

Meeting Notes EMPHA General Assembly

13 November 2020

Online via Zoom

Present Arjen Bergevoet (Axxor B.V.), Massimo Bottesella (Tonelli spa), Barbara Ginter (EMPHA), Dick Häuser (Proxxis), Gilles Latil (l'hexagone), Ashley Moscrop (Dufaylite Developments Ltd), Tony Moscrop (Dufaylite Group Ltd), Ivo Možnár (Forlit, a.s.), Ram Peleg (Yamaton Paper GmbH), Stephan Schoenmaker (Honicel), Dirk Schut (Honicel), Piero Tonelli (Tonelli spa), Wieger Wiegersma (Axxor B.V.)

Minutes: Barbara Ginter EMPHA Secretariat

1. Opening

President Mr. Ram Peleg opened the meeting and welcomed everyone to the first online EMPHA General Assembly. He continued with the following speech:

About three and a half years ago, you elected me as the president of EMPHA. A role I was given with humility and respect to do my best to develop and further promote the association. During this time, I had a great opportunity and an honour of getting to know a large part of the EMPHA members as well as those who do great work behind the scenes (Barbara Ginter and the other colleagues in the Dutch office). I must say that I have met great people who want and are willing to contribute and promote the EMPHA association for the favour of all its members. In the first year and a half of my elected period, there was a very large activity, where many members have been involved in the different working groups for marketing the re-design of the home page and last-but-not-least the technical standards. Members met several times a year (mostly in a meeting location at the Schiphol airport in Amsterdam) in order to create something useful and valuable to the association and its members. During these working groups, I have met members with lots of good ideas and lots of passion, who are willing to share ideas and experiences with other association's members, which are also a competitors.

EMPHA is a very small organization whose entire work is done on a voluntary basis in addition to the management roles that each of us has in the company he runs. This fact should be greatly appreciated. A small association also means that there is always a shortage of people who support the association's activities so that it will continue and does not stop. Over the time, I felt that there was tiredness among the members and the activity mainly of the working groups stopped almost completely. Unfortunately, the departure of a few companies from the EMPHA association also contributed to a reduction in the ability to maintain the activity. During the last year, I started to be more and more bothered by questions like:

- *How to justify the future existence of EMPHA?*
- *Is the service that we offer to our members valuable enough?*
- *How can EMPHA be more attractive to its members and attract new members?*

These topics and others, become more and more on the meeting's agenda of the EMPHA board and, I believe that these topics should continue to be discussed until we find the answers:

- *How to make EMPHA more valuable to its members*
- *Attract more members, and*
- *Create MORE impact in the Paper Honeycomb Manufacturing sector in Europe.*

Finally, I would like to thank my two co-Board members, Gilles and Tony, with whom I have had a fruitful collaboration and many good discussions, how to further develop and promote the EMPHA association. Last but not least, I would like to thank Barbara for the excellent and dedicated work she is doing for the EMPHA association. Without Barbara, believe me, nothing would have moved.

It is time now to pass the presidential baton to the next member, who will continue to develop EMPHA in the coming years.

Thank you so much for the privilege I have been given to represent the EMPHA association.

Ram Peleg

EMPHA elected president

June 2017 – November 2020

2. EMPHA Antitrust Reminder

The Secretary General of EMPHA, Ms. Barbara Ginter, referred to the EMPHA Antitrust Guidelines. The proceedings of this meeting will be in accordance with these guidelines. A statement summarizing these Guidelines was shown on the screen. Mrs. Ginter then requested all members to read these guidelines and to comply with the statement both in the meeting and during the breaks.

All members present agreed to comply with the EMPHA Antitrust Guidelines.

3. Minutes General Assembly 14 June 2019

The minutes of the last meeting were adopted as a true reflection of the proceedings.

4. Round Table - update from member companies regarding Covid-19

All members were asked to give an update on the situation regarding Covid-19 in their companies and their countries.

5. Composition EMPHA Board

The current Board consist of:

- Ram Peleg – Yamaton Paper GmbH
- Giles Latil – l'hexagone
- Tony Moscrop - Dufaylite

The 3-year term of Ram Peleg and Giles Latil has ended and both have expressed their wish to continue as Board member. No volunteers have come forward so the members agreed to re-elect both of them.

Ram Peleg has been the EMPHA President for the last 3 years. Although he wants to remain a Board he is happy to hand over his Presidency to one of the other Board members. The Board therefore proposed to appoint Tony Moscrop as the next President and all members agreed.

6. Finance

a. Report Audit Committee on financial outcome 2019

Wieger Wiegersma as member of the Audit Committee reported that the financial outcome of 2019 had been checked by the Committee and was approved. The result is lower than budgeted and this is mainly due to lower income from membership fees. With a total income of € 40.500 and total operating costs of € 39.408 the result at the end of 2019 was € 1.092.

The Audit Committee proposed to the members to discharge the EMPHA board for the financial outcome of 2019. This proposal was accepted by the members.

Mr. Wieger Wiegersma confirmed that he is available to check the finances again next year. Mr. Dirk Schut volunteered to assist him.

b. Budget 2021

The budget for 2021 was based on 10 active members + 1 associated member + 1 new associate member which will result in a total income of € 34.250. The total expenses for 2021 have been budgeted at € 50.560.

EMPHA Treasurer, Mr. Gilles Latil explained the budget for next is very modest. Since we lost some members a reduced income is expected but hopefully we will be able to attract some new members next year. The Board proposed to give the reserves that we have in the bank back to the members as added value. More information on this will be share under agenda point 9.

The issue of attracting new members is high on the Board agenda, over the last few years we have tried to attract new members but this has proven to be quite difficult. Therefore we must create more value for the current members and hopefully attract new members with our offer.

The members present approved the budget for 2021 (see attached).

7. EMPHA Member Survey

Barbara Ginter showed the outcome of the recently held Member Survey. 7 out of 12 members replied to the survey meaning a 58% response rate. The most important conclusion from the survey was that members are looking for more technical information and information on industry development. These are exactly the items the Board has been working on:

- Technical Standards (see point 8)
- Industry Report (see point 9)
- Marketing (see point 10)

We are going in the right direction, it needs to be fleshed out more but the outlook is positive. The understanding of the product is getting out there in the public. Network development is also important but right now it is difficult. The results of the survey will be shared with the members as annex to these minutes.

8. EMPHA Technical Standards

Since it became clear from the survey that technical information is key we would like to revive the Working Group for the EMPHA Technical Standards. We would like to set up an initial meeting (via Zoom) in January to:

- review what we have and check if this is still up to date
 - o Determination of Compression Strength (completed in 2012)
 - o Determination of Cell Geometry (completed in 2012)
 - o Determination of Height (completed in 2012)
 - o Panels (completed in 2016)
- decide if we want to add any standards
- decide if we want to add anything on sustainability

The following member companies volunteered to be on the new Technical Standards Working Group:

- Axxor
- Yamaton
- Tonelli
- l'hexagone

These companies will be contacted to see who will exactly be on the Working Group and to set a date for the first meeting.

9. EMPHA Industry Report

Tony Moscrop explained that over the last few months EMPHA was approached by several market data companies. The Board was not convinced that the reports that were offered were valuable to the Honeycomb Pape industry and it seemed that they all use the same information. The prices for these reports ranged from \$ 2.650 to \$ 3.900 for a single copy. So the Board proposed to create our own report and show how the market in Europe is growing and include a forecast of what is to come.

We have received a proposal from independent consultant NOA-PRISM for £ 16.000. Members participating in providing information to the report will receive a copy free of charge, the report can also be sold to third parties which will return some of the investment EMPHA will make.

The members were asked if they agree with this project. The members were interested in learning more about the scope of the report and it was decided to share more information with the members after which they can confirm if we can place the order with NOA-PRISM or not. The participation of the members for gathering data will be highly appreciated and all information will be dealt with confidentially.

Note after meeting: the members were sent more information on the industry report and the responses were positive so the timeline is now as follows:

- Nov 2020: Issue Proposal & Addendum to members - done
- Dec 2020: Neil Osment from NOA-PRISM to visit Tony Moscrop at Dufaylite to be briefed on honeycomb core, honeycomb board, applications processes etc.
- Jan 2021: Place order and first payment, agree questionnaire and start project
- Jan-May 2021: Data gathering and analysis
- May 2021: Issue draft report in word and PowerPoint format for board approval
- June 2021: Launch the Report at the GA in Rostock

10. EMPHA Awareness Marketing Project

Barbara Ginter reported that the trend articles that were discussed in the last meeting have been completed and will be added to the website. These articles will also be shared through EMPHA's LinkedIn page that will be set up very soon.

11. Next EMPHA Meeting

The next EMPHA General Assembly was scheduled for 17 & 18 June 2021 and will be hosted by Yamaton Paper GmbH in the Rostock, Germany. All depends of course on the situation around Covid-19 and the ability for members to travel.

Disclaimer

EMPHA operates within the regulatory framework of competition law as set out by the European Union and national legal systems and respects all rules thereof. EMPHA actively raises awareness about competition law among its members and encourages its members to comply with these rules. The purpose of the discussions within EMPHA is to identify general trends and market developments without identifying individual company data. EMPHA does not accept responsibility or liability for any type of restrictive agreements concluded by its individual members during EMPHA meetings or within the context of EMPHA events, in spite of the aforementioned precautionary measures.