



our value  
is made  
of fibre

integrated report

2022





our value is  
made of fibre

integrated report  
2022

Our **fibre**

Comes from a passion for **nature**  
And from the **value** that sustains  
A more renewable **world**

Our **fibre**

Is the **courage** to choose the right path  
And the **integrity** to walk it.

At **Altri**,

We are committed to **excellence**  
We cultivate a circular economy  
We simplify **change**

At **Altri**,

The **value** is made of **fibre**



01

# + altri

1.1	Altri in 2022	05
1.2	leadership messages	09
1.3	this is Altri	14

# Altri in 2022

## + competitiveness

# 152.1 M€

➤ Consolidated net income  
(continued operations)

➤ 1.1x  
Net debt/EBITDA

➤ Record year EBITDA, total revenues and volume of cellulosic fibres produced

# 301.4 M€

record EBITDA

# 1,066.2 M€

of income



# 1,142.6 MtAD

of cellulosic fibres produced

## + people

# 816

Employees



# 18%

women

# 24%

women in leadership roles



## Safety Lab

Program supported by design thinking to create a safety culture and reduce workplace accidents.



## MBO

Management by Objectives



# 23,592 h

of training



## + forest

**10,167 ha**  
Forest conservation area

**90.4 k ha**  
of managed forest

**70%**  
Certified wood

**8.3 MtCO<sub>2</sub>e**  
Stock of CO<sub>2</sub>e in forest biomass



## + environment

Recovered waste



Primary energy from renewable origin



## + excellence

↘  
**Caima Go Green**

A new biomass boiler that will allow the whole production process to abandon the use of fossil fuels.

↘  
**altri<sup>x</sup>operating system**

Program for Continuous Improvement based on the Kaizen Methodology.

↘  
**IWWTP Celbi**

↘  
**Recovery of acetic acid and furfural**

**50 M€**

of CapEx in activities aligned with the EU Taxonomy



**124,892 tCO<sub>2</sub>e**

GHG emissions of scope 1 & 2



**20 m<sup>3</sup>/ADt**

Specific water use at industrial units

**27,100 tCO<sub>2</sub>e**

Avoided GHG emissions

## Main Events



January 2022

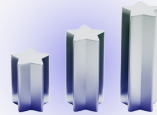
### “Caima Go Green” Project – 40 million investment to abandon fossil fuels

This investment of 40 million by Caima is intended to build a new biomass boiler, allowing to abandon fossil fuels throughout its production process, thus guaranteeing the use of 100% renewable energy, which highlighted Caima as the 1st Iberian producer of fuel-free cellulose fibres (see → [6.1 Climate change and greenhouse gas emissions](#)).

March 2022

### 1st in the industry to integrate environmental information into commercial documents

When sharing documents with our customers, we incorporate environmental information resulting from the processing, production and distribution of our products. The shared information is diverse, addressing issues such as GHG emissions, water use, and energy consumption.



May 2022

### 1st Kaizen™ Institute Award for “Excellence in the Continuous Improvement System”

Altri was distinguished among the large companies in Portugal in the category of “Excellence in the Continuous Improvement System” one of the four distinguished in the 11th edition of the Kaizen Awards. This award, which represents the most important mention of the maturity level of a company, recognises the work, dedication and motivation of a large multidisciplinary and cross-sectional team of Altri Group (see → [7.2 Operational Excellence](#)).

July 2022

### Altri in partnership with other companies offers 22 scholarships in the area of Forest Engineering

Following the creation of a public-private partnership in which Altri is an active member, funding was granted for 22 scholarships for courses in the field of forestry engineering, for courses taught at the University of Trás-os-Montes and Alto Douro (UTAD) and at the University of Porto (UP), at the School of Agriculture – University of Lisbon (ISA), or at the Agrarian School of Coimbra (see → [4.4 Community](#)).



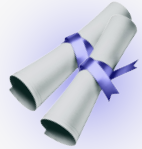
### Altri was the winner of the APCE 2021 Grand Prize, in the Sustainability Communication & ESG category, with the 2020 Sustainability Report

Altri Group won the APCE Grand Prize – Portuguese Business Communication Association, which aims to recognise excellence in communication, pointing out the importance of sustainability in its business.



### Altri GHG emission reduction targets approved by SBTi

Altri Group has established a set of targets for reducing its GHG emissions for scopes 1, 2 and 3. These goals are aligned with the Sustainable Development Goals and have been approved by the Science Based Targets Initiative (see → [6.1 Climate change and greenhouse gas emissions](#)).



### Signature of the RRP Protocol

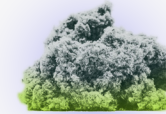
Signature on July 23rd of the Protocol of Acceptance of Agenda Transform (led by the subsidiary Altri Florestal) under Component 5 of the RRP (Recovery and Resilience Plan), enabling the digital transformation of forest value chains in a low-carbon, more resilient Portuguese economy.



November 2022

### Altri Group signed the Manifesto "Rumo à COP27"

Altri Group signed the Manifesto "Rumo à COP27", developed by BCSD Portugal. Together with more than 80 companies associated with BCSD Portugal, Altri highlights the relevance of #COP27 to promote a transition to a carbon-neutral economy, promoting sustainable and socially inclusive development.



December 2022

### Altri Group signed the BCSD Portugal Manifesto by an agreement by Nature in COP15

In line with the objectives set out in the United Nations COP15, Altri signed the BCSD Portugal Manifesto aimed at halting the global loss of biodiversity by 2030 (see [5.1 Forest Management and Biodiversity Protection](#)).



### Altri maintains its Leadership (A-) ranking for the climate in the CDP ranking

Altri maintains its Climate Leadership (A-) ranking in the CDP (Carbon Disclosure Project) ranking, which places the Group among the 21% of companies in the sector that have reached this level. Altri also obtained the Management (B) rating at CDP Forests and CDP Water Security, a rating seen by Altri as a challenge to do more and better (see [6.1 Climate change and greenhouse gas emissions](#)).

### Best year ever in financial and operational terms

Altri Group registers in 2022 its best year ever in terms of total revenues, EBITDA, as well as pulp volumes produced in the various industrial units of the Group. Benefiting from a favourable evolution in pulp prices, total revenues reached a level of around € 1,066.2 M in 2022 and a record EBITDA of € 301.4 M in 2022. In 2022, the total volume of pulp produced reached an all-time high with 1,142.6 thousand tons (see [8. +Competitiveness](#)).



August 2022

### 42 young people at the Summer Academy

The Altri Summer Academy allows us to disclose the reality of the activities developed by Altri to the younger audience, enhancing the development of personal capacities and the occupation of leisure time. In addition, scholarships were awarded to participants. (see [4.4 Community](#)).



### Statute INOVADORA COTEC

Caima, Celbi and Biotek, companies of the Altri Group, are three of the 654 companies distinguished with the INNOVATIVE COTEC Statute (see [7.1 Innovation](#)).





## companies and their purposes – a context

ALBERTO CASTRO

Chairman of the Board of Directors

The last year of the last century was marked by the approval of the so-called UN Global Compact, a voluntary initiative by several CEOs from around the world, which laid down ten guiding principles concerning the relationship and responsibility of companies towards people and the planet. This gave rise to the concept of the "triple bottom line," where the first "p" conveniently represents "Profits". In a sense, it was the culmination of a process that began with the emergence of the idea of "stakeholders" (constituents, interested parties) in a company's purpose, as opposed to the narrower focus on "shareholders." This happened already in the 80's, bringing back, discussions that date back several decades. Another important milestone occurred in 1992 with the presentation of the Cadbury Code, which lists and systematises a set of principles for the good governance of companies. Closer to us, even at the level of international institutions, the OECD approved in 2018 a

Due Diligence Guide for Responsible Business Conduct, from which several declinations (sectoral, ranks, etc.) have emerged, which, in a sense, materialise the general guidelines arising from the United Nations Global Compact. Consistent with the latter, companies could not remain indifferent to all this environmental evolution and, in 2019, the American Business Roundtable, following several positions over the years, crystallized them in a document ("Statement on the Purpose of a Corporation") in which its members commit to direct their companies for the benefit of all constituents ("stakeholders"): customers, employees, suppliers, communities and shareholders. This commitment resonated worldwide with several national versions of it, among which the Portuguese, created in 2021, of which Altri is a founding member.

This evolution reflected not only a progress in the way of thinking and accumulated knowledge (for example, about climate

change), but also brought up incidents that undermined the credibility of business practices.

Naturally, all this evolution was also reflected on the institutional level, with the multiplication, namely since 2015 (Paris Agreement; Formalization of the Sustainable Development Goals), of varied legislation and regulation and a distinct regulatory impulse. At the same time, with the announced purpose of rendering this dynamic more intelligible, the initials emerged (ESG – Environment, Social Responsibility, Governance) and, as often happens, were quickly appropriated by those who did not hesitate to use them as marketing slogan, discrediting them. In fact, there are three clear ways to be in this context: contesting, engaging with resignation, or committing. There are variants, more or less opportunistic or cynical of these postures. This is the case of the so-called "greenwashing".



## Our purposes and our values

At Altri, our publicly assumed purpose is to contribute to a more renewable world. Coherently, “integrity, courage, simplicity and excellence” are our values, based over time in a culture and practice shared by our internal and external constituents. Well before being fashionable or imposed by customs and usages, we chose to commit ourselves, aware that the journey would be long, proud of the long way that has already been taken, but aware that there is still much to go. We assume a green attitude, and indeed, from the beginning. Although we have achieved results that make us a world reference, we don’t fall into self-complacency or lose focus. We challenge ourselves, setting ambitious, courageous goals that can be assessed objectively whenever possible. Excellence motivates us. We communicate goals and results. We recognise when we fall short of our goals and try to understand why. Transparency is our motto. We do not seek excuses or subterfuges. Integrity and simplicity are our way of being. When this happens, we learn from our mistakes and are determined to correct them. We do not let ourselves down, we persist when we know we are on the right track and change it when needed.

## Consistency

In the mandate that now ends, we changed our governance model, delegating the executive administration to independent

professionals, reinforcing the number of non-executives, namely independent, submitting the administration and management to their scrutiny. In order to give it expression and organisational discipline, we formalized the constitution, at the level of the Board of Directors, of committees for the subjects of ethics and conduct, sustainability, and for strategic and operational monitoring. We reviewed or established their codes and regulations. We promoted the disclosure of the Code of Ethics and Conduct to the Altri community, internally and externally. We adopted a similar practice in view of the United Nations Sustainable Development Goals that we have materialized in a multitude of indicators, guidelines for policies and practices and results-oriented goals. Facing the inflationary context, and aware of its impacts, we awarded an extraordinary prize to our employees, at the end of 2022. This report details these, and other decisions that show that to Altri “ESG” is not just a flag, not even a compromise, but an actual obligation, an assumed and irreversible responsibility.

## The courage to be Altri

The Covid-19, the inflationary pressures, aggravated by the war in Ukraine, the uncertainty that these events have generated, created a particularly challenging context. Supply chains have been drastically affected, transport, raw materials and



energy prices have sometimes increased disproportionately in value and time. Important economies have recorded unexpected behaviours. It is when uncertainty prevails, that one sees the importance of leadership, of shared values among all, of the solidity of the organisation and of the competence and determination of people, whether they be shareholders of reference, leaders, managers or employees. These times put us most to the test,

checking our ability to honour our purpose, to express and fulfil our social responsibility. In times like these, our ability to maintain a strategic vision that goes beyond the foam of the days is under evaluation, surviving to the fashionable communication, or a more or less adverse economic conjuncture, but shaping it in a conduct that ensures sustainability and consistency with our values. We are aware that times remain challenging, but we are ready.



# our value is made of fibre

JOSÉ SOARES DE PINA

Chairman of the Executive Committee | CEO

Altri's business moves around Fibre. Cellulosic fibre begins in forest management and is transformed in our industries using sustainable best practices, stimulating the circular economy through its incorporation into a multitude of different products. But our process is also based on the fibre we are made of, which represents our energy, the ability to make decisions, and to take firm positions. To this, we add value: what we generate through our products, and what we cultivate daily among the more than 800 employees that make up our Altri Group.

This aspiration was leading us to face 2022. A year of continuous challenges, both at the operational level, as well as in our ambition to do more and better. Throughout the year we faced constant cost pressure on all our inputs, especially raw materials, energy, and chemicals, as well as significant changes in our markets, with inflationary pressures resulting from a turbulent economic cycle. The organisation was able to find the best way to face and

overcome all these challenges, reaching historical highs in Altri's operational and financial performance.

The year 2022 marked Altri Group as a year of strong growth, with significant progress in terms of sustainability and record results, with a strong increase in revenues (+34.4%) exceeding for the first time the 1,000 million euros turnover mark. Despite the difficult context described, 2022 reinforced the operating results, with 301.4 million euros in EBITDA (+32.4%), as well as a net income (continued operations) that amounted to 152 million euros.

During the year 2022, Altri Group distributed to its shareholders a cash dividend of € 0.24 per share and also a dividend in kind of 52,523,229 shares of Greenvolt (corresponding to € 1.74 per Altri share). This operation was extremely well received by the market and the shareholders. Since 2015, Altri Group has distributed more than 81% of its stock in dividends. In parallel, we invested around 45.3 million euros,

including maintenance, environmental and growth projects, more than doubling the value of the investment made in 2021. Despite this strong investment, Altri Group has a solid financial position, reducing our already low net debt level (1.1x EBITDA), which allows us to maintain the financial flexibility to seize the future opportunities of the bioeconomy.

2022 was a year of growth for the organisation. We have launched new investment projects, strengthened our commitment to sustainability, and moved forward in our governance model. We defined our purpose and consolidated the values that govern us and that we intend to solidify in 2023: Integrity and ethics in conducting our business; Simplicity in how we act and relate; Courage in the way we face the future and a changing world; Excellence in everything we do, starting with our orientation to continuous improvement.

## ✦ People

### People define who we are.

For those who came to the Group companies every day, we kept the focus on their safety – with the Zero Accidents goal. To do this, we have moved forward with the Safety Lab programme, which focuses on people as part of the solution. We also laid the foundations of the Management by Objectives (MBO) model, with numerous transversal engagement initiatives at all levels of the organisation.

Throughout the year we also paid particular attention to the needs of our people and have rewarded their contributions in an exceptional way.

For the communities that host the Altri industrial units, we are proud of the close relationship we maintain, working together for local development.

For our wood suppliers, we organised the 1st Meeting of Forest Owners, in an action to recognise the important role they play in sustainable management, promotion, conservation, and protection of the forest.

For customers, we have committed to transparent environmental communication, for an informed value chain and more sustainable products.

## ✦ Forest

Natural capital is our greatest asset. A sustainable forest is also a shared future and the starting point for a more resilient bioeconomy.

Altri Group manages approximately 90 thousand hectares of certified forest, with more than 10% of conservation areas. That is why we seek to evaluate our ecosystems far beyond their productive potential. We look at their ability to regulate – air quality, water cycle, pest and disease control, habitat for species, soil erosion protection, fire protection, etc. – and also for the ecosystem services it provides – environmental education and scientific knowledge, recreational activities, aesthetic values etc. It is because we are aware of these values, that we continue to invest to protect the forest and that we signed the BCSD Portugal Manifesto “For an agreement for Nature at COP15”, whose main objective is the adoption of a Global Strategy for Biodiversity, to halt the global loss of biodiversity by 2030 and promote the recovery of natural ecosystems.

## ✦ Excellence and Innovation

Innovation, excellence, and continuous improvement are pillars of our success. Innovation is indispensable to achieving excellence since it is through innovation that we can test new solutions that allow us to be at the forefront.





As a result of this alignment, Altri Group was distinguished by Kaizen™ Institute with 1st place among the major companies in Portugal in the category of “Excellence in the Continuous Improvement System”, and one of the four selected internationally for the 11th edition of Kaizen Awards. This award, which represents the most important mention of the maturity level of a company, recognises the work, dedication, and motivation of a large multidisciplinary and transversal team of Altri Group.

### ↔ Sustainability

The importance of Sustainability for Altri is clearly assumed in the 2030 Commitment, which is progressing at a good pace and according to expectations so that, in 2030, it will be a mission accomplished, basing our entire strategy on the pillars of social, environmental, and economic sustainability.

We have maintained the Leadership (A-) classification for the climate in the CDP-Carbon Disclosure Project ranking – which puts us among the leading companies in the industry.

We also participated in CDP Forests and CDP Water Security in which we obtained the Management (B) classification. The level obtained, while it ranks us above average, represents an opportunity to do more and better in the future.

We have also moved forward with the Caima Go Green project, announced at the end of 2021, to make the Caima factory free of fossil fuels by the end of 2023; As well as the start of the production project of acetic acid and furfural, green products of high added value and highly valued in international markets.

### ↔ Future

We remain fully committed to the evaluation of a new industrial unit for the production of sustainable textile fibres in Galicia, which includes the study of environmental impact, economic viability, engineering project, financing structure and access to European Union funds. This is a structuring project for the industry both in terms of bioeconomy and circularity, and in terms of energy management, using state-of-the-art technology. We intend, as we have already said, to be able to announce the final investment decision during the current year.

Anticipating 2023, we face the future with a great focus on our operational discipline, and value creation, making us more resilient, and unequivocally relying on our purpose of **building a more renewable world.**

# this is Altri

Altri is a European group, established in February 2005, a leader in the production of cellulosic fibres, and sustainable forest management.

Altri's value comes from fibre: It produces cellulosic fibres for various applications, from printing and writing paper, to domestic papers and the textile sector. It is also a reference player in the forest-based renewable energy sector, since its forestry strategy is based on the full use of all components made available by the forest.

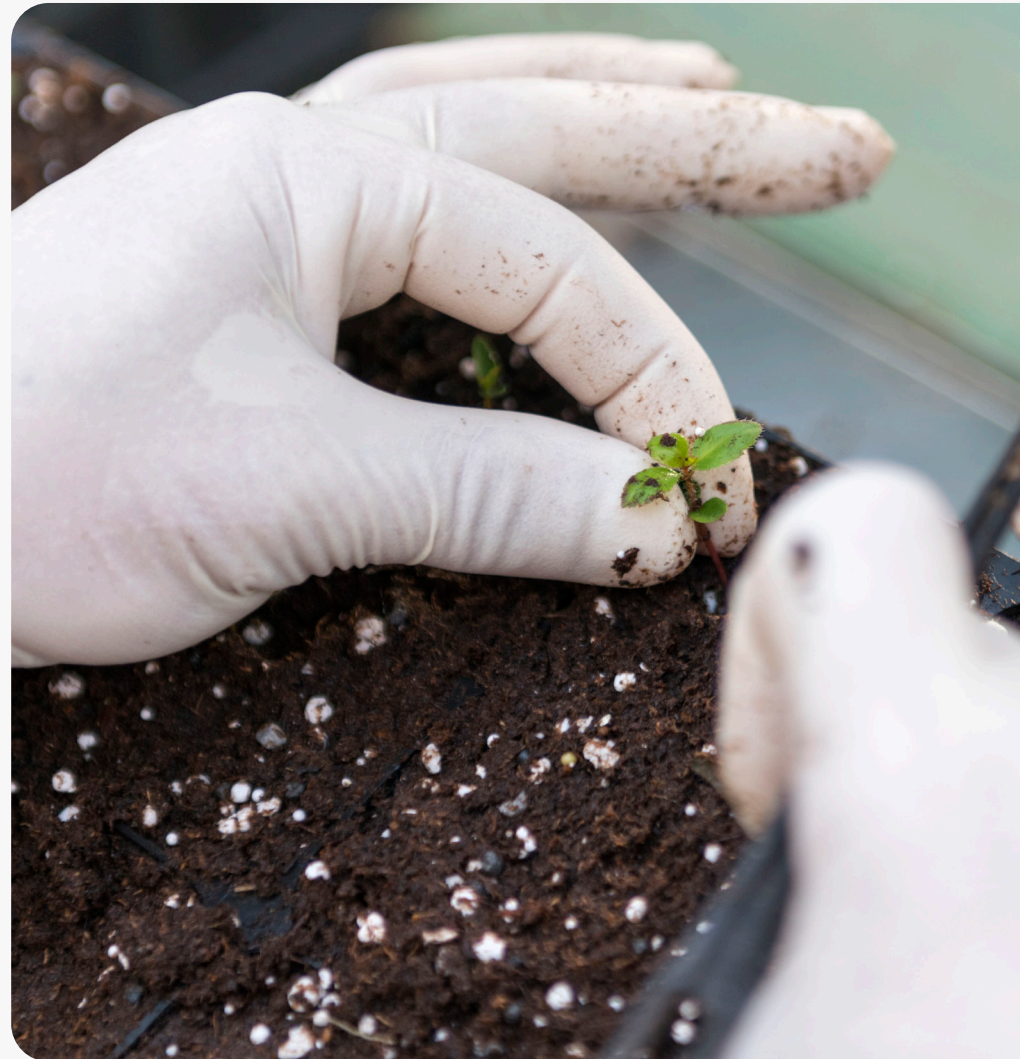
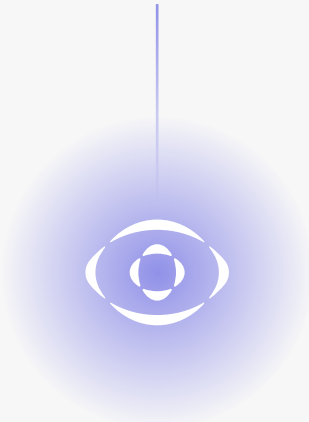


## purpose

Build a more renewable world

## vision

We strive to be a European reference company in the efficient production of cellulose fibres grounded on sustainable forest management



## Values



### Excellence

- Digitize, Innovate and Grow
- Give the best of each other
- Believe in teamwork



### Simplicity

- Make clear and consistent choices
- Be rapid and pragmatic
- Focus on what's important



### Courage

- Fight for inspiring and ambitious goals
- Take initiative and learn from mistakes
- See change as an opportunity



### Integrity

- Act with integrity and respect
- Defend and promote Ethics
- Accept diversity and inclusion

## Strategic axes

Altri aims to be the most efficient producer on a global scale in the delivery of cellulosic fibres to its customers.

For this purpose, Altri's development strategy is clearly based on enhancing operational efficiency and, at the same time, diversifying revenue sources to higher added value segments and enabling an evolution in the value chain.



# Altri's World

Altri works in different areas that converge in the development of more sustainable processes, solutions and products throughout its value chain.

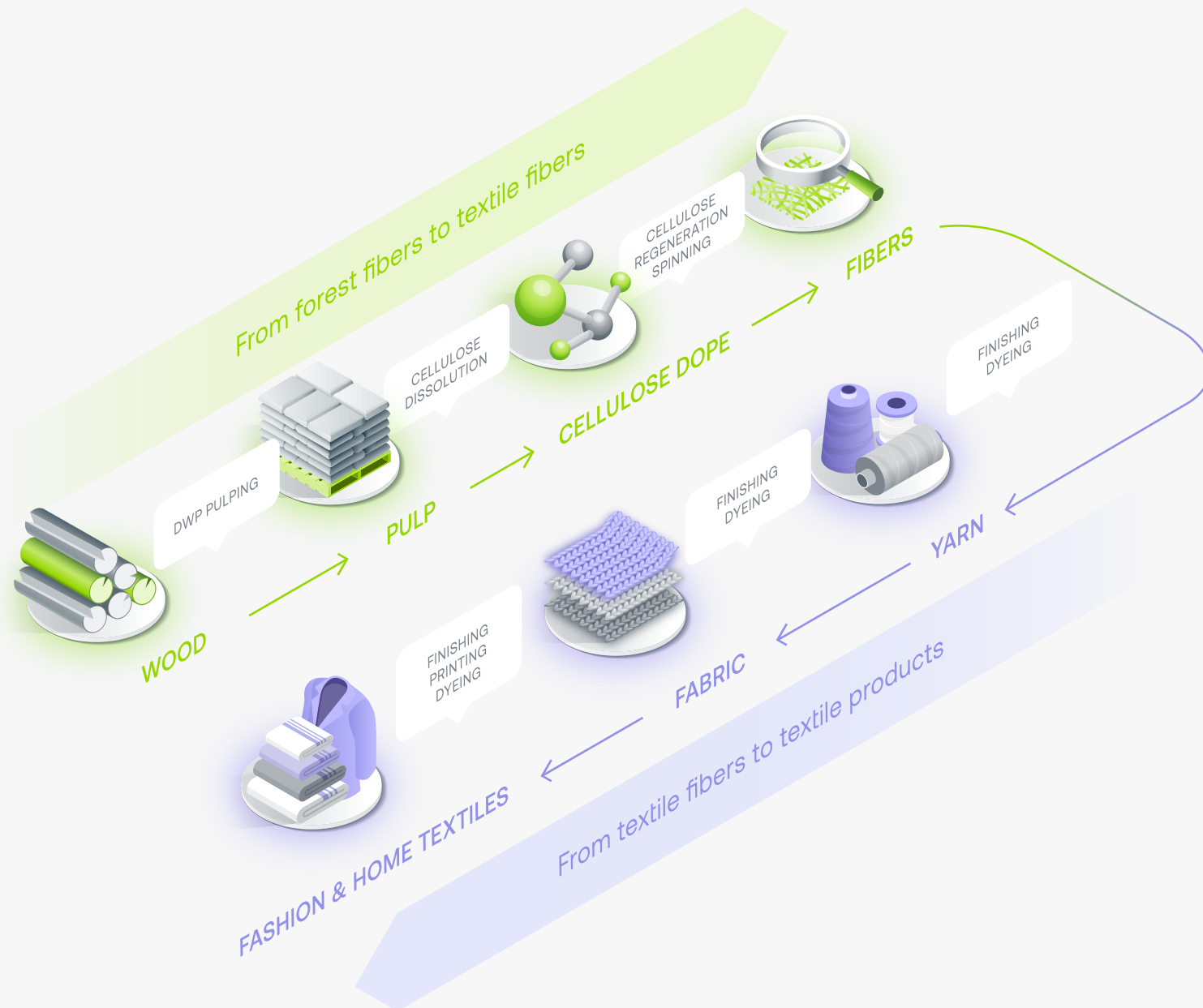
Value chain



## Textile chain

In the scope of cellulosic fibre production, Altri currently holds 100% of its subsidiaries Biotek, Caima and Celbi's share, with a production capacity of more than 1 million tons.

Specifically, the main activity of Biotek and Celbi is the production of cellulosic fibres BEKP, mainly used for the production of paper for domestic use, printing and writing. In Caima, although the main activity is similar, the production of dissolving cellulosic fibres DWP are mostly used in the production of textiles.





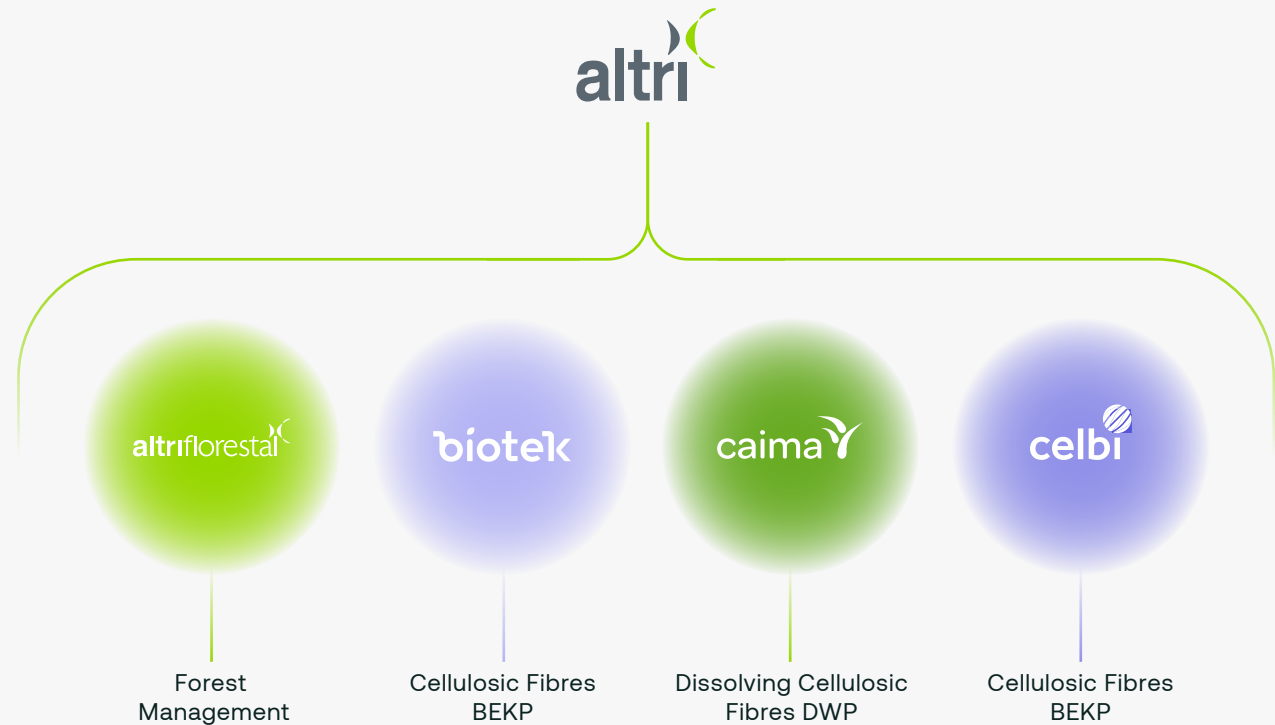


In the dimension of sustainable forest management, Altri emphasizes the importance of certified wood for the development of its operations.

Below is the functional organic structure of the Altri Group. All shares representing their share capital are admitted to trading on a regulated market, on Euronext Lisbon, integrating its main benchmark index, the PSI.

Altri has under its management more than **90 k** hectares of certified forests in Portugal

and about **10 k** hectares of conservation area






## Altri in Portugal

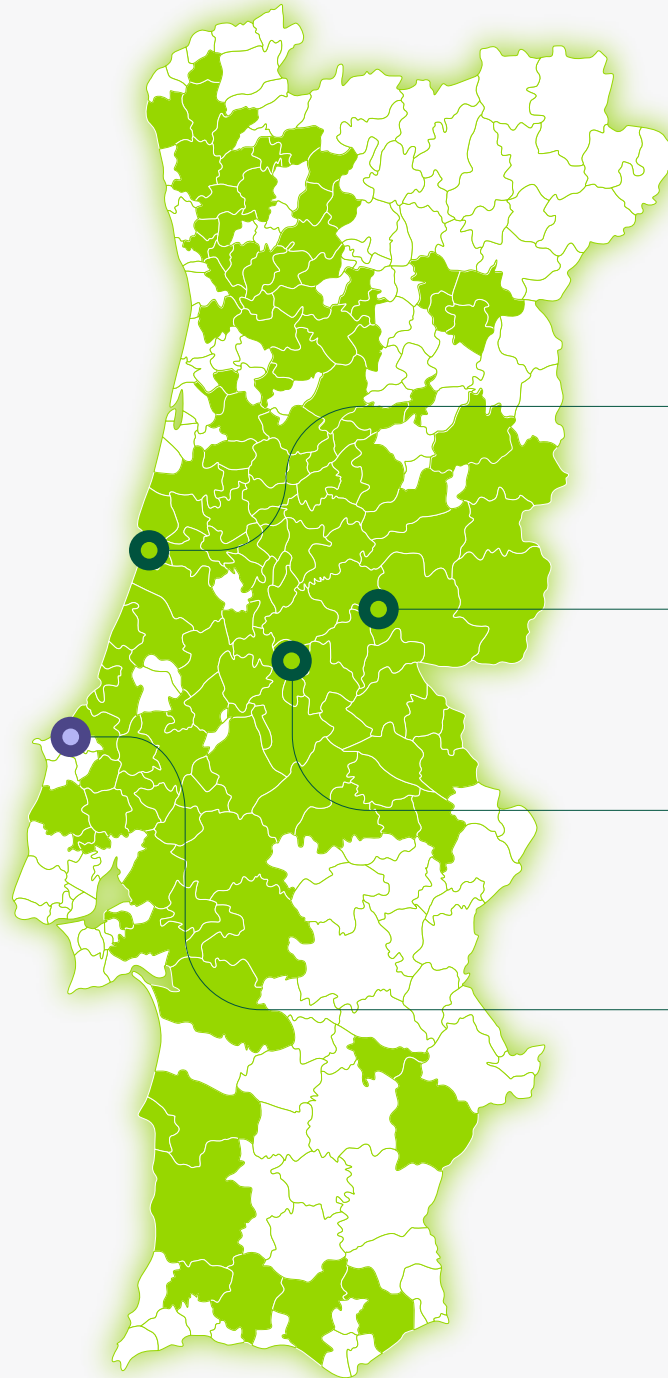
At the national level, Altri is located in **163 municipalities** where it manages forest areas.

In three of these municipalities are installed the three industrial units:

- Biotek, located in Vila Velha de Ródão
- Caima, located in Constância
- Celbi, located in Figueira da Foz

### Altri group

-  Altri Florestal Headquarters
-  Industrial Units
-  Municipalities with Altri's Managed Forest
-  Municipalities



celbi

biotek

caima

altriflorestal



01



02

03

04

05

06

07

08

09

10

11



altri

# Altri in the World

## Present in 3 Continents and over 20 Countries

At international level, Altri's products reach more than 20 countries on 3 different continents, with European countries being the main market for bleached cellulosic fibres (BEKP) and China being the main market for dissolving cellulosic fibres (DWP).

