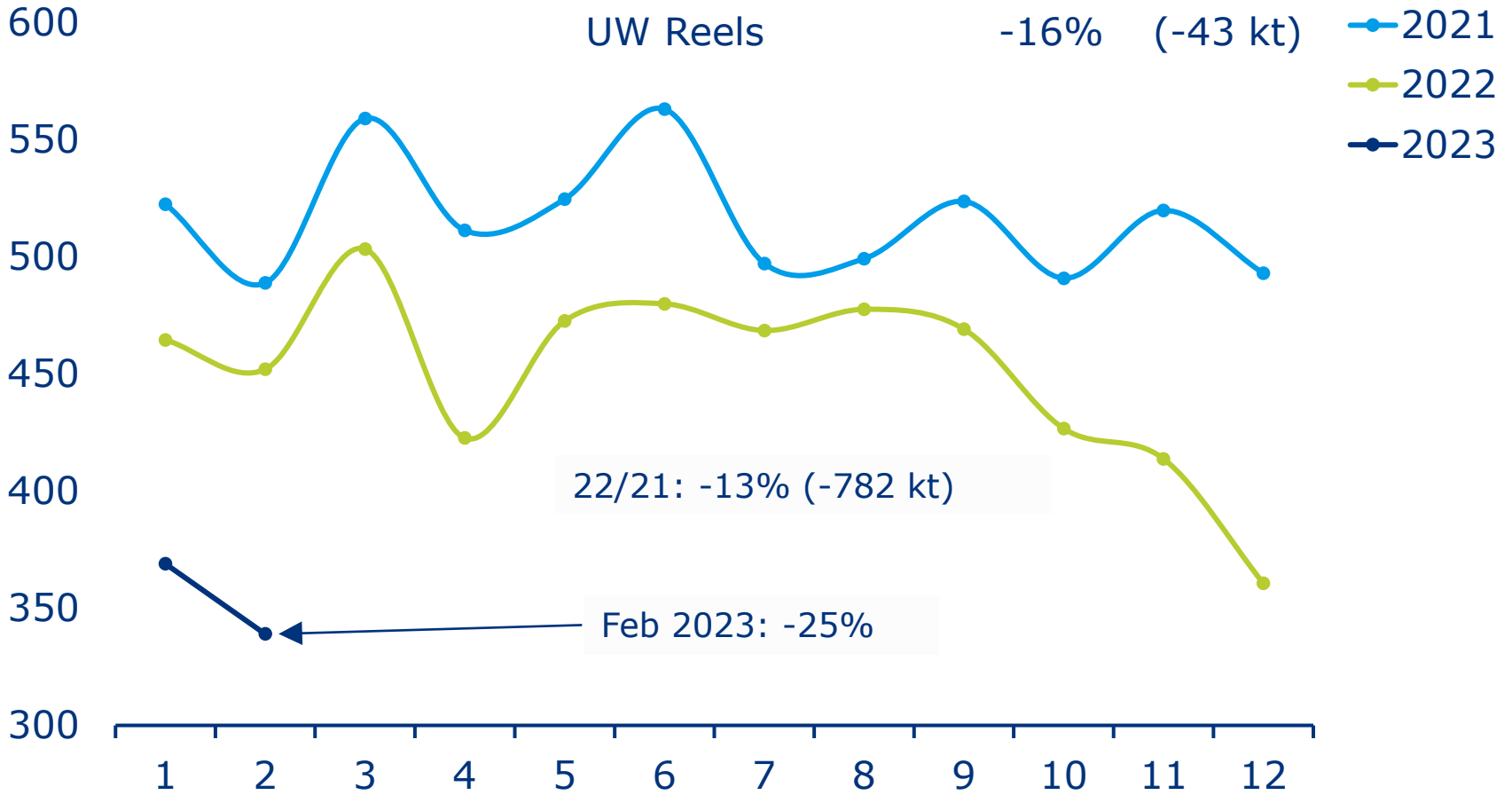
Source: EURO-GRAPH/Svan Data



UW – Total deliveries

Jan-Feb 2023: -23% (-208 kt) (000 of tonnes)

UW Cut Size	-23%	(-97 kt)
UW Folio Sheet	-31%	(-69 kt)
UW Reels	-16%	(-43 kt)



Source: EURO-GRAPH

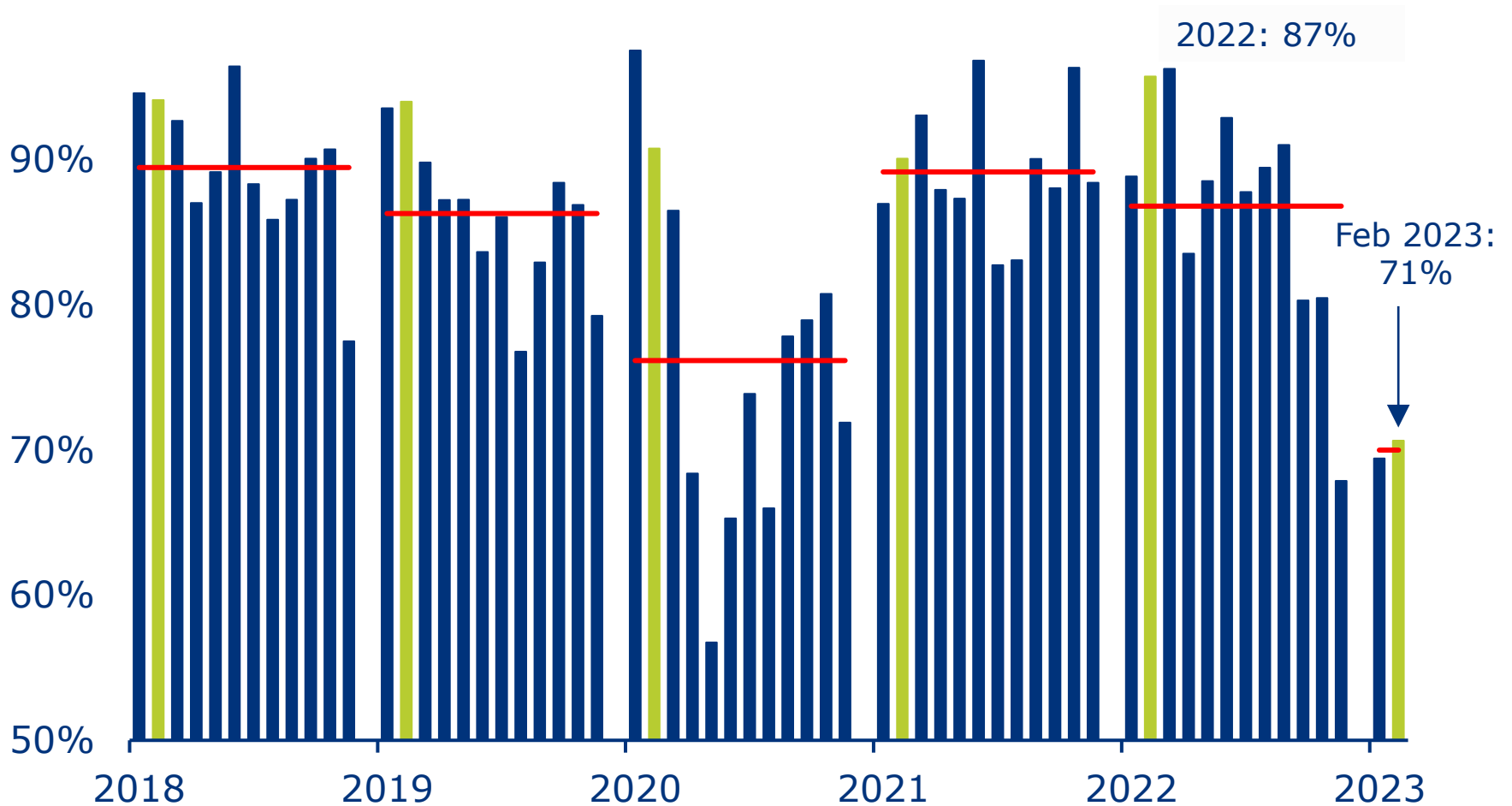
From all Euro-Graph members, W.E., Poland and Slovakia



UW – Delivery-to-capacity

Jan-Feb 2023: 70% (2022: 92%)

UPM/strikes: Jan-Apr 2022; VPK/Alizay: -300 kt/yr, Apr 2022; ArjoWiggins/Stoneywood: -30 kt/yr, Sept 2022; Navigator/Setubal: -250/275 kt/yr 2021-2025

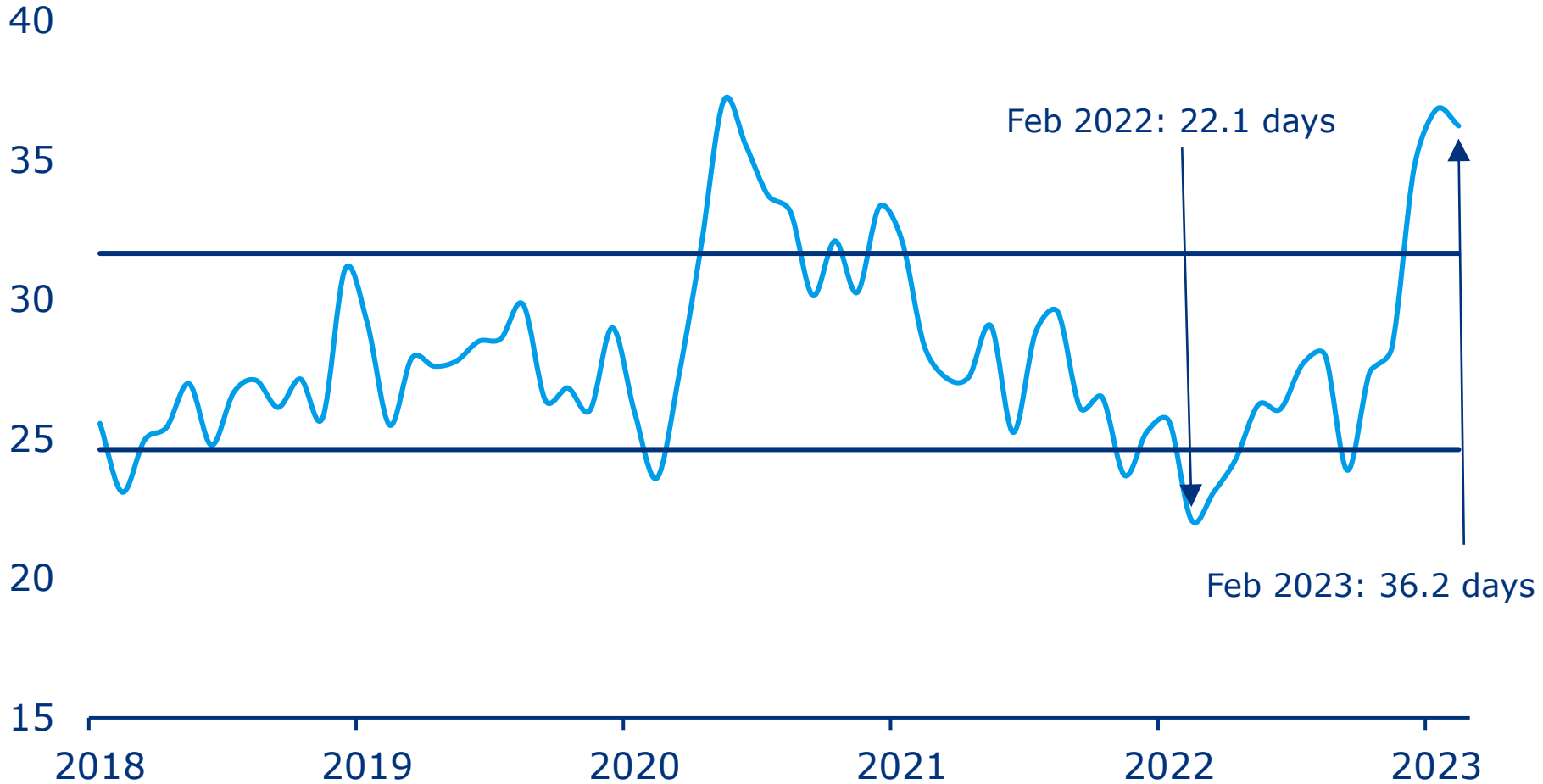


Source: EURO-GRAPH



UW – Mills' Stocks

Average Feb 2018-2022: 24.5 days



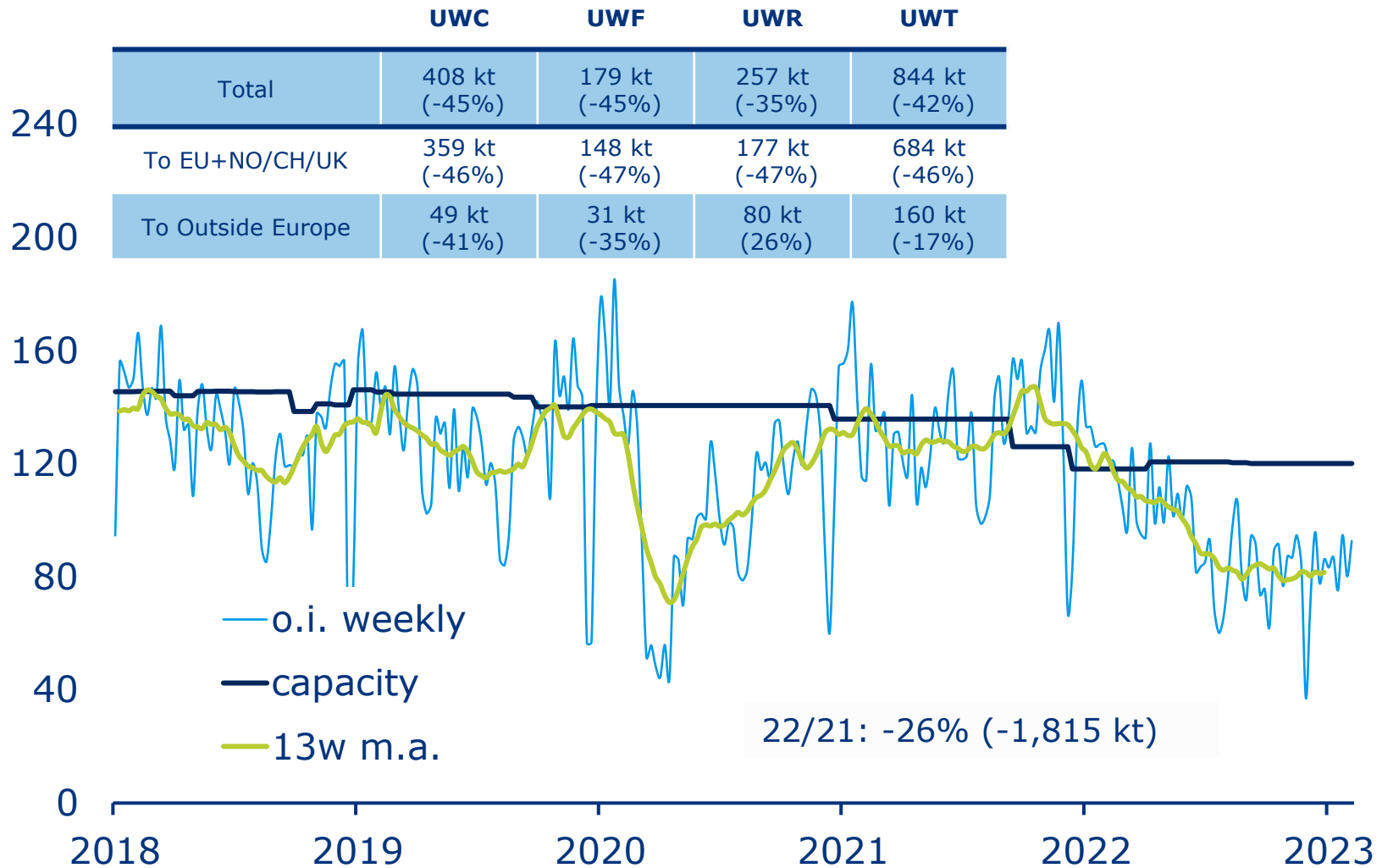
Source: EURO-GRAPH

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



UW – Order inflow to all destinations

10 weeks 2023 vs. 2022: -624 kt (-42%) - (weekly - 000 tonnes)

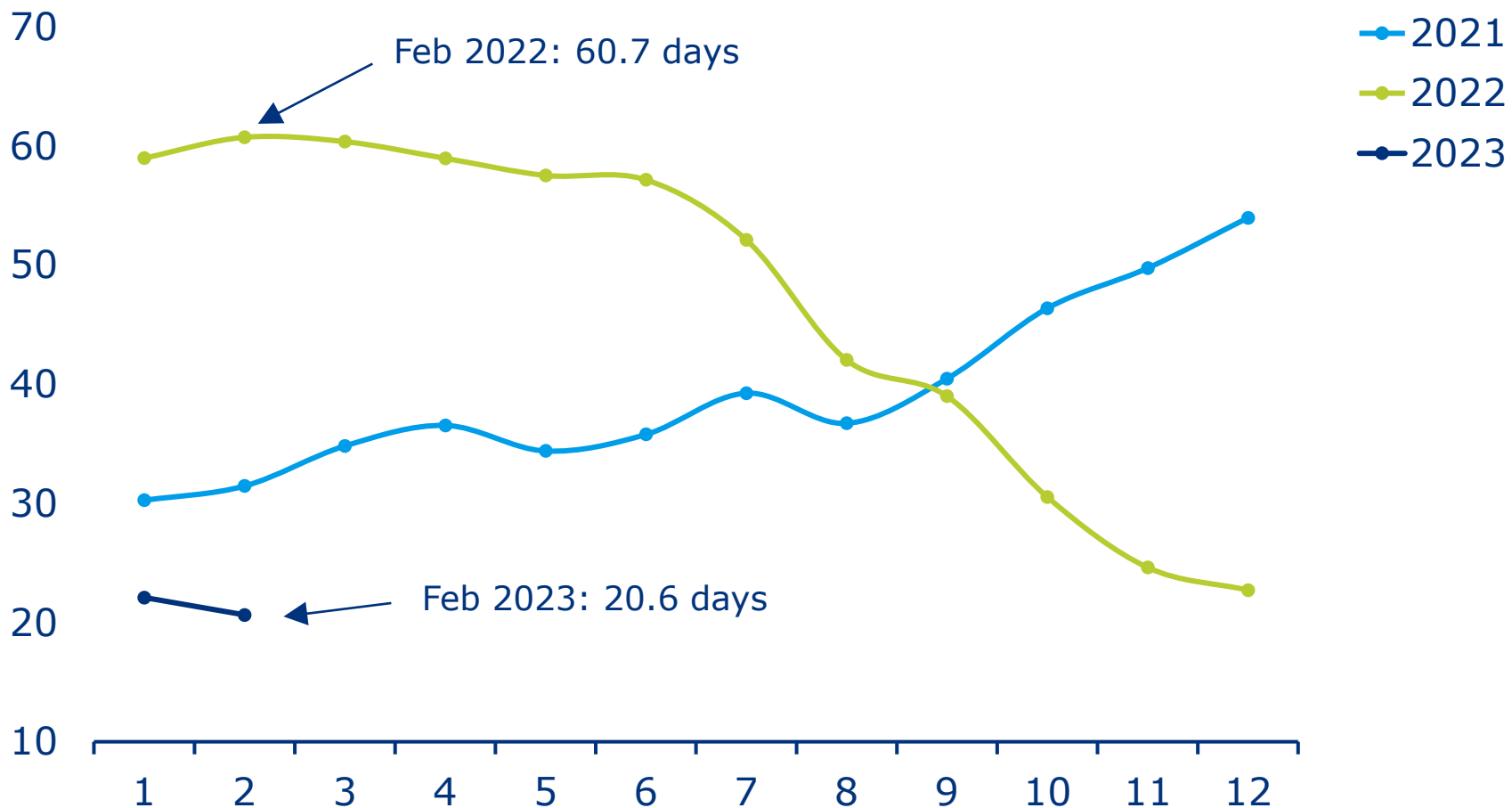


Source: EURO-GRAPH



UW – Orders stocks

(days of supply)



Source: EURO-GRAPH



UW – Summary by sub-quality

Jan-Feb 2023 vs. 2022 (% change y-o-y)

	UW Total	UW Cut Size	UW Folio Sheet	UW Reels
Deliveries to WE	-23%	-17%	-32%	-25%
Total Deliveries	-23%	-23%	-31%	-16%
Imports (Jan-Dec 22)	+39%	+30%	+128%	+47%
Exports	-22%	-36%	-26%	4.4%

Source: EURO-GRAPH

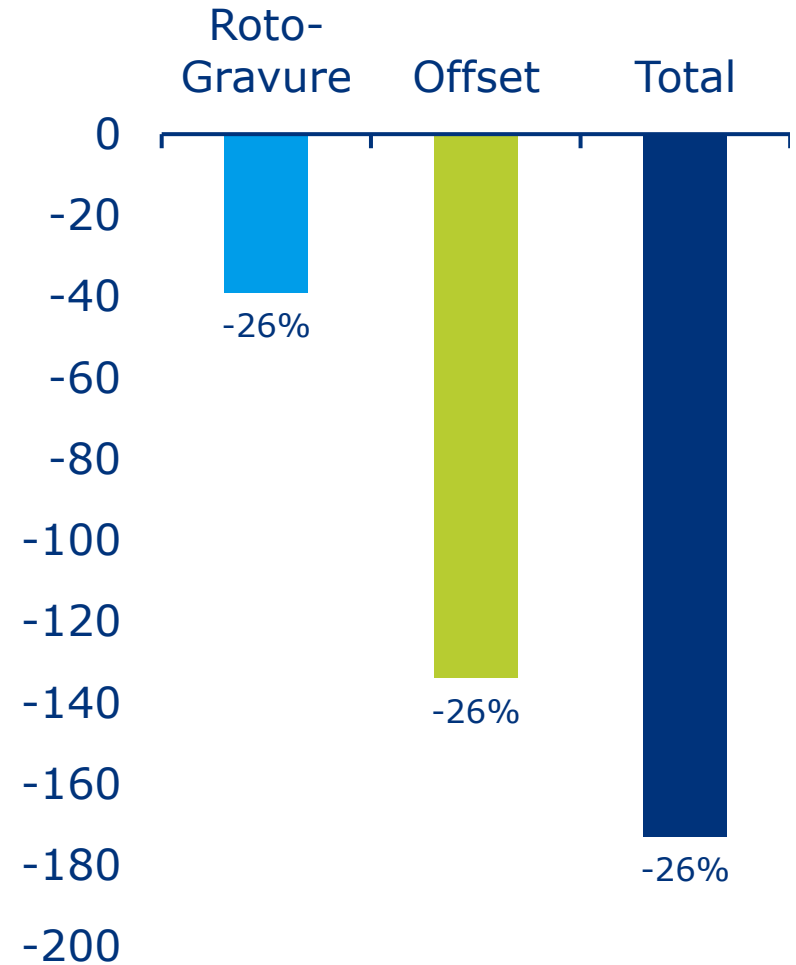
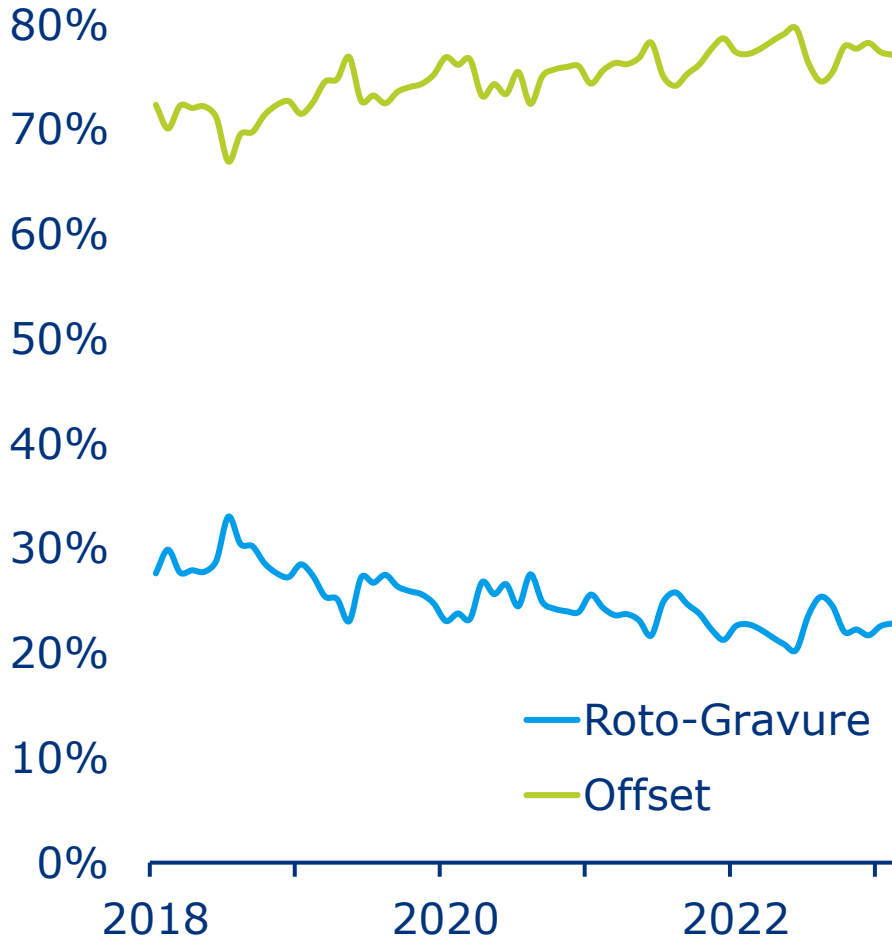


▲◆ SC + CM / split by Roto/Offset



SC+CM – W.E. demand by roto/offset

Jan-Feb 2023: -26% (-173 kt) - by sub-quality (000 of tonnes)



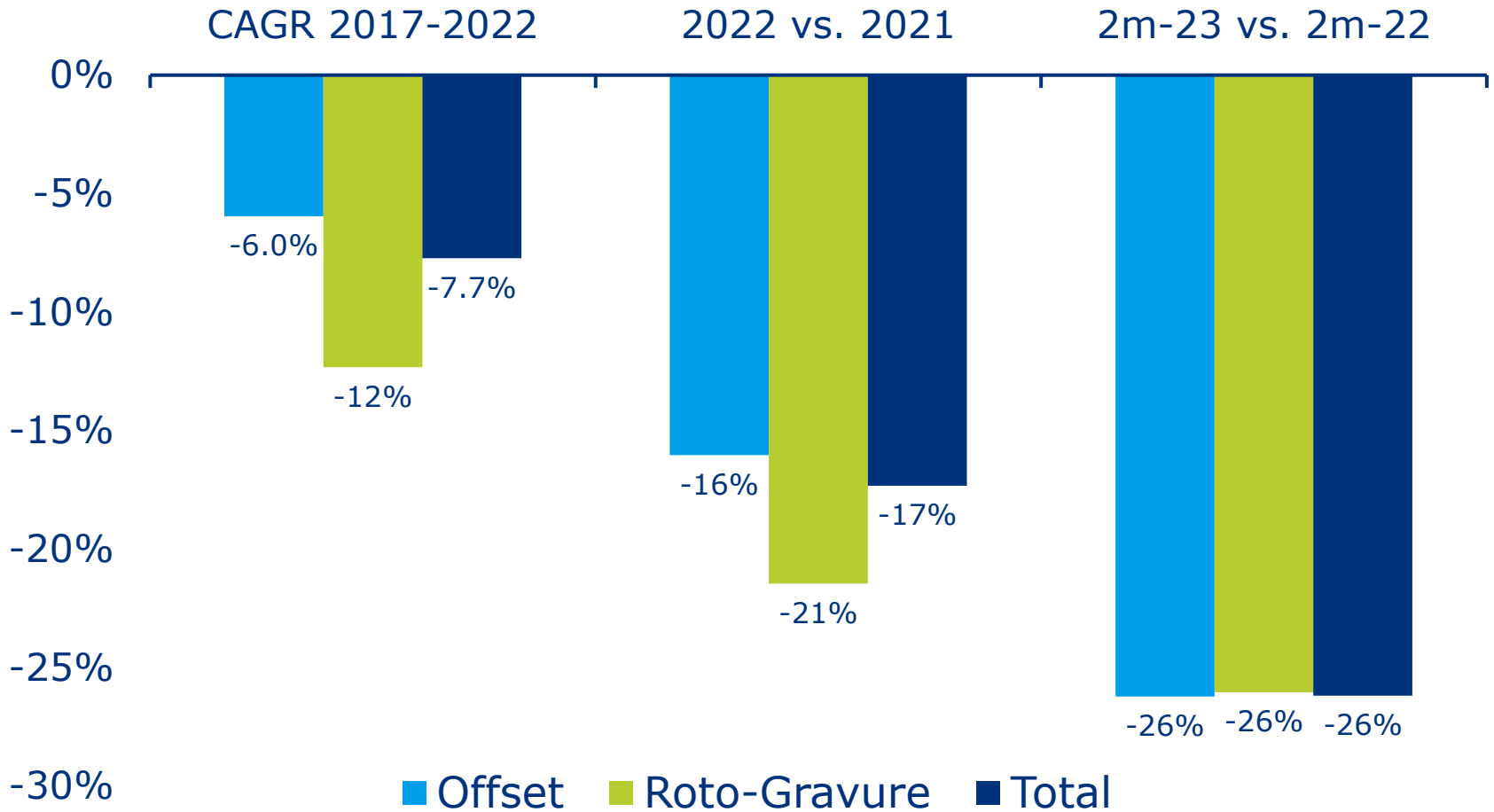
Source: EURO-GRAPH

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



SC+CM – W.E. demand by roto/offset

Jan-Feb 2023: -26% (173 kt) (000 of tonnes)



Source: EURO-GRAPH

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



Financial issues

- **ESTIMATES 2022 ACCOUNTS**
- **RECONFIRMATION BUDGET 2023 AND FINAL DIVISION OF COSTS**

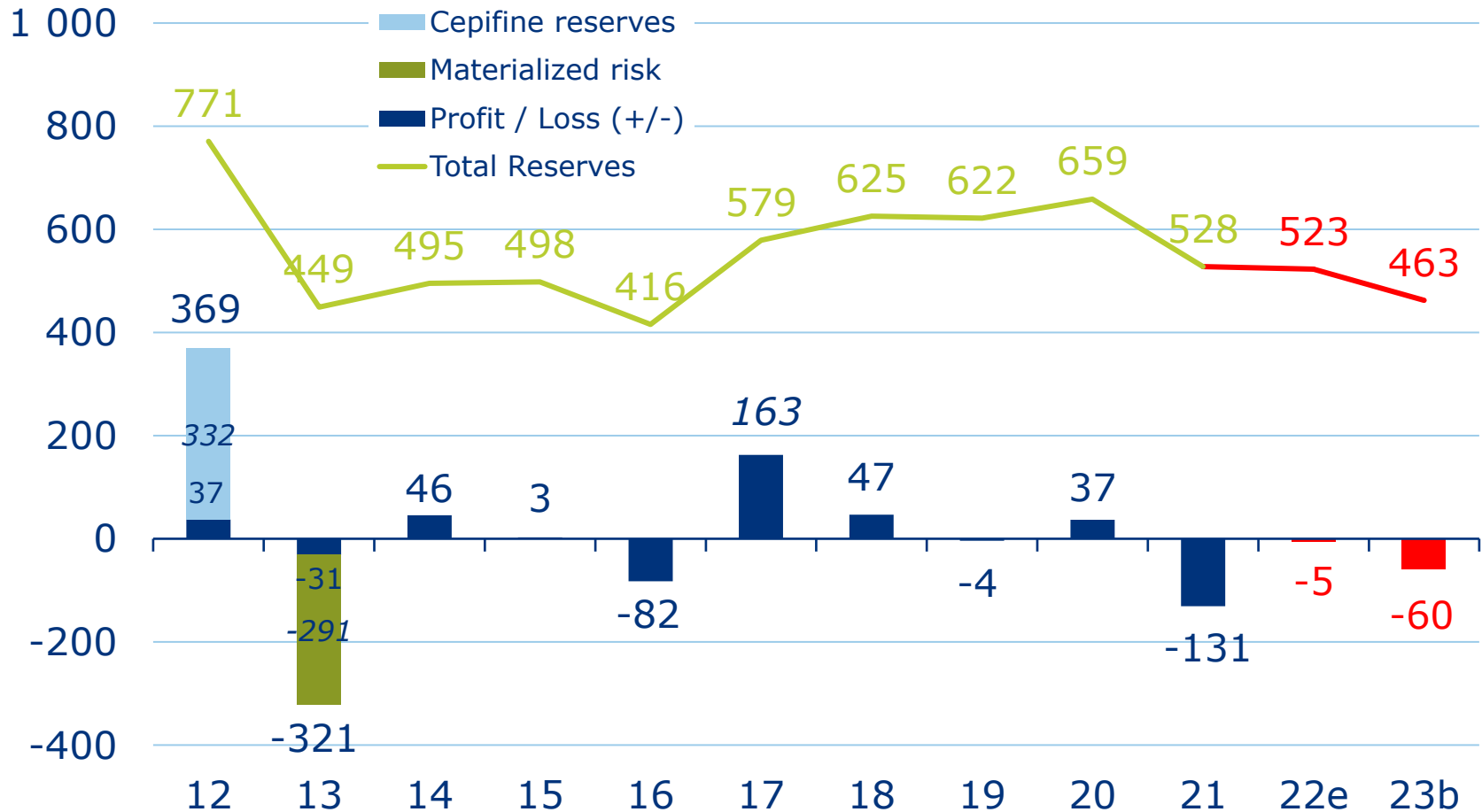
Estimates 2022 – Budget 2023

(in '000 €)	2020	2021	Bdg. 2022	Est. 2022	Bdg 2023
Personnel	433	434	443	444	375
Meetings & Travelling	4	3	32	13	20
Office & Administration	166	205	176	180	152
IT	107	116	106	113	100
Projects	435	441	442	447	8
<i>Print Power</i>	65	66	65	74	0
<i>Two Sides</i>	370	370	370	370	0
<i>Other projects</i>	0	4	7	3	8
Total Expenses	1 146	1 199	1 200	1 197	655
Members contributions	1 170	1 056	1 170	1 170	585
<i>"Regular" budget</i>	800	656	735	735	585
<i>Print Power</i>	0	30	65	65	0
<i>Two Sides</i>	370	370	370	370	0
Other Revenues	12	12	10	22	10
Total Income	1 182	1 068	1 180	1 192	595
Result	+37	-131	-20	-5	-60



Reserves development – estimates 2022/23

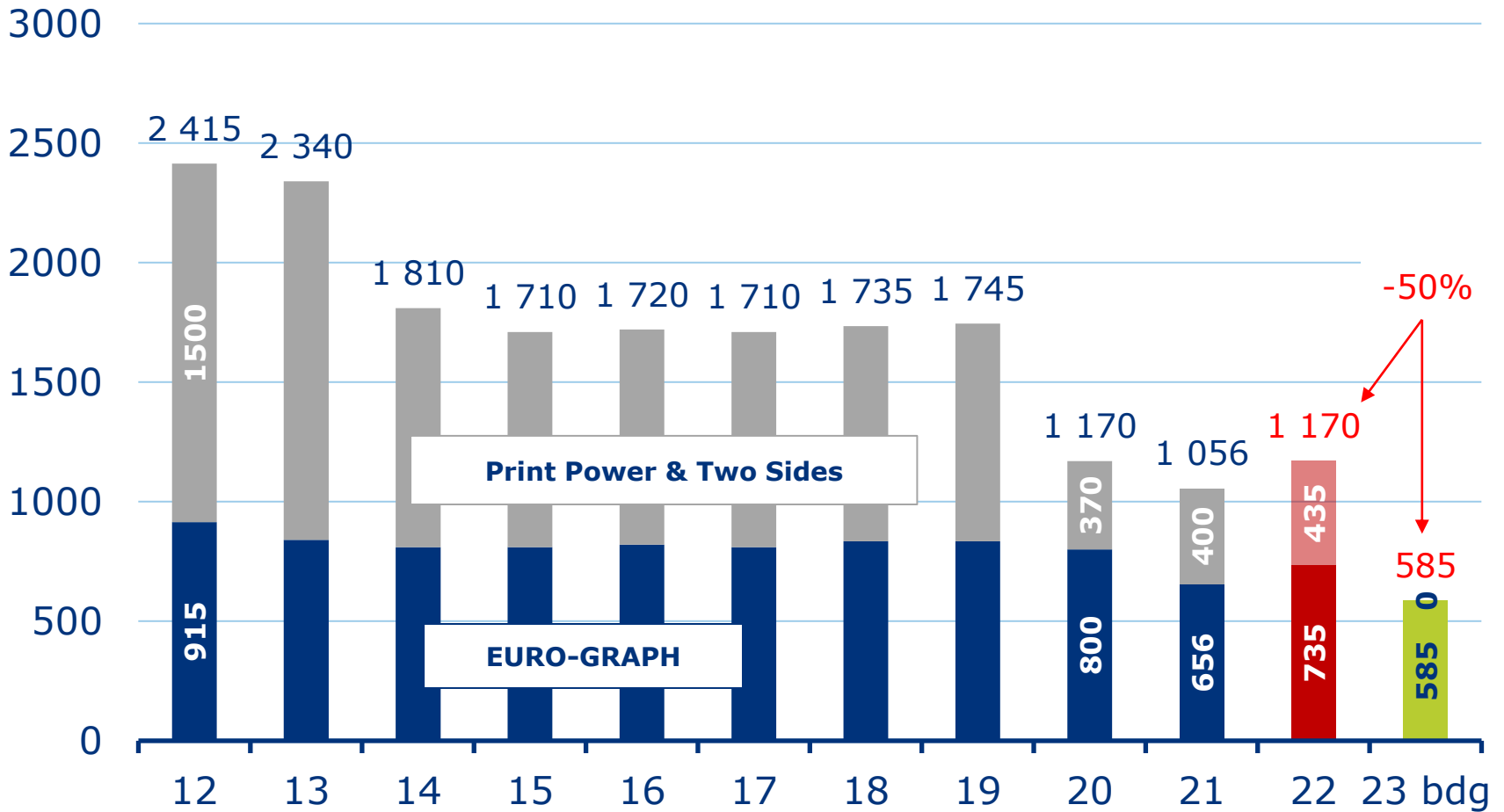
(in 000 €)



22: estimates
23: budget

Euro-Graph members contributions

(in 000 € - including Print Power/Two Sides) – nominal terms





Budget 2023 – split proposal

- Split of budget according to the AoA:
 - Between 10%-25% divided equally between all members
 - Between 75%-90% divided proportionally (based on deliveries of previous year)
 - Agreed for 2023: unchanged vs 2022, i.e. 17.5% fix / 82.5% proportional
- First invoice (50%) in January (based on Jan-Oct deliveries), second invoice (50%) in April (balance, based on Jan-Dec deliveries).
- 2023 split based on confirmed deals
- As of March 15, neither Schwarz, nor Aurelius, nor Sweden Timber had agreed to become member yet.
- Budget 2023 split to be calculated based on existing members

Budget 2023 – final split proposal

	Company	% share	Fixed (17.5%)	Proportional (82.5%)	Total 2023	1 st half – Jan 2023	2 nd half – April 2023
1	UPM-Kymmene	23.0%	4 450	111 023	115 473	55 630.50	59 842.50
2	Sappi	11.7%	4 450	56 686	61 136	31 265.00	29 871.00
3	Norske Skog	7.5%	4 450	36 257	40 707	20 446.00	20 261.00
4	The Navigator Company	7.3%	4 450	35 463	39 913	19 372.00	20 541.00
5	Stora Enso	7.3%	4 450	35 209	39 659	26 042.50	13 616.50
6	Burgo	5.4%	4 450	26 289	30 739	15 925.00	14 814.00
7	Holmen Paper	5.1%	4 450	24 614	29 064	14 162.50	14 901.50
8	Papierfabrik Palm	4.0%	4 450	19 489	23 939	11 683.00	12 256.00
9	Lecta Group	3.9%	4 450	18 659	23 109	11 869.00	11 240.00
10	Mondi	3.8%	4 450	18 336	22 786	11 614.50	11 171.50
11	Sylvamo	3.2%	4 450	15 614	20 064	4 989.00	15 075.00
12	Arctic Paper	3.1%	4 450	15 022	19 472	9 909.00	9 563.00
13	Perlen Papier	2.5%	4 450	11 864	16 314	8 102.00	8 212.00
14	MM Board & Paper	1.9%	4 450	9 191	13 641	6 795.00	6 846.00
15	Leipa	1.8%	4 450	8 561	13 011	6 593.50	6 417.50
16	Kabel Premium Pulp & Paper	1.6%	4 450	7 580	12 030	6 270.50	5 759.50
17	Steinbeis Papier	1.6%	4 450	7 518	11 968	5 806.50	6 161.50
18	Fedrigoni Group	1.2%	4 450	5 966	10 416	5 297.00	5 119.00
19	Heinzl - Laakirchen	1.2%	4 450	5 836	10 286	5 236.50	5 049.50
20	Smurfit Kappa Group - Parenco	1.0%	4 450	5 055	9 505	4 683.00	4 822.00
21	Iberpapel Gestión (Zicunaga)	0.9%	4 450	4 180	8 630	4 288.50	4 341.50
22	Papresa	0.7%	4 450	3 426	7 876	3 844.50	4 031.50
23	Crown van Gelder	0.2%	4 450	812	5 262	2 675.00	2 587.00
	Grand Total	100.0%	102 350	482 650	585 000	292 500.00	292 500.00

Between 10%-25% divided equally (2022 = 17.5%; proposal 2023 = 17.5%)

Between 75%-90% (2022 = 82.5%; proposal 2023 = 82.5%) divided proportionally (based on deliveries 2022).

No charge for associate members.

First invoice (50%) in January (based on Jan-Oct deliveries), second invoice (50%) in April (balance, based on Jan-Dec deliveries).

As of 21/03, 3 invoices for H1/2023 still to be paid (~20 000 €, or 6.8% of total H1)

Contributions by member '23 vs '22

	Company	Total 2022	Total 2023	Change 2023 vs 2022
1	UPM-Kymmene	246 453	115 473	-130 980
2	Sappi	111 859	61 136	-50 723
3	Norske Skog	78 831	40 707	-38 124
4	The Navigator Company	69 828	39 913	-29 915
5	Stora Enso	130 190	39 659	-90 531
6	Burgo	64 159	30 739	-33 420
7	Holmen Paper	52 148	29 064	-23 084
8	Papierfabrik Palm	44 518	23 939	-20 579
9	Lecta Group	42 826	23 109	-19 717
10	Mondi	44 076	22 786	-21 290
11	Sylvamo	18 720	20 064	1 344
12	Arctic Paper	35 826	19 472	-16 354
13	Perlen Papier	30 567	16 314	-14 253
14	MM Board & Paper	25 369	13 641	-11 728
15	Leipa	25 506	13 011	-12 495
16	Kabel Premium Pulp & Paper	26 643	12 030	-14 613
17	Steinbeis Papier	21 718	11 968	-9 750
18	Fedrigoni Group	19 519	10 416	-9 103
19	Heinzel - Laakirchen	20 340	10 286	-10 054
20	Smurfit Kappa Group - Parengo	16 584	9 505	-7 079
21	Iberpapel Gestión (Zicunaga)	19 749	8 630	-11 119
22	Papresa	14 448	7 876	-6 572
23	Crown van Gelder	10 123	5 262	-4 861
	Grand Total	1 170 000	585 000	-585 000



Projects Update

- **LCI DATA FOR GRAPHIC PAPERS**
- **LCI DATA FOR PRODUCTION OF PULP FROM PFR**
- **REVISION OF ISO-4046 (VOCABULARY FOR PULP, PAPER AND BOARD)**



Projects update

- LCI data for graphic papers
 - Delayed, but to be finalised shortly. Data will be checked by our EWG before submission to the Ecoinvent/PEF databases in Q2/2023.
 - 60% of costs waived by consultant because of delay (~5 000 €).
- LCI data for PfR
 - Delayed, but finalised in the fall 2022. Data already submitted to Ecoinvent/PEF databases. FEFCO and EPPA already used new data for two studies.
 - 60% of costs waived by consultant because of delay (~1 500 €).
- ISO 4046 update
 - E-G confirmed participation. 12 organizations supporting the project, which is aimed at revising the vocabulary of the ISO 4046 (standard for pulp, paper and board). Project to run through 2026.
 - E-G share of the budget: 18 000 € (3 000 € in 2022, 5 000 € in 2023, 4 000 € in 2024 and 2025, 2 000 € in 2026).



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.



Meeting Dates 2023



Meeting dates 2023

- Board
 - March 2nd, 09h00-11h00 CET, online web-meeting
 - G.A.
 - March 23rd, at 09h00-12h00 CET, online web-meeting
-

- Board
 - May 30th, 09h00-11h00 CET, online web-meeting
 - G.A.
 - June 27th, at 09h00-12h00 CET, online web-meeting
-

- Board
 - November 3rd, 09h00-11h00 CET, online web-meeting
- G.A.
 - November 29th, at 09h00-12h00 CET, in person (Brussels)
- Meeting with EUGROPA Board
 - November 29th, at 13h00-14h00 CET, in person (Brussels)

Thank you!



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