

# General Assembly meeting




27<sup>th</sup> June 2023  
Starting at 09h00 CET  
Online

# Opening of the meeting

## Agenda

- Opening of the meeting
- Guest speaker – J. Ringman
- Guest speaker – E. de Callataÿ
- Board of Directors
- Update on membership
- Statistics
- Possible defense measures UW imports
- Financial issues
- Environmental issues
- Projects update
- Other business
- Next meeting
- Adjournment

## Legal Reminder



**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

**ETIENNE DE CALLATAÿ**

**CHAIRMAN AND CHIEF ECONOMIST, ORCADIA ASSET MANAGEMENT**



# Guest Speaker

**JORI RINGMAN, CEPI, MANAGING DIRECTOR**



# Board of Directors

## **RESIGNATIONS & APPOINTMENTS**



# Board of Directors – 2023

## Board of Directors

- Burgo Tomaso Esposito
- Holmen Paper Lars Lundin
- Lecta Corrado Lignana
- Mondi Devan Naidoo →
- Navigator Antonio Redondo
- Norske Skog Robert Wood
- Palm Joachim Lange
- Perlen Klemens Gottstein
- Sappi Marco Eikelenboom
- Stora Enso Mikko Antsalo
- UPM Ruud van den Berg

to be replaced by  
Bernhard Cantzler,  
effective as of 31/07/2023



# Formal proposals

- It is proposed to accept the resignation of Mr Naidoo from the Board of Directors as of 31/07/2023
- It is proposed to appoint Mr Cantzler as member of the Board as of 31/07/2023
  
- Proposal to confirm the acceptance of the resignation of the following Board members:
  - Mr Sverre Norrgard, as of 31/12/2011
  - Juha Taavila, as of 31/12/2011
  - Mr Arne Wallin, as of 31/12/2011
  - Mr Nils Ringborg, as of 31/12/2018
  
- Proposal to confirm the acceptance of appointment to the Board and resignation from the Board of the following members:
  - Kati ter Horst, appointed 01/01/2017, resigned 29/06/2022
  - Anu Ahola, appointed 01/01/2019, resigned 31/12/2022
  - Gunilla Saltin, appointed 01/01/2022, resigned 31/12/2022



# Update on membership





# Update on membership

- Burgo Duino mill sold to Mondi (CM paper until end 2023).
- UPM Steyrermühl mill sold to Heinzl (Graphic papers to be continued until end of June 2023).
- Stora Enso Nymolla mill sold to Sylvamo.
- Stora Enso Maxau mill sold to Schwarz Produktion.
- Stora Enso Hylte mill sold to Sweden Timber.
  
- Sale of Sappi Maastricht, Stockstadt and Kirkniemi mills to Aurelius did not materialize.
  
- Schwarz declined invitation to join E-G and exchange statistics.
- Sweden Timber declined invitation to join E-G and exchange statistics.
- Data of Maxau and Hylte temporarily estimated.



# Statistics

## **RECENT MARKET DEVELOPMENT**



# Confidentiality of Euro-Graph statistics

## Board recommendation:

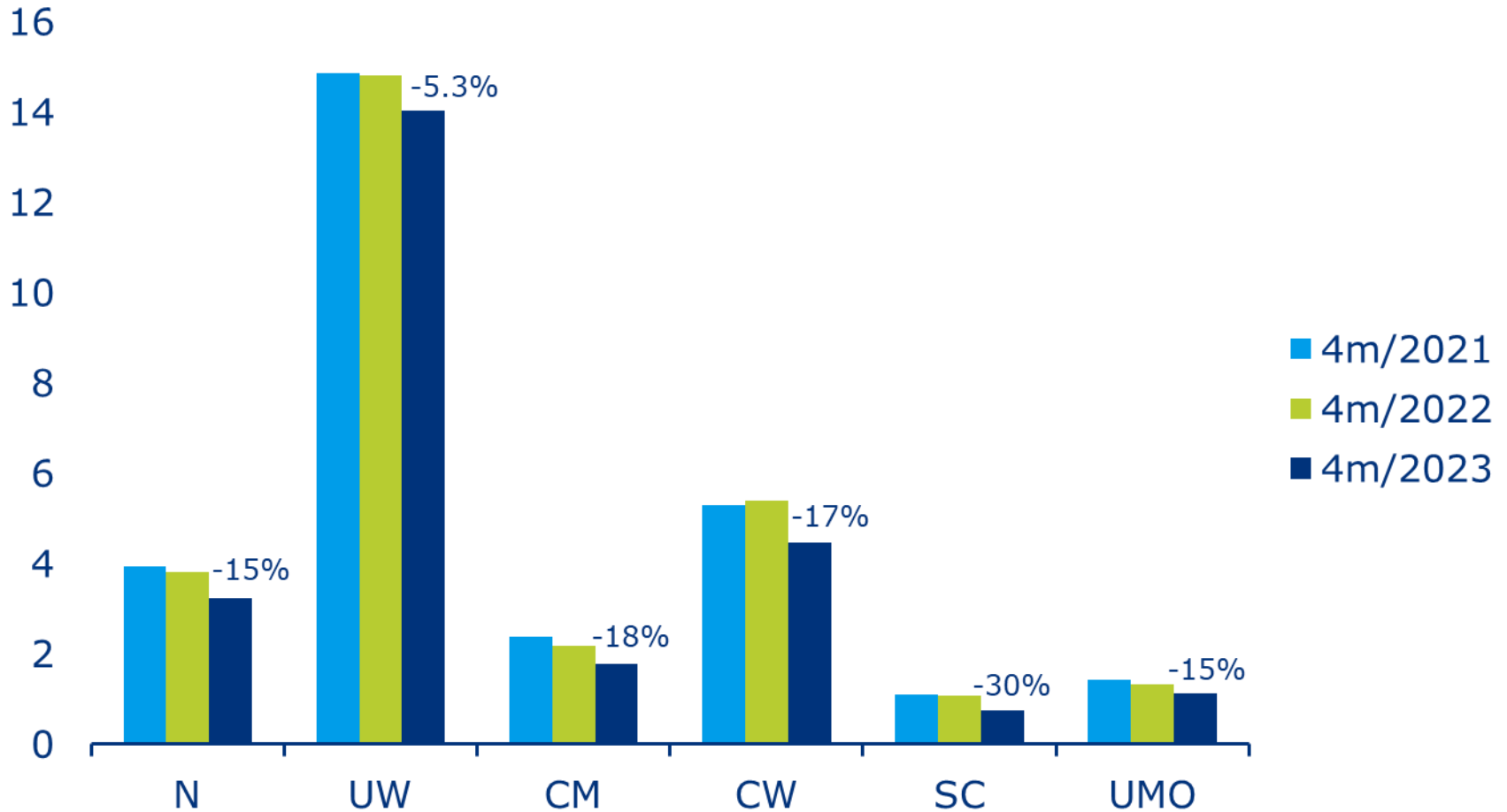
- Reminder to all members of the importance of the confidentiality of the Euro-Graph statistics.
- Euro-Graph statistics are strictly confidential and for its members' use only. No member company is allowed to disseminate the detailed statistics.
- E-G data, in their aggregated format, are property of the association and not of its individual members. Aggregated data can be used, upon authorization of the E-G secretariat.
- Recipients of the Euro-Graph statistics should not disclose the data to any third party who is not a member of the association.
- E-G and individual members have recently reviewed all names of people authorized to receive and have access to the statistics.



# Graphic papers – World demand

4m 2023 vs. 2022: -11.2% (-3 198 kt) (million of tonnes)

Tough market conditions with general economic slowdown depressing consumption plus customers destocking

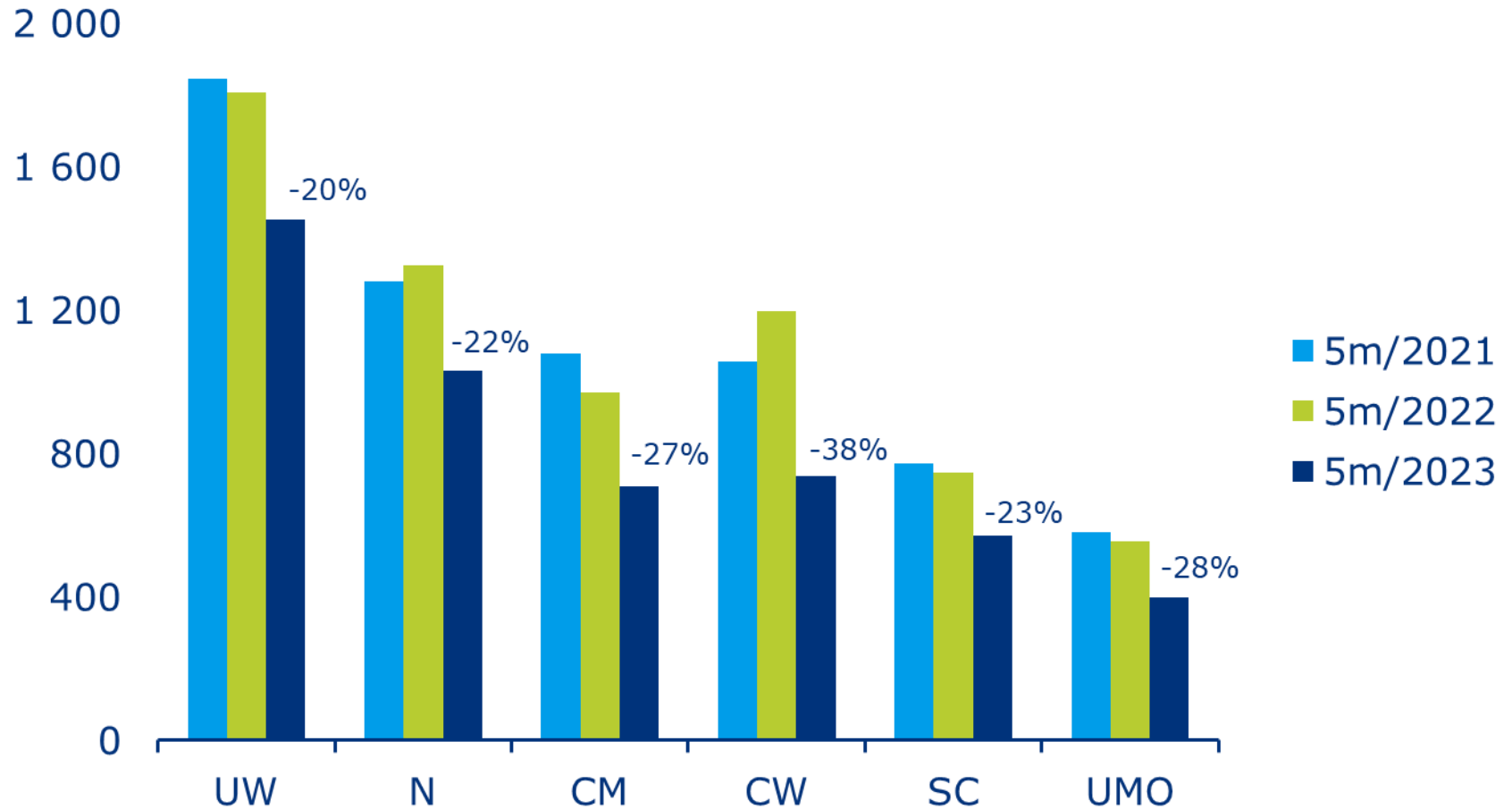


Source: PPPC



# Graphic papers – W.E. demand

5m 2023 vs. 2022: -25.8% (-1 701 kt) (000 of tonnes)



Source: EURO-GRAPH / PPPC

May data partly estimated



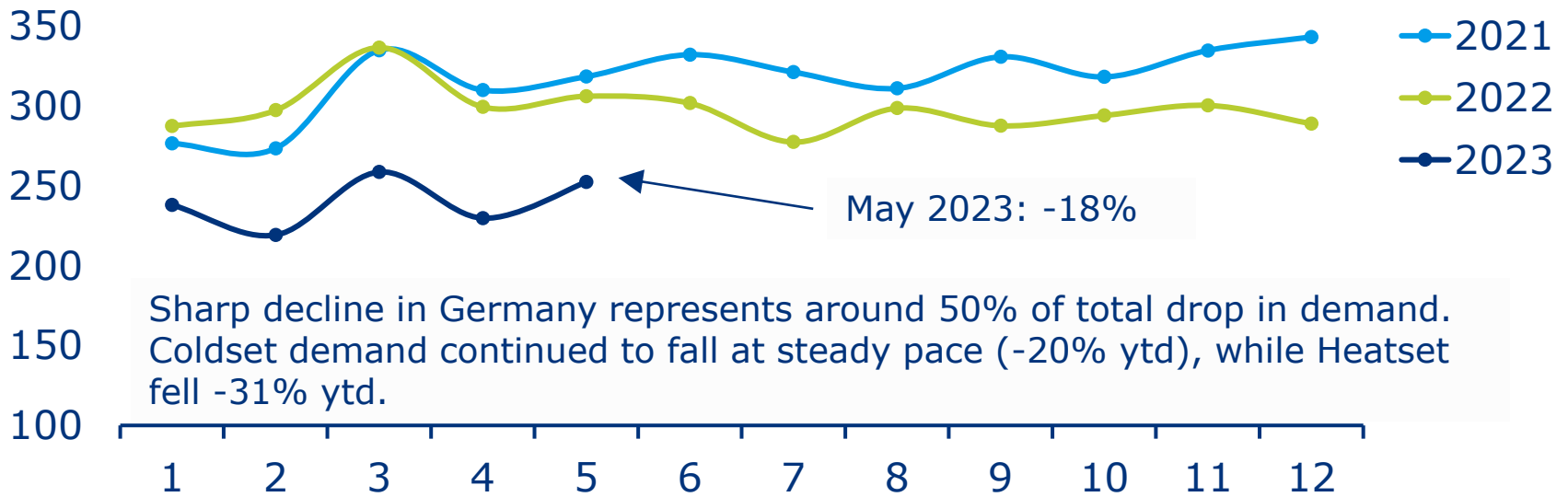
● Newsprint



# Newsprint – European demand

Jan-May 2023: -22% (-329 kt) (000 of tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	Country	Jan-May 2022	Jan-May 2023	% chg
WE	1,324 kt	1,033 kt	-22%	EE	203 kt	166 kt	-18%
DE	508 kt	362 kt	-29%	RU	38 kt	59 kt	55%
GB	203 kt	168 kt	-18%	PL	44 kt	22 kt	-51%
IT	119 kt	95 kt	-20%	CZ	21 kt	17 kt	-21%
FR	90 kt	75 kt	-17%	SI	16 kt	13 kt	-17%
NL	71 kt	71 kt	-0.8%	HU	24 kt	13 kt	-47%
Other	331 kt	262 kt	-21%	Other	61 kt	43 kt	-29%



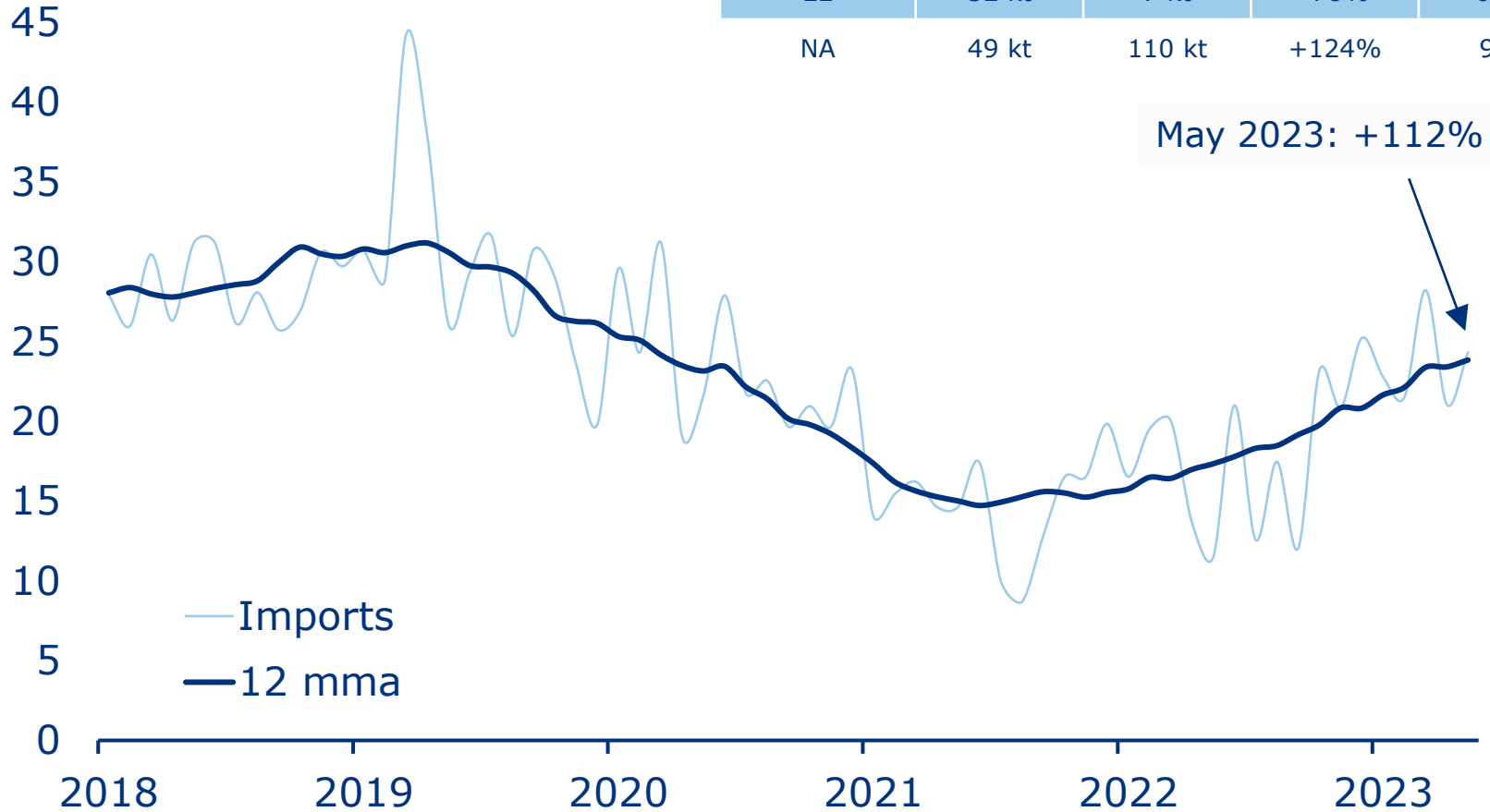
Source: EURO-GRAPH / PPPC



# Newsprint – W.E. Imports

Jan-May 2023: +44% (+36 kt) - (000 tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	% share of imports
Total Import	81 kt	118 kt	+45%	100%
EE	32 kt	7 kt	-78%	6.2%
NA	49 kt	110 kt	+124%	94%



Source: EURO-GRAPH

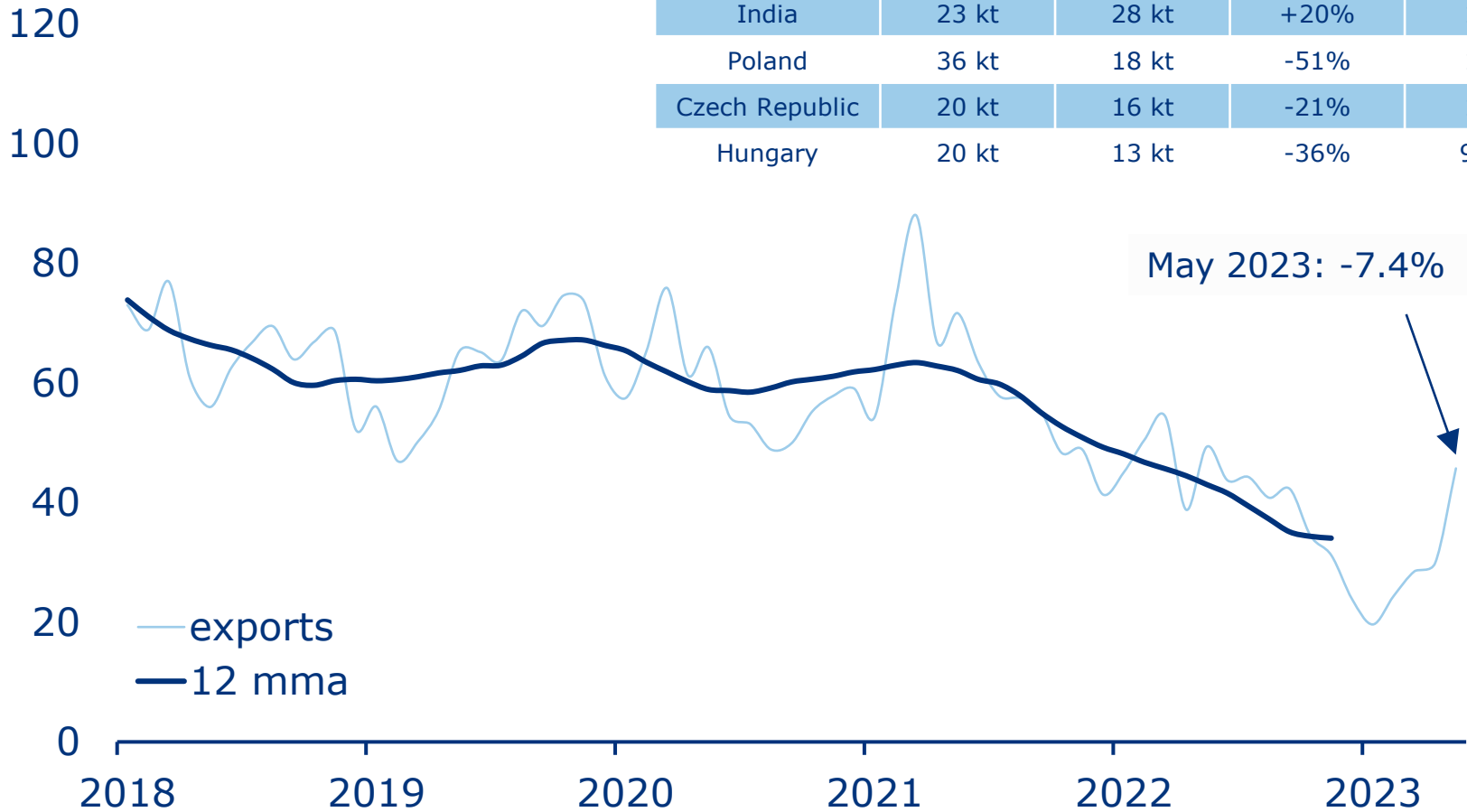




# Newsprint – W.E. Exports

Jan-May 2023: -38% (-90 kt) - (000 tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	% share of exports
Tot. Export	238 kt	148 kt	-38%	100%
India	23 kt	28 kt	+20%	19%
Poland	36 kt	18 kt	-51%	12%
Czech Republic	20 kt	16 kt	-21%	11%
Hungary	20 kt	13 kt	-36%	9.0%

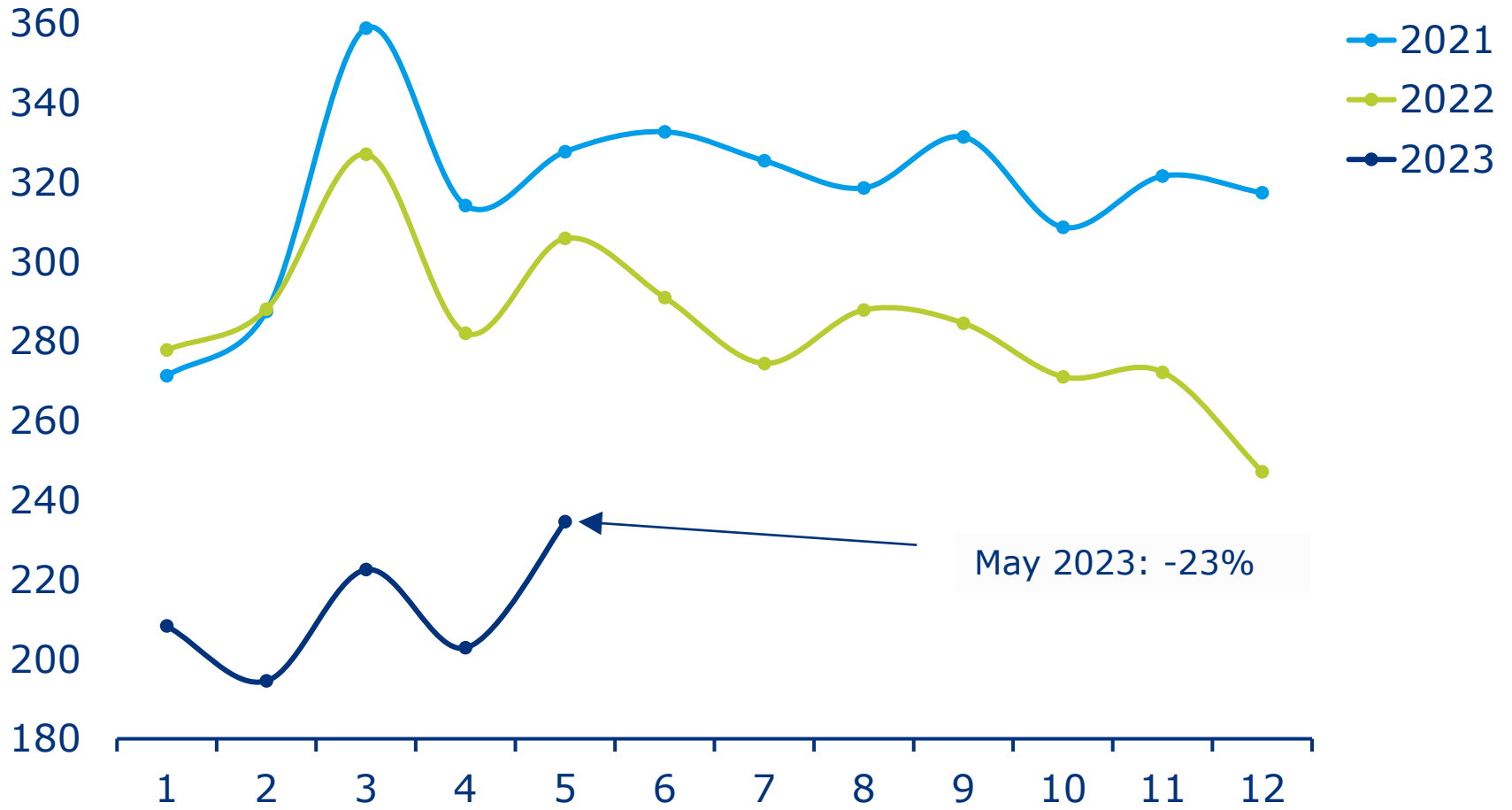


Source: EURO-GRAPH



# Newsprint – W.E. total deliveries

Jan-May 2023: -28% (-418 kt) (000 of tonnes)



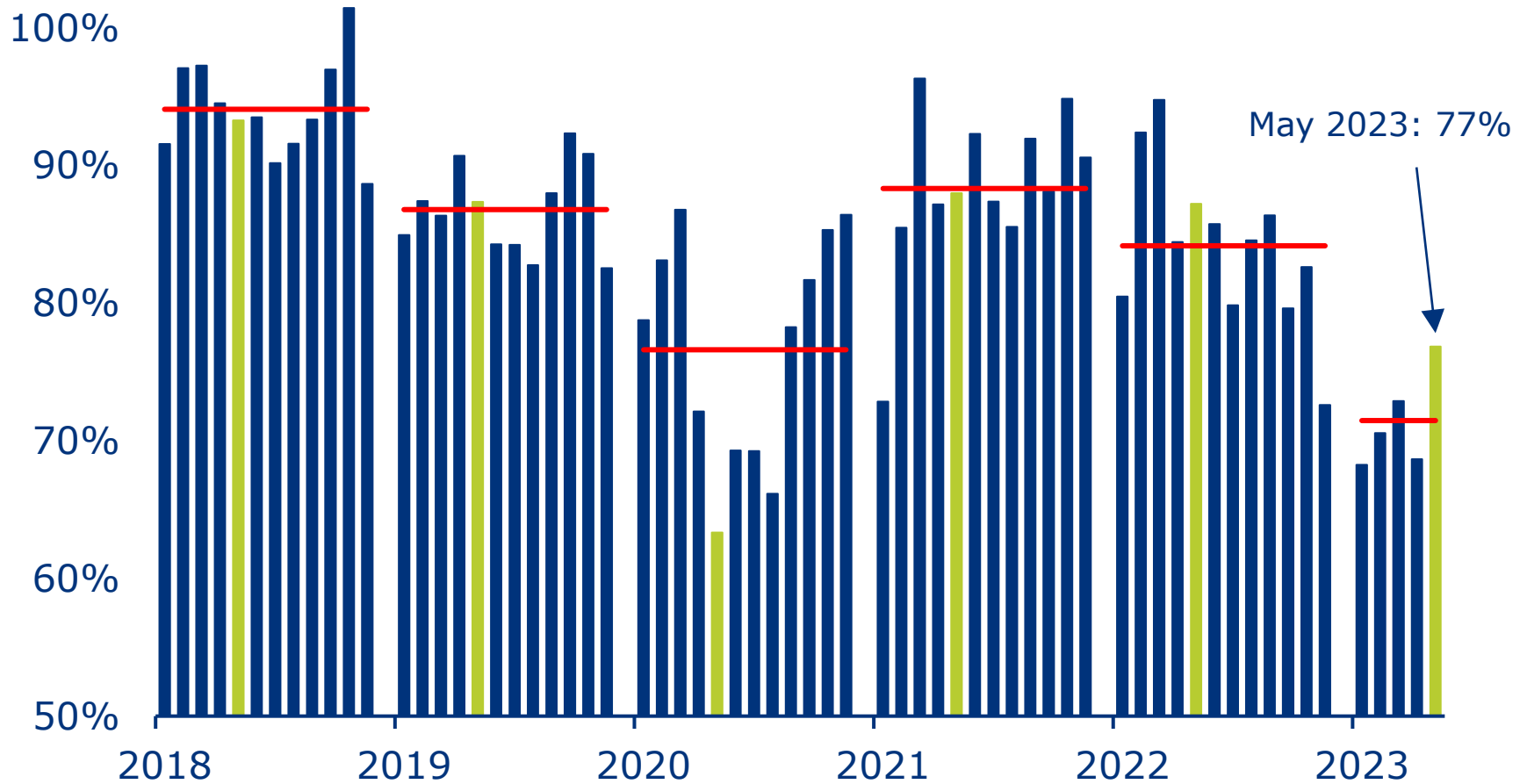
Source: EURO-GRAPH



# Newsprint – delivery-to-capacity ratio

Jan-May 2023: 71% (2022: 88%)

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

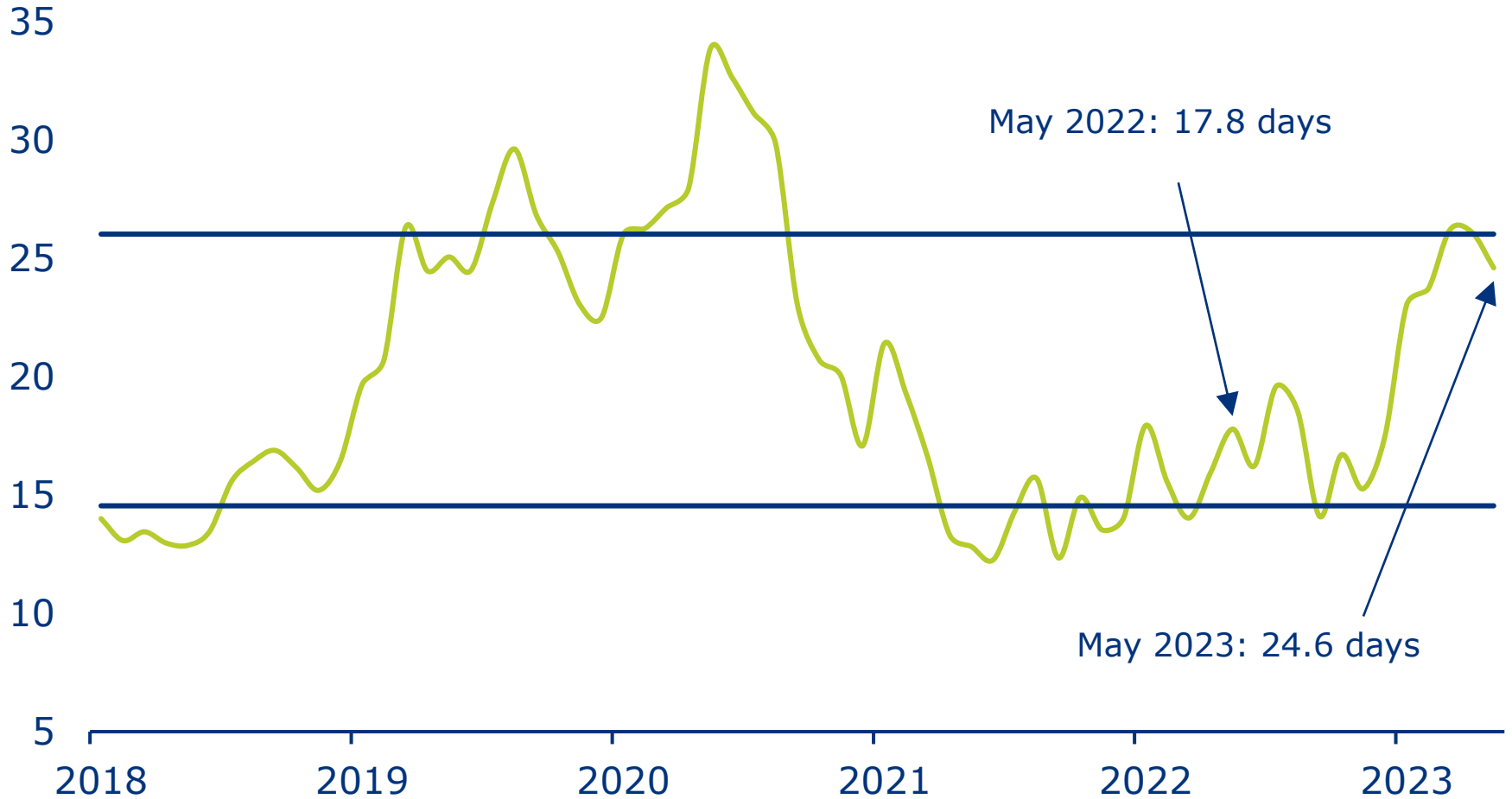


Source: EURO-GRAPH



# Newsprint – Mills' Stocks

Average May 2018-2022: 20.5 days



Source: EURO-GRAPH

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

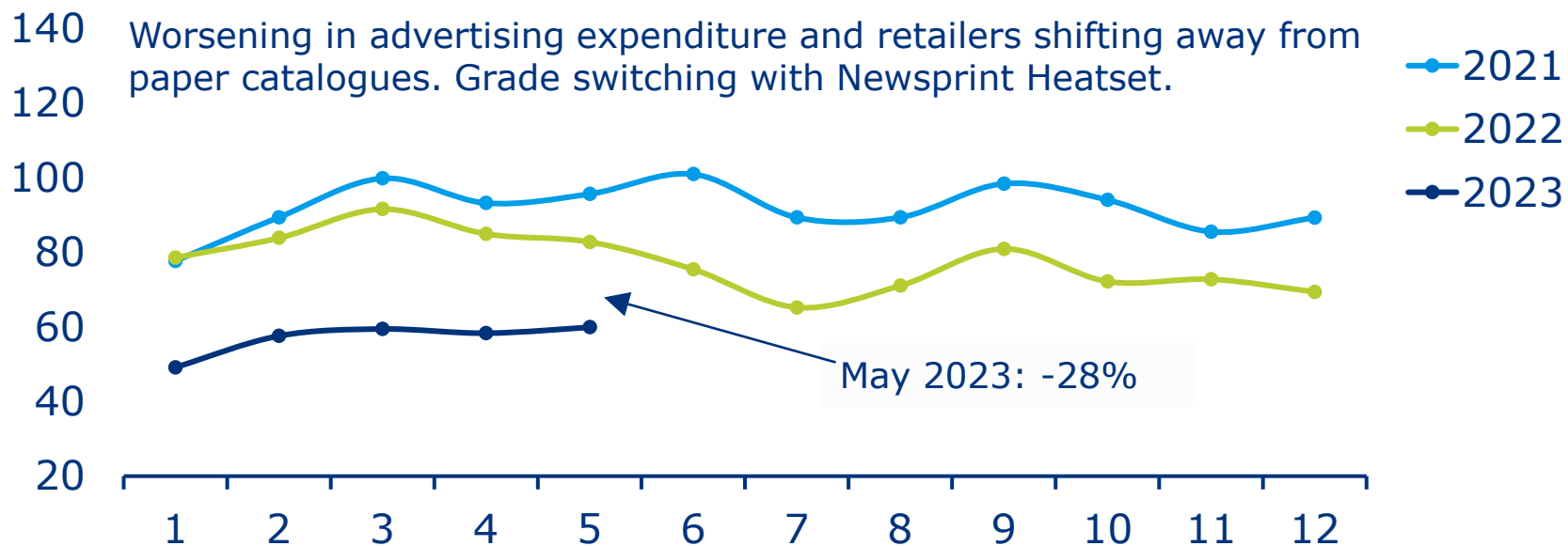


■ Uncoated Mechanical Improved – UMI

# UMI – European demand

Jan-May 2023: -33% (-137 kt) (000 of tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	Country	Jan-May 2022	Jan-May 2023	% chg
WE	361 kt	248 kt	-31%	EE	61 kt	37 kt	-40%
DE	100 kt	73 kt	-27%	PL	22 kt	15 kt	-31%
GB	41 kt	31 kt	-23%	CZ	15 kt	8 kt	-47%
NL	40 kt	29 kt	-26%	RO	7 kt	4 kt	-48%
IT	36 kt	25 kt	-32%	HU	6 kt	2 kt	-65%
FR	33 kt	17 kt	-48%	SK	3 kt	2 kt	-24%
Other	110 kt	72 kt	-34%	Other	8 kt	5 kt	-30%



Source: EURO-GRAPH

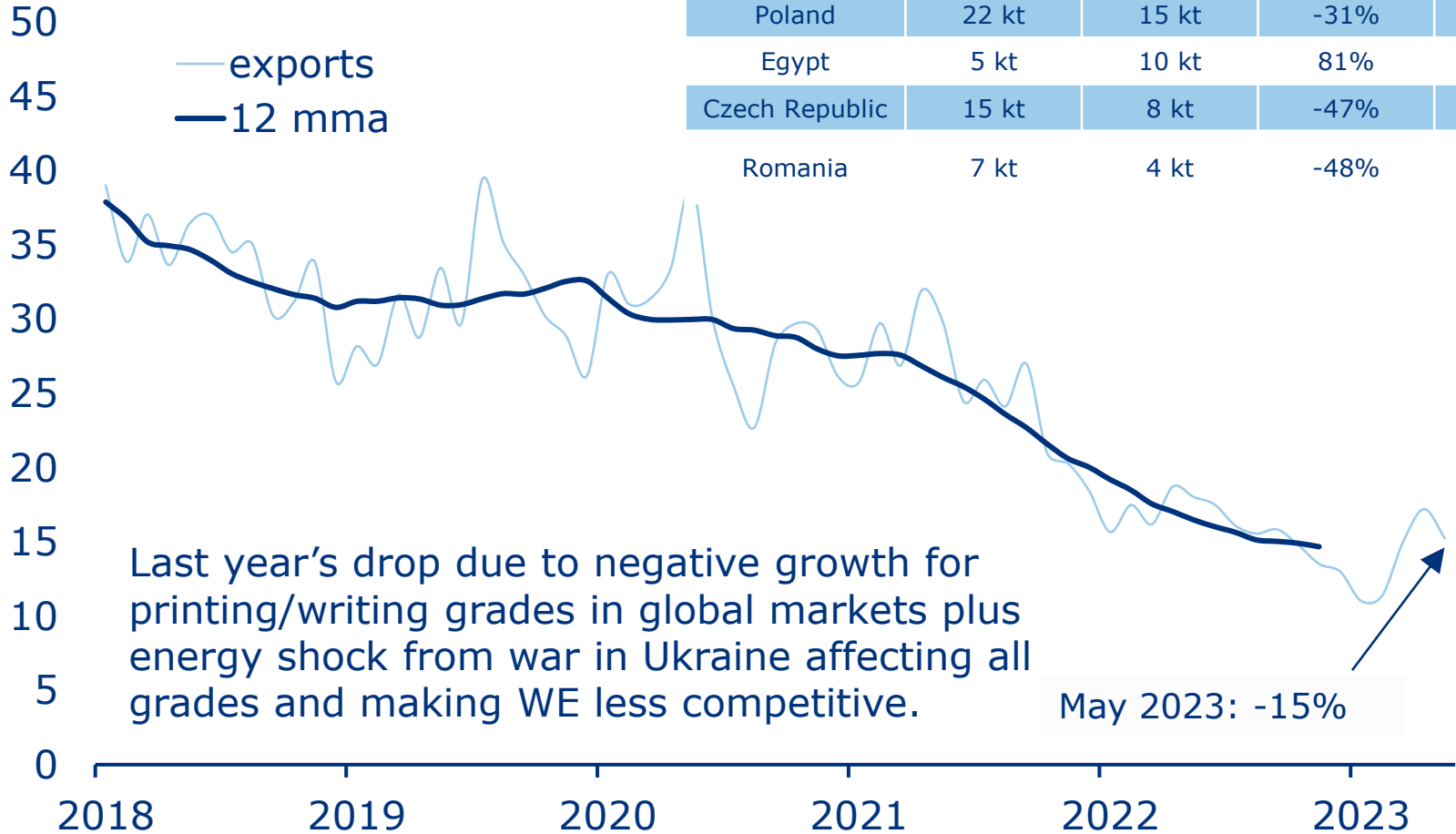
Deliveries to Europe from W.E. suppliers



# UMI – W.E. exports

Jan-May 2023: -19% (-16 kt) - (000 tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	% share of exports
Tot. Export	86 kt	70 kt	-19%	100%
Poland	22 kt	15 kt	-31%	21%
Egypt	5 kt	10 kt	81%	14%
Czech Republic	15 kt	8 kt	-47%	11%
Romania	7 kt	4 kt	-48%	6.0%

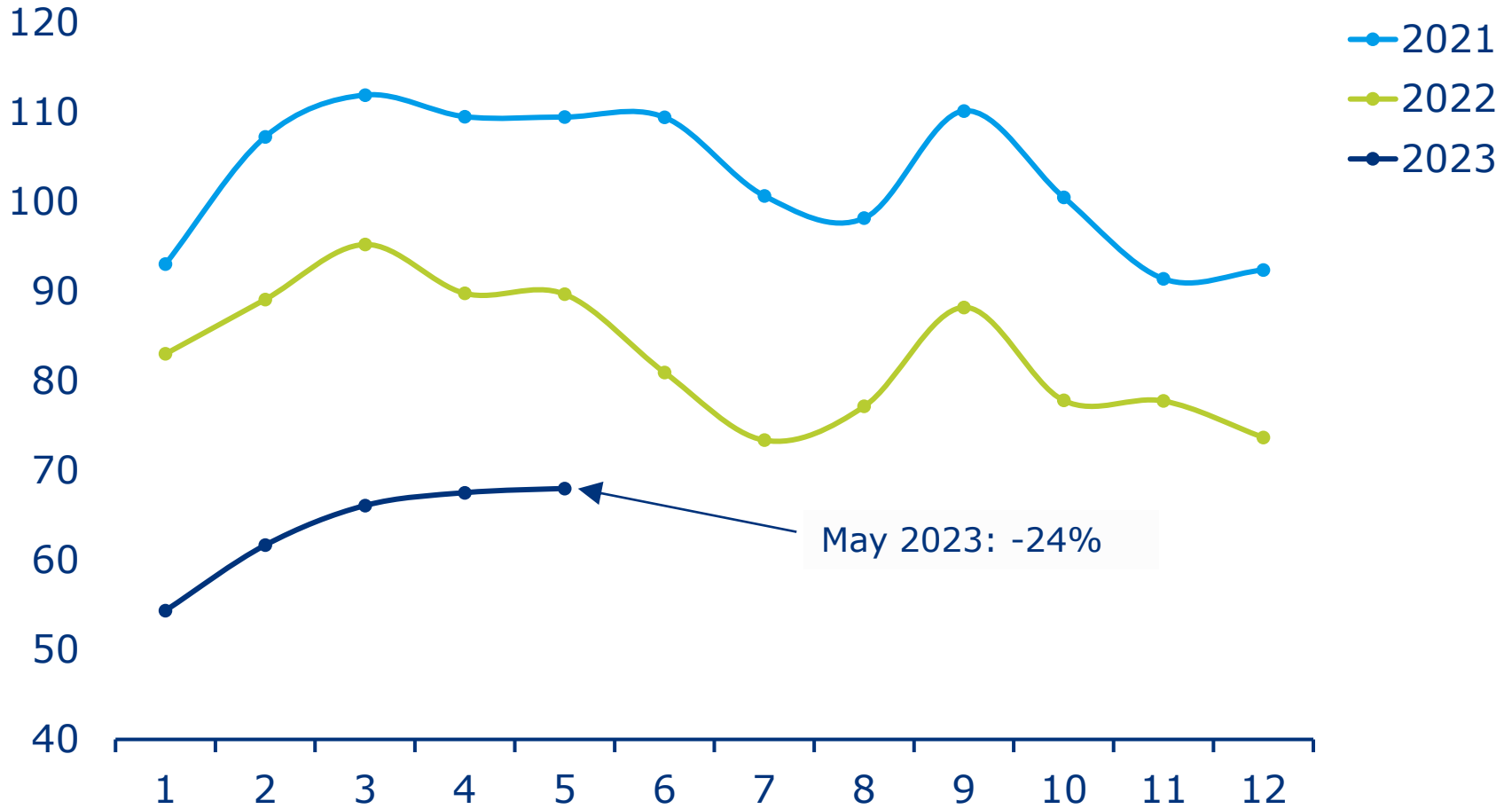


Source: EURO-GRAPH



# UMI – W.E. total deliveries

Jan-May 2023: -29% (-129 kt) (000 of tonnes)



Source: EURO-GRAPH

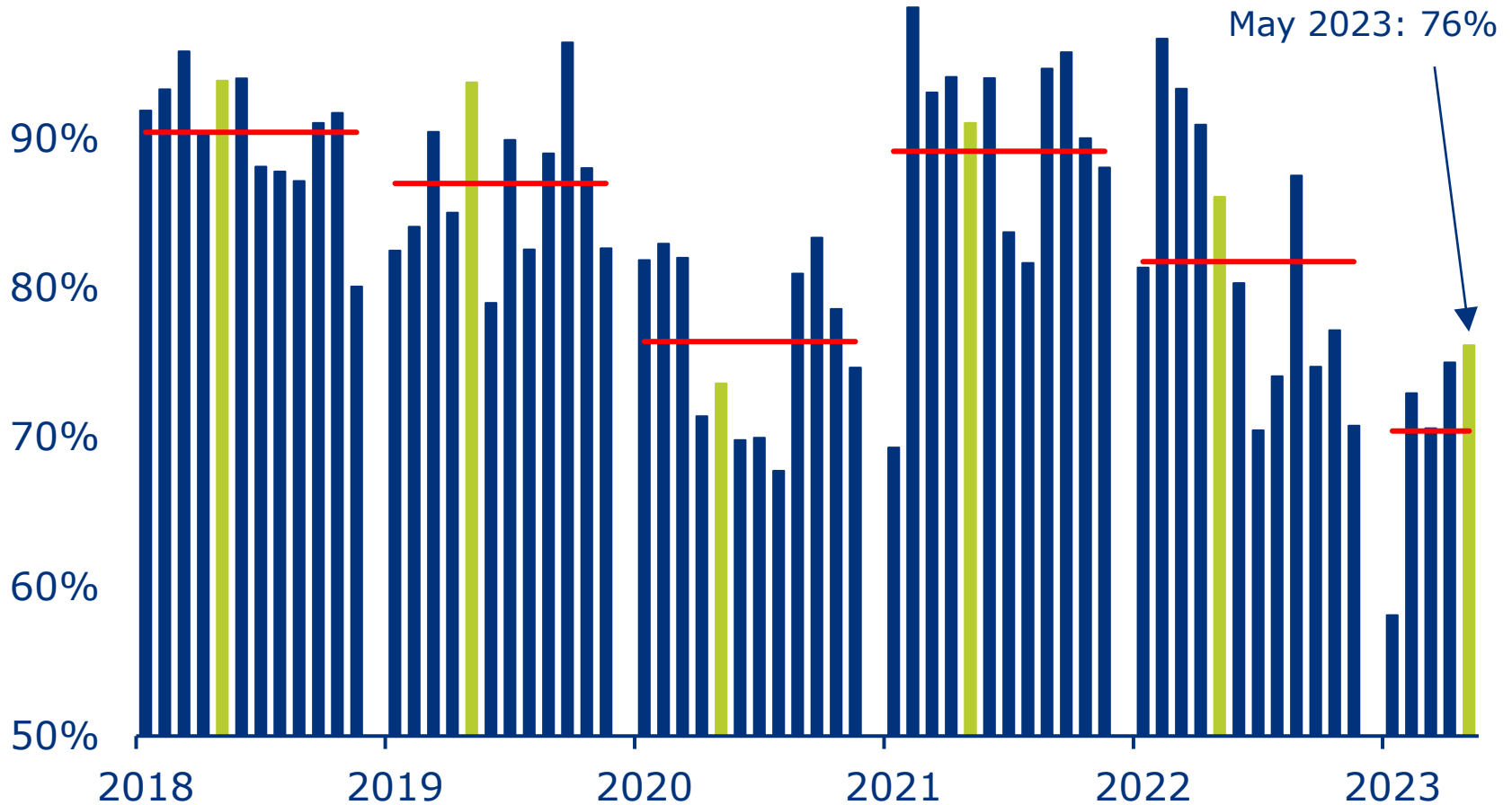




# UMI – delivery-to-capacity ratio

Jan-May 2023: 70% (2022: 90%)

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

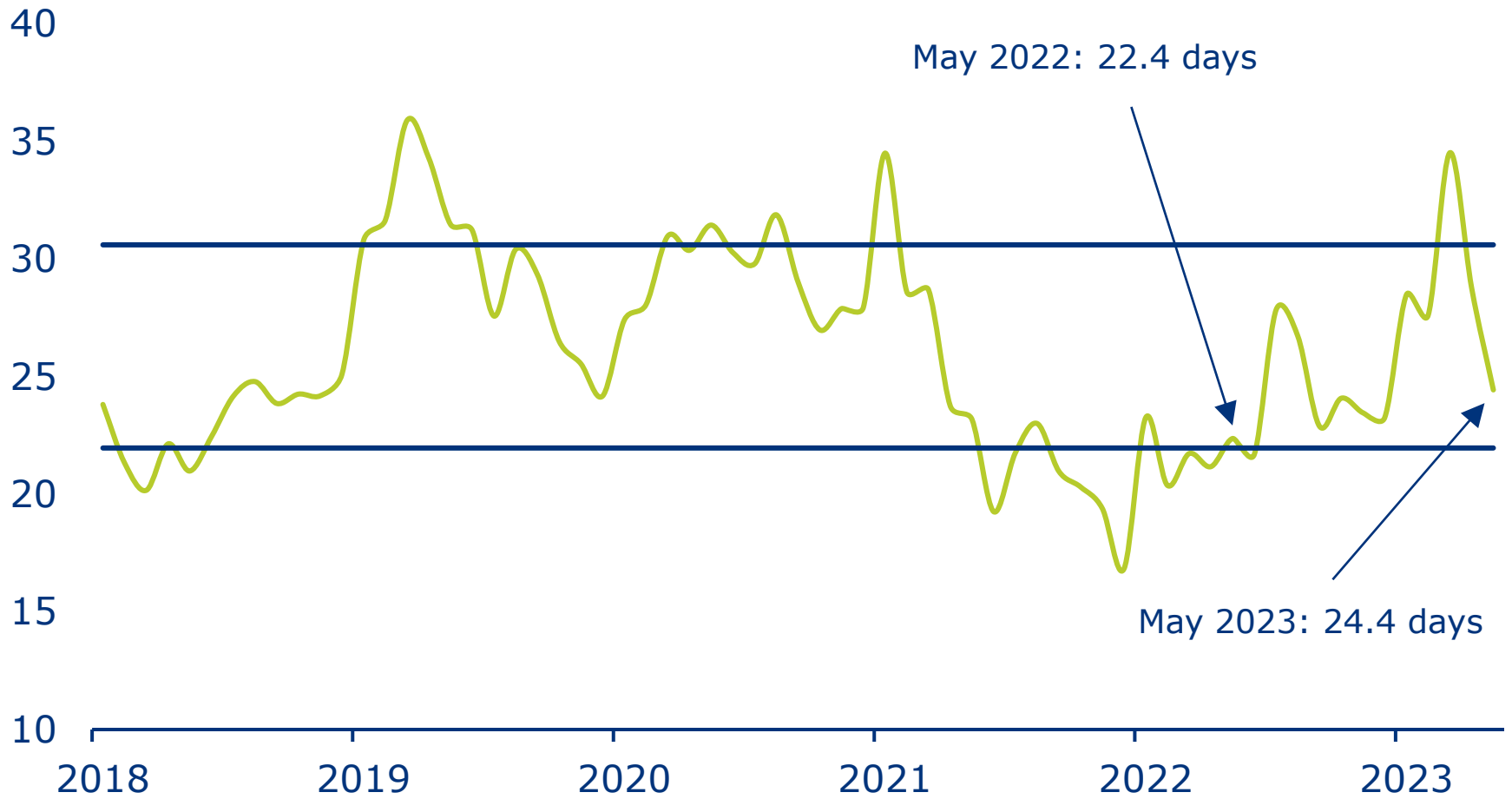


Source: EURO-GRAPH



# UMI – Mills' Stocks

Average May 2018-2022: 25.9 days



Source: EURO-GRAPH

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



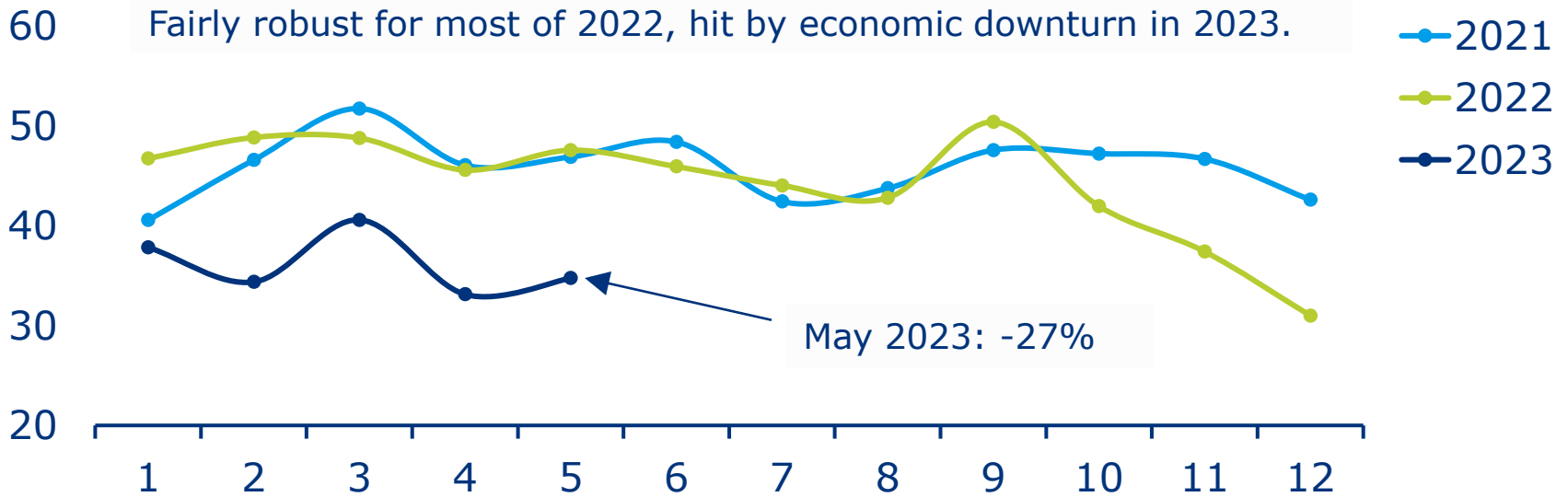
■ Uncoated Mechanical Others – UMO



# UMO – European demand

Jan-May 2023: -24% (-57 kt) (000 of tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	Country	Jan-May 2022	Jan-May 2023	% chg
WE	186 kt	140 kt	-25%	EE	52 kt	41 kt	-20%
GB	44 kt	38 kt	-14%	PL	18 kt	15 kt	-20%
IT	48 kt	27 kt	-42%	CZ	10 kt	9 kt	-8.6%
DE	33 kt	24 kt	-29%	LT	7 kt	3 kt	-53%
FR	24 kt	21 kt	-14%	BG	2 kt	2 kt	+5.7%
ES	20 kt	17 kt	-18%	UA	1 kt	2 kt	144%
Other	16 kt	13 kt	-19%	Other	14 kt	10 kt	-27%



Source: EURO-GRAPH

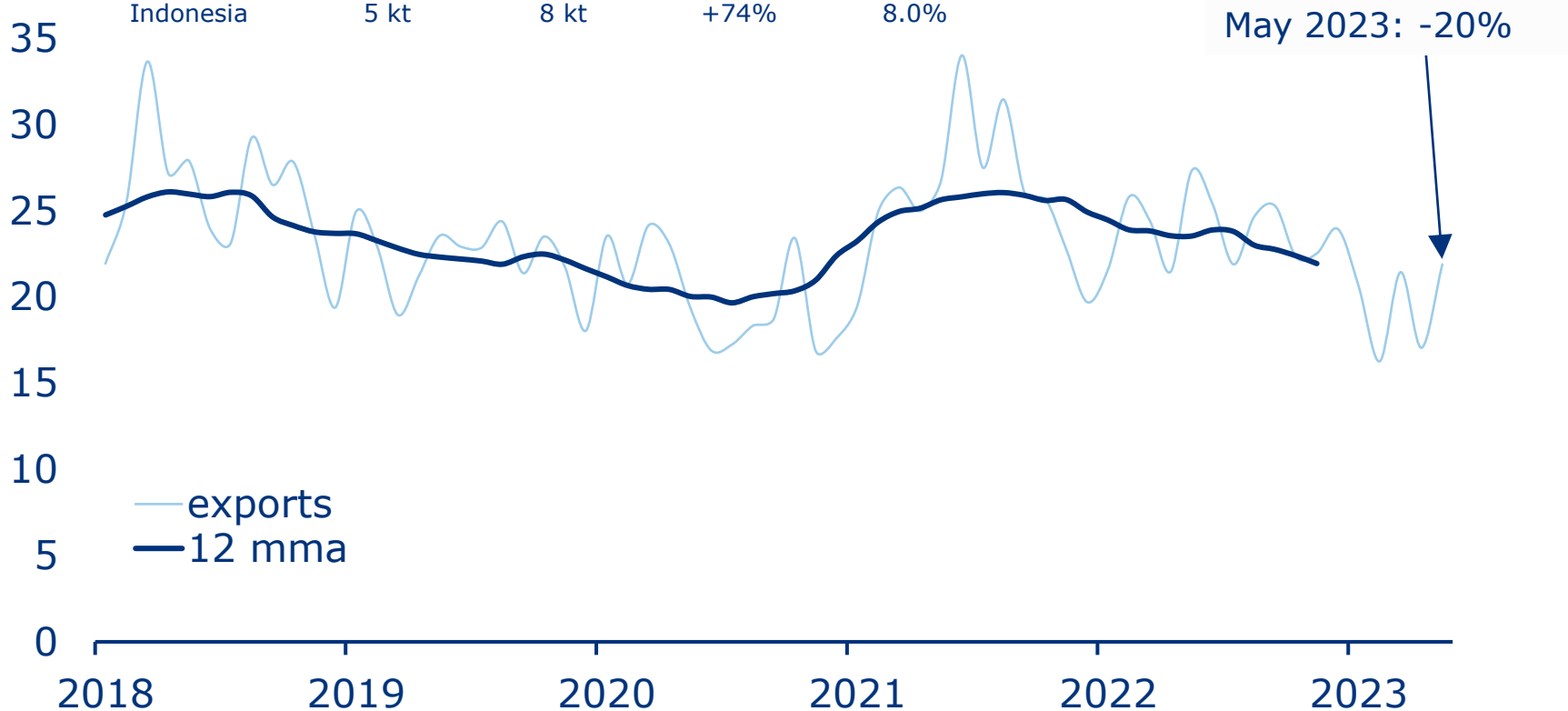
Deliveries to Europe from W.E. suppliers



# UMO – W.E. exports

Jan-May 2023: -19% (-23 kt) - (000 tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	% share of exports
Tot. Export	121 kt	97 kt	-19%	100%
Turkey	20 kt	18 kt	-13%	19%
Poland	18 kt	15 kt	-20%	15%
Czech Republic	10 kt	9 kt	-8.6%	9.0%
Indonesia	5 kt	8 kt	+74%	8.0%

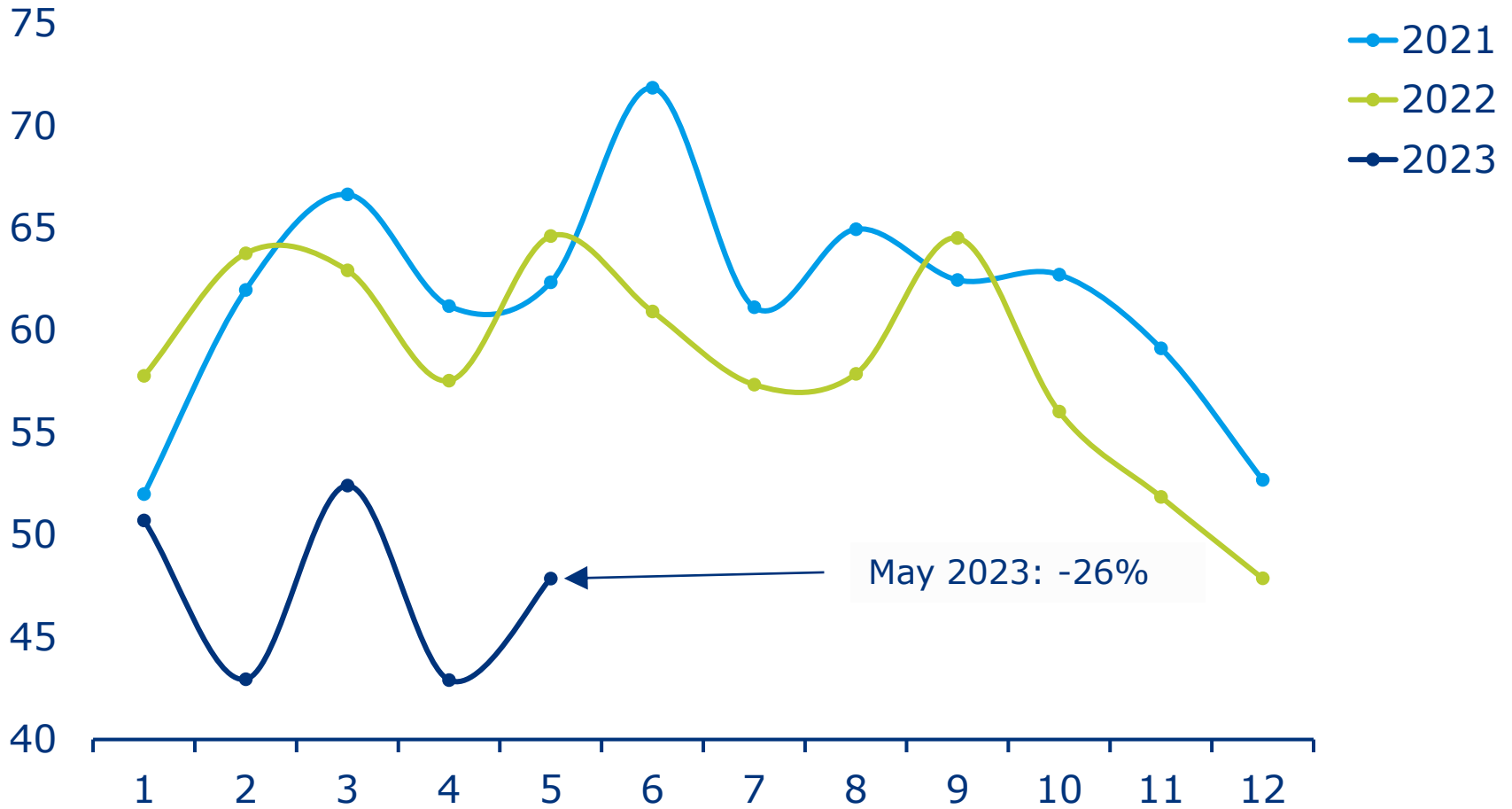


Source: EURO-GRAPH



# UMO – W.E. total deliveries

Jan-May 2023: -23% (-70 kt) (000 of tonnes)



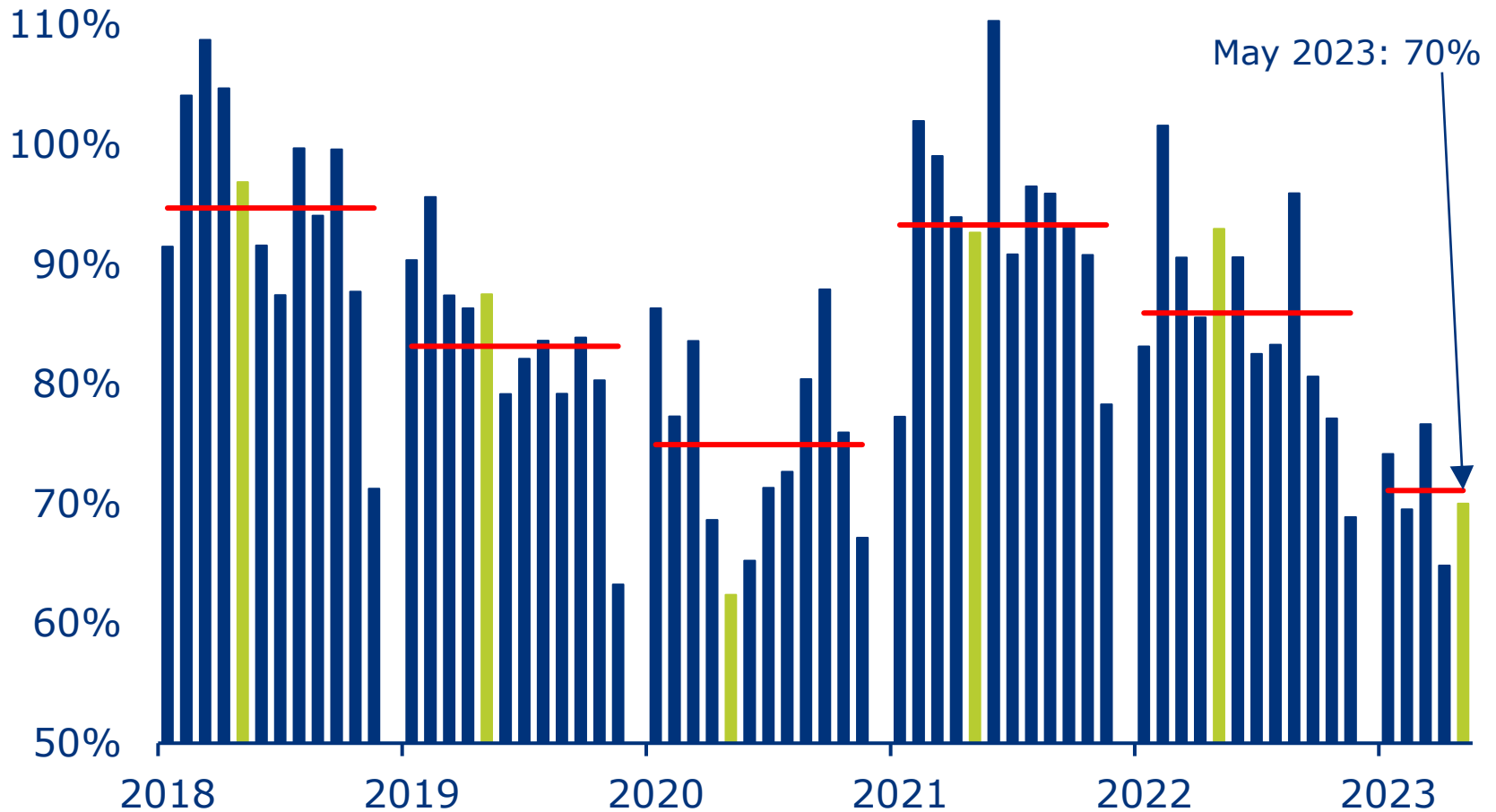
Source: EURO-GRAPH



# UMO – delivery-to-capacity ratio

Jan-May 2023: 71% (2022: 91%)

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

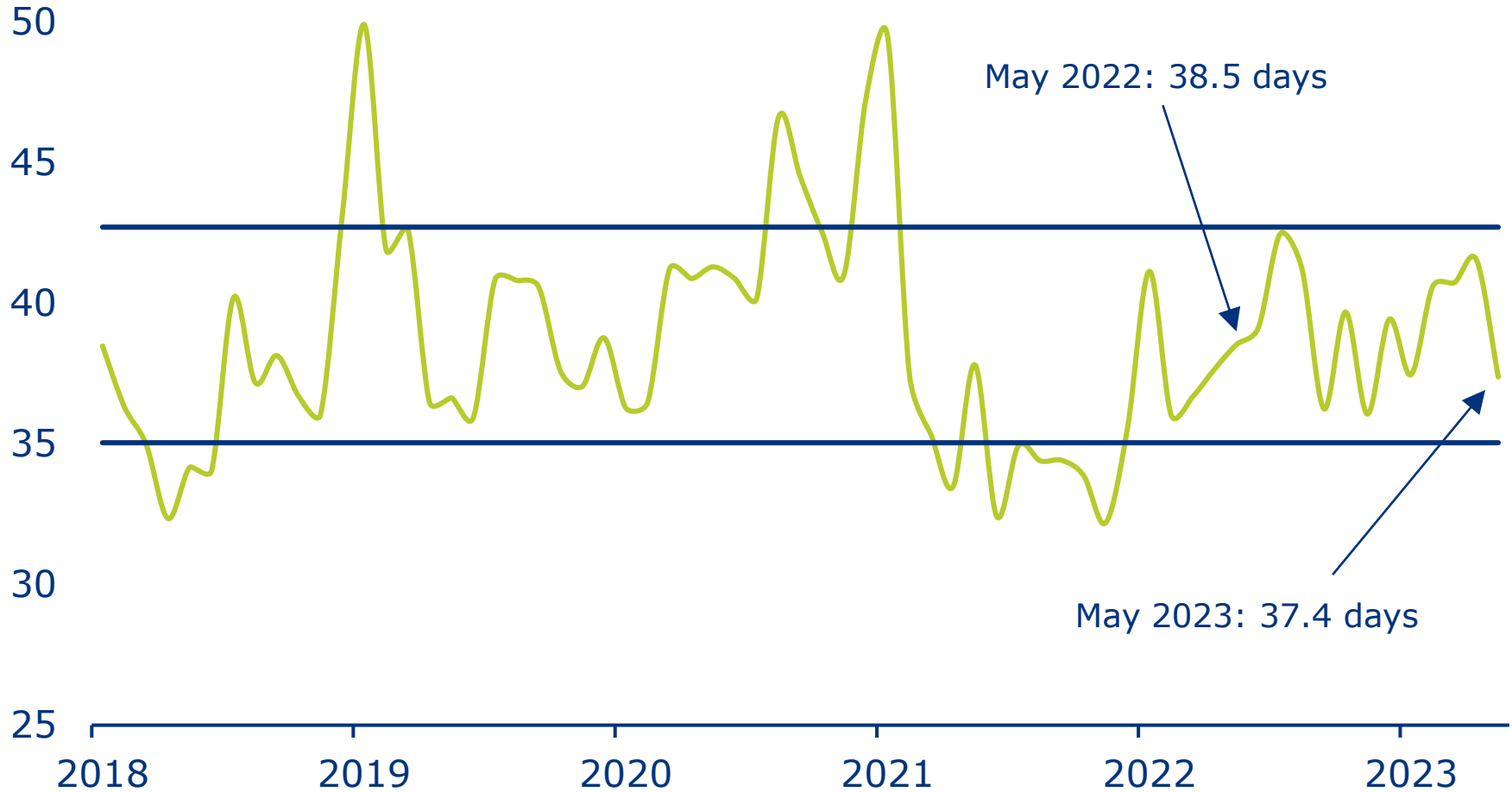


Source: EURO-GRAPH



# UMO – Mills' Stocks

Average May 2018-2022: 37.7 days



Source: EURO-GRAPH

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





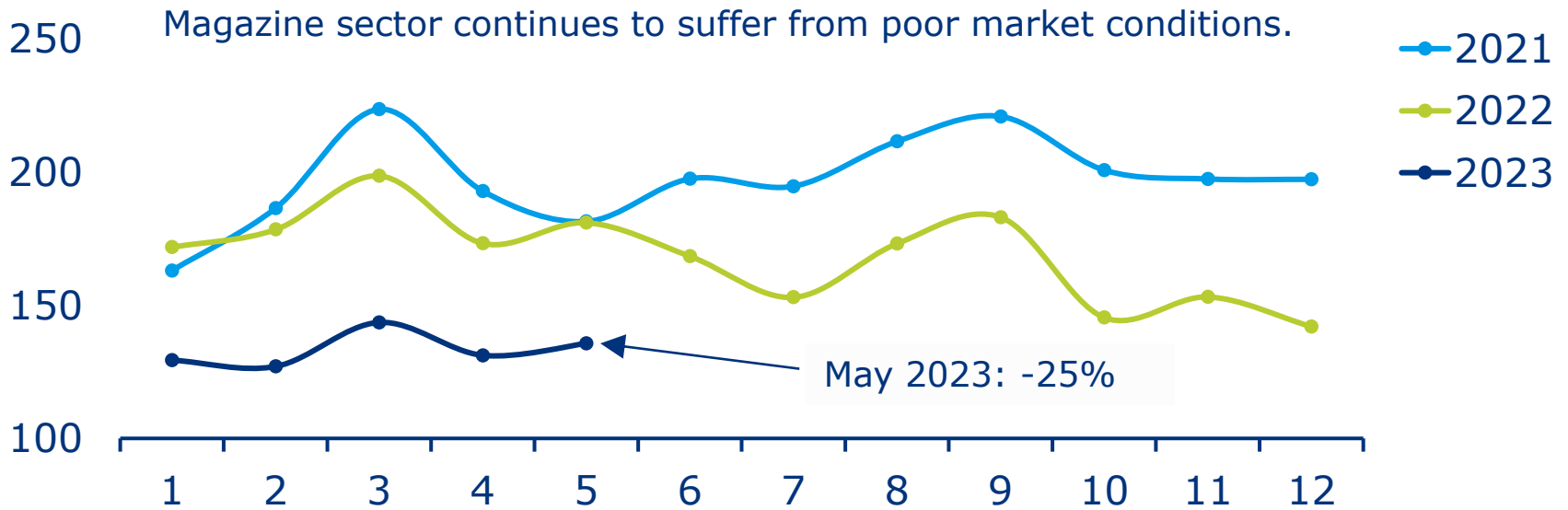
## ▲ SC Magazine



# SC – European demand

Jan-May 2023: -26% (-237 kt) (000 of tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	Country	Jan-May 2022	Jan-May 2023	% chg
WE	718 kt	542 kt	-24%	EE	186 kt	124 kt	-33%
DE	362 kt	285 kt	-21%	PL	80 kt	55 kt	-31%
FR	127 kt	100 kt	-21%	CZ	27 kt	20 kt	-23%
IT	81 kt	37 kt	-54%	SK	22 kt	15 kt	-32%
ES	28 kt	25 kt	-10%	SI	16 kt	13 kt	-16%
NL	20 kt	21 kt	+3.3%	HU	16 kt	8 kt	-50%
Other	101 kt	74 kt	-26%	Other	25 kt	12 kt	-51%



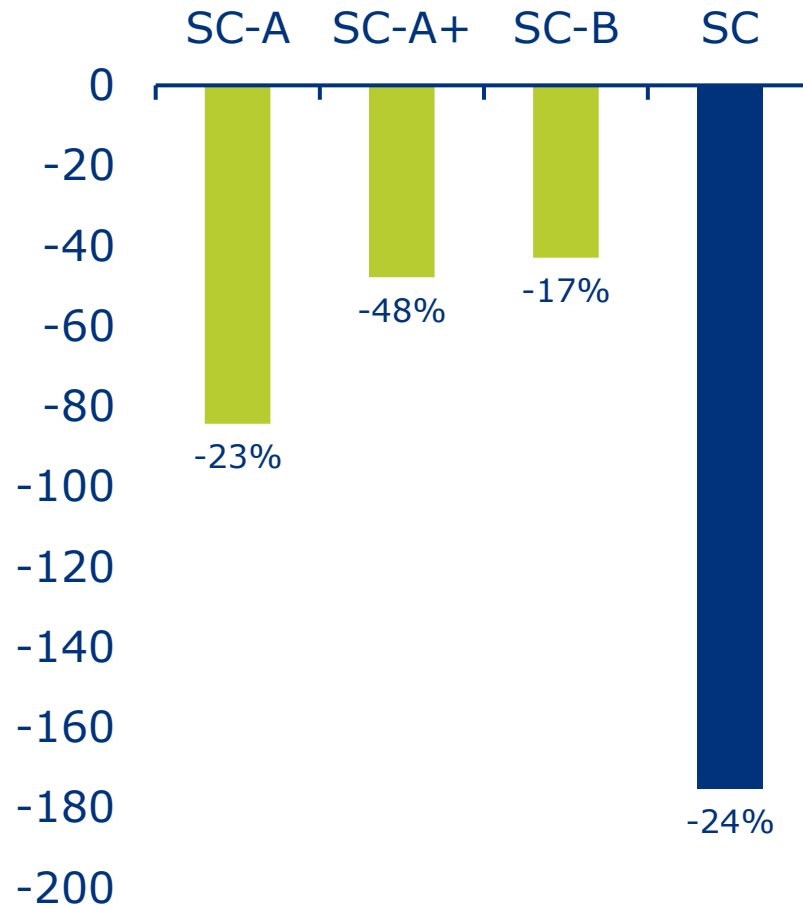
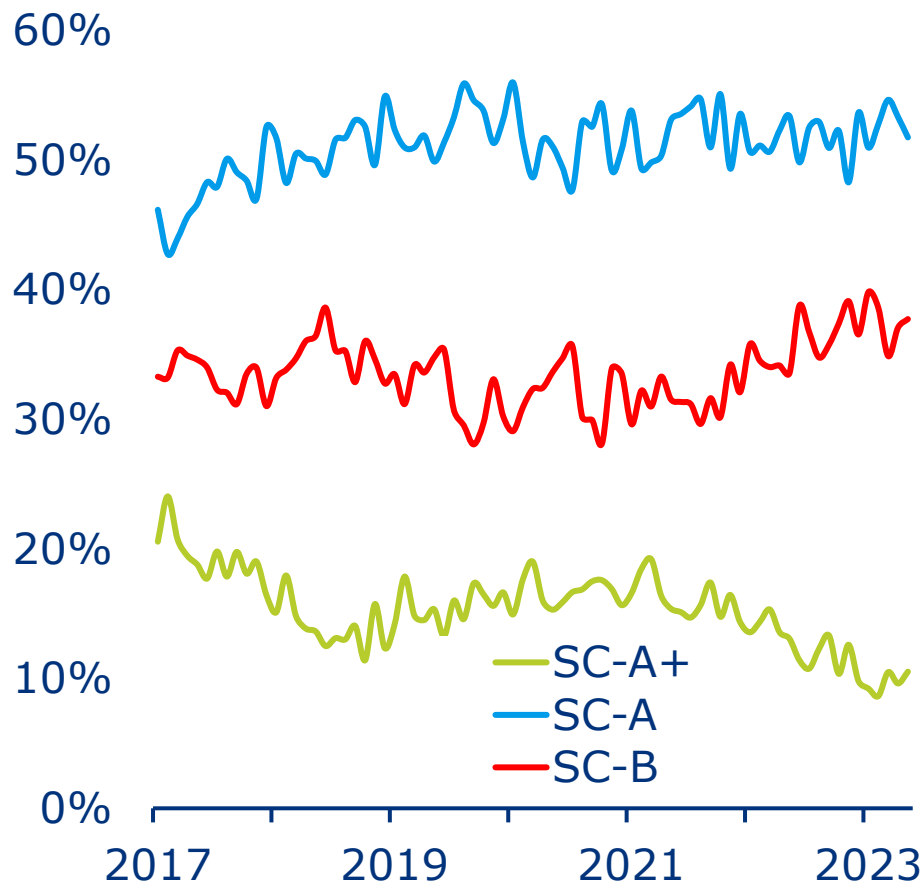
Source: EURO-GRAPH

Deliveries to Europe from W.E. suppliers



# SC – W.E. demand by sub-quality

Jan-May 2023: -24% (-175 kt) - by sub-quality (000 of tonnes)



Source: EURO-GRAPH

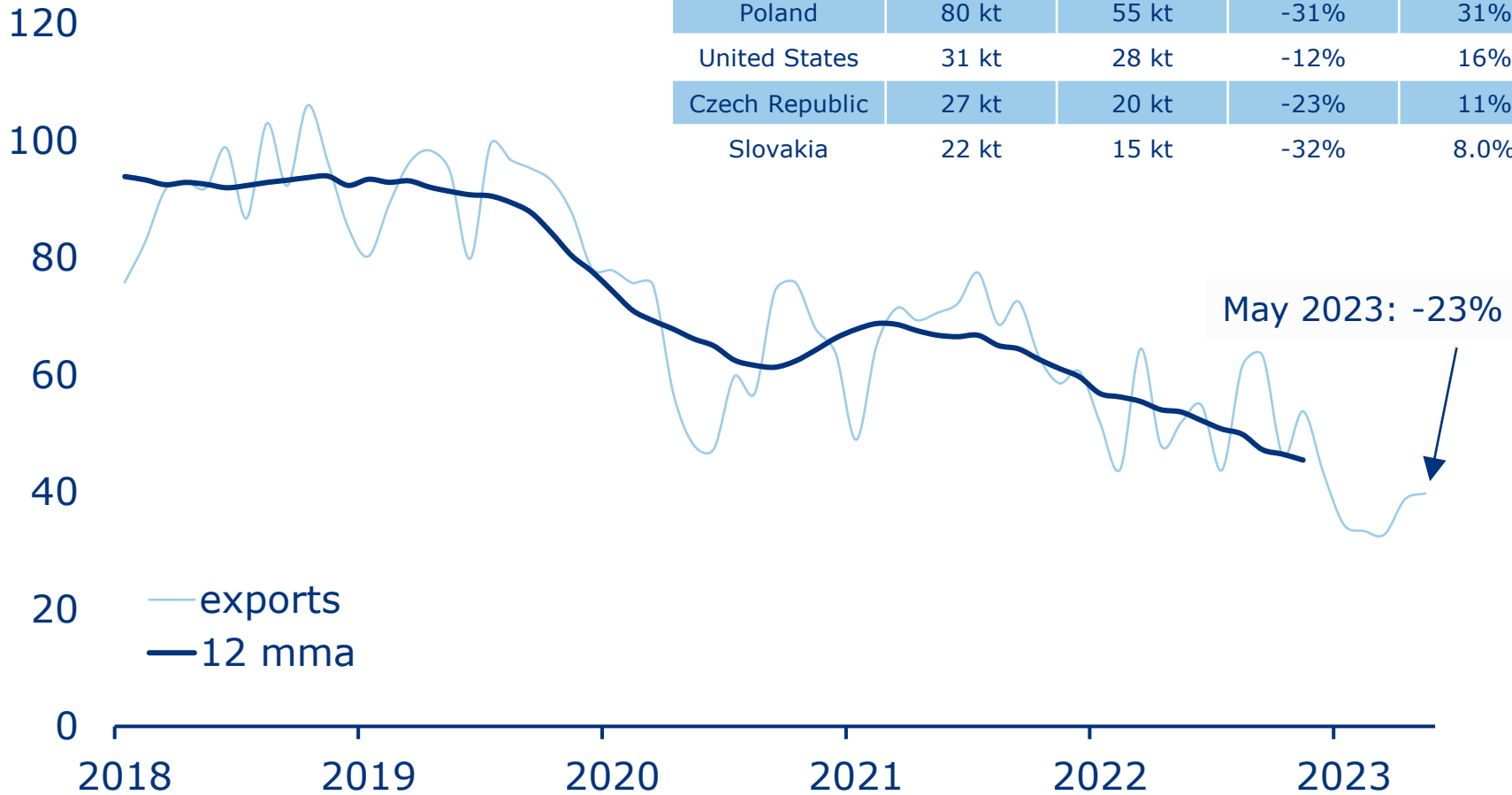
Deliveries to W.E. from W.E. suppliers



# SC – W.E. exports

Jan-May 2023: -31% (-81 kt) - (000 tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	% share of exports
Tot. Export	260 kt	179 kt	-31%	100%
Poland	80 kt	55 kt	-31%	31%
United States	31 kt	28 kt	-12%	16%
Czech Republic	27 kt	20 kt	-23%	11%
Slovakia	22 kt	15 kt	-32%	8.0%

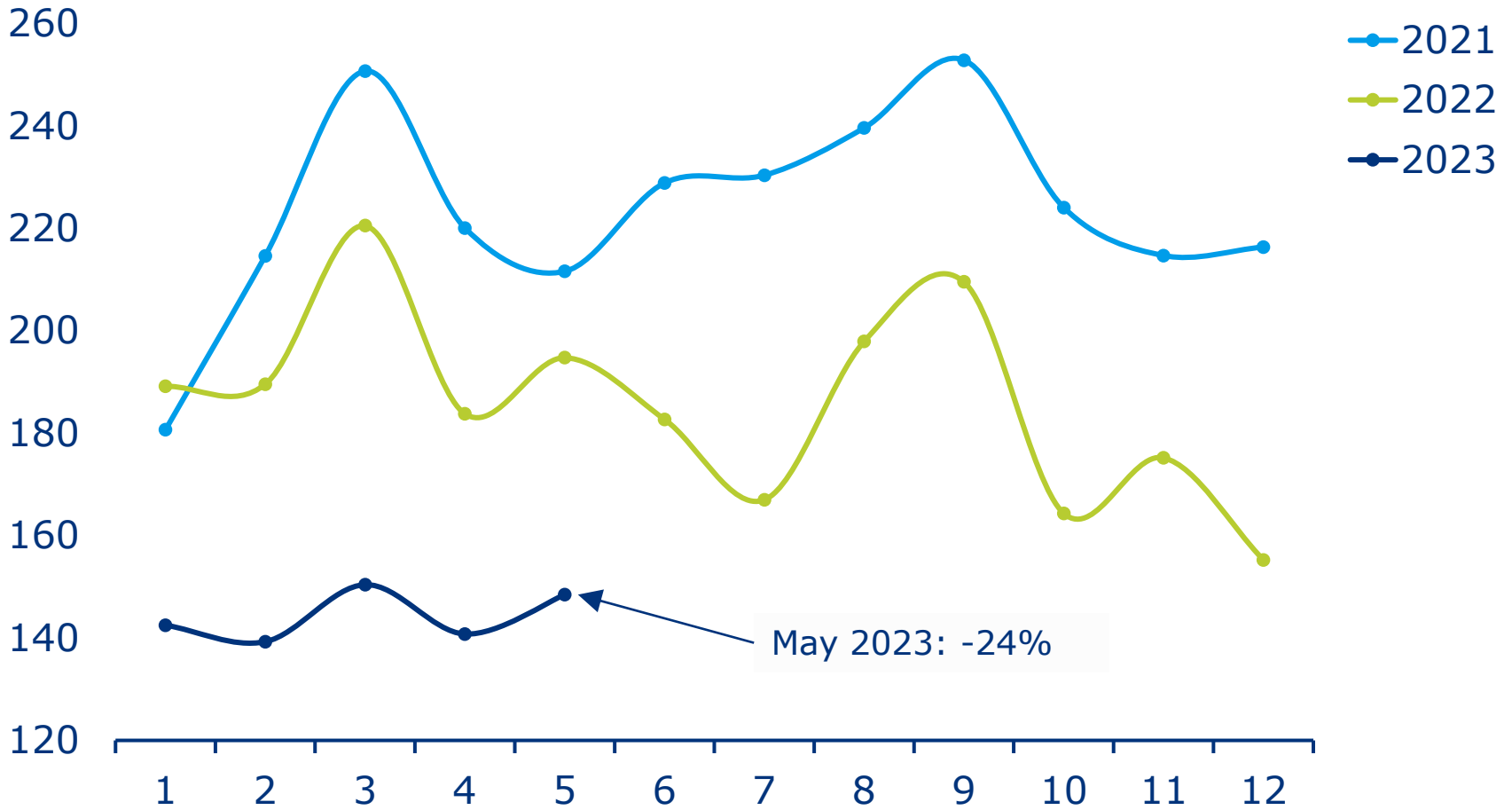


Source: EURO-GRAPH



# SC – W.E. total deliveries

Jan-May 2023: -26% (-256 kt) (000 of tonnes)



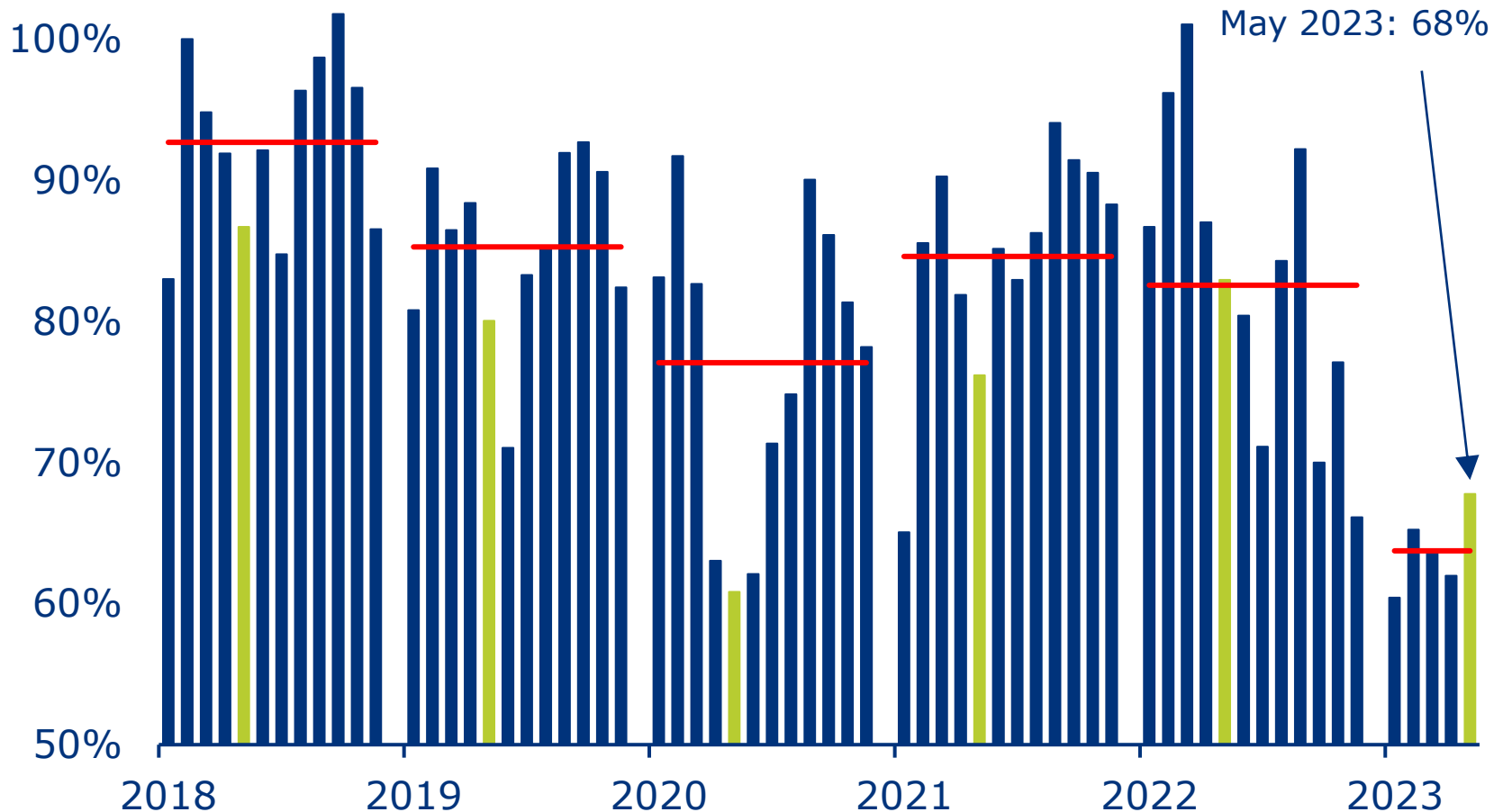
Source: EURO-GRAPH



# SC – delivery-to-capacity ratio

Jan-May 2023: 64% (2022: 91%)

UPM/strikes: Jan-Apr 2022; Norske Skog Saugbrugs, PM 6 damaged by rockslide Apr 23; Heinzl/Laakirchen: -330 kt/yr, Dec 2023

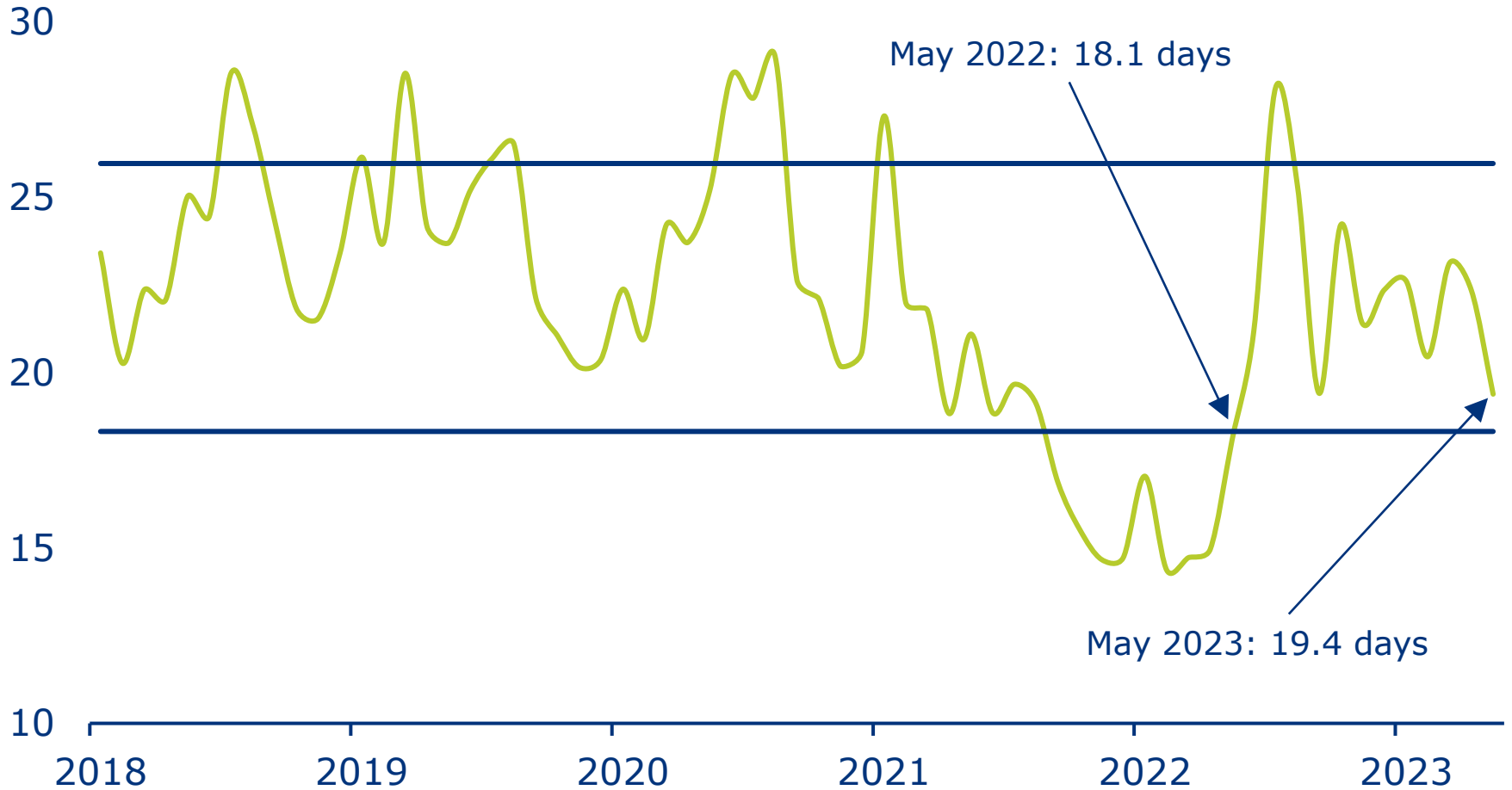


Source: EURO-GRAPH



# SC – Mills' Stocks

Average May 2018-2022: 22.6 days



Source: EURO-GRAPH

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

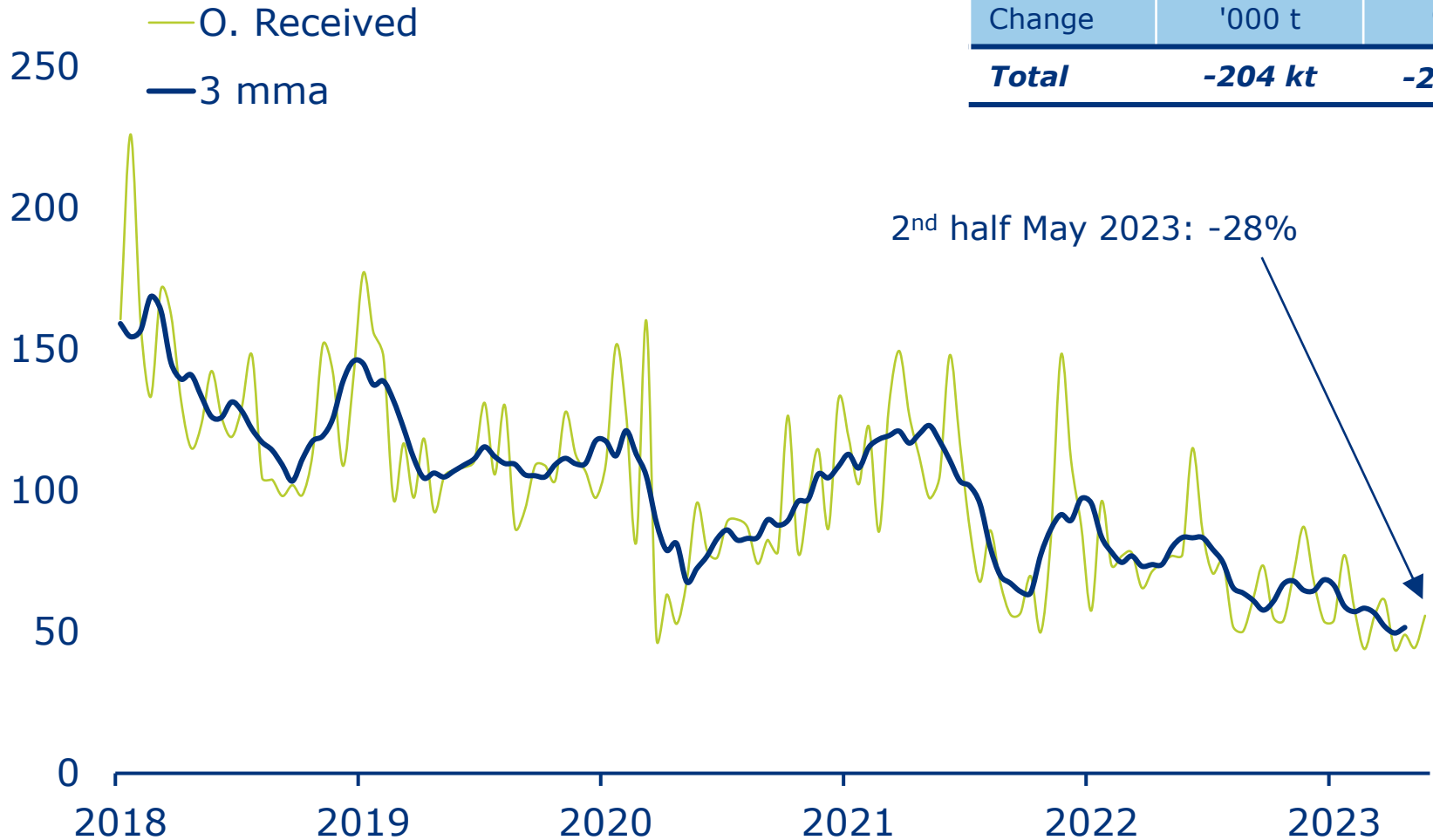


# SC - Orders Received

1<sup>st</sup> Jan 2018 – 31<sup>st</sup> May 2023 (half month periods - 000 tonnes)

**1st Jan – 31st May 2023 vs. 2022**

Change	'000 t	%
<b>Total</b>	<b>-204 kt</b>	<b>-27%</b>



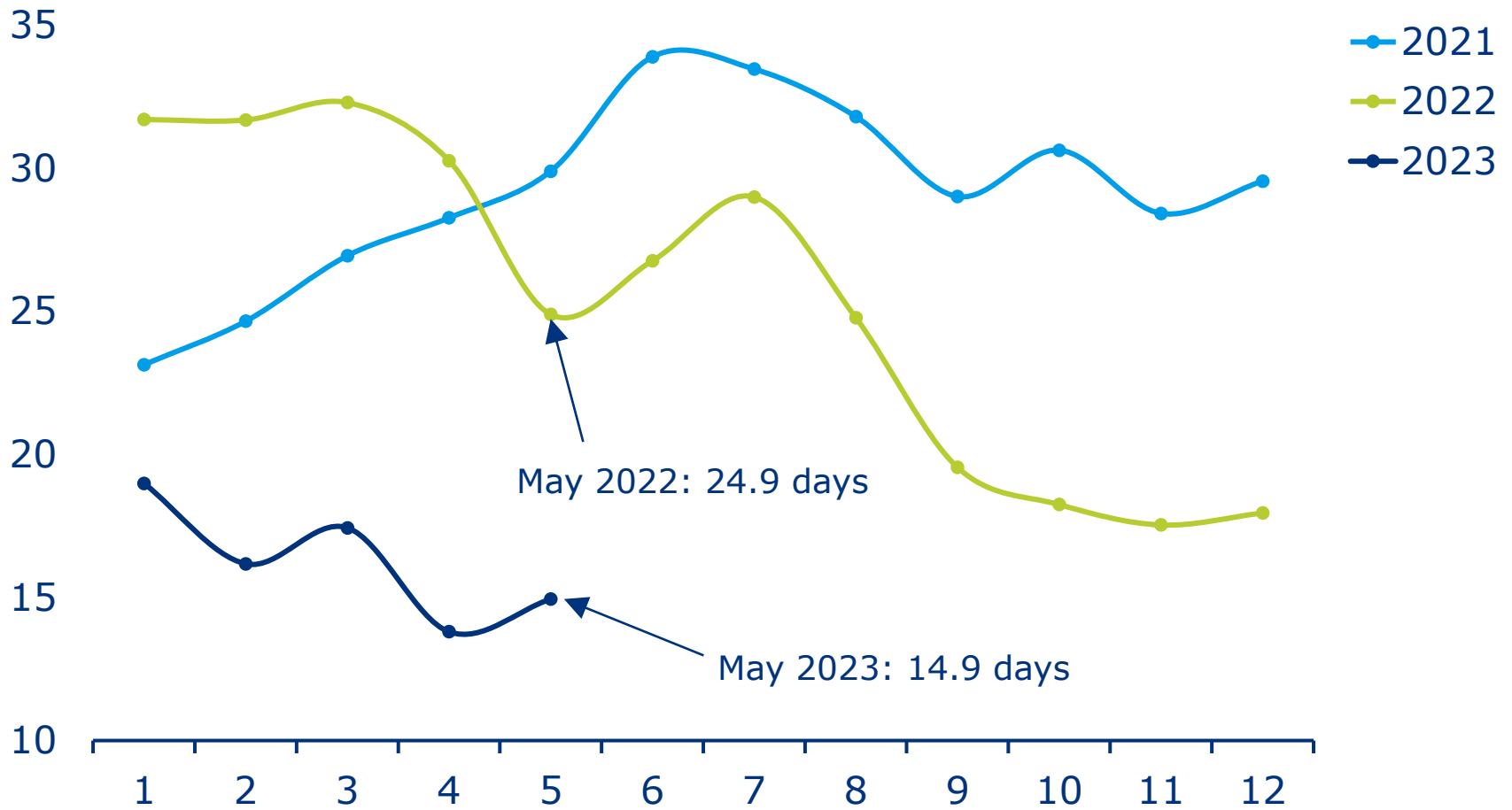
Source: EURO-GRAPH





# SC – Orders stocks

(days of supply)



Source: EURO-GRAPH



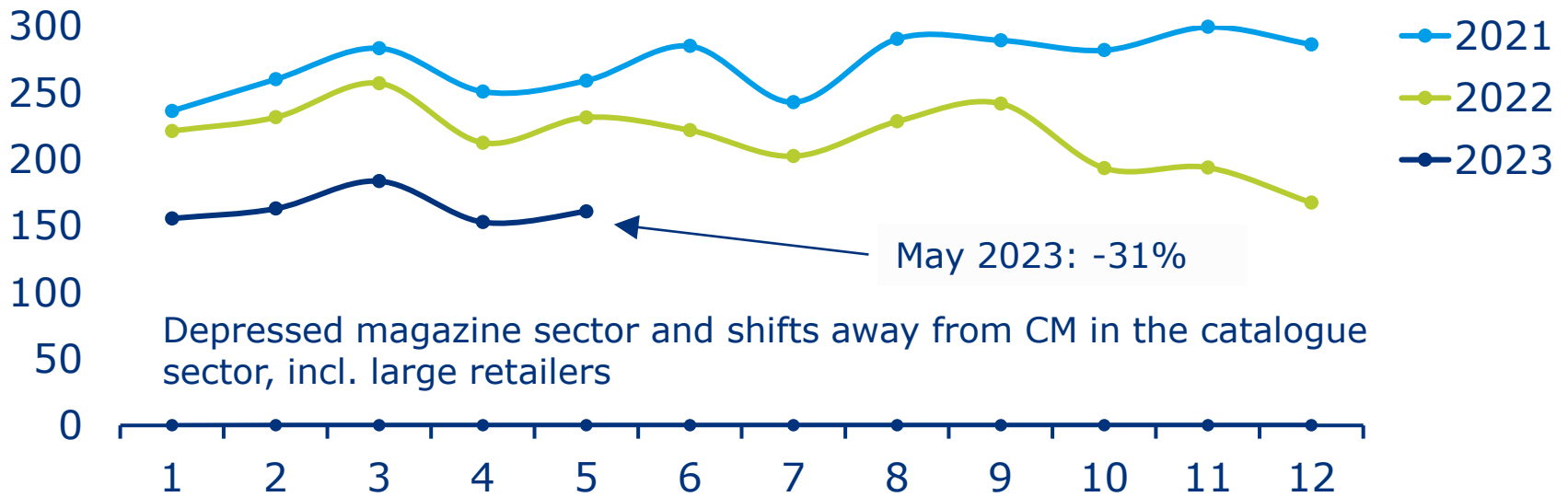
◆ Coated Mechanical – CM (Reels + Sheets)



# CM – European demand

Jan-May 2023: -29% (-338 kt) (000 of tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	Country	Jan-May 2022	Jan-May 2023	% chg
WE	962 kt	694 kt	-28%	EE	192 kt	122 kt	-36%
DE	413 kt	277 kt	-33%	PL	111 kt	72 kt	-35%
GB	114 kt	91 kt	-20%	CZ	20 kt	14 kt	-31%
FR	126 kt	91 kt	-28%	SK	10 kt	7 kt	-28%
IT	104 kt	65 kt	-38%	EE	8 kt	6 kt	-21%
ES	42 kt	39 kt	-5.6%	HU	7 kt	4 kt	-44%
Other	163 kt	131 kt	-19%	Other	36 kt	19 kt	-48%

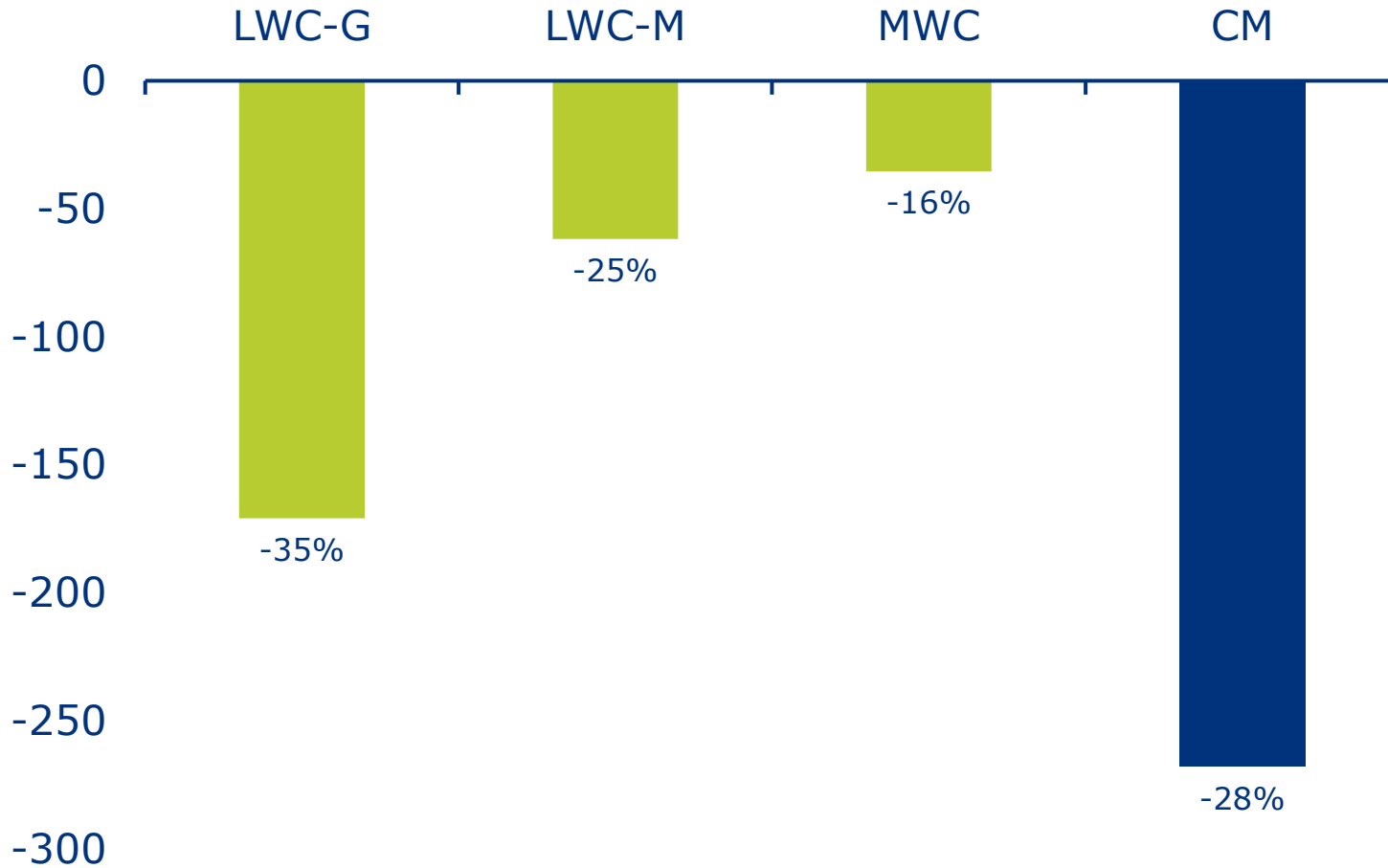


Source: EURO-GRAPH

Deliveries to Europe from W.E. suppliers

# CM – W.E. demand by sub-quality

Jan-May 2023: -28% (-268 kt) (000 of tonnes)



Source: EURO-GRAPH

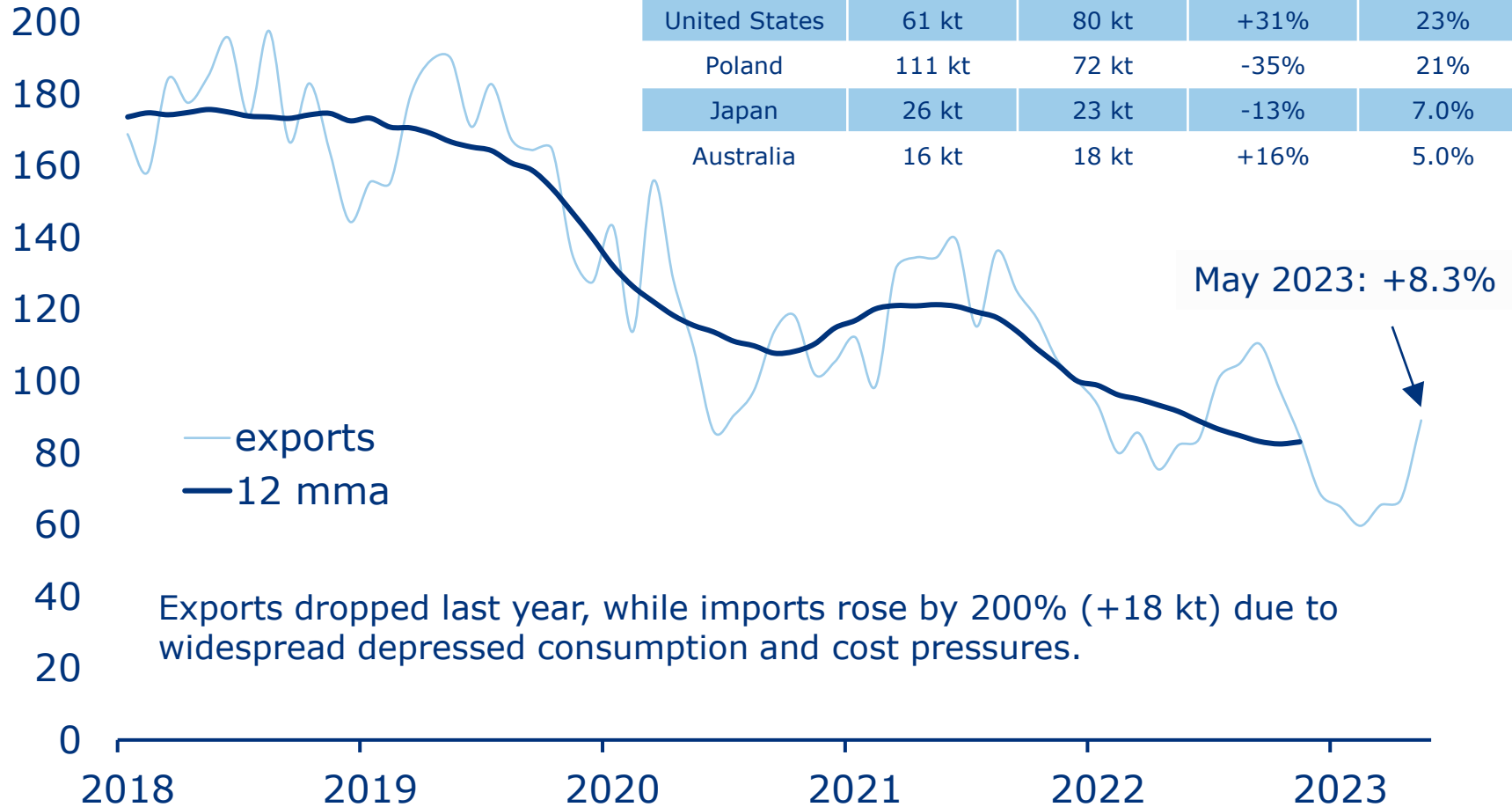
Deliveries to W.E. from W.E. suppliers (excluding imports)



# CM – W. E. exports

Jan-May 2023: -17% (-70 kt) - (000 tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	% share of exports
Tot. Export	417 kt	346 kt	-17%	100%
United States	61 kt	80 kt	+31%	23%
Poland	111 kt	72 kt	-35%	21%
Japan	26 kt	23 kt	-13%	7.0%
Australia	16 kt	18 kt	+16%	5.0%



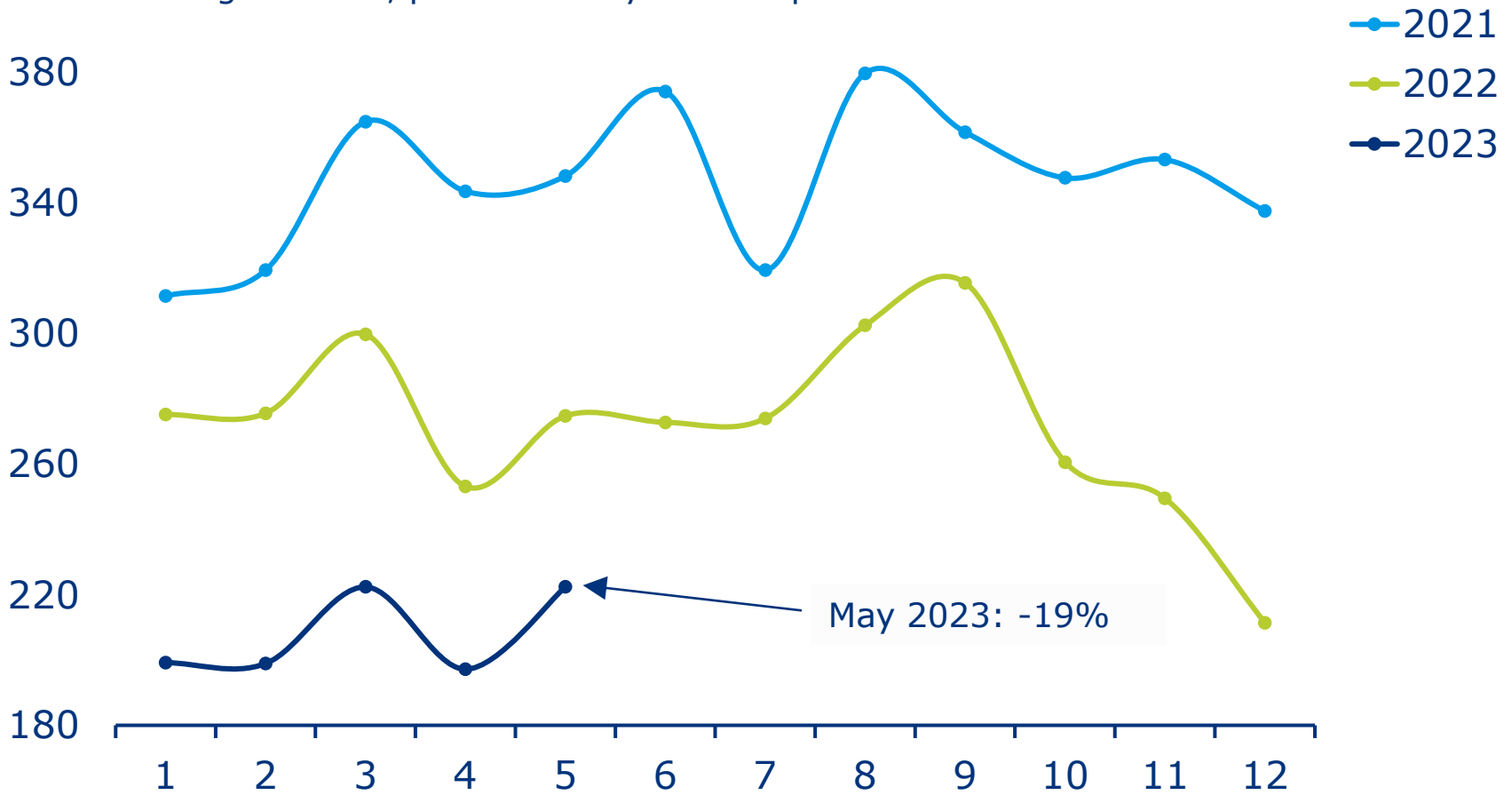
Source: EURO-GRAPH



# CM – W.E. total deliveries

Jan-May 2023: -25% (-338 kt) (000 of tonnes)

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



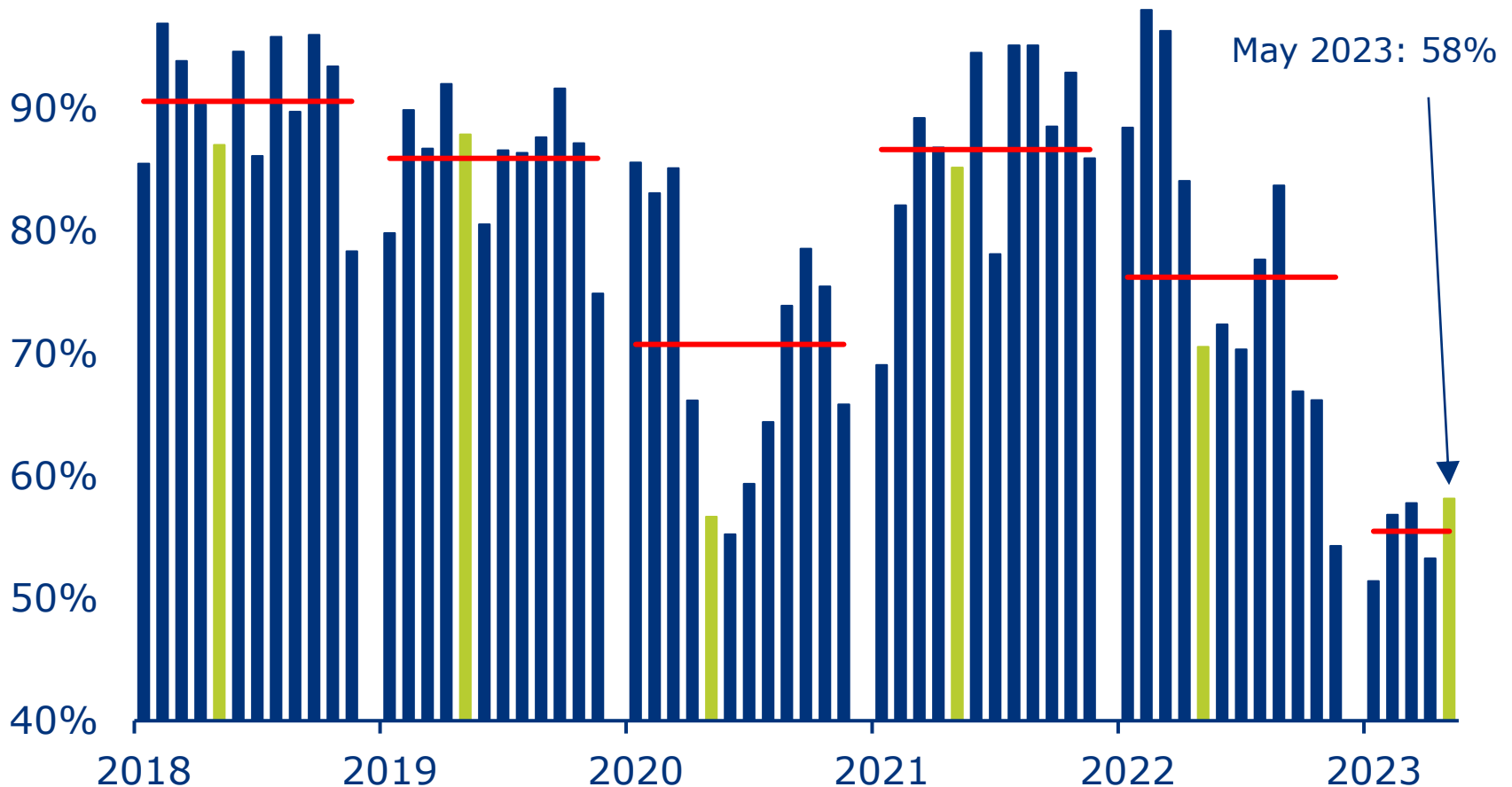
Source: EURO-GRAPH



# CM – delivery-to-capacity ratio

Jan-May 2023: 55% (2022: 86%)

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

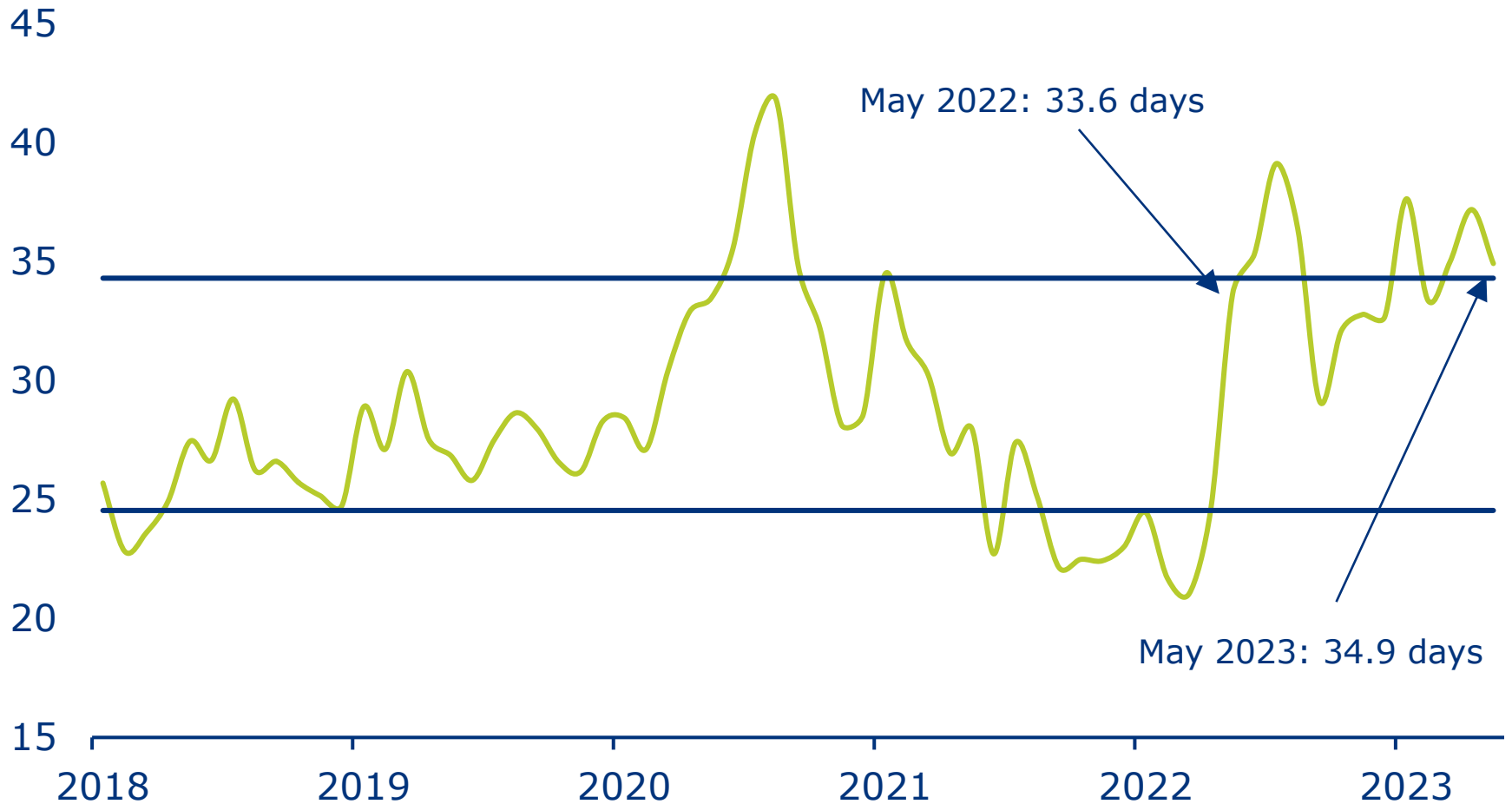


Source: EURO-GRAPH



# CM – Mills' Stocks

Average May 2018-2022: 29.9 days



Source: EURO-GRAPH

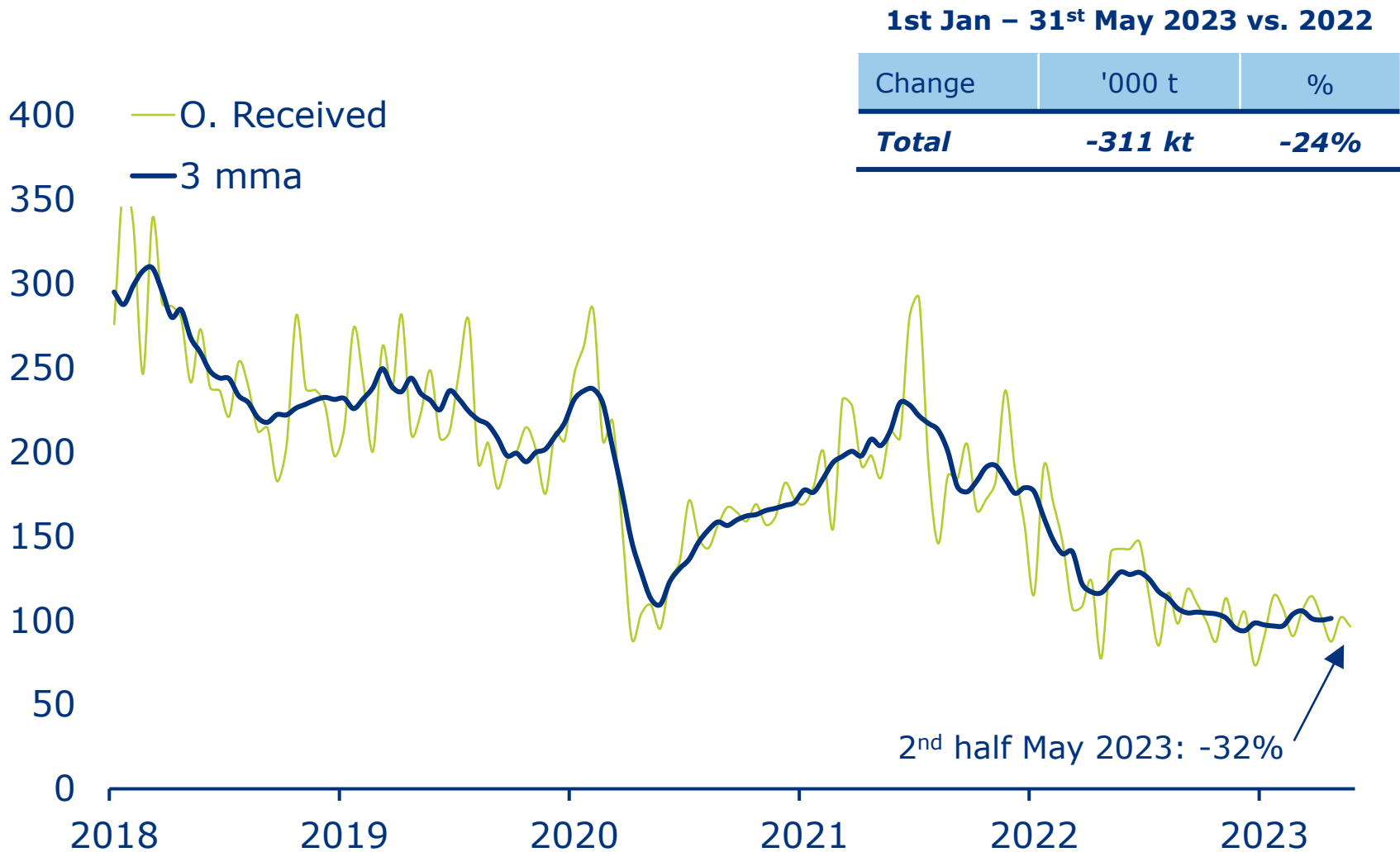
Note: The range is given by the 5-year average +/- one standard deviation





# CM – Orders Received

1<sup>st</sup> Jan 2018 – 31<sup>st</sup> May 2023 (half month periods - 000 tonnes)

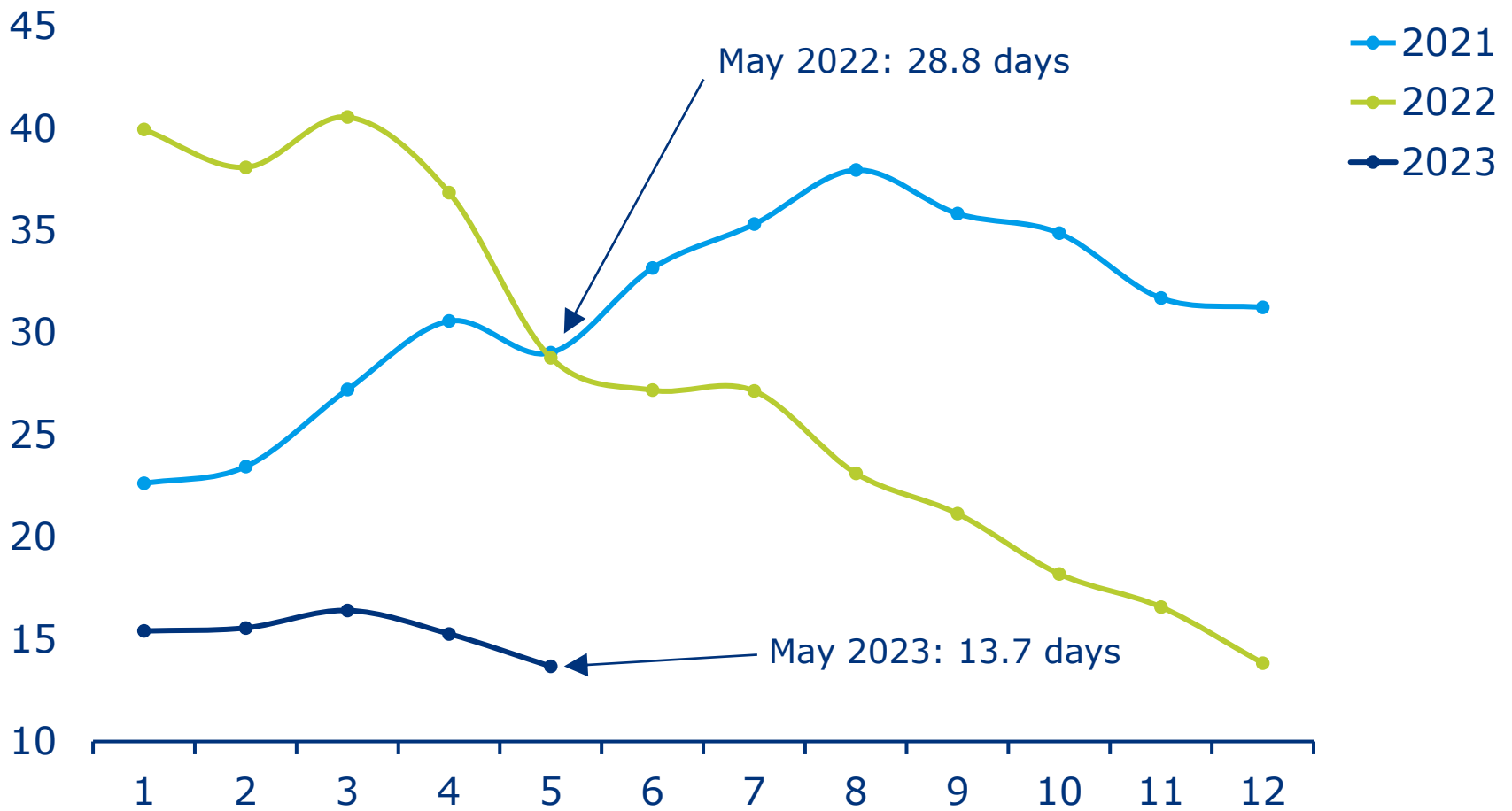


Source: EURO-GRAPH



# CM – Orders stocks

(days of supply)



Source: EURO-GRAPH



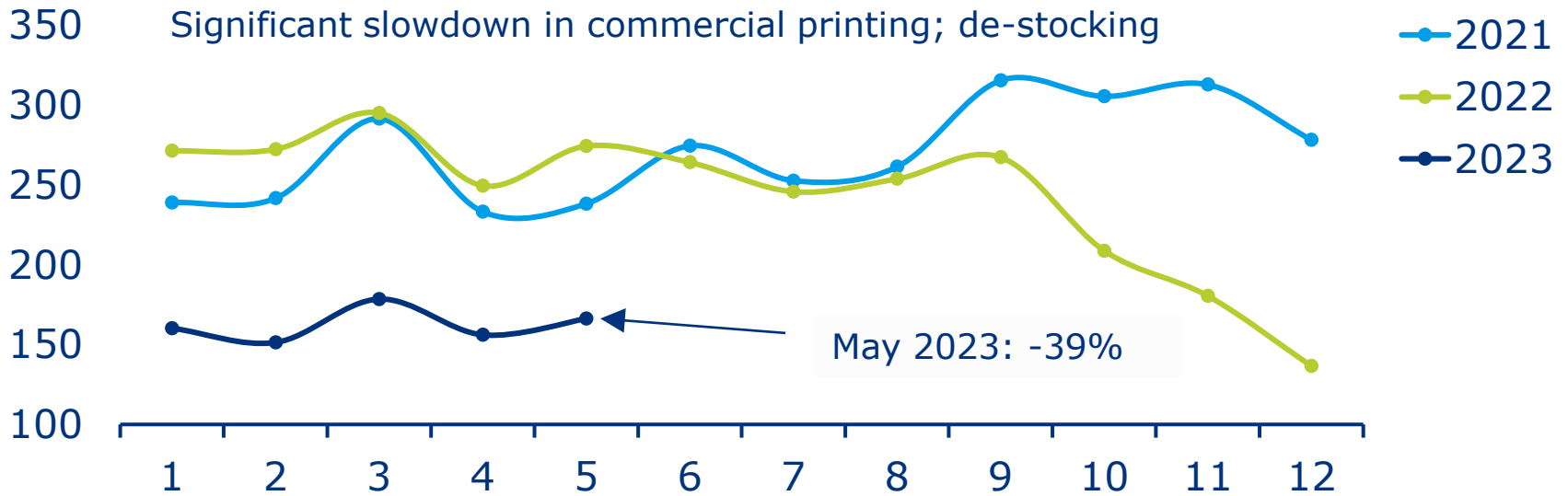
## ▼ Coated Woodfree Papers



# CW – European demand

Jan-May 2023: -40% (-551 kt) (000 of tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	Country	Jan-May 2022	Jan-May 2023	% chg
WE	1,141 kt	686 kt	-40%	EE	222 kt	127 kt	-43%
DE	345 kt	209 kt	-39%	PL	82 kt	51 kt	-38%
IT	172 kt	98 kt	-43%	CZ	31 kt	19 kt	-39%
FR	152 kt	96 kt	-37%	HU	15 kt	9 kt	-41%
GB	142 kt	89 kt	-38%	LV	10 kt	7 kt	-38%
ES	93 kt	51 kt	-45%	SK	12 kt	6 kt	-48%
Other	237 kt	144 kt	-40%	Other	72 kt	35 kt	-51%



Source: EURO-GRAPH

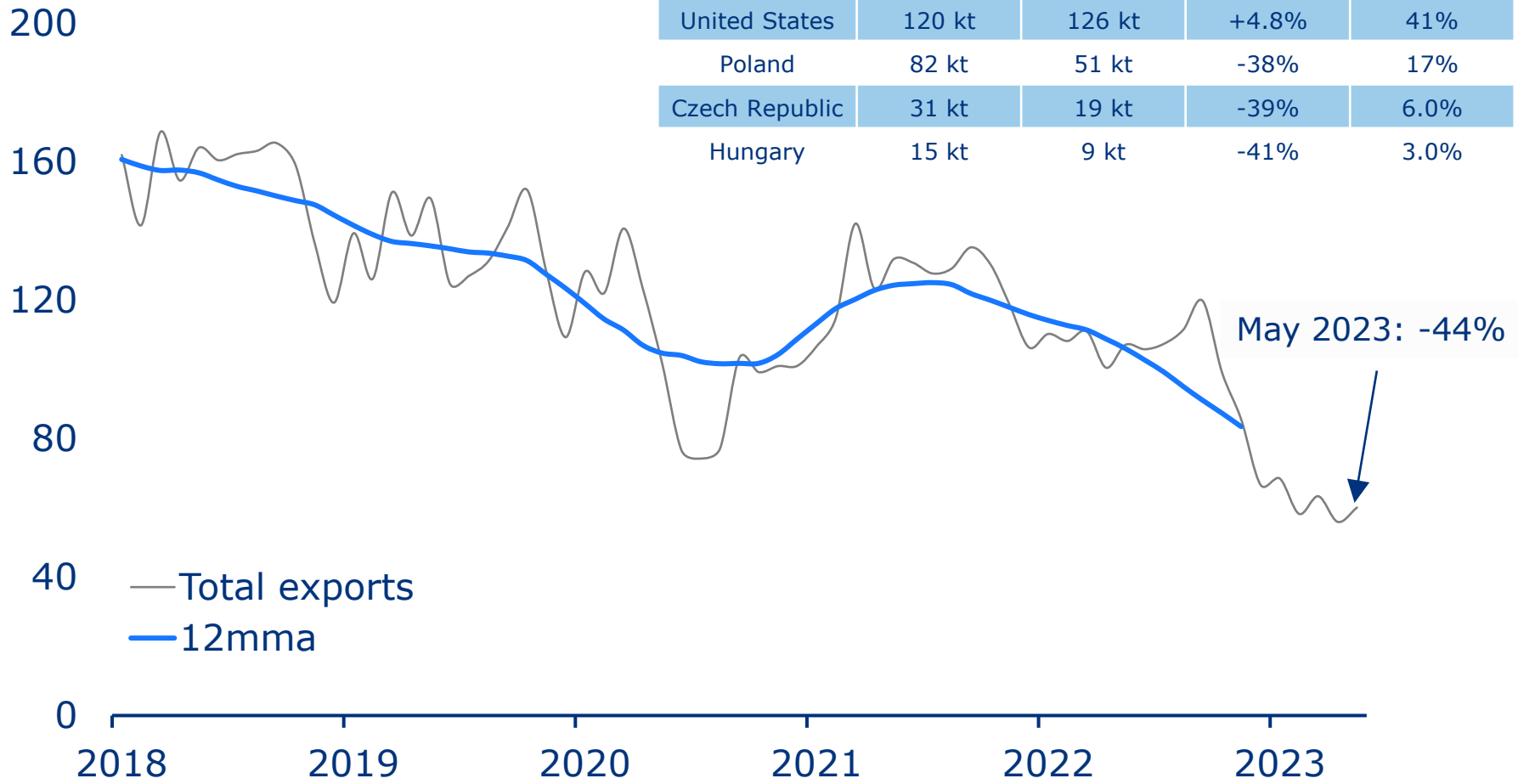
Deliveries to Europe from W.E. suppliers



# CW – Total exports

Jan-May 2023: -43% (-231 kt) - (000 tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	% share of exports
Tot. Export	537 kt	306 kt	-43%	100%
United States	120 kt	126 kt	+4.8%	41%
Poland	82 kt	51 kt	-38%	17%
Czech Republic	31 kt	19 kt	-39%	6.0%
Hungary	15 kt	9 kt	-41%	3.0%



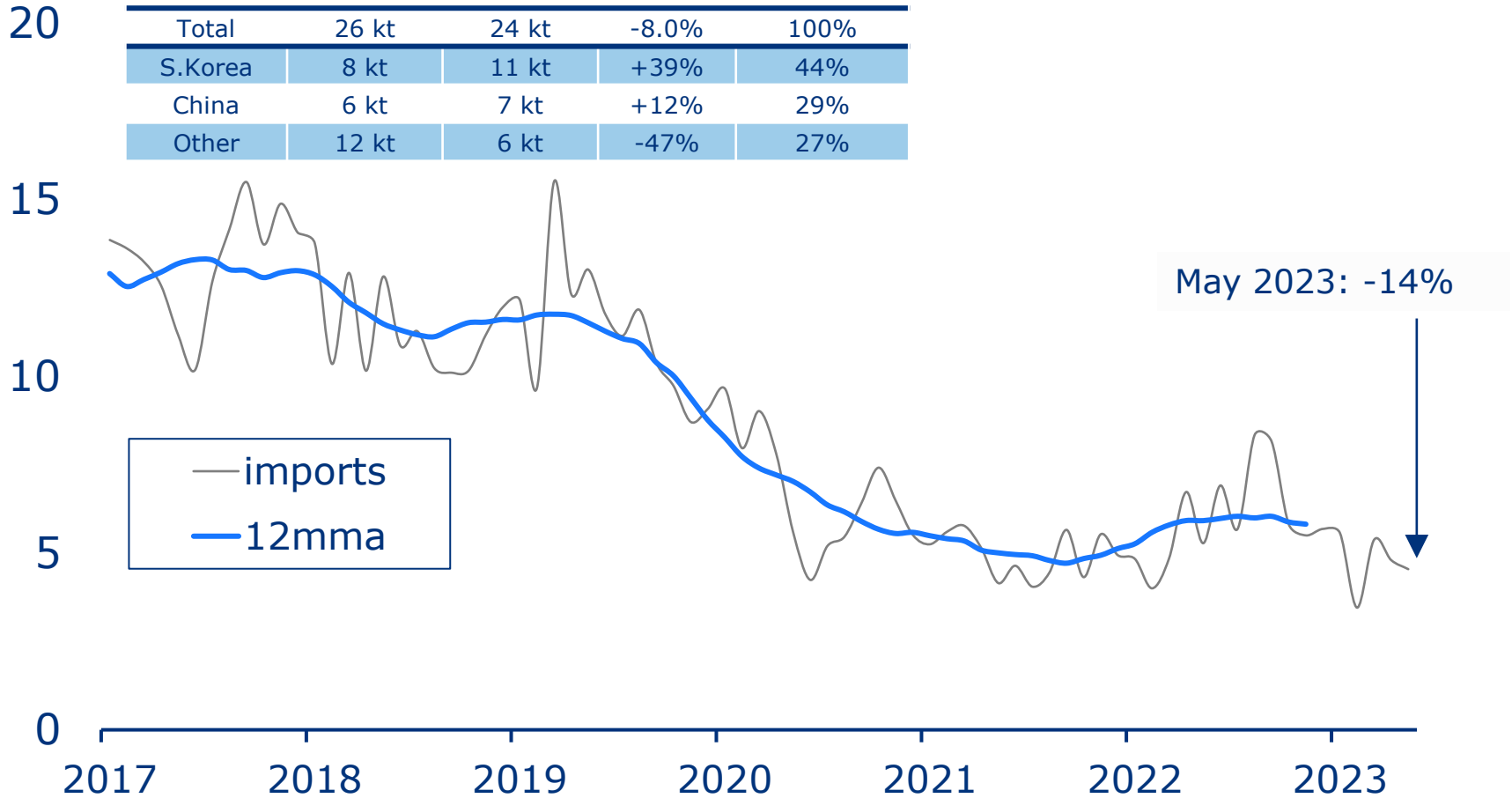
Source: EURO-GRAPH



# CW – W.E. imports

Jan-May 2023: -8.0% (-2 kt) - (000 tonnes)

Country	5m 2022	5m 2023	% chg	% share of imports
Total	26 kt	24 kt	-8.0%	100%
S.Korea	8 kt	11 kt	+39%	44%
China	6 kt	7 kt	+12%	29%
Other	12 kt	6 kt	-47%	27%



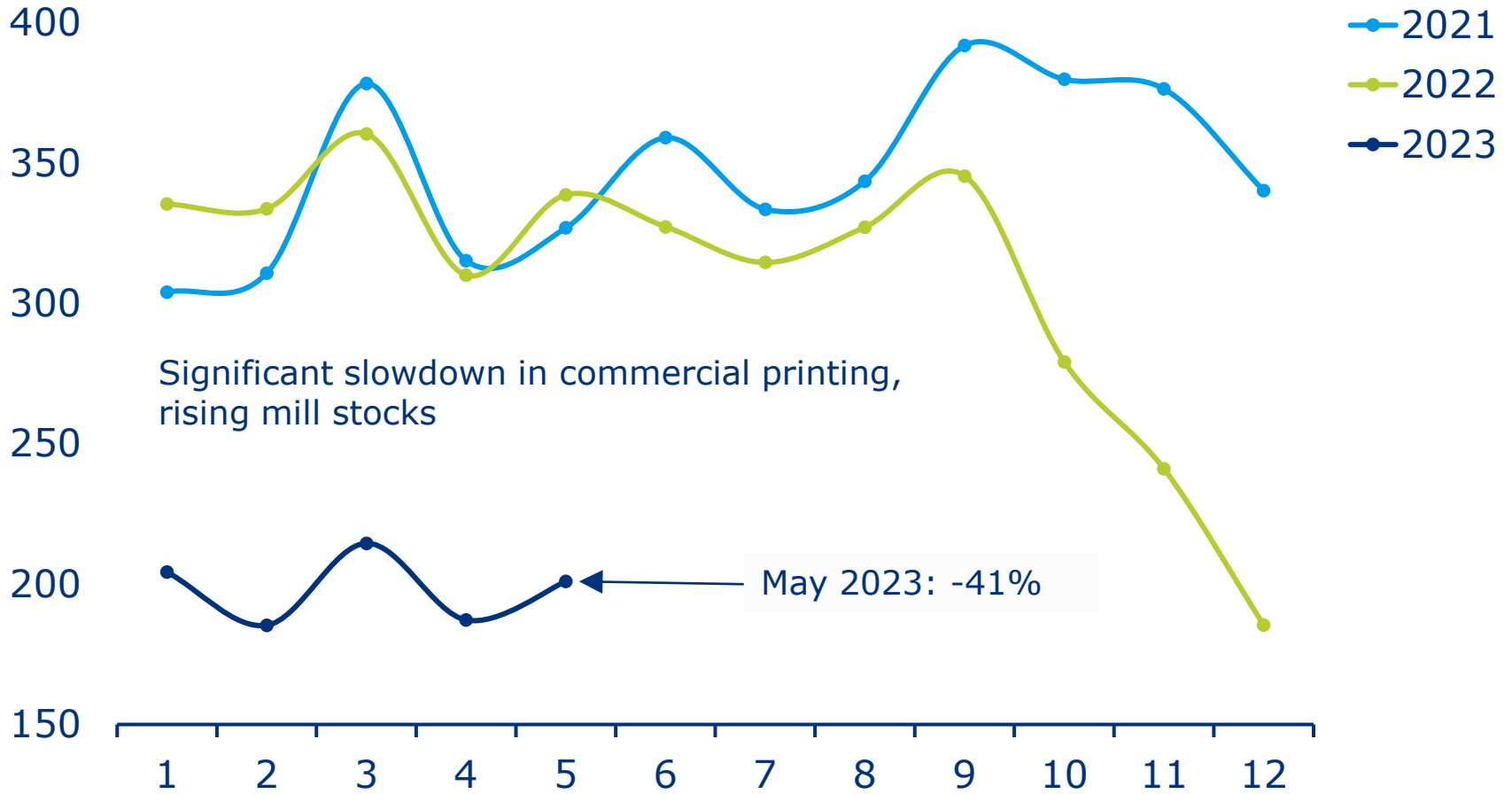
Source: EURO-GRAPH/Svan Data/PPPC



# CW – Total deliveries

Jan-May 2023: -41% (-686 kt) (000 of tonnes)

CW Sheets -40% (-522 kt)  
CW Reels -43% (-163 kt)



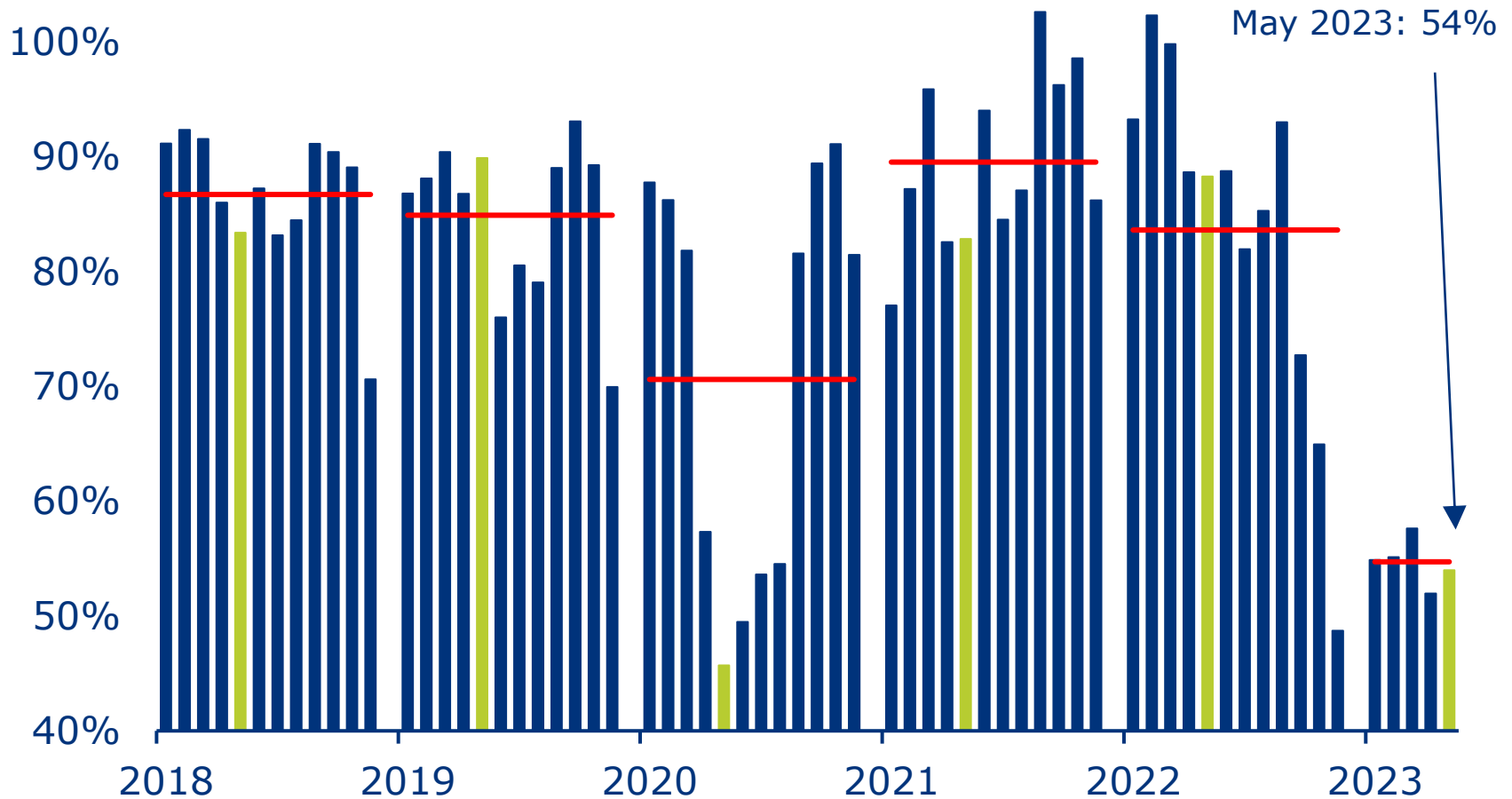
Source: EURO-GRAPH



# CW – Delivery-to-capacity

Jan-May 2023: 55% (2022: 94%)

Sappi Gratkorn, 2022; UPM/strikes, Jan-April 2022; Sappi Gratkorn, 2023.  
Lecta Condat, PM 4.



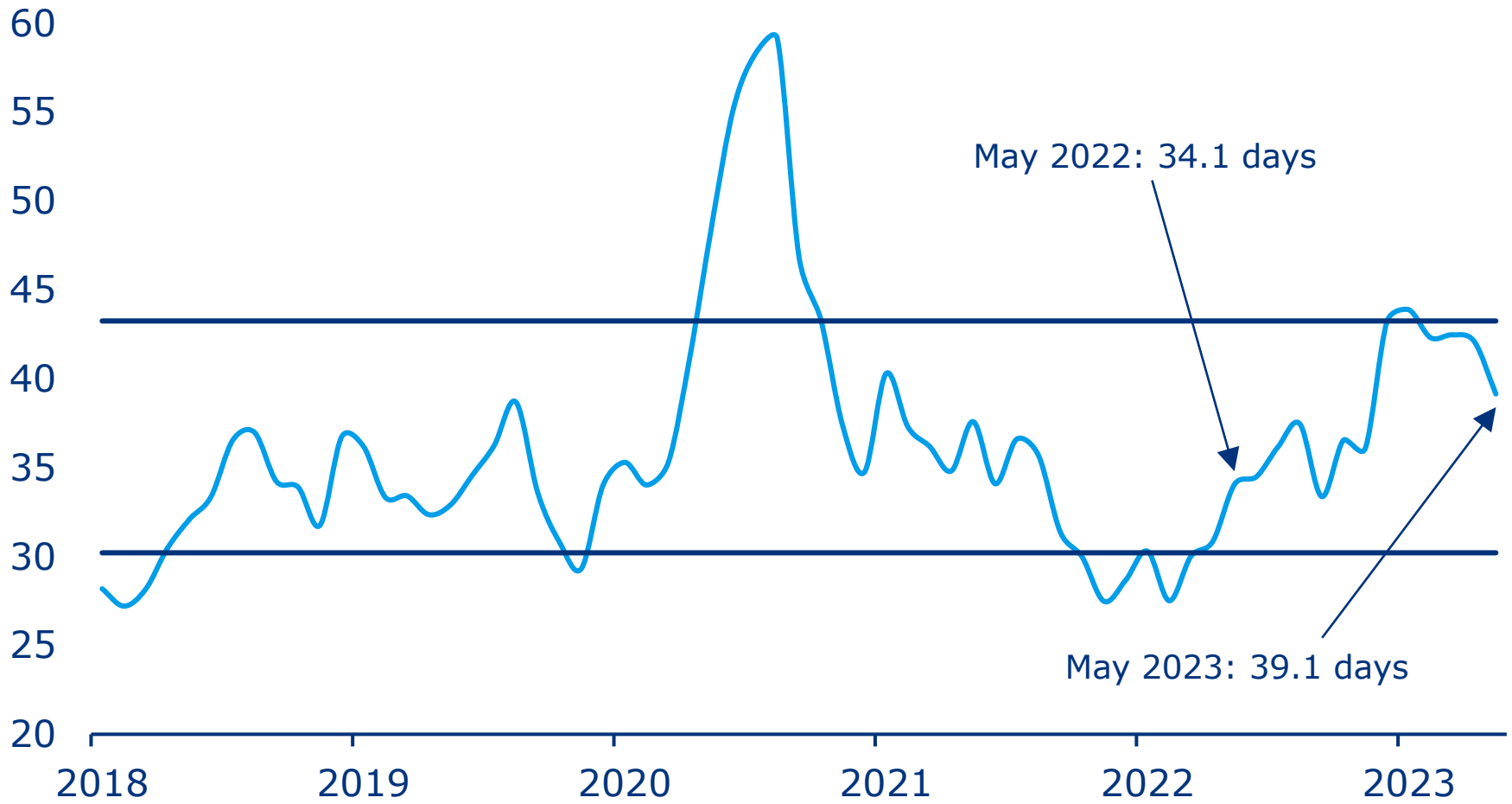
Source: EURO-GRAPH





# CW – Mills' Stocks

Average May 2018-2022: 37.1 days



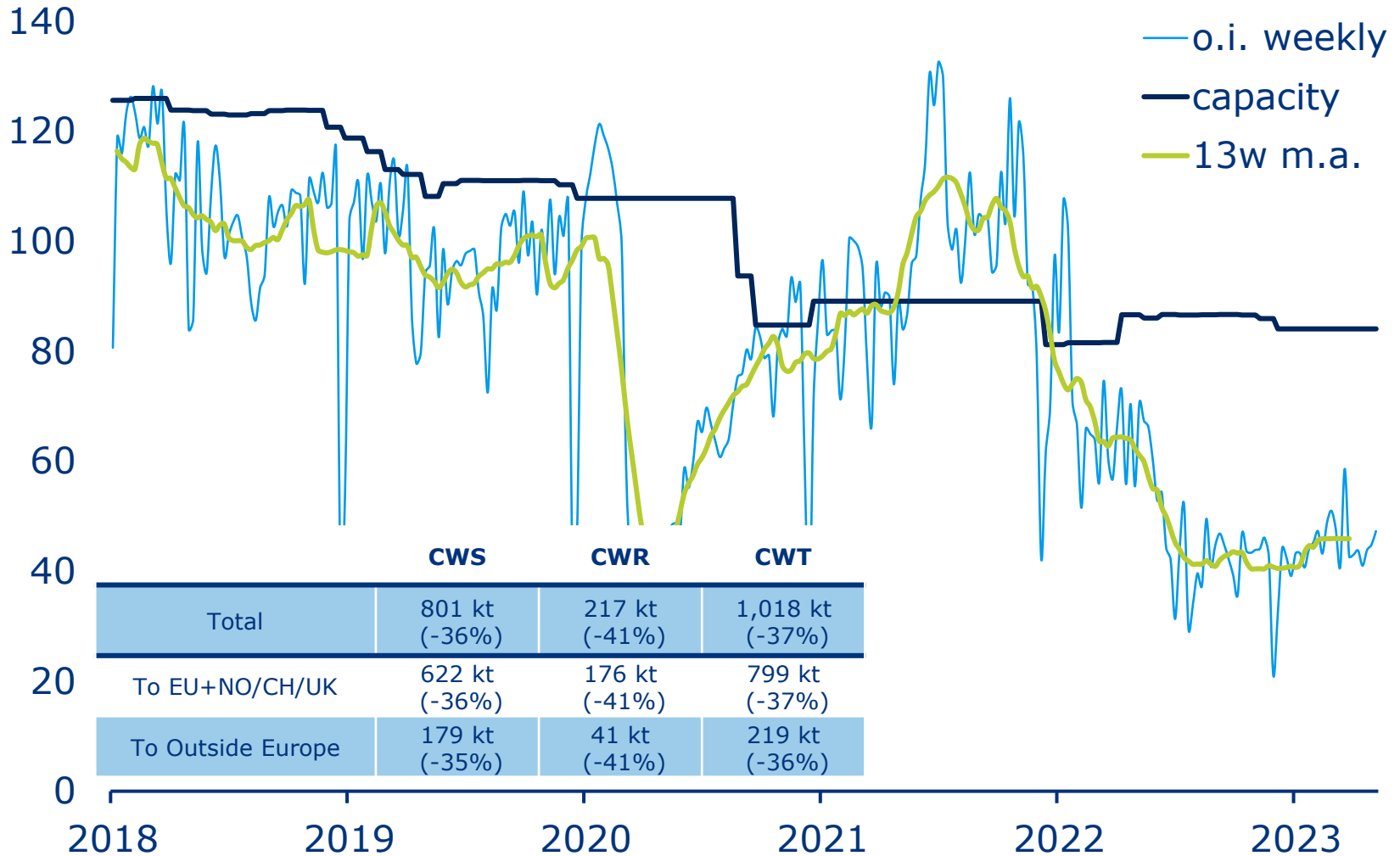
Source: EURO-GRAPH

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



# CW – Order inflow to all destinations

23 weeks 2023 vs. 2022: -595 kt (-37%) - (weekly - 000 tonnes)

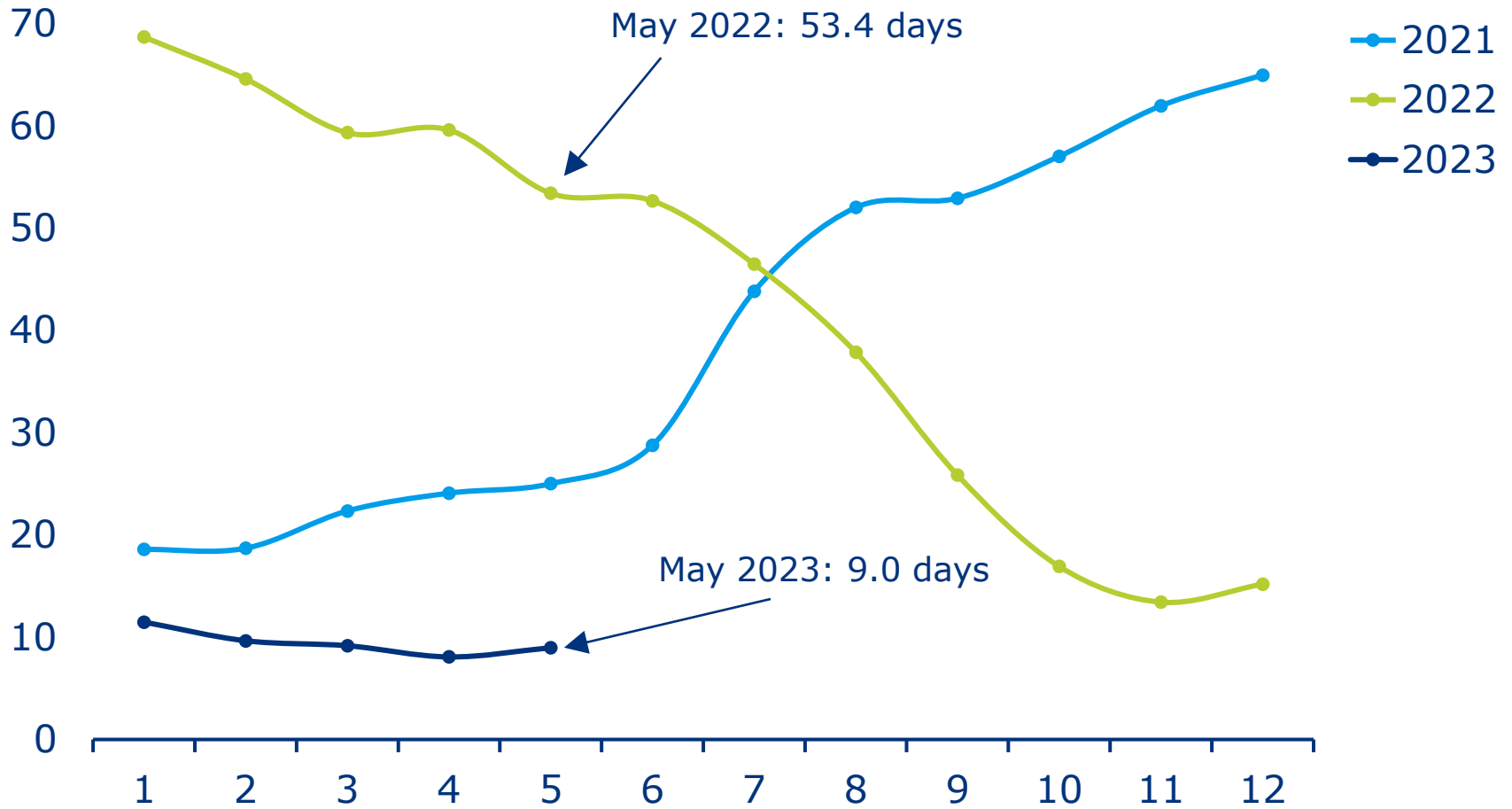


Source: EURO-GRAPH



# CW – Orders stocks

(days of supply)



Source: EURO-GRAPH



# CW – Summary by sub-quality

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

	<b>CW Total</b>	<b>CW Sheets</b>	<b>CW Reels</b>
Deliveries to WE	-40%	-40%	-40%
Total Deliveries	-41%	-40%	-43%
Imports	-8.0%	-2.0%	-31%
Exports	-43%	-41%	-52%

Source: EURO-GRAPH



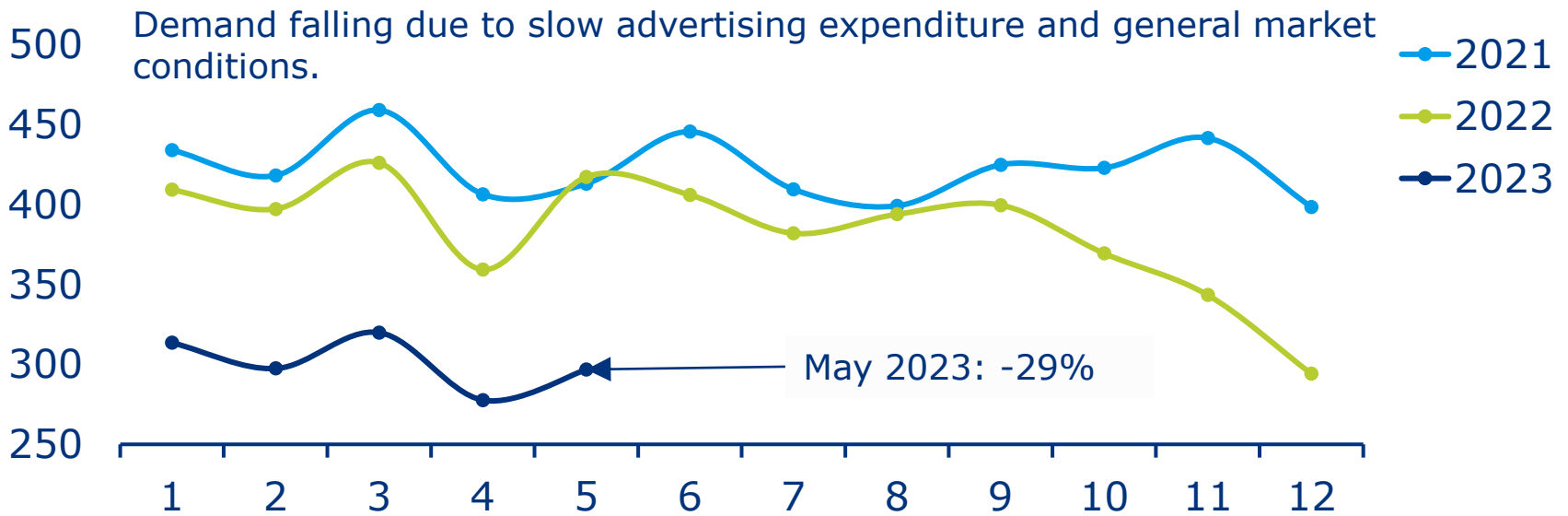
## ◆ Uncoated Woodfree Papers



# UW – European demand

Jan-May 2023: -25% (-504 kt) (000 of tonnes)

Country	Jan-May 2022	Jan-May 2023	% chg	Country	Jan-May 2022	Jan-May 2023	% chg
WE	1,594 kt	1,237 kt	-22%	EE	415 kt	268 kt	-35%
DE	407 kt	303 kt	-26%	PL	161 kt	103 kt	-36%
FR	269 kt	210 kt	-22%	CZ	43 kt	28 kt	-35%
GB	174 kt	160 kt	-8.5%	HU	41 kt	25 kt	-38%
IT	208 kt	154 kt	-26%	RO	37 kt	24 kt	-36%
ES	150 kt	117 kt	-22%	UA	14 kt	18 kt	26%
Other	386 kt	293 kt	-24%	Other	119 kt	71 kt	-41%



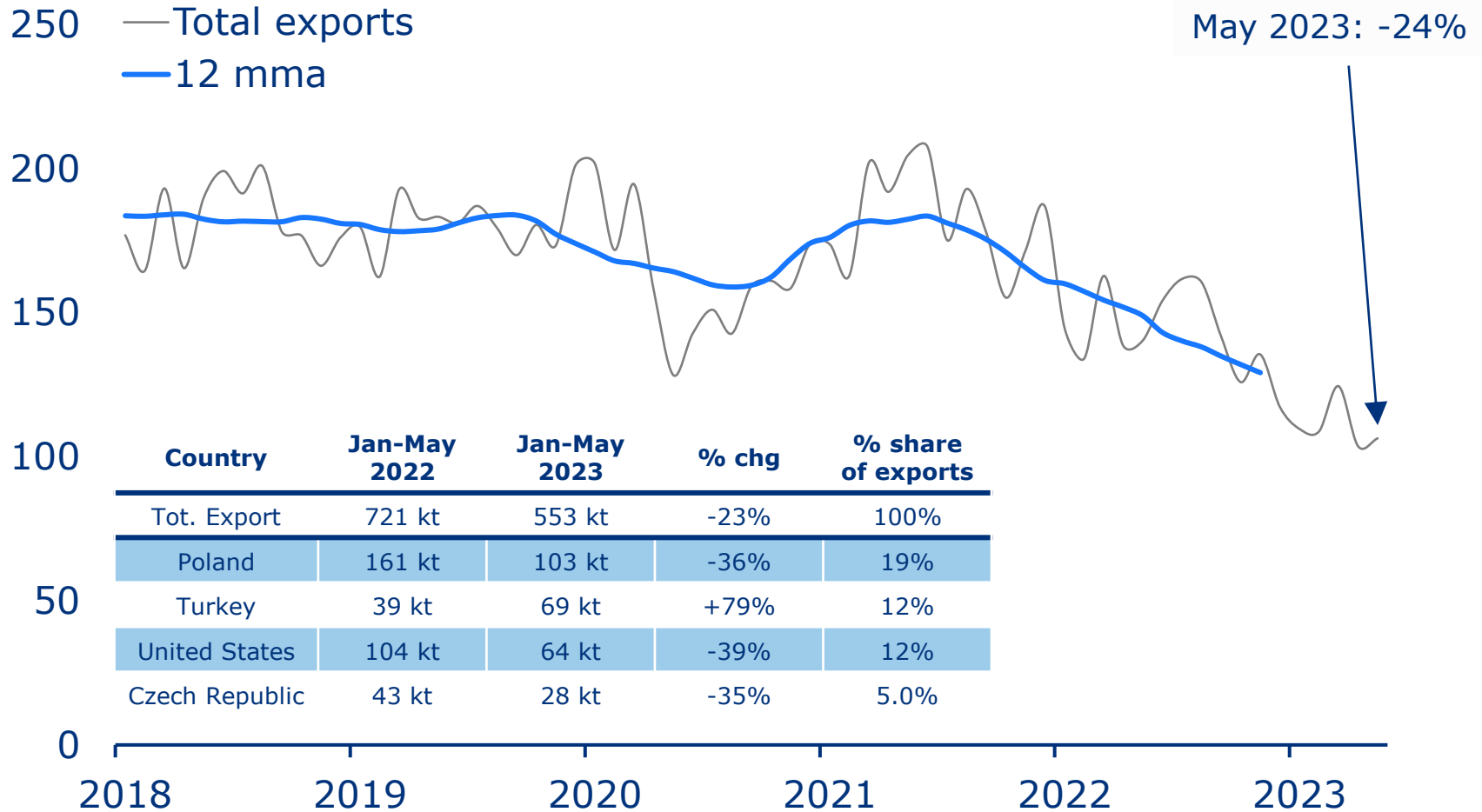
Source: EURO-GRAPH

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



# UW – Total exports

Jan-May 2023: -23% (-167 kt) - (000 tonnes)



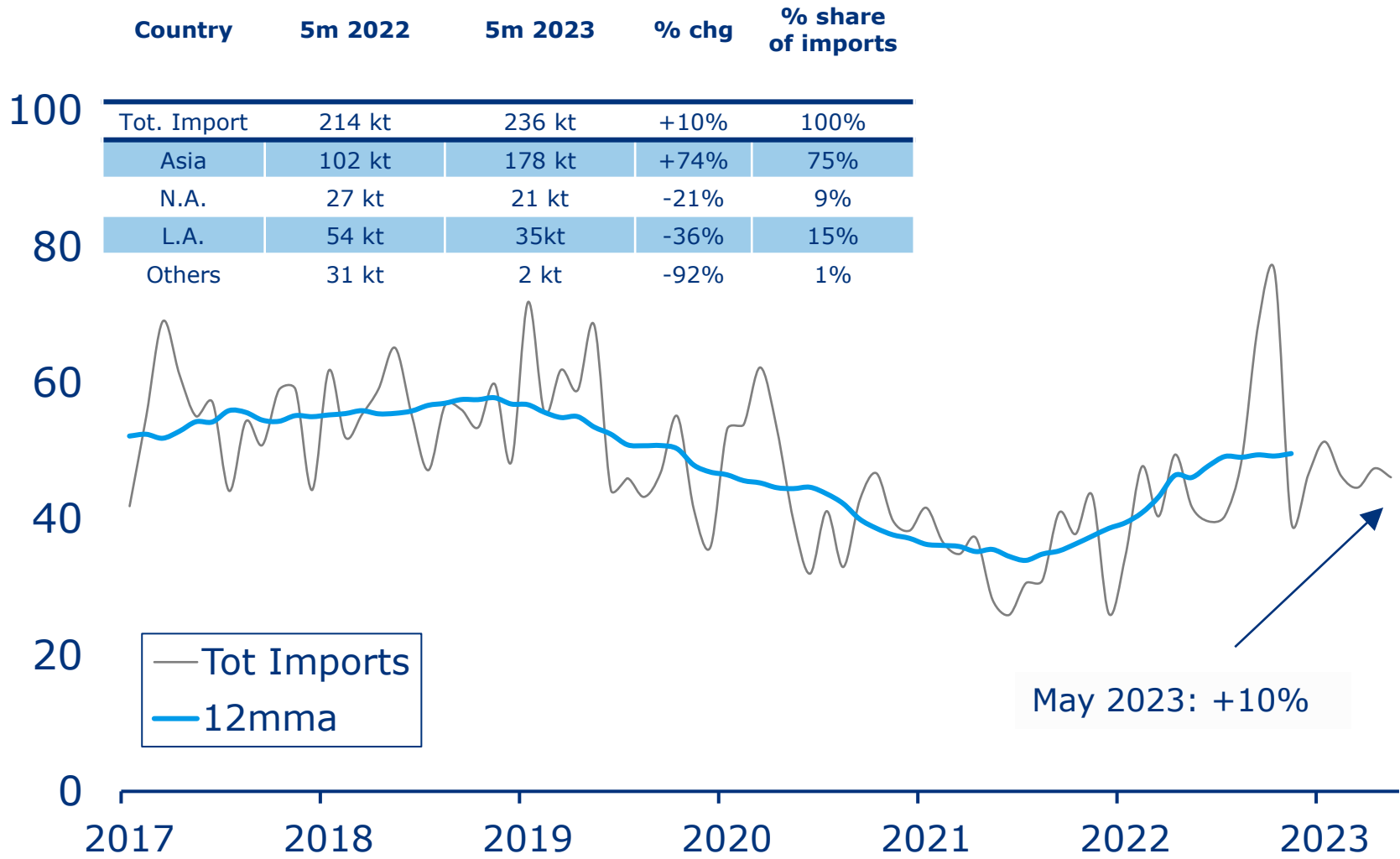
Source: EURO-GRAPH

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



# UW – Total imports

Jan-May 2023: +10% (+22 kt) - (000 tonnes)



Source: EURO-GRAPH/Svan Data/PPPC

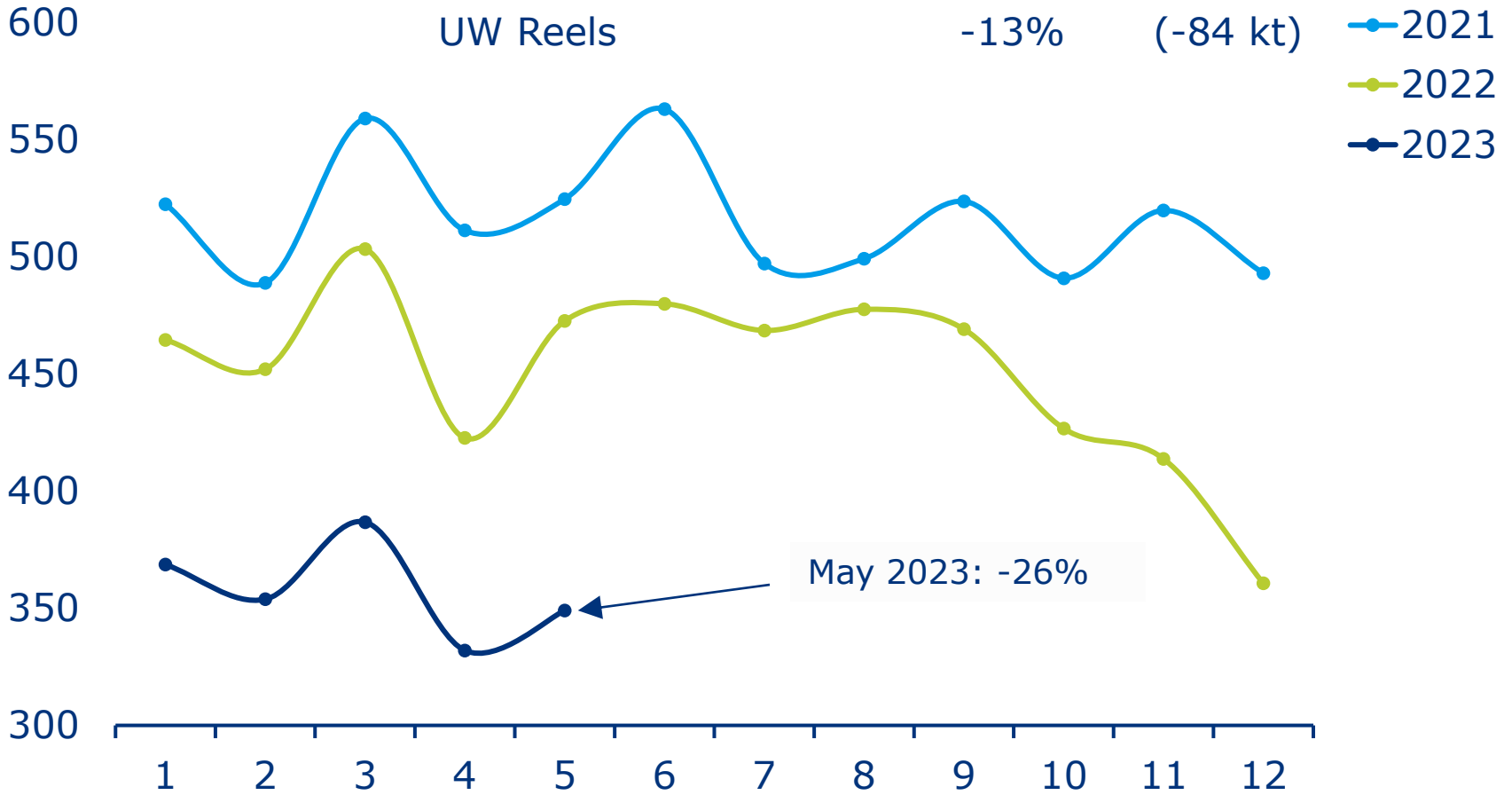




# UW – Total deliveries

Jan-May 2023: -23% (-525 kt) (000 of tonnes)

UW Cut Size	-23%	(-246 kt)
UW Folio Sheet	-33%	(-195 kt)
UW Reels	-13%	(-84 kt)



Source: EURO-GRAPH

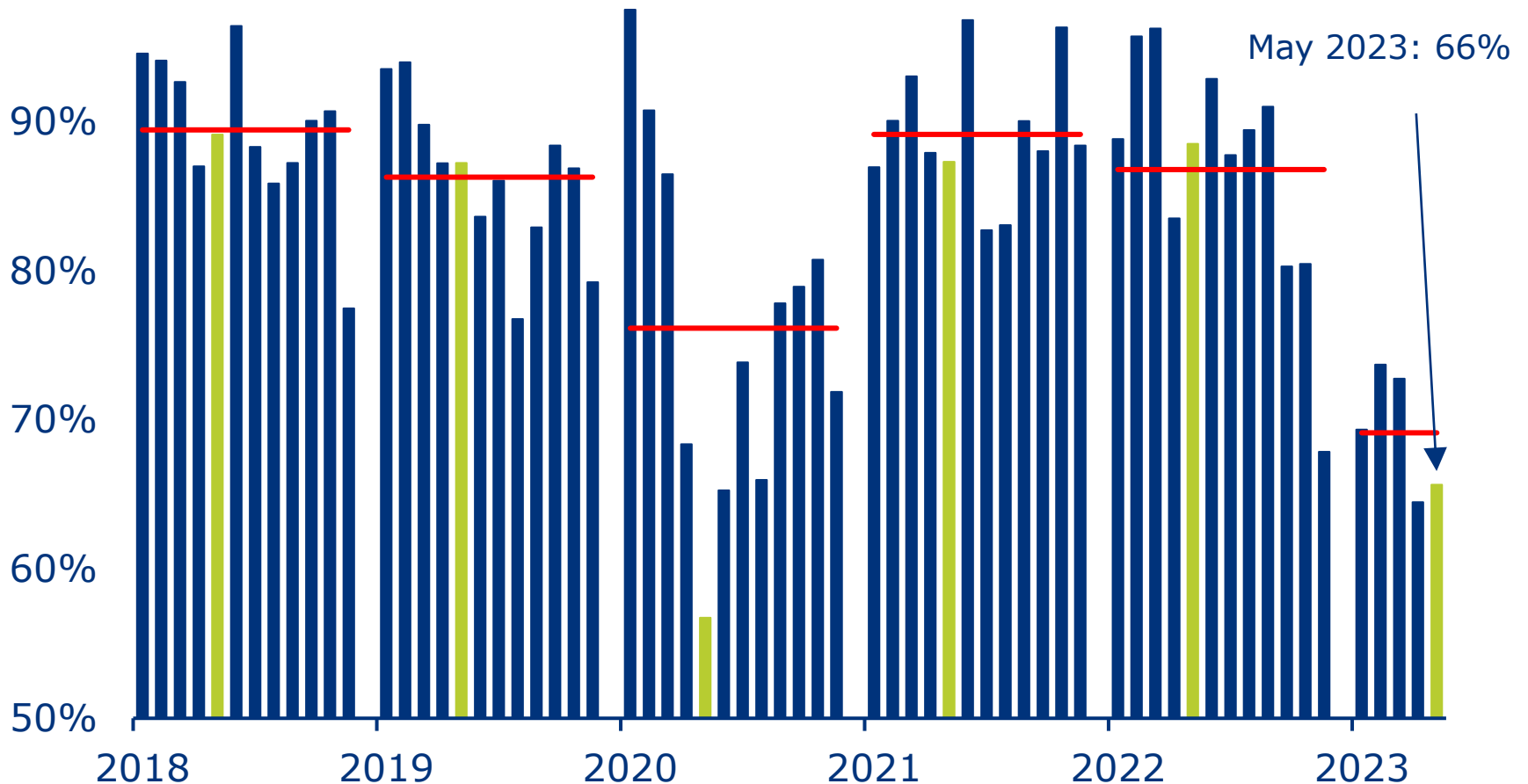
From all Euro-Graph members, W.E., Poland and Slovakia



# UW – Delivery-to-capacity

Jan-May 2023: 69% (2022: 90%)

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

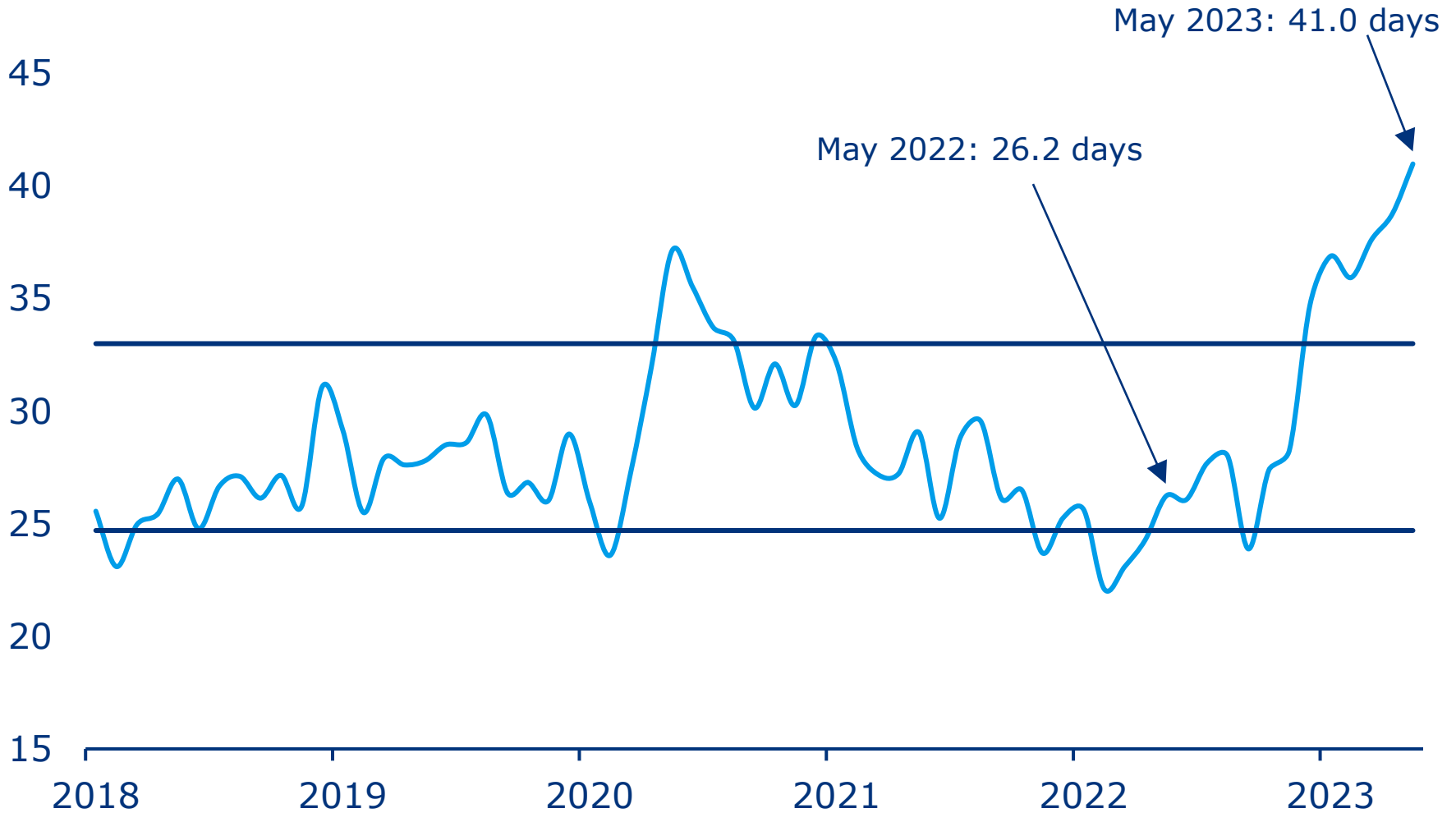


Source: EURO-GRAPH



# UW – Mills' Stocks

Average May 2018-2022: 29.4 days



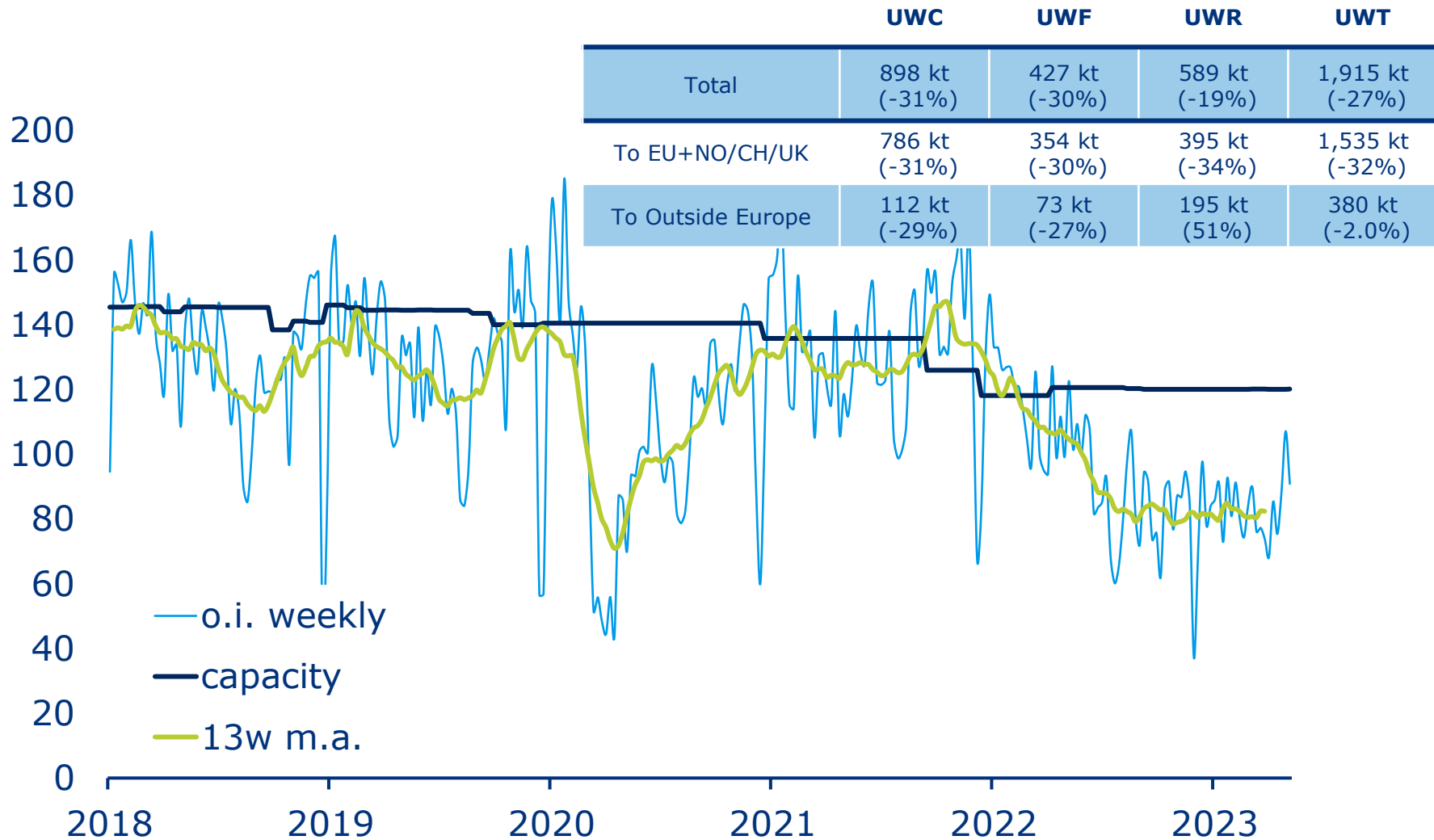
Source: EURO-GRAPH

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



# UW – Order inflow to all destinations

23 weeks 2023 vs. 2022: -724 kt (-27%) - (weekly - 000 tonnes)

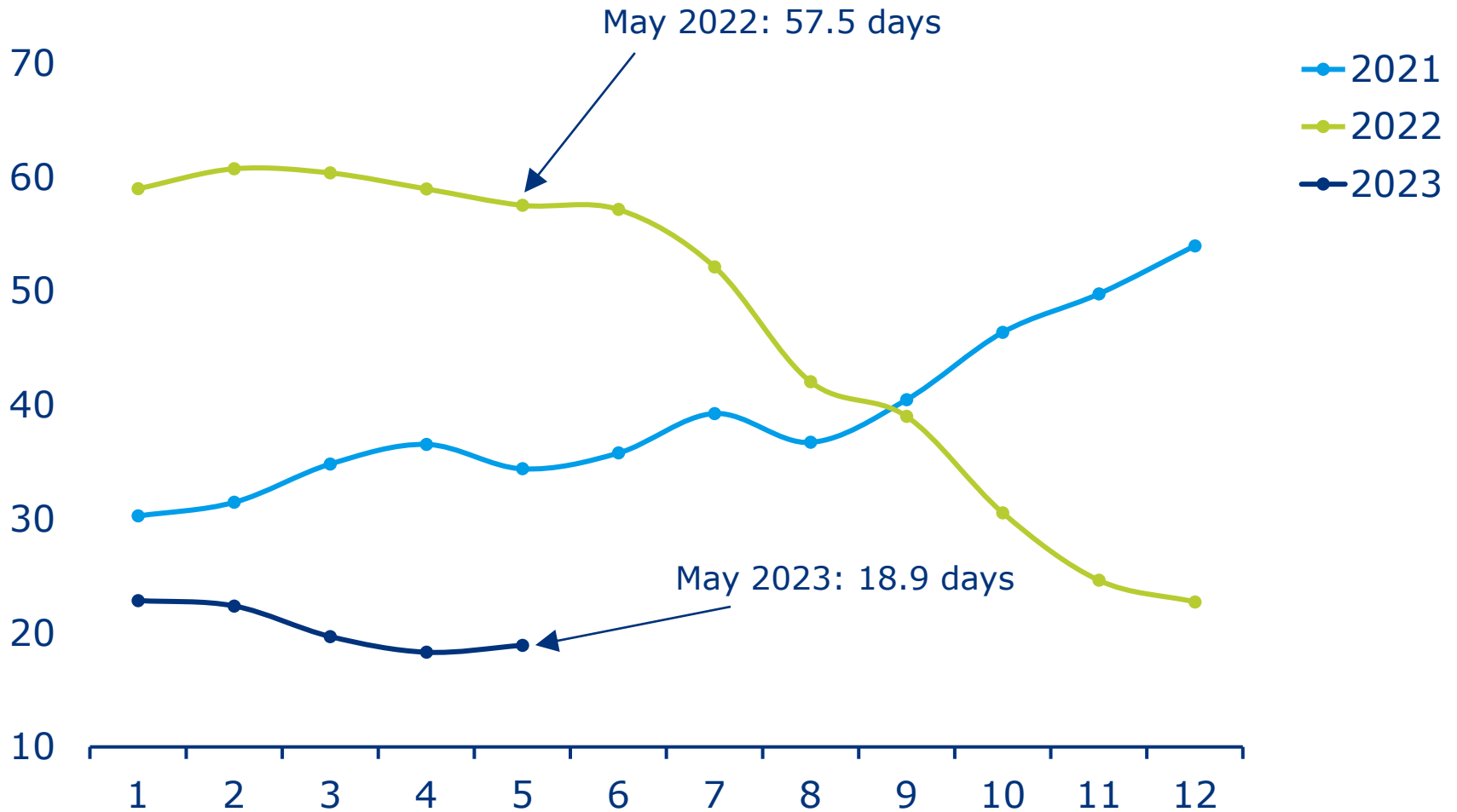


Source: EURO-GRAPH



# UW – Orders stocks

(days of supply)



Source: EURO-GRAPH



# UW – Summary by sub-quality

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

	<b>UW Total</b>	<b>UW Cut Size</b>	<b>UW Folio Sheet</b>	<b>UW Reels</b>
Deliveries to WE	-22%	-18%	-33%	-21%
Total Deliveries	-23%	-23%	-33%	-13%
Imports	+10%	+9.3%	-18%	+33%
Exports	-23%	-35%	-35%	5.4%

Source: EURO-GRAPH

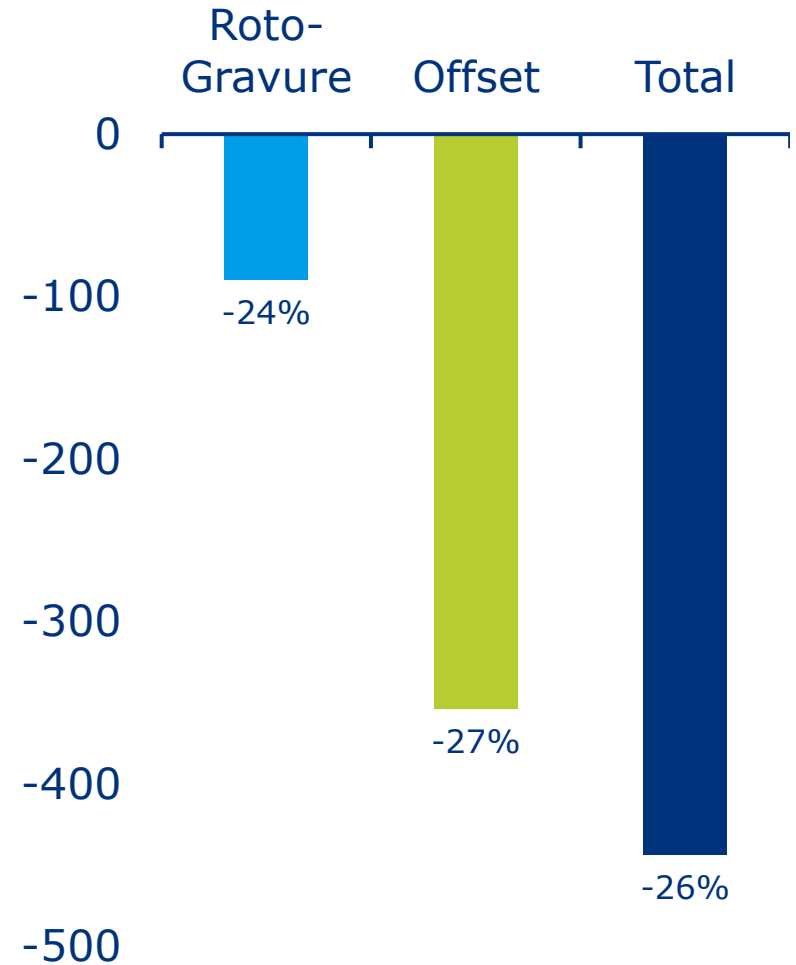
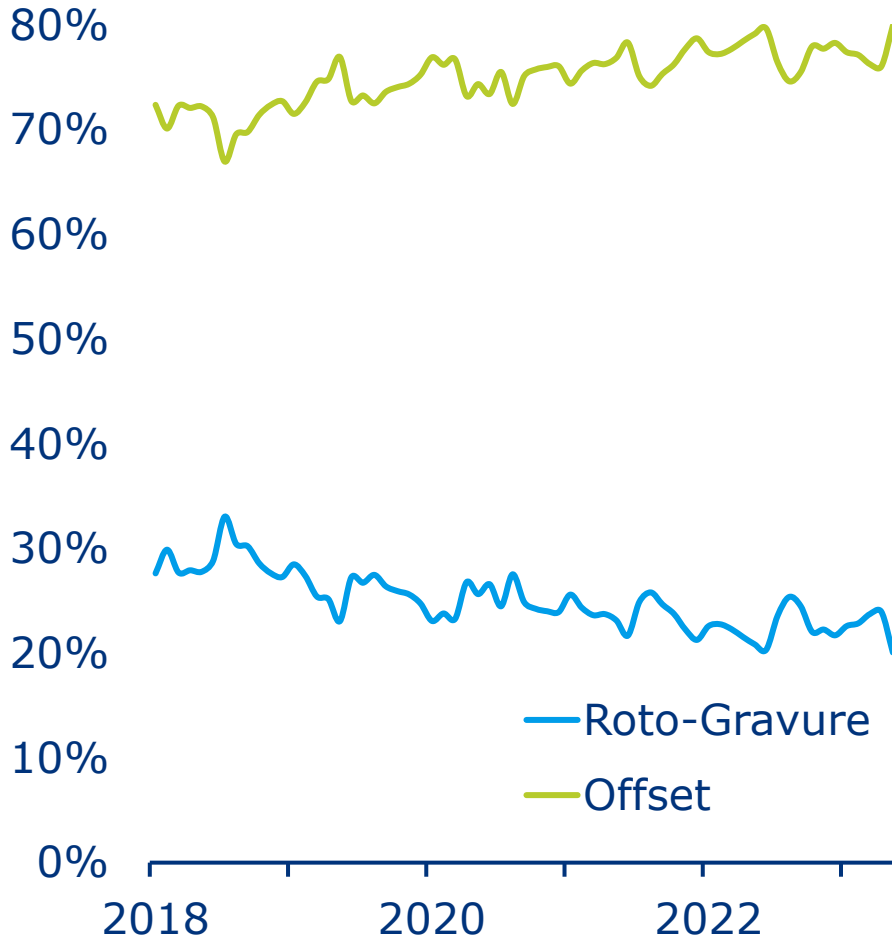


▲◆ SC + CM / split by Roto/Offset



# SC+CM – W.E. demand by roto/offset

Jan-May 2023: -26% (-443 kt) - by sub-quality (000 of tonnes)



Source: EURO-GRAPH

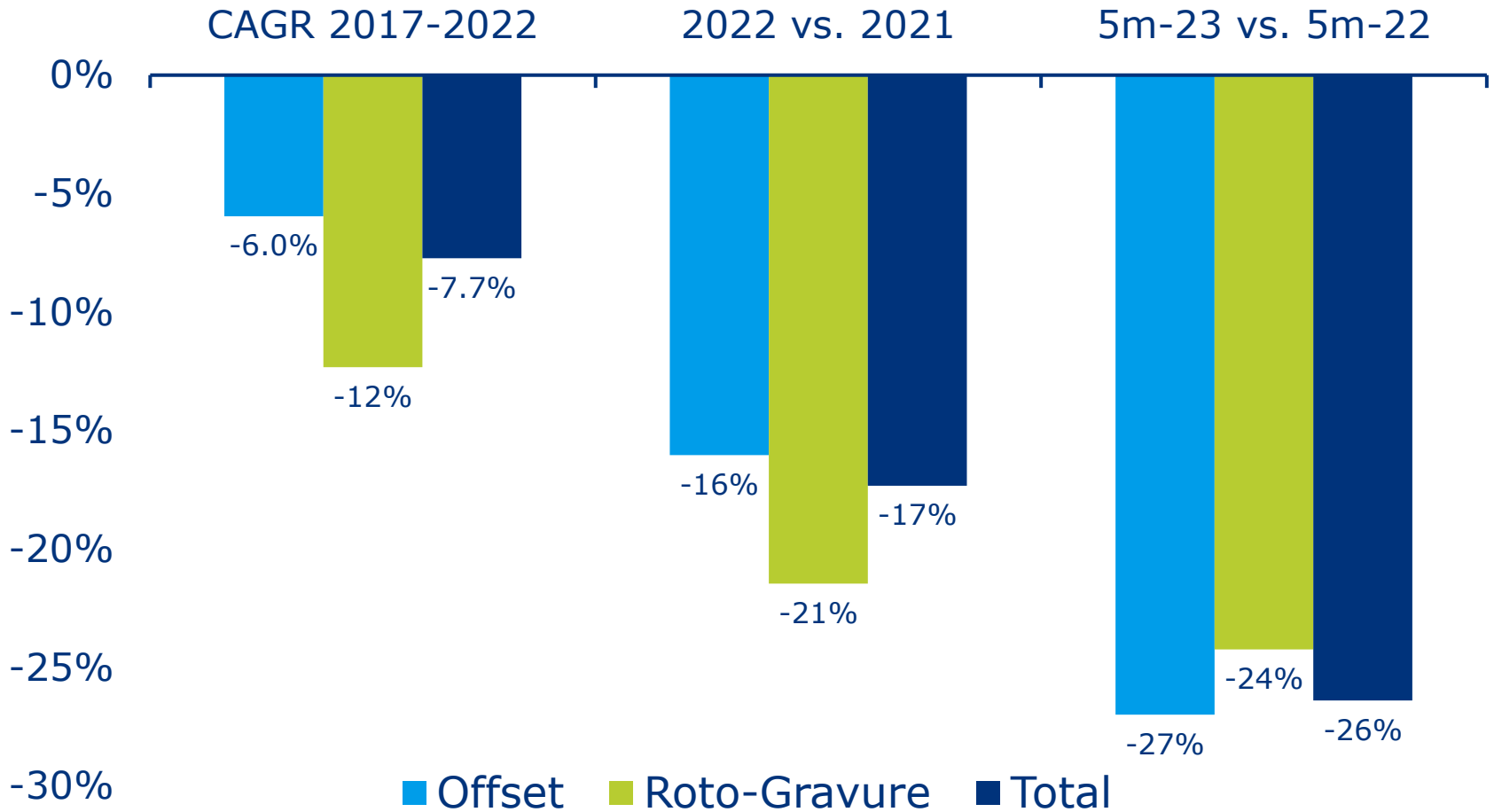
Deliveries to W.E. from W.E. suppliers





# SC+CM – W.E. demand by roto/offset

Jan-May 2023: -26% (443 kt) (000 of tonnes)



Source: EURO-GRAPH

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



## Possible defense measures / UW imports

- **UPDATE**



# UW – Total imports

Jan-May 2023: +10% (+22 kt) - (000 tonnes)

Country	5m 2022	5m 2023	% chg	% share of imports
Tot. Import	214 kt	236 kt	+10%	100%
Asia	102 kt	178 kt	+74%	75%
N.A.	27 kt	21 kt	-21%	9%
L.A.	54 kt	35kt	-36%	15%
Others	31 kt	2 kt	-92%	1%

## Q1/2023 vs 2022

China	8 kt	→	21 kt	(+176%)
Indonesia	40 kt	→	65 kt	(+60%)
Thailand	4 kt	→	13 kt	(+185%)
Canada	16 kt	→	12 kt	(-24%)
Brazil	24 kt	→	21 kt	(-14%)

100

80

60

40

20

0

— Tot Imports  
— 12mma

2021: 414 kt  
2022: 575 kt (+39%)

2012-22 avg: 566 kt /yr

2017 2018 2019 2020 2021 2022 2023



# Defence measures – update

- 2<sup>nd</sup> March: Bord meeting raised the issue
- 23<sup>rd</sup> March: G.A. meeting showed potential interest from several companies
- 31<sup>st</sup> March: preliminary meeting E-G / CEPI / GIDE
- 5<sup>th</sup> May: meeting with law firm GIDE. All UW producers invited.
  - Requirements for imposing trade remedies in the EU: proof of dumping; injury or threat of injury to the EU industry; causal relationship between imports and injury; imposition of measures are in the Union interest.
  - 2019 complaint attempt flagged by Commission on injury and causality
  - Minimum 25% of EU production to support the complaint; cannot be opposed by more than 50% of the EU production
  - Investigation Period (most recent 12-month period, ending no later than 6 m. before the date on which the complaint is lodged)
  - Period considered (period of data on which trends on the injury are drawn must cover at least 4 years, the last one coinciding with the IP)
  - Investigation: initiation; forms/questionnaires to be completed; sampling; injury questionnaire for EU selected companies; on-site verification visits
  - Provisional measures and definitive measures



# Defence measures – next steps #1

- ✓ ● E-G to reconfirm individual companies support to the case.
- ✓ ● Set up of “Monitoring Tool” by CEPI:
  - A precise monitoring of (publicly available) import and export customs statistics for the relevant types of product. To the extent possible, reliable estimation for consumption and capacity based on publicly available data.
  - The period concerned should be 2019, 2020, 2021, 2022 and Q1 2023.
  - This monitoring exercise should be made quarterly and made available to GIDE.
- “Data collection/aggregation tool” through GIDE:
  - Relevant individual and confidential data from the companies who will agree to be part of the exercise will be collected on the basis of a “mini-questionnaire” customized to fit perfectly the need of our industry. The main data concerned includes production, capacity, sales, costs and profit.
  - The reference period for the data collection will be 2019, 2020, 2021, 2022 and Q1 2023.
  - Unless the monitoring report of Gide (see below) concludes that all the conditions are met at this stage for lodging a complaint the data collection/aggregation should be repeated every quarter until a quarterly report concludes that it is time to lodge a complaint based either on the injury or a threat of injury.



# Defence measures – next steps #2

- Monitoring report by GIDE:
  - Based on the CEPI monitoring tool and the data collection/aggregation of individual data from the companies, GIDE will draft a report (called “monitoring report”) in which they will explain the reasons why the conditions to lodge a complaint are fulfilled, or not, or not yet. Depending on the results, this report may, be updated on a quarterly basis.
- It is expected that the “Monitoring report” exercise might be repeated a few times, to evaluate the strength of the case, but that if the results will not be satisfactory, the efforts will be dropped without dragging the case for a too long period.



# Defence measures – estimated budget

- The preliminary budget estimates for this case were summarised as follows:
  - For each data collection/aggregation: 2,500 € per participating company
  - For the first monitoring report: 35,000 €
  - For updating the monitoring report (if necessary) after each quarter: 5,000 € - 10,000 €
  - For a full investigation (from preparation of the complaint to the lodging of the case and the complete investigation until imposition of the measures (based on GIDE recent experience): between 450,000 € – 1,000,000 €
- Beside the data collection from individual company, which has a flat amount for everyone, it was proposed to split the remaining costs on a proportional basis between the participating companies.



## Financial issues

- **CLOSURE 2022 ACCOUNTS**
- **DISCHARGE OF LIABILITY FOR THE OFFICIALS**





# P&L Summary – 2022 vs. 2021

All figures in '000 €	2022 Actual	2021 Actual	Diff. €	Diff. %
Personnel	443	434	9	2%
Meetings and Travelling	13	3	10	316%
Office & Administration	183	205	-21	-10%
IT	113	116	-3	-3%
Projects	447	441	6	1%
<b><u>Total Costs</u></b>	<b><u>1 200</u></b>	<b><u>1 199</u></b>	<b><u>1</u></b>	<b><u>0%</u></b>
Members Contributions	1 170	1 056	114	+11%
"Regular" budget	735	656	79	+12%
Print Power	65	30	35	+117%
Two Sides	370	370	0	0%
Other Revenues	25	12	13	+105%
<b><u>Total Income</u></b>	<b><u>1 195</u></b>	<b><u>1 068</u></b>	<b><u>127</u></b>	<b><u>12%</u></b>
<b><u>Profit (+) / Loss (-)</u></b>	<b><u>-5</u></b>	<b><u>-131</u></b>		

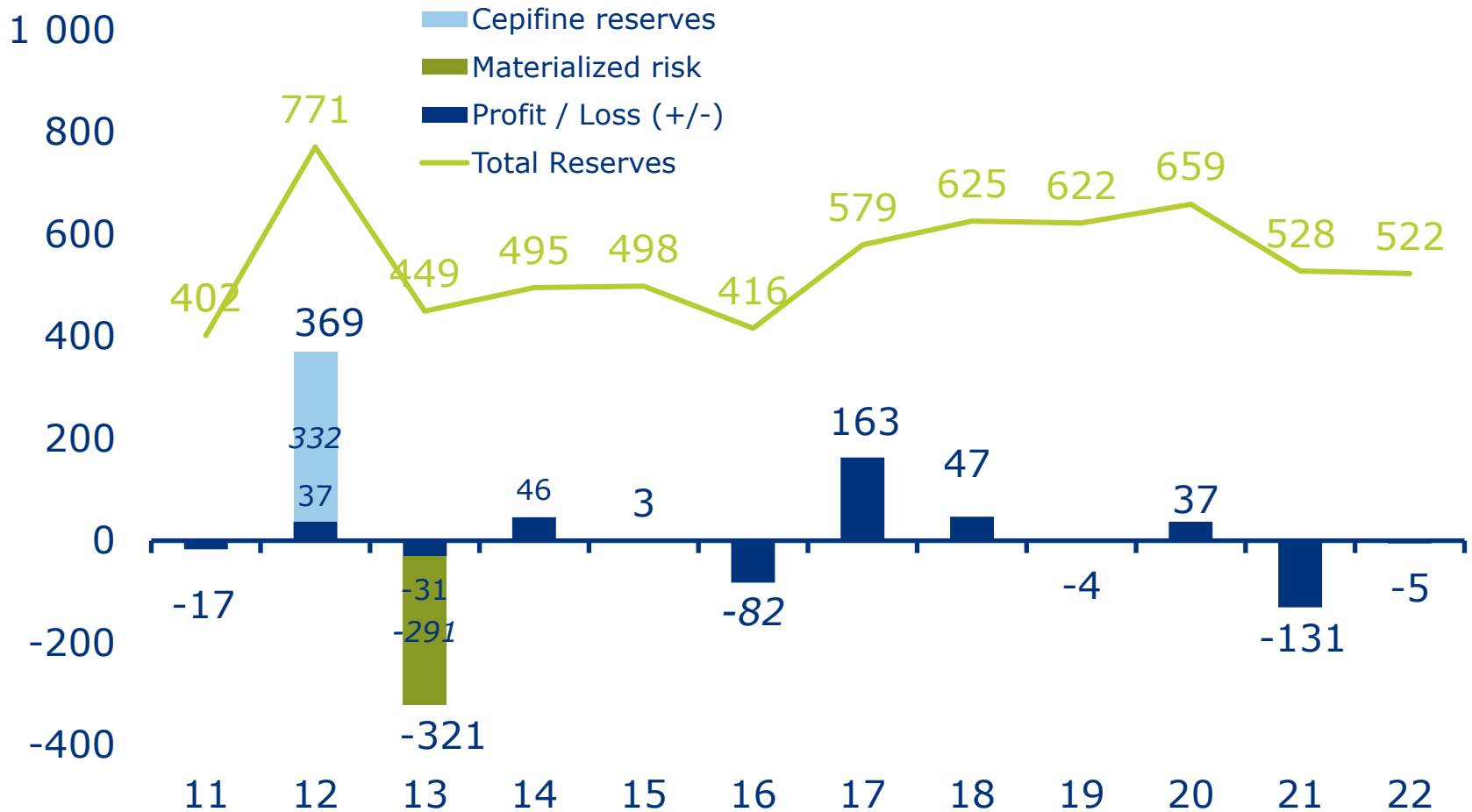


# Balance Sheet Summary – 2022 vs. 2021

All figures in '000 €	2022 Actual	2021 Actual	Diff. €	Diff. %
Fixed Assets	1	3	-1	-59%
Guarantees	0	0	0	n.m.
Receivables	17	17	0	2%
Cash and other investments	587	561	26	5%
Deferred charges and accrued income	11	5	5	95%
<b><i><u>Total Assets</u></i></b>	<b><i><u>616</u></i></b>	<b><i><u>586</u></i></b>	<b><i><u>30</u></i></b>	<b><i><u>5%</u></i></b>
Profits carried forward	522	528	-5	-1%
Amounts payable within one year	94	58	36	61%
Accrued charges and deferred income	0	0	0	n.m.
<b><i><u>Total Liabilities</u></i></b>	<b><i><u>616</u></i></b>	<b><i><u>586</u></i></b>	<b><i><u>30</u></i></b>	<b><i><u>5%</u></i></b>



# Reserves development



# Auditors' statements

## Statutory Auditors



Vincent Misselyn  
Véronique Lebrun

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, 2022

In accordance with our mission described below and confirmed by our engagement letter of March 20, 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, 2022, established on the basis of the accounting regulations applicable in Belgium, whose balance sheet total amounts to € 616.362,04 and whose income statement shows a loss for the year of € - 5.247,10.

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 16, 2023

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

Delvaux Associés, Réviseurs d'Entreprise srl  
Société à Responsabilité Limitée

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IBAN CBC Banque BE43 7320 3155 8801 – T.V.A. : 0548.694.950 – IRE n°B00864  
info@delvauxassociés.be

## Internal Auditors



### Member Company Auditors' Report 2022

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 1<sup>st</sup>, 2022 to December 31<sup>st</sup>, 2022.

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 ASSOCIÉS 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, 25<sup>th</sup> May 2023

Bente Krogsethagen  
Norske Skog

Christos Koutras  
Sappi Europe

Christopher Tesch  
UPM-Kymmene

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# Auditors' statements

## Statutory Auditors



Vincent Misselny  
Véronique Lebrun  
Réviseurs d'Entreprises  
Associés

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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.

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

Brussels, 25<sup>th</sup> May 2023

Bente Krogsethagen  
Norske Skog

Christos Koutras  
Sappi Europe

Christopher Tesch  
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 2022 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 2022.



## Environmental issues

- **EUGROPA REQUEST FOR CO2 DATA ON PRODUCTS TRANSPORTATION**
- **LCI PROJECTS UPDATE**



# Eugropa request

- At the joint meeting of November 2022, Eugropa asked support to establish a possible template to collect and report environmental indicators (mainly CO<sub>2</sub> footprint) for products and transportation of products.
- A few weeks ago, Mr Hervé Poncin, Antalis (chairman of Eugropa), contacted E-G to renew the request and see if we can organize a meeting between our respective environmental experts to discuss the possible options.
- E-G Environmental Working Group met to discuss the request and it was advanced the idea to recommend all producers to use the CEPI PEF Tool as a basis for any calculation.
- However, it appears that this tool has still some limitations (absence of certain data, inflexibility to use suppliers' data, ...).
- Pending PEF Tool developments, the EWG will discuss and evaluate the possibility to organize a meeting with Eugropa representatives.
- All discussion and exchange of data between producers and merchants will remain on voluntary and individual company basis.





# LCI projects update

- LCI data for graphic papers
  - To be finalised shortly. Data to be checked by our EWG before submission to the Ecoinvent/PEF databases.
  - 60% of costs waived by consultant because of delay (~5 000 €).
- LCI data for PfR
  - 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 €).



## Projects Update

- **REVISION OF ISO-4046 (VOCABULARY FOR PULP, PAPER AND BOARD)**



# ISO 4046 revision - Project update

- Project aimed at revising the vocabulary of the ISO 4046 (standard for pulp, paper and board).
- Revision of over 600 terms related to paper production, paper and board machines, products (graphic papers, cartonboard, containerboard, pulp, specialty papers, etc.), finishing, treatment, converting, etc.
- Revisions: editorial; technical; update; new; deletion; ...
- 12 organizations (including E-G) supporting the project.
- Total budget ~200 000 € (over 5 years).
  - 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).



# ISO 4046 revision - Project update

- Project to be executed in several phases:
  - Discussion of the relevant terms and definitions with the participating stakeholders (until spring 2023).
  - Development of coordinated proposals for revision (until mid-2023).
  - Application for the revision at ISO, approval process, setting up of working group (3<sup>rd</sup> quarter 2023).
  - ISO activities until adoption of revised standard (from 4<sup>th</sup> quarter 2023 until 2026). Iterative discussion, drafting, commenting and balloting processes are expected to last about three years.
- 5 meetings held so far (17/02; 4/05; 9/05; 10/05; 11/05; next one at the end of June).



## Other business

- **MANDATE FOR ADMIN FORMALITIES**
- **TWO SIDES – TREND TRACKER SURVEY**
- **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 2<sup>nd</sup>, 09h00-11h00 CET, online web-meeting
  - G.A.
    - March 23<sup>rd</sup>, at 09h00-12h00 CET, online web-meeting
- 

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

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



# Thank you!



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