

European Carton Makers Association
The Hague

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The Hague

Report on the
annual accounts 2023

March 27, 2024

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Index

| | Page |
|---------------------------------------|----------|
| Annual accounts | 3 |
| Executive Committee report | 4 |
| Financial statements | 6 |
| Balance sheet as of December 31, 2023 | 7 |
| Statement of income and expenses 2023 | 8 |
| Notes | 9 |

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Annual accounts

- Executive committee Report
- Financial statements
- Other information

European Carton Makers Association
The Hague

Executive Committee report

Statutory name: European Carton Makers Association

Statutory seat: Laan van Nieuw Oost-Indië 131G, 2593 BM, The Hague, The Netherlands

Legal form: Non-profit association with full legal capacity

Description of the objectives: The Association is constituted to serve the interest in the European Folding Carton industry in general. The Association is 'the voice of the European carton sector'

Constitution of the Executive Committee (at year-end):

- President: Roche, Jean-Francois
- Vice-President: Duran, Alican
- Treasurer: Van Eerd, Roel
- Managing Director: Mike Turner
- Managerial Member: Joe Yost
- Managerial Member: Dominici, Nicola
- Managerial Member: Schiffers, Christian
- Advisory Member: Helbig, Andreas
- Advisory Member: Shaw, Mark
- Advisory Member: Ohle, Frank
- Advisory Member: Roman Billiani

ECMA ACTIVITIES 2023

ECMA continued to have an active agenda throughout 2023 and there was strong engagement by members in our Executive Committee, Food Safety Committee, Marketing & Communications Committee, Association Development Committee, Pharma Forum, Tobacco Forum and SME Forum with regular meetings throughout the year. Our 4evergreen Forum, to support members who are part of the 4evergreen Alliance met on an ad-hoc basis through the year.

In September of 2023, we held our congress in Sevilla, Spain – the congress was very well attended and received good feedback. We were delighted to donate to a charity supporting refugees effected by the earthquake in Turkey.

ECMA has further increased its focus on advocacy in 2023, participating in a number of European Commission workshops, consultation meetings and being a signatory to over 26 impact assessments, position papers and letters to the Commission concerning various policy areas. We have continued our work as a founding member of the Fibre Packaging Europe coalition, along with 6 other fibre packaging Associations, which will focus on defending & promoting fibre packaging within the European Commission. The Fibre Packaging Europe coalition is Chaired by ECMA's Managing Director.

In June of 2023, ECMA agreed an arrangement to cover 1/3 of the costs of Maria Georgiadou (along with CEPI and Pro Carton) – Maria is tasked with increasing ECMA's public affairs presence in Brussels.

The Association has fully engaged with all CITPA conference calls and virtual meetings.

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ECMA ACTIVITIES 2024

All the Committees and Forums within ECMA will continue to meet regularly with an active agenda to engage with all stake holders and promote folding cartons. 'Face to face' meetings are scheduled for our Executive Committee, Association Development Committee, SME Forum and Pharma Forum

ECMA will continue with the main focus on advocacy and will use every opportunity for positive and collaborative engagement with both the European Commission, Member State Governments, through

our National Associations and other Stakeholders. Our core effort to influence the EU packaging policy debate will be through the informal fibre packaging coalition – Fibre Packaging Europe.

In September 2024, the ECMA annual congress will take place in Berlin, Germany.

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Financial statements

- Balance sheet
- Statement of income and expenses
- Notes

Balance sheet as of December 31, 2023

(after allocation of result)

| Assets | Notes | 12.31.2023 | 12.31.2022 |
|---|-------|------------|------------|
| | | € | € |
| Current assets | | | |
| Accounts receivable | 1 | 12,420 | 32,431 |
| Value Added Tax | | 12,726 | 20,470 |
| Prepaid expenses and other receivables | 2 | 40,990 | 64,747 |
| | | 66,136 | 117,648 |
| Cash | 3 | 515,769 | 484,301 |
| Total assets | | 581,905 | 601,949 |
| Equity and liabilities | | | |
| Equity | | | |
| General reserve | 4 | 418,538 | 403,644 |
| Current liabilities | | | |
| Creditors | | 40,570 | 43,376 |
| Other liabilities | 5 | 122,797 | 154,929 |
| | | 163,367 | 198,305 |
| Total equity and liabilities | | 581,905 | 601,949 |

Statement of income and expenses 2023

| Income | Notes | Realised 2023 | Budget 2023 | Realised 2022 |
|---|-------|------------------|----------------|----------------|
| | | € | € | € |
| Membership fees | 6 | 567,108 | 538,950 | 546,081 |
| Refund membership | 6 | (66,375) | - | (75,208) |
| Forums | 7 | 153,997 | 87,017 | 89,257 |
| Sustainability committee | | - | - | 17,563 |
| Congress | | 244,517 | 200,000 | 221,120 |
| Event sponsoring | | 143,100 | 125,000 | 129,650 |
| Member programmes | | 19,000 | 20,000 | 15,400 |
| ECMA Prospects report | | - | - | 4,800 |
| Other income | | 11,394 | 4,000 | 8,325 |
| Total income | | <u>1,072,741</u> | <u>974,967</u> | <u>956,988</u> |
| Expenses | | | | |
| Congress | | 289,989 | 258,500 | 267,257 |
| Forums | 7 | 158,820 | 84,175 | 91,597 |
| Member programmes | | 68,597 | 70,000 | 24,981 |
| Committee work | | 3,225 | 13,500 | 26,434 |
| Strategy development | | 27,657 | 28,000 | 19,983 |
| Technical advisor expenses | | 72,356 | 74,000 | 67,375 |
| Pro Carton membership | | - | - | 40,000 |
| Association management | | 135,700 | 135,700 | 159,500 |
| Managing director | | 251,886 | 235,800 | 212,976 |
| Legal advice | | 500 | 500 | - |
| Public affairs | | 26,650 | - | - |
| Others | | 22,465 | 26,500 | 27,179 |
| Total expenses | | <u>1,057,845</u> | <u>926,675</u> | <u>937,282</u> |
| Result | | <u>14,894</u> | <u>48,292</u> | <u>19,706</u> |
| The result is allocated as follows | | | | |
| Addition to the general reserve | | <u>14,894</u> | | <u>19,706</u> |

Notes

General

Activities

European Carton Makers Association has its legal seat in The Hague (Laan van Nieuw-Oost-Indie 131-G) and is registered at the Chamber of Commerce under number 40409444.

The association is constituted to serve the interest on the European Folding Carton industry in general and the international co-operation within this industry in particular, this all in the widest sense.

General accounting principles for the preparation of the financial statements

The financial statements have been prepared in accordance with Guideline for Annual Reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention, unless presented otherwise.

Income and expenses are accounted for on an accrual basis. Income is only included when realized on the balance sheet date. Expenses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Going concern

The principles used for valuation and determination of the result are based on the going concern assumption. Although the financial impact of the coronavirus outbreak in 2021 is not yet completely clear at the time of preparation of these financial statements, we believe that, based on the currently available information, the going concern assumption used in preparing these financial statements is not affected. In its analysis, the Board has included the activities as well as the assets and liabilities of the company.

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date. Transactions in foreign currency during the financial year are recognised in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as of balance sheet date, are recorded in the statement of income and expenses.

Disclosure of the differences in valuation between fiscal and commercial accounting principles

There is a possibility that the Dutch Tax Authorities will not accept the chosen Corporate Income Tax policy. The Board has been made aware of this probability.

Principles of valuation of assets and liabilities

Receivables

Upon initial recognition the receivables are recorded at the fair value and subsequently valued at the amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for doubtful accounts are deducted. These provisions are determined by individual assessment of the receivables.

Cash

The cash is valued at the face value. If cash is not freely disposable, then this has been taken into account upon valuation.

Long-term and short-term liabilities

Upon initial recognition, loans and liabilities recorded are stated at fair value and then valued at amortised cost.

Principles for determination of the result

Income and expense

Income and expense are recognised in proportion to the period to which they relate.

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Notes to the specific items of the balance sheet

1) Accounts receivable

| | <u>12.31.2023</u> | <u>12.31.2022</u> |
|---------------------------------|-------------------|-------------------|
| | € | € |
| Debtors | 12,420 | 32,431 |
| Provision for delinquent payers | - | - |
| | <u>12,420</u> | <u>32,431</u> |

2) Prepaid expenses and other receivables

| | <u>12.31.2023</u> | <u>12.31.2022</u> |
|---------------------------------------|-------------------|-------------------|
| | € | € |
| Annual congress and seminar (prepaid) | 38,814 | 64,747 |
| Other receivables | 2,176 | - |
| | <u>40,990</u> | <u>64,747</u> |

All receivables and prepayments have a remaining term within 1 year.

3) Cash

| | <u>12.31.2023</u> | <u>12.31.2022</u> |
|-------------------------------------|-------------------|-------------------|
| | € | € |
| ABN AMRO Bank N.V., current account | 6,808 | 234,302 |
| ABN AMRO Bank N.V., deposit account | 508,961 | 249,999 |
| | <u>515,769</u> | <u>484,301</u> |

All cash is at free disposal of the association.

4) Equity

General reserve:

A summary of the movement in general reserve is given below:

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|----------------|----------------|
| | € | € |
| Balance as of January 1 | 403,644 | 383,938 |
| Allocation of the result for the year | 14,894 | 19,706 |
| Balance as of December 31 | <u>418,538</u> | <u>403,644</u> |

5) Other liabilities

| | <u>12.31.2023</u> | <u>12.31.2022</u> |
|---|-------------------|-------------------|
| | € | € |
| Current account Lejeune Association Management B.V. | 2,513 | 885 |
| Other payables | 120,284 | 154,044 |
| | <u>122,797</u> | <u>154,929</u> |

Notes to the specific items to the statement of income and expenses

6) Membership

Due to the amount of the balance of the assets and liabilities at the end of the financial year, a refund of membership fees was processed in 2023. The amount of the repayment is determined taking into account the budget and the planned activities in the coming years.

7) Forums

Under the membership regime adopted in 2012, membership of Forums is included in the overall membership fee of ECMA. The amount of € 37,701 was generated through additional funding by the members of the Forum for the Tobacco Packaging Directive lobby commissioned to Interel from Brussels. These lobby costs are also reflected in the deviation of Forum expenses. As this on-going project was initiated on behalf of a specific section of the ECMA membership, revenues and expenses are reported under Forum revenues and expenses.

MLPS (Medical Leaflets = Patient Safety) is part of the Pharma Forum advocating for paper information leaflets for pharmaceuticals – this group raised €116.296 in 2023 specifically to finance our work with Denton Global Affairs, who are retained as our public affairs consultants.

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Other information

Number of employees

The average number of employees during the year was 0 (2022: 0).

Signing of the financial statements

The Hague, March 27, 2024

The committee of the European Carton Makers Association:

R. Billiani

A. Duran

F. Ohle

R. van Eerd

N. Dominici

J.F. Roche

C. Schiffers

A. Helbig

M. Shaw

J. Yost

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