

Proposed reset of European, North American pulp prices - FAQs

Specific pulp reset questions

1. Why is Fastmarkets proposing to reset European and North American pulp prices?

Most contracts in the European and North American pulp markets are structured based on a gross or effective list price minus an annually agreed discount. Fastmarkets indices and assessments in these regions reflect this gross or effective list price. Over time, discounts have grown and currently stand at over 50%. Fastmarkets has a duty to ensure its price indices and assessments remain reasonably aligned with prevailing transaction levels and seeks to address observed and growing discount levels in the market. Fastmarkets therefore proposes to reset these benchmark prices to levels closer to actual transacted volumes.

2. What exactly is Fastmarkets proposing?

Simply put, Fastmarkets proposes to launch new pulp gross prices in Europe and effective list prices in North America at lower discount levels. The new prices will reflect contract prices before customer-specific discounts averaged at 10%. There will be a full year where Fastmarkets continues to publish existing gross pulp prices reflecting higher discounts together with the new gross pulp prices reflecting lower discounts to provide plenty of time for the industry to evaluate and adjust. During the year of overlap, both the existing prices and the new prices will move up and down at the exact same percentages, making them practically interchangeable as percentage change indexing mechanisms.

3. Which indices and assessments are affected?

The reset will affect the following indices and assessments:

-PIX Pulp NBSK (FP-PLP-0039 and FP-PLP-0037)

- PIX Pulp BHKP (FP-PLP-0040 and FP-PLP-0038)
 - Pulp, northern bleached softwood kraft, from Canada, delivered US East, \$/tonne (FP-PLP-0013)
 - Pulp, southern bleached softwood kraft, from US, delivered US East, \$/tonne (FP-PLP-0014)
 - Pulp, northern and southern mixed bleached hardwood kraft (Canadian/US), delivered US East, \$/tonne (FP-PLP-0026)
 - Pulp, bleached hardwood kraft, eucalyptus, delivered in place Brazil to US East, \$/tonne (FP-PLP-0018)
 - Pulp, unbleached softwood kraft, from Canada/US, delivered US East, \$/tonne (FP-PLP-0015)
 - Pulp, fluff (US southern kraft, untreated, rolls), delivered US East, \$/tonne (FP-PLP-0016)
 - Pulp, fluff, US southern kraft untreated rolls, cif Europe, \$/tonne (FP-PLP-0009)*
- *Price for US material delivered to Europe and featured in European price tables.*

4. When will the reset take place?

Fastmarkets is proposing to launch new gross and effective list price indices and assessments from June 2026. These would include a six-month history starting from January 2026. The new indices and assessments would run in parallel with the existing indices and assessments for a period of one year. After that time, the current indices and assessments would be discontinued, leaving only the new ones.

5. Why was the new discount level of 10% chosen?

Fastmarkets has undertaken extensive research into discount levels in various commodity markets, including metals and mining, chemicals, oil and gas. We have found that average premiums or discounts in those markets tend to range from 5-15%. 10% represents the level of market pulp discounts seen around 20 years ago. Fastmarkets believes this level is close enough to net prices to allow for more meaningful market analysis, while providing enough room to retain the current gross or effective list price system. Should buyers and sellers agree to new discount levels in 2027 and beyond, the new gross and effective list prices would reflect the updated discount levels.

6. How will Fastmarkets calculate the new gross/effective list prices?

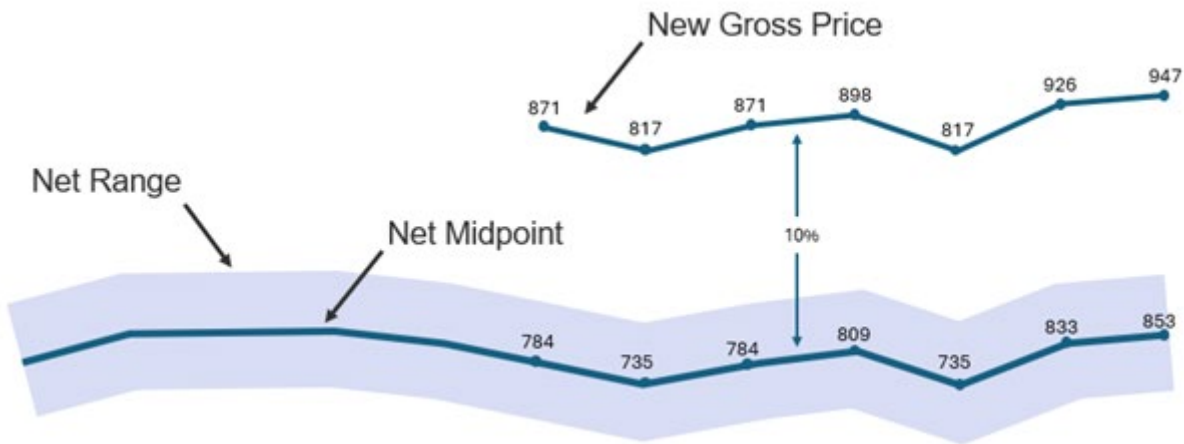
To begin with, Fastmarkets will calculate the new gross or effective list price indices and assessments by applying a divider to the equivalent net price. Over time, we expect to transition from this to an actual assessed or calculated index price as the industry adopts the new levels.

Contributors can calculate the new gross/effective list prices as follows:

$$\text{New gross/effective list price} = \text{net price} \div .9$$

Example: net price = \$900 ÷ .9 = \$1,000 new gross/effective list price

Practical sample (illustrative data – not actual market figures)



Prices reported at the existing higher discount levels will continue to be used for the legacy gross/effective list prices and can be mathematically converted to the new gross/effective list levels.

7. Where will the new indices and assessments appear?

The new price assessments will appear in the Fastmarkets digital platform and mobile app, *legacy PPI newsletters*, and World Pulp Monthly Table 5. They will be part of the existing global pulp package of prices.

8. What schedule would the new indices and assessments follow?

The new indices and assessments would follow the same pricing schedule as their respective legacy counterparts. To view Fastmarkets pricing schedules, please see [here](#).

9. Will the World Pulp Monthly forecast both the old and the new prices?

Yes. World Pulp Monthly will forecast both the existing and new prices in tandem from the June 2026 issue of World Pulp Monthly (published in July) until the June 2027 issue, after which the old prices forecasts will be phased out.

10. What does this mean for multi-year contracts on legacy gross?

Buyers and sellers with multi-year contracts will need to adapt those contracts to take account of the change in Fastmarkets underlying gross or effective list price indices and assessments. The legacy prices and new prices will run in parallel for a full year and percentage changes in both prices during this overlap period will be identical. Customers can contact the pricing team should they require assistance with this by emailing pulp@fastmarkets.com.

11. What if buyers and sellers start escalating discounts again off the new price series?

Fastmarkets is also proposing time and price thresholds to review the new gross and effective list prices. Fastmarkets would review these prices at minimum once per year or if observed average discount levels become greater than 25% of gross prices. These reviews may or may not result in future proposed resets. Any future proposed reset would also be conducted through a public consultation.

12. Will I still be able to access the existing price indices and assessments?

Fastmarkets will retain its existing indices and assessments for market pulp for one year until June 2027. After that time, these prices will be discontinued but will remain visible to customers for a period of two years. For questions related to your subscription or to the Fastmarkets platform, please email customersuccess@fastmarkets.com.

Price methodology questions

13. Where does Fastmarkets get the data for its European and North American pulp price assessments?

Fastmarkets price reporters gather information from a broad sample of market participants involved in the buying and selling of market pulp. We collect price information from as many active market participants as possible, from all areas and sizes. Our price reporters survey both sides of the market, including producers and consumers, as well as traders. Fastmarkets never reveals its sources, nor the companies for which they work.

Fastmarkets encourages all market participants to take part in their survey, however we will give greater weighting to inputs provided by credible market sources that have a proven track record for regularly providing pricing data within established deadlines and by providing other supporting information. This supporting information might include transaction volumes, freight cost, details on specifications, credit terms, delivery location and any other detail that contributes substantially to the determination of the price.

14. Where does Fastmarkets store price information?

Information gathered from market contacts is stored in our proprietary pricing database. Only authorized staff have access to this information.

15. What does the high/low range represent? Is it the minimum and maximum prices paid?

The high/low range reflects our price reporters' evaluation of where most business was done. It does not represent the minimum and maximum prices paid. In moving markets, the range may be wider and in stable markets would tend to be smaller. At any time, there are likely to be transactions above and below the published range.

16. How are transactions between affiliated companies treated?

Business concluded by affiliated companies is not considered for the purpose of Fastmarkets assessments.

17. How does Fastmarkets treat formally indexed transactions?

Fastmarkets does not take into account transactions whereby the price is formally linked to either the Fastmarkets published price index or assessment or another published price.

18. Where can I find Fastmarkets' methodology guide for global pulp?

All Fastmarkets methodology guides are posted on a dedicated page on our website. To view the methodology guides for our market pulp price assessments and PIX pulp indices, please click [here](#).

Policy questions

19. How does Fastmarkets ensure consistency in its price index and assessment processes?

Price assessors are chosen for their experience and skill. Many have years of experience and are considered experts in their field. Price assessors are given intensive training early on in how to report on pulp and paper markets. They all work according to Fastmarkets' standard methodologies (these are published on our website) as well as internal guidelines on market reporting. In addition, each price is peer reviewed and then signed off by a senior editor before publication to reduce errors and ensure

methodology has been correctly applied. Price reporters are also reviewed annually to check their knowledge of and application of the Fastmarkets price reporting methodology. In case of a change of job, the outgoing price assessor would leave notes on their market and contacts for the next person picking up the job. There would usually be a handover period as well.

20. What happens if a Fastmarkets price reporter publishes an erroneous index or assessment?

In case of genuine errors, a correction will be issued as soon as possible. A pricing notice will also be posted online and in the next issue of the publication.

21. What happens if new information comes to light after indices or assessments have been published?

If new information comes to light after the assessments have been published, this would be taken into account in the next pricing session. Fastmarkets does not correct price assessments based on information that comes to light after publication.

22. What checks are in place to avoid errors?

Each price is peer reviewed and then signed off by a senior editor before publication to reduce errors and ensure methodology has been correctly applied.

23. Is there a danger in participating in pricing surveys because of antitrust sensitivity in this sector of the industry?

Fastmarkets' robust antitrust policies and controls are designed to protect price contributors, and all Fastmarkets price reporters receive mandatory antitrust training before commencing their role and on a regular ongoing basis. Participating in the survey itself should not increase companies' exposure to antitrust risks.

24. How do I register a complaint?

Fastmarkets aims to provide its subscribers with timely news and quality pricing information that meets the highest standards. If a customer has a question, wishes to raise issues or provide feedback, we provide several levels of service designed to handle complaints.

Most inquiries can be handled by the reporter responsible for specific pricing. If you are not satisfied with the response from the price reporter, or if you have other concerns, you may contact the Fastmarkets Editorial Team. To escalate your concern regarding any type of issue (e.g., market value, proposed price assessment changes, applications of methodology in relation to a specific price assessment and other editorial decisions in relation to price assessment processes), you should submit your complaint in writing to the Fastmarkets Risk and Compliance manager. For full details of our complaints policy please see [here](#).

About Fastmarkets

Fastmarkets is one of the most trusted cross-commodity price reporting agencies (PRA) in agriculture, carbon, forest products, metals and mining, and new generation energy markets.

Our price data, forecasts, and market analyses give our customers a strategic advantage in complex, volatile and often opaque markets. Our events provide immersive experiences to network, trade and discuss the critical issues of the day.

Fastmarkets is an independent company with no ownership links to any forest product companies. Our price reporters are all subject to a strict code of business conduct that ensures they abide by the highest journalistic and ethical standards.

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