



15<sup>th</sup> of October 2021

## **The Navigator Company increases paper prices up to 8% for all markets and applies on top a surcharge**

The Navigator Company announced today that it will increase again uncoated woodfree paper prices in all markets up to 8% from 1<sup>st</sup> November and that it is already informing customers about the details of the new prices to be applied by product and brand. Navigator will also be forced to apply, on top of, an extraordinary surcharge of 50€ per tonne for all products and brands in all markets for dispatches from 1st of November onwards for, at least, the next months. The application and amount of this surcharge will be reviewed regularly based on market conditions evolution.

The Company has been monitoring key business driver's evolution and acting by it, applying price increases gradually throughout 2021 aligned with both the growth in demand for its brands and the sharp increase in variable costs throughout the year (starting with fibres and then spread to all chemicals, packaging, logistics, energy and carbon licenses). Next to fibre, energy costs typically are the second biggest input factor for paper production and have more than tripled. Simultaneously, CO2 licenses' prices doubled and logistics costs more than doubled in several lanes. All these sudden increases are having a very significant structural impact on the industry's cost structure, expected to last for several months. Also, the frequency of those upward changes is abnormal and cannot be forecasted anymore.

These factors forced the Company to take the unprecedented decision to apply an extraordinary surcharge on top of the price increase on all its paper products. Navigator believes that this exceptional measure is imperative to support the long-term sustainability of not only its business model but the overall supply chain and will continue to reinforce its partnerships and appreciate and value the continuous support from its customer base.

These prices are valid until the end of the year, both for stock, indent and project business, and are subject to change with a shorter notice period than normal considering the volatility of the current energy, commodities and logistic market conditions.

The Navigator Company sells its products to 130 countries over five continents, under its paper brands with a strong reputation for superior and consistent quality - Navigator, Pioneer, Inacopia, Discovery, Soporset, Target and Inaset.