

# 01

## + Altri

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## 1.1 Altri in 2023



### + Performance

**42 M€** Consolidated net income  
(continued operations)

**137 M€**  
EBITDA

**17 %**  
EBITDA margin

**1 061 mADt**  
of cellulosic fibres  
produced

**68 M€**  
of CapEx in activities aligned  
with the EU Taxonomy

**788 M€**  
total revenue

Green Bond  
Issue

Altri Operating  
System



### + Social

**812** Employees

**33**  
women in  
leadership roles

**3**  
months without  
serious incidents

**-40 %**  
of serious incidents,  
compared with 2022

**41 454**  
hours of training

ALP Advanced  
Leadership Program -  
Postgraduate degree  
in Management and  
Leadership

## 1.1 Altri in 2023



### + Environment

**10 516 ha** Forest conservation area

**92 815 ha**  
of managed forest  
in Portugal

**7**  
Biodiversity  
stations

**70 %**  
Certified  
wood

**20 m<sup>3</sup> / tSA**  
Specific water use  
at industrial units

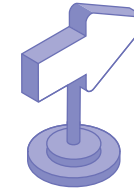
**8 071 927 tCO<sub>2</sub>e**  
Forest Carbon  
Stock

**33 903 t**  
Reduction  
of CO<sub>2</sub>

Caima  
Go Green

**25 339 tCO<sub>2</sub>e**  
GHG avoided  
emissions

**94 %**  
Primary energy from  
renewable origin



### + Governance

**7** Corporate Policies  
published in 2023

Compliance  
Program



### + Future

**5** Partnerships in Research  
& Development projects

Production of acetic  
and fural acid

## 1.1 Altri in 2023

## Main Events



## APRIL 2023

The Altri Group was granted the Honorable Mention in the 3rd Edition of the National Sustainability Award by *Jornal de Negócios*

The Altri Group was granted the Honorable Mention in the 3rd Edition of the National Sustainability Award by the newspaper *Jornal de Negócios*.

The recognition refers to a unique firewood cooking system in the world that allows Celbi to make the most of all the raw materials (see [3.6 Waste Management and Circular Economy](#))



## Distribution of dividends

During May 2023, the Altri Group distributed to its shareholders a cash dividend of € 0.25 per share and also a dividend in kind of 23,154,783 Greenvolt shares (corresponding to € 0.74 per Altri share). Still, in May 2023 the Altri Group concluded the sale of the remaining shares of Greenvolt through an accelerated bookbuilding operation. Both operations were welcomed by the market, and after the respective conclusion, the Altri Group no longer has any participation in Greenvolt.  
(see [2.4 Stock Market Evolution](#))



## Platinum Medal in the EcoVadis assessment

The Altri Group was awarded the Platinum Medal in the assessment carried out by EcoVadis, as a recognition for its performance in terms of sustainability.

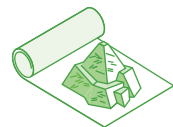
From a maximum of 100 points, the Group that integrates Altri Florestal, Biotek, Caima, and Celbi obtained a score of 78, a ranking that places the Group in the Top 1% of the companies classified by EcoVadis in the pulp, paper, and cardboard production industry (see [Ratings](#)).



## MAY 2023

First place in the Sustainability category at the 12th edition of KAIZEN Awards Portugal

The Altri Group was one of the winners at the 12th edition of the KAIZEN Awards Portugal. Altri was number one in the category of Sustainability, a recognition for the work developed within the scope of its "Commitment 2030 (see [2.2 Operational Performance > Operational Excellence](#))



## AUGUST 2023

## Altri Bonds 50

The Altri Bonds 50 project, is an initiative of the Altri Group that aims to foster collaboration between the private and the public sector, mobilizing different organisms to value residual forest biomass and improve the active management of forest spaces. This project is our way of contributing to the reduction of fire risks, the reduction of invasive species, and the recovery of residual forest biomass  
(see [3.1 Forest Management](#)).



## Participation in the Business &amp; Human Rights Accelerator of the United Nations Global Compact.

At Altri Group we intended to take a step forward in defense of human rights, achieved through our participation in the Business & Human Rights Accelerator of the United Nations Global Compact.

This program has been integrated to support the diagnosis, prevention, and mitigation of potential human rights impacts of Group operations and its value chain (see [4.1 Human Rights in the value chain](#)).

## 1.1 Altri in 2023



### World top 5 in the area of sustainability – Sustainalytics Rating

The Altri Group achieved the world's top 5 in the area of sustainability, marking its position among the 81 companies in the Paper and Forest Cluster.

Reaching a global score of 14.7 points in the ESG Risk Ratings of Sustainability, it climbed to fourth place on the podium in the paper and pulp industry, among 59 companies worldwide.

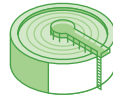
This score and good performance strengthen the status of an “ESG company”, presenting Altri as a safe investment to investors (see [Ratings](#)).



### SEPTEMBER 2023

#### National Sustainability Day

On September 25, on the National Sustainability Day celebrated in Portugal, more than 30 children and young people participated in a set of activities designed to highlight the biodiversity of our forests, the importance of their preservation, alerting these new generations to the climate emergency in which we live (see [3.2 Biodiversity and Ecosystems](#)).



### Refurbishment of Celbi's IWWTP

Completion of the refurbishment of Celbi's IWWTP (Industrial Wastewater Treatment Plant) which will improve the quality of the effluent, reduce water consumption, and increase the operating efficiency, thus contributing sustainably to the increase in the profitability of this industrial unit (see [3.5 Water Management](#)).



### NOVEMBER 2023

#### Green Bonds issuance in the amount of 50 million euros

The Altri Group issued Green Bonds of 50 million euros to fund the “Caima Go Green” Project. With a new biomass boiler, Caima, S.A., in Constância, abandoned fossil fuels throughout its production process, ensuring full energy autonomy from exclusively renewable sources (see [2.6 Responsible Investment \(Green Bonds\)](#)).



### DECEMBER 2023

#### 2022 Integrated Report Wins APCE Grand Prize

The 2022 Integrated Report of the Altri Group was distinguished at the APCE Grand Prix - Portuguese Association of Business Communication in the category of Sustainability Communication and ESG. Each year this award seeks to distinguish excellence in the communication of good sustainability practices of companies.



### Gama project

Regarding the Gama project in Galicia, the Group is continuing to work to meet all the conditions for making the final investment decision. Given the knowledge already acquired, the Gama project is a transformational project that will enable the construction of a new industrial unit for the production of dissolving pulp and sustainable textile fibers in Galicia (see [6.2 Future Perspectives](#)).



### “Caima Go Green” Project

The investment in the new waste biomass boiler made Caima the first cellulosic fiber industrial unit in the Iberian Peninsula, and one of the first in Europe, to operate 100% free of fossil fuels. It is an excellent example of decarbonization and innovation from a circular economy perspective (see [3. Environment](#)).



### Zero accidents

At the top of the priorities of the Altri Group is the safety of employees. For the first time in the history of the Altri Group, in 2023, three consecutive months (September, November, and December) were achieved without serious incidents contributing to the fulfillment of the Commitment 2030 (see [4.2.1 Health, welfare and safety at work Safety at work](#)).

## 1.1 Altri in 2023

## Ratings - ESG

The ratings offer a clear view of companies' contributions to the economy, planet, and society, classifying them according to their level of preparation for the future and risk management. In 2023, the Altri Group was classified by several rating agencies as follows:

Rating ESG	2023 Score	Last Score	Evolution	Last review	Peers
 <b>SUSTAINALYTICS</b> Scale: 100 a 0	14.7	19.3	↑	2T'23	Industry Group – Paper & Forest 7th position out of 82 companies in the sector
 <b>MSCI</b> Scale: CCC to AAA	BBB	BBB	↔	1T'24	Within industry average
 <b>CDP</b> DRIVING SUSTAINABLE ECONOMIES Scale: D- to A	Climate: A- Forest: A- Water: B	Climate: A- Forest: B Water: B	↑	1T'24	Above industry average
 <b>ecovadis</b> Scale: Bronze to Platinum	Platina	N.A.	—	2T'23	Top 1% Global 

## 1.2 Leadership Messages



**Alberto Castro**  
Chairman of the  
Board of Directors



We are transparent, aware that this stimulates the will to change, to be better from the bottom perspective, and that good economic performance is not incompatible with a strategy in which the planet and people are, not just a responsibility, but a priority.

2023 was a challenging year

It is known that the cellulosic fiber industry is exposed to cyclical fluctuations, with greater or lesser regularity. That good or excellent years, such as 2021 or 2022, could be followed by less good years would therefore come as no surprise. But, paraphrasing the title of a book on economic crises, it would be said that “This time was different”, not so much in nature, but in the speed and intensity with which the descent phase of the cycle occurred, particularly with regard to price trends. Combine this situation with the inertia of factor prices returning to pre-inflationary levels, and we have an environment of “perfect storm”, especially demanding when operating in highly competitive

commodities markets. As always happens when there are these changes in context, the past has not served as a good predictor of the future, posing additional and even new challenges for management, the organization and people. The future will likely bring us more situations like this. The ability that Altri as a whole has shown to manage such an adverse environment is reason for optimism.

The crisis became yet another opportunity to strengthen the Group’s cohesion and competitive capacity, putting values such as Simplicity and Courage to the test: from purchasing processes to sales management, from industrial organization and production to people management, the entire business community mobilized, taking on the

## 1.2 Leadership Messages

challenge, showing its resilience, but also its ambition. Altri comes out of this process with more strength, and more awareness of the priority issues that the future, closer or farther, will put us and, therefore, more prepared to answer them, something that has been recognized by investors and the financial market.

At the same time that our industry was experiencing a less positive situation, the world around it did not stop, complicating the surrounding environment, for reasons ranging from geostrategic tensions to the demands associated with sustainable development objectives (SDGs). The challenges have increased, and their nature has changed. To cope with them, it's not enough just to be more efficient, in the narrow sense of the term. The answer must be more elaborate, which poses new challenges for management, in terms of the diversity and quality of processes, products and skills to be mobilized.

For a company that embraces the motto "Building a more renewable world", the SDGs are part of their nature, their DNA. In the various indicators behind SDGs, we aim to be a reference, "the best in class": When Excellence is one of our values, everything that is less than that is, for us, little. We would not need external evaluations: Dissatisfaction is part of our way of being. We are transparent, aware that this stimulates the will to change, to be better from the bottom perspective, and that good economic performance is not incompatible with a strategy in which the planet

and people are, not just a responsibility, but a priority. Our ability to reconcile them, consistent with the integrity that guides us as value, will be essential for creating a virtuous circle of innovation and growth, that allows us to differentiate ourselves from competition, anticipating trends, giving them the appropriate answers, evolving continuously, creating value for our stakeholders and society in general. In respect and pride for our tradition, in coherence with it, we manifest ourselves committed to evolving so that, being different, Altri is steady as always, in terms of values, vision, and purposes.

We are aware of the difficulty of many of the challenges set out, both because of the diversity and amount of resources of various kinds (skills; funds) that need to be mobilized, and because we are not alone in this race. If the (un)expected evolution of the surroundings is challenging, we are aware that simple reactive adaptation is not enough response. The strategic plan to 2026 points to safe but ambitious steps that will allow us to start designing a new position regarding markets, products, and processes. Strictly speaking, some of these steps are already being taken, which can be attested by the multiplicity of ongoing projects in the various plants of the Group, as well as in the scope of Altri Florestal, as well as in collaboration with entities of the scientific and technological system, reinforcing, in the latter, the dimension and role of innovation.

At Altri, change is not a vain word, a mere inconsequential narrative.

In our history, ambition has translated into a permanent evolution, sometimes focused on continuity, others risking being more disruptive. Altri is, in itself and by itself, a testimony to the success of its path. Today, we remain restless and dissatisfied. We aim more and we know we can reach further. That is our plan!





## 1.2 Leadership Messages



### José Soares de Pina

Chairman of the Executive Committee  
CEO



We look at 2024 with the conviction that the efforts of our teams over the past few years add value to the Group, making it different, and that they continue to put the name of Altri at the forefront of what is best done in our industry, worldwide.

2023 was an atypical year for the cellulosic fiber market. We saw one of the most sudden cycle changes in more than a decade, with a slowdown in global demand growth because of the destocking process in Europe and North America, followed in the second half of the year by an improvement in prospects as a result of the strong recovery in the Asian market.

Faced with this challenging context, the Altri Group has managed to maintain a high level of production at its three plants in Portugal, Biotek, Caima and Celbi, overcoming the million tons of cellulosic fibers. Sales were similar to the previous year, but at lower prices, a consequence of the rapid negative trend in fiber prices. During 2023 we

managed to reduce the negative impact on profitability by implementing a strict cost containment policy, boosted by the commitment of our people. In addition, the normalization of electricity and natural gas prices, and the consequent reduction in the price of chemicals, led to a very significant decrease in costs.

Over the past year, we have also strengthened our efforts to make our operations more efficient. We highlight the investment made in the new biomass boiler (including the new turbine) in Caima, which thus became the first industrial unit in the sector on the Iberian Peninsula to abandon fossil fuels from the production process, managing to ensure total energy autonomy from exclusively renewable

## 1.2 Leadership Messages

sources. We have the ambition to continue growing, but we want to do so in a solid and sustainable way, to make our contribution to build a more renewable world. Therefore, we base our way of acting on strategic axes that are intrinsically linked to the Sustainable Development Goals, with aspirations and priorities common to the global effort for the planet and people. To formalize these intentions, we have established the Commitment 2030 – a set of concrete objectives with annual compliance values that guide us on the target we set ourselves to achieve by 2030, and on which we have been making significant progress, as reflected in this report.

Aware of our mission, but also of the one we could have, in the sustainability of other industries, particularly textiles, we continue to advance on several fronts of the Gama Project, in Galicia, to have the necessary conditions for a

final investment decision. Beyond this project, the Group continues to develop various diversification projects in its various production units, focused on our strategic segments and based on new technologies, cleaner and adding value, such as the recovery and valorization project of acetic acid and furfural, thus, taking advantage of secondary chains of the production process that would otherwise not be valued, and contributing to a greater circularity of our operations.

Altri is concerned with understanding and communicating its impact on the planet and people. This report integrates several international reporting benchmarks, such as the Global Reporting Initiative and the Task Force on Climate-Related Financial Disclosures. It is also through this annual document that, we transparently inform about the environmental, social, and governance topics, which al-

low us to monitor and aggregate the main indicators of all companies of the Group.

The Altri Group, within the framework of its compliance program and anti-corruption strategy, adopted and released the Corruption Risk Prevention and Related Infringements Plan and the Code of Conduct on Corruption Prevention and Related Infringements, in addition to having implemented a training program and an internal reporting channel and appointed the person in charge for regulatory compliance. These mechanisms, in conjunction with the Altri Code of Ethics, reflect Altri's strong ethical commitment and no acts that jeopardize the applicable rules and regulations are admitted or tolerated.

All these developments and decisions are supported by the values that identify Altri: Excellence, Simplicity, Courage, and Integrity. We look at 2024 with the conviction that the efforts of our teams over the past few years add value to the Group, making it different, and that they continue to put the name of Altri at the forefront of what is best done in our industry worldwide.



## 1.3 This is Altri

Altri (“Altri Group” or “Group”) is a European group, established in February 2005, a leader in the production of cellulosic fibers and sustainable forest management.

Altri’s value comes from fiber: The company produces cellulosic fibers for various applications, from printing and writing paper to domestic papers and the textile industry.

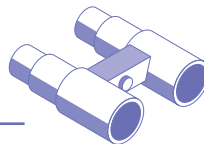


### Purpose

Build a more renewable world

### Vision

Leaders in excellence innovation and a recognized partner for Altri’s stakeholders, developing focused, lean and high added value solutions.



## Altri’s Values



### Excellence

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



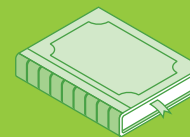
### Simplicity

- ↳ 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
- ↳ Embracing diversity and inclusion

### 1.3 This is Altri

## Altri Strategic Axes



Developing and recovering  
the **forest**



Valuing  
**people**



Relying on operational  
**excellence** and on  
technological **innovation**



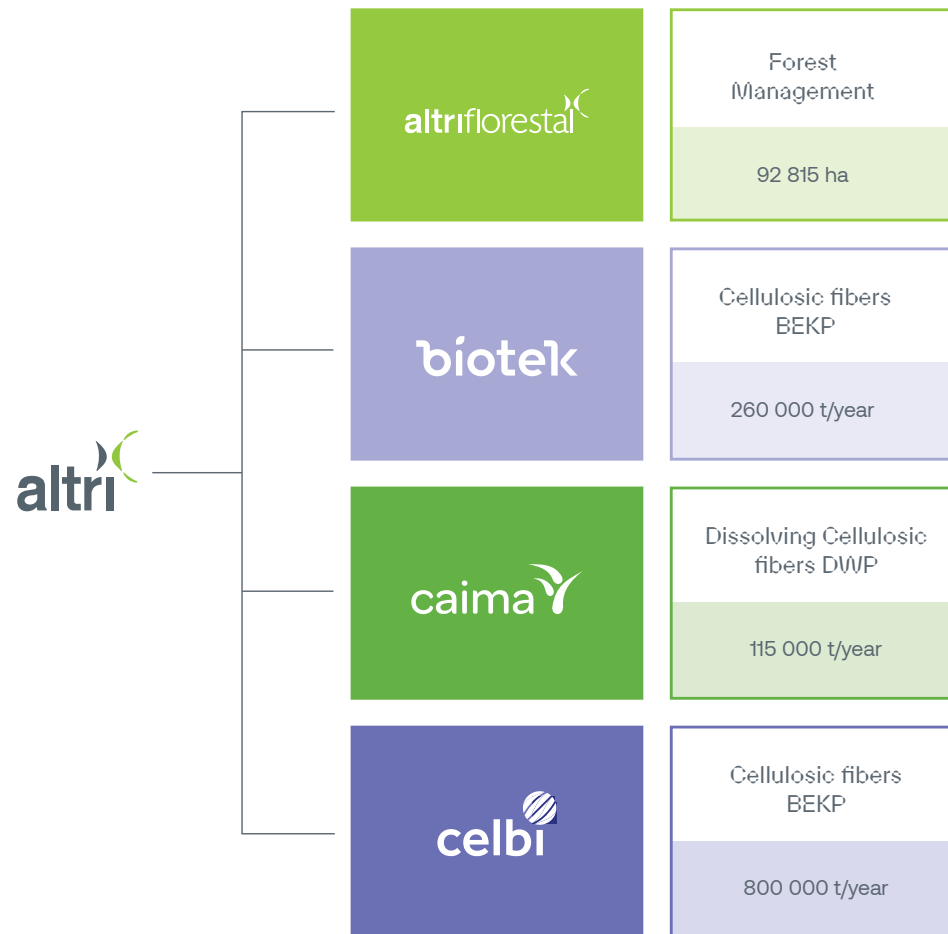
Setting **sustainability**  
as a **competitiveness** factor



## 1.3 This is Altri

# Altri's structure

Altri's operations are divided into the following organisational structure:



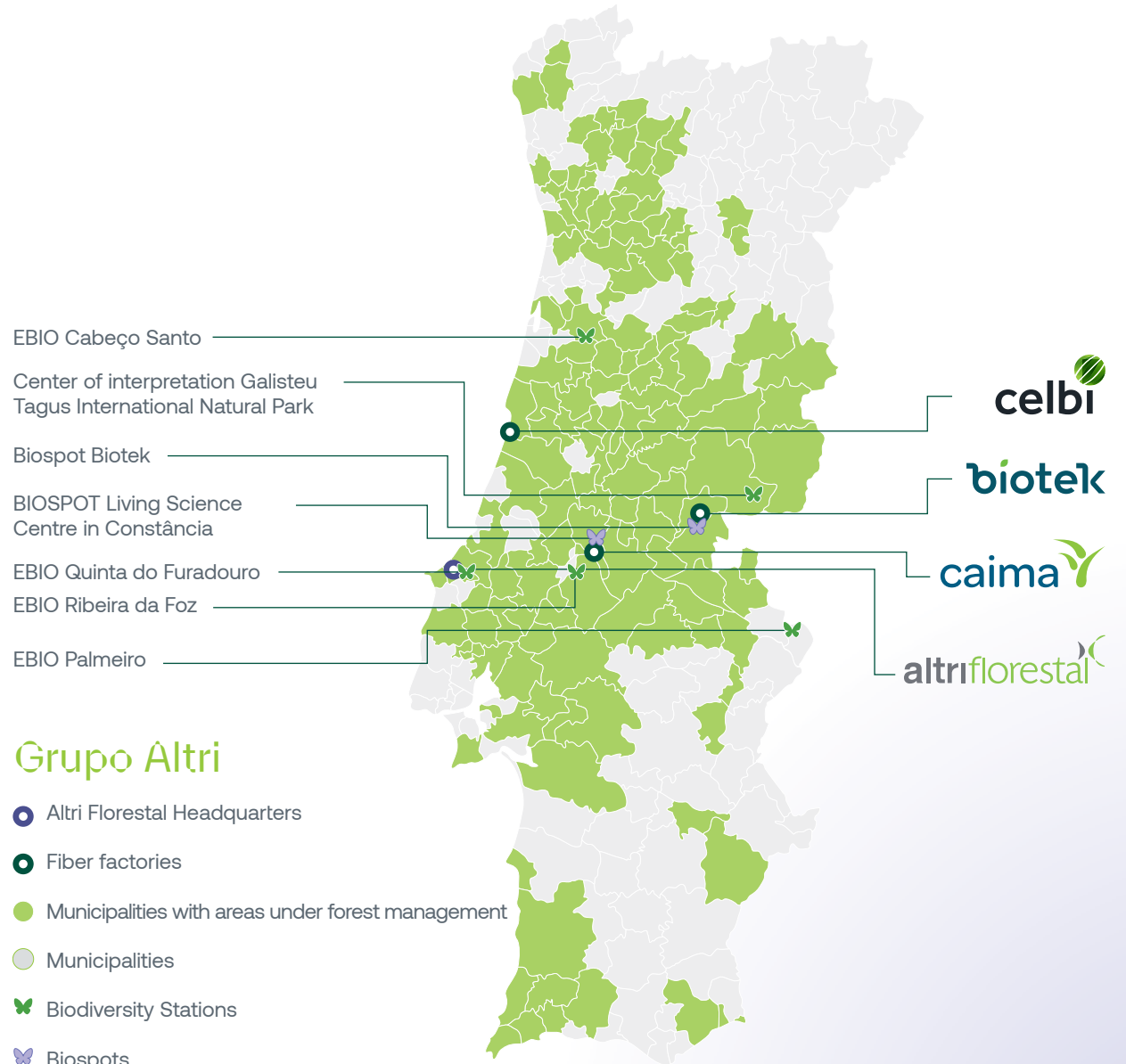
For the production of cellulosic fiber, Altri currently holds three industrial units, Biotek, Caima, and Celbi, which present together a production capacity of more than 1 million tons per year. Specifically, the main activity of Biotek and Celbi is the production of BEKP (Bleached Eucalyptus Kraft Pulp), mainly used to produce paper for domestic use, printing, and writing. In Caima, although the main activity is similar, dissolving cellulosic fibers DWP (Dissolved Wood Pulp) are produced to be mainly used in the production of manmade cellulosic fibers, such as lyocell and viscose, which are used in the manufacture of textiles.

For a sustainable forest management, Altri manages more than 92.8 thousand hectares of certified forests in Portugal which include about 10.5 thousand hectares of conservation area.

### 1.3 This is Altri

## Altri in Portugal

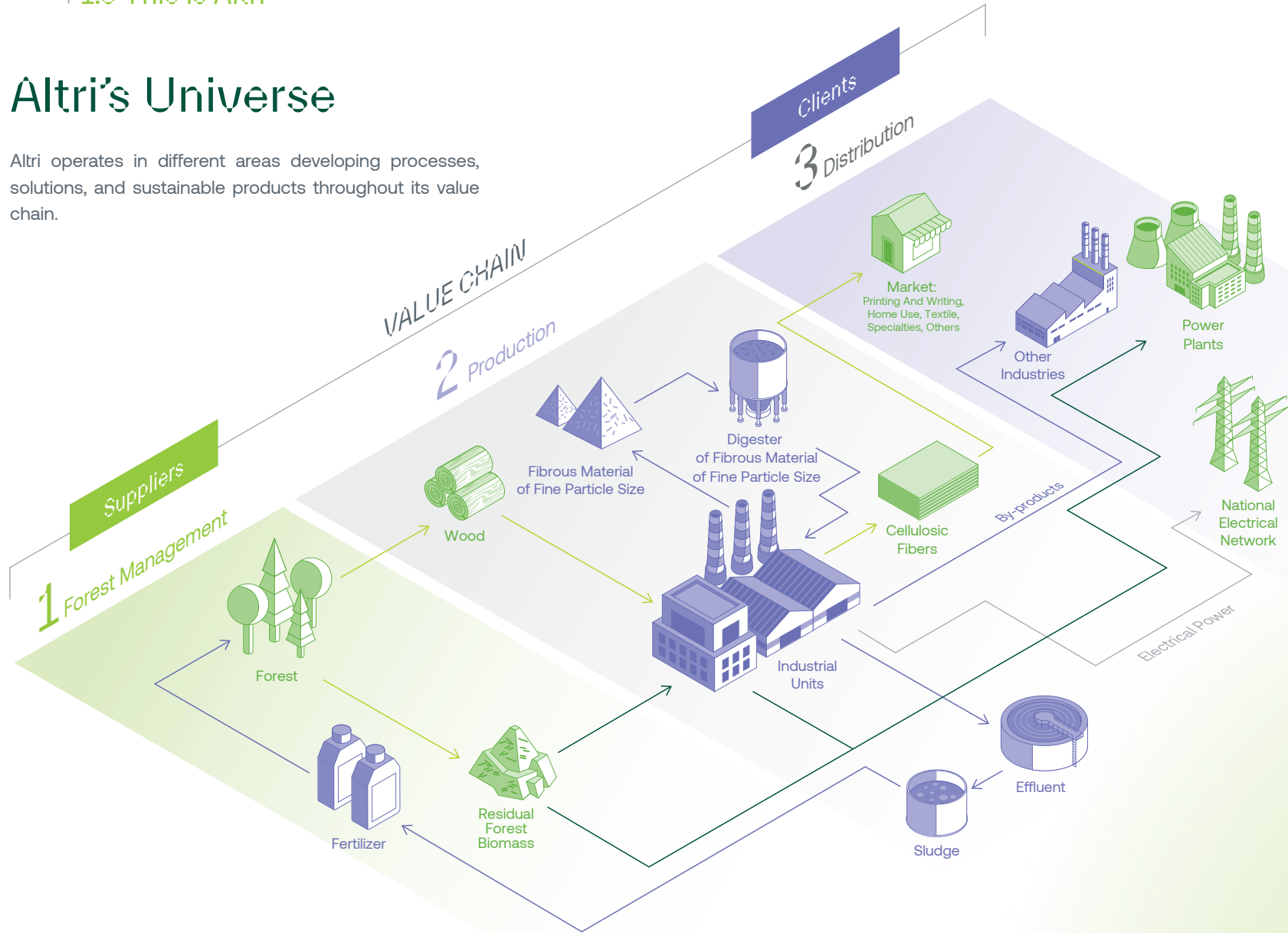
At the national level, Altri is present in 163 municipalities, managing forest areas which are located there. It is also in three of these municipalities that are located the industrial units, Biotek in Vila Velha de Ródão, Caima in Constância, and Celbi in Figueira da Foz.



### 1.3 This is Altri

# Altri's Universe

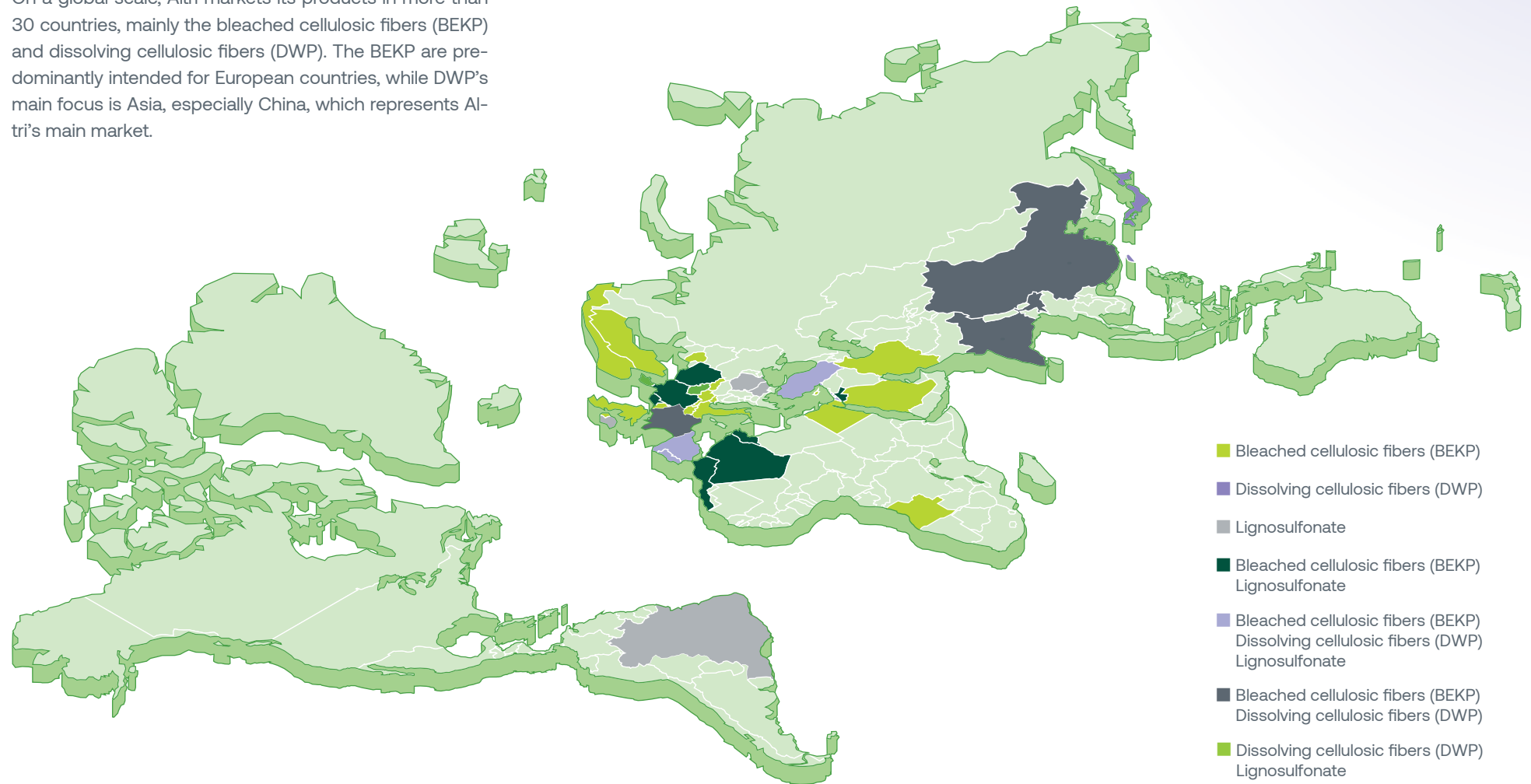
Altri operates in different areas developing processes, solutions, and sustainable products throughout its value chain.



## 1.3 This is Altri

## Altri in the World

On a global scale, Altri markets its products in more than 30 countries, mainly the bleached cellulosic fibers (BEKP) and dissolving cellulosic fibers (DWP). The BEKP are predominantly intended for European countries, while DWP's main focus is Asia, especially China, which represents Altri's main market.





## 1.3 This is Altri

## The final destination of Altri products in 2023

&lt;1%

## Lignosulfonate

By-product generated in the production process of dissolving cellulosic fibers (DWP). Used in the construction sector, in the composition of cement, plaster panels, ceramics and clay bricks.

4%

## Decor

- Wallpaper
- Laminates of furniture

51%

## Tissue

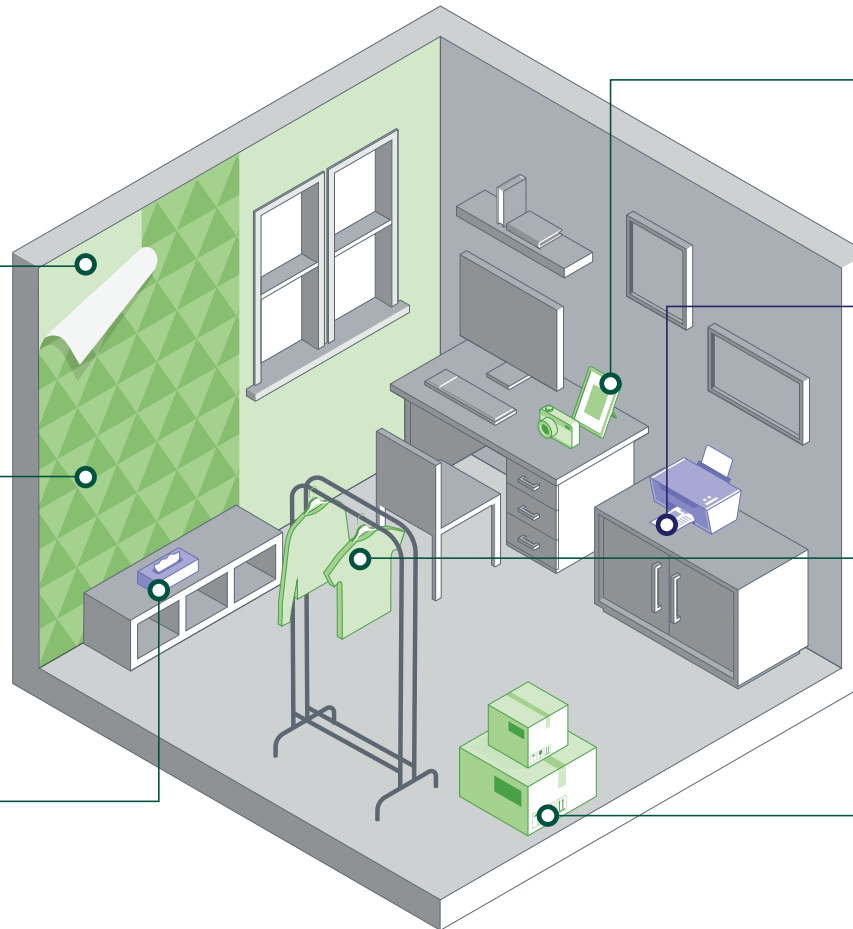
Bleached cellulosic fibers (BEKP) for the production of:

- Napkins
- Toilet paper
- Paper towels

12%

## Others

Destination not defined



3%

## Specialties

Photo paper

19%

## P&amp;W

(Printing and writing)

Office paper  
Printing

9%

## Dissolving pulp

Soluble cellulosic fibers (DWP) used in the production of manmade cellulosic fibers such as:

- Lyocell
- Viscose

2%

## Packaging

- Food packaging
- Cups
- Cardboard boxes

## 1.3.1 Governance Structure



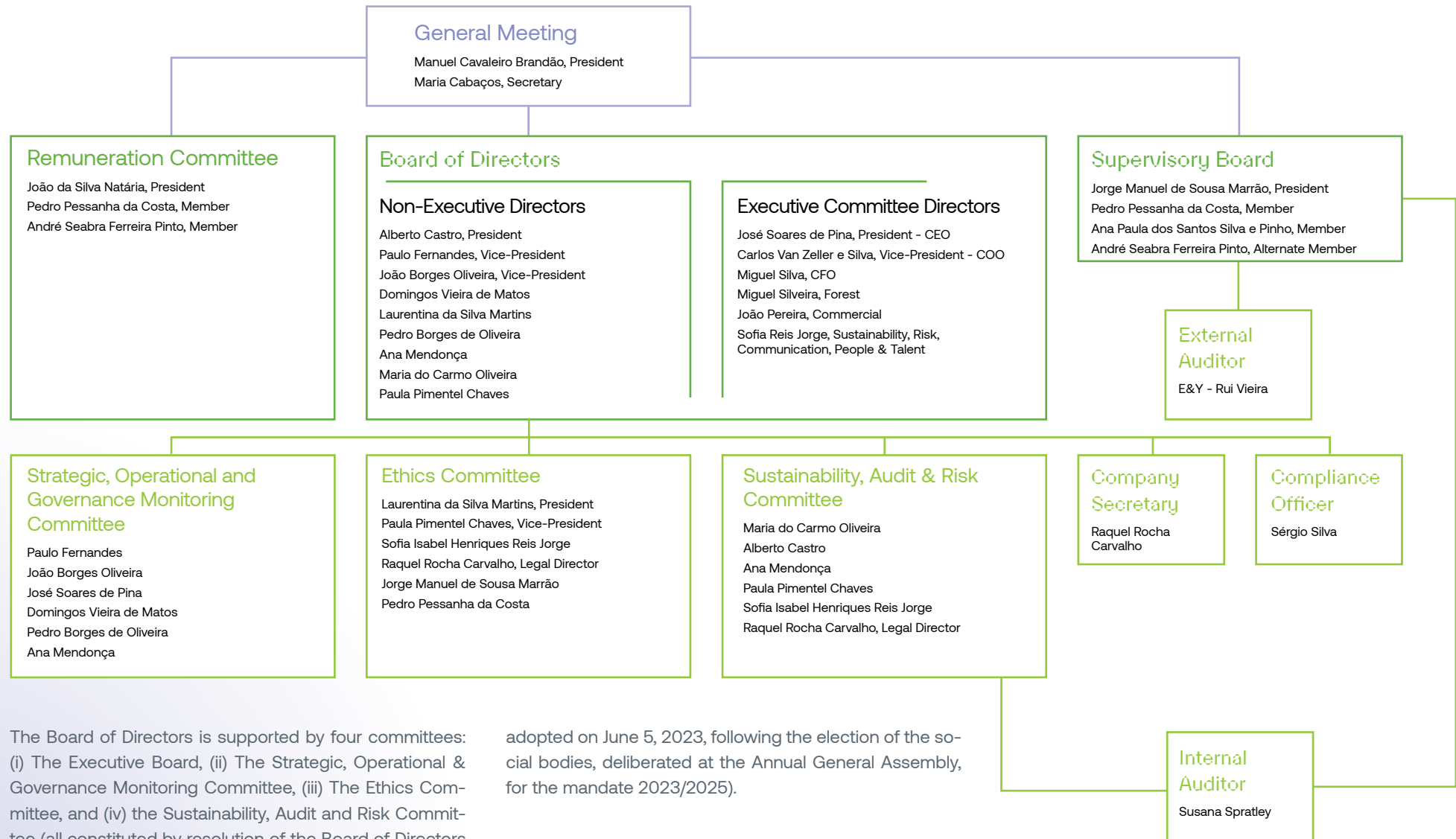
## 1.3.1 Governance Structure

It is the responsibility of any company to foster a model of institutional governance that proves to be practical and effective, sufficiently adapted to the size of the Group, and capable of responding to the growing demands of the market and society in general.

Altri is committed to the constant strengthening of its governance model and works hard to become a more responsible, ethical, and transparent Group. This commitment characterizes the way teams work, and the organizational structure of the Group, which is reflected, with a very positive impact, in the relations with all its stakeholders.

The governance structure of Altri consists of the following bodies, responsible for the strategic and holistic management of the organization:

## 1.3.1 Governance Structure



The Board of Directors is supported by four committees: (i) The Executive Board, (ii) The Strategic, Operational & Governance Monitoring Committee, (iii) The Ethics Committee, and (iv) the Sustainability, Audit and Risk Committee (all constituted by resolution of the Board of Directors

adopted on June 5, 2023, following the election of the social bodies, deliberated at the Annual General Assembly, for the mandate 2023/2025).

## 1.3.2 Value Creation Model



## 1.3.2 Value Creation Model

Altri's business model has the main objective of creating long-term value based on sustainability criteria.

Companies cannot succeed if civil society fails and natural resources are exhausted. To demonstrate the evolution of the value creation process, from the resources to the results achieved by the Altri Group, it is essential to have an integrated overview of the company's activity. The following figure illustrates the value creation model of 2023, based on the methodology of the <IR> Integrated Reporting Framework.

## 1.3.2 Value Creation Model

### Resources

#### Human Capital

- 812 direct employees
- 19% women
- 69 New hires
- 96 < 30 years
- Plan for gender equality

#### Natural Capital

- 92 thousand hectares of forest managed by Altri
- 8 MtCO<sub>2</sub>e of CO<sub>2</sub>e in forest biomass
- 94% of energy sources are non-fossil
- 95% of the raw materials used are renewable
- 20 m<sup>3</sup> of water/ADt

#### Financial Capital

- 428 M€ Cost of sales
- 49 M€ Staff costs
- 171 M€ Provision of external services

#### Intellectual Capital

- 3,2 M€ Investment in R&D
- 27 interns
- 20 Partnerships with universities and research centres

#### Capital Social e Relacional

- 565 Direct suppliers
- 79% Expenses on national suppliers
- 23 Relevant partnerships in sector entities and associations

#### Industrial Capital

- 3 Industrial units of cellulosic fibers in Portugal

### Governance

#### Products

Cellulosic fibers and energy from renewable sources

#### Risks and Opportunities

Environmental • Social • Governance  
Climate Change • Raw Materials • Digitization

#### Activities

altriflorestal<sup>+</sup>

Integrated forest management

biotek

caima<sup>+</sup>

celbi

Production of eucalyptus cellulosic fibers

#### Strategic Vectors

- Developing and recovering the forest
- Focus on excellence and technological innovation
- Valuing people
- Affirm sustainability as a factor of competitiveness

#### Purpose



#### Values



Integrity

Courage

Simplicity

Excellence

### Results

#### + Environment

- 578 604 GJ of renewable energy sold to national grid
- 94 303 tCO<sub>2</sub> scope 1, 6 868 tCO<sub>2</sub> scope 2, 319 522 tCO<sub>2</sub> scope 3
- Caima Go Green Project
- 66 320 Tons of recovered waste
- 3 765 Hectares of conservation areas
- 7 Biodiversity stations
- 70% Consumption of certified wood

#### + Social

- 21 Accidents with +3 lost days (internal and external workers)
- 41,4 Thousand hours of training
- 33 Women in leadership positions
- Turnover rate 8,3%
- Total amount of remuneration: 49 M€
- 198 380€ For community development
- 54 Young people at the Altri Summer Academy
- Strong involvement with neighboring communities

#### + Performance

- 788 M€ Total revenue
- 137 M€ EBITDA
- 17% EBITDA margin
- 42 M€ Net income
- Production of 1.1 M ton of cellulosic fibers

#### + Future

- 6 Ongoing projects for the development of processes
- 6 Digital transition projects implemented
- Removal of acetic and furfural acid

## 1.3.3 2030 Commitment

## 1.3.3 2030 Commitment

SUSTAINABLE  
DEVELOPMENT GOALS

Altri joined the United Nations Call to Action, aimed at all companies, governments, civil society, and communities, and integrated the Sustainable Development Goals (SDGs) into its business through its 2030 Commitment. Agenda 2030 provides a universal language, understood, and interpreted around the world, transversal ethics, and a practical framework for the dissemination of business activities. It is an unprecedented opportunity for companies to contribute to the global Agenda for Sustainable Development.

The goals were set in an approach to the 17 SDGs, based on the ten principles of the UN Global Compact, in a responsible, intentional, ambitious way, and aligned with the Group's core business, to positively impact issues related to energy, health, welfare, and the environment. These goals, that Altri pro-actively proposed to achieve, go beyond legal or compliance obligations and substantiate the basis of the Group's activity, with an impact on the strategy, policies, procedures, and integrity, but also on people and the planet.

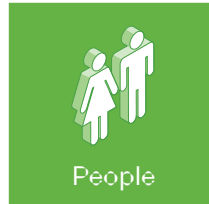


As 2030 approaches quickly, the Altri Group keeps a good pace meeting several of the ambitious goals set in 2020. Achieving these goals requires many actions that support the SDGs, and which are considered a competitive advantage by Altri, through greater market opportunities that will benefit its economic performance and the positive impact of the Group.

### 1.3.3 2030 Commitment

## COMMITMENT 2030

Altri supports all seventeen SDGs, with a focus on targets 5.5, 6.3, 6.4, 7.2, 8.8, 12.5, 13.2, 15.1, and 15.2 identified as more relevant for the Group's strategy, operations, and culture. The Commitment 2030 is the result of defining the Group's priorities, based on the most significant impacts of the activity, and is supported by systemic and holistic solutions that amplify the positive impacts of Altri and mitigate the potential negative impacts on people and the environment, related to its operations, value chain, and communities. In this report, Altri's contributions to the SDGs are presented annually.



People

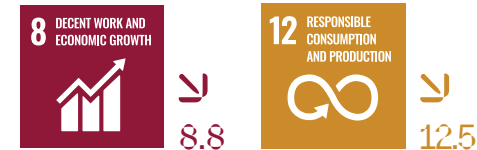


### Gender equality

The Plan for Gender Equality Altri 2024 has as its fundamental objective, by and for the purposes provided for in Article 7, no. 1, of Law no. 62/2017, to contribute furthermore to achieving effective equality of treatment and opportunity between women and men, promoting the elimination of gender discrimination, and fostering the reconciliation between personal, family and professional life.



Prosperity



The Altri Group is determined to work to achieve prosperity for business and its people, fostering economic, social, and technological progress, in harmony with nature.

### Healthy Work Environment

Altri is committed to an inclusive culture with strong purposes and values, in which the health and safety of employees is a priority, committing to implement all measures that contribute to continuous improvement in these aspects. These implemented measures focus not only on the operations carried out by Altri but are also measures implemented according to the actual context of living. In addition, there is also an internal prevention policy aimed at ensuring the welfare, health, and safety of all employees and service providers.

### 1.3.3 2030 Commitment



## Responsible Production

Based on sustainable forest management, Altri's operations are developed using renewable raw materials, contributing to the consumption and responsible use of resources. The planet requires a circular bioeconomy in which the materials consumed are renewable and recyclable to mitigate the impact of the activity on climate change. Likewise, at Altri, there is a continuous demand for the efficiency of its processes, so that less waste is generated, and, on the other hand, unavoidable wastes are reintegrated into the product chain.



A healthy planet is essential for promoting human health. Altri is determined to protect the planet from degradation, through an increasingly responsible use of resources, believing that this will ensure that its activity will be consequently more sustainable. The proper management of natural resources will enable us to respond to climate change with the required urgency, mitigating its effects to the extent of its possibilities, so that the resources of the planet can survive and be renewed to respond to the needs of present and future generations.

## Forests

Because of its potential in climate change mitigation, forests are increasingly valued. Thus, sustainable forest and soil management plays a key role in the fight against climate change and also in the protection of biodiversity and is therefore recognized as relevant by the Intergovernmental Panel on Climate Change (IPCC). At Altri, the focus is therefore on long-term planning, ensuring that its forestry activity is adjusted to climate change. As an integral part of Altri's management approach, is its risk management process that covers risks and opportunities related to climate change and forests. By replacing fossil-based products, Altri can maximize benefits with the help of improved productivity and high-quality raw materials.



### 1.3.3 2030 Commitment



#### Water

Forests play a crucial role in increasing resilience to the impacts of climate change, due to their role in the natural maintenance of hydrological cycles and absorption of CO<sub>2</sub>. The commitment to sustainable forest management contributes to SDG 6 - Clean water and sanitation. Altri also seeks to reduce the use of water in its production processes, thereby making them more efficient.

#### Energy

For the reduction of the ecological footprint and subsequent mitigation of environmental impacts, energy consumption must come from renewable sources. At Altri, energy production comes from renewable sources, which in 2023 guaranteed the supply of 94% of this type of energy to meet the primary needs of the industrial units.

#### Climate action

When there is no adequate management of CO<sub>2</sub>, this will contribute to climate change aggravation and, in turn, the emission of SO<sub>2</sub> and NO<sub>x</sub> may affect air quality, as well as cause acid rain with consequent acidification of the soils. The European Union's first mandatory GHG Emissions Trading System (EU ETS) is one of the biggest regulatory elements in combating climate change, covering 40% of EU emissions. ETS grants carbon licenses to industries where climate policy costs are considered to lead companies to transfer production to countries outside the UE where there is a lower demand for requirements.

Altri has developed a tool to evaluate its emissions, covering the use of all significant scope 3 categories for its GHG emissions, and got the approval of the Science-Based Target (SBT) for its reduction objectives. This tool includes all activity and value chains, from the forest to the final use of cellulosic fibers, to calculate emissions more transversally and under its reality. This tool is very useful since it allows the calculation and dissemination of GHG emissions data, including not only avoided emissions but also the carbon stocks of forests. Altri contributes significantly to SDG 13 - Climate Action and seeks to render its operations and their impacts more transparent for the stakeholders.

### 1.3.3 2030 Commitment

The SDGs are a powerful vision to encourage and motivate companies to improve our World. SDGs are reflected in shared and ambitious goals in all countries, inherently and deeply interconnected. The follow-up to Altri's 2030

Commitment is reported below, where specific and measurable goals and objectives were defined until 2030, after the evaluation of the Group's main impacts.

## 2030 Commitment

DEGREE OF ACHIEVEMENT* (2023)	2018 BASE YEAR	2023	2030 GOAL	DEGREE OF ACHIEVEMENT* (2023)	2018 BASE YEAR	2023	2030 GOAL	DEGREE OF ACHIEVEMENT* (2023)	2018 BASE YEAR	2023	2030 GOAL												
<b>6</b> <small>CLEAN WATER AND SANITATION</small> Reduce the specific use of water (m <sup>3</sup> /ADT) in Altri's industrial units by 50%	20	20	10	 PROGRESS 2023 0%	 PROGRESS 2030 0%			<b>5</b> <small>GENDER EQUALITY</small> Double the number of women in leadership positions	19	33	38	 PROGRESS 2023 140%	 PROGRESS 2030 74%			<b>15</b> <small>LAND LIFE</small> Increase the percentage of wood consumption with forest management certification by 40%	57	70	80	 PROGRESS 2023 93%	 PROGRESS 2030 57%		
<b>6</b> <small>CLEAN WATER AND SANITATION</small> Reduce the organic load (COD, kg O <sub>2</sub> /ADT) in Altri's industrial effluents by 60%	11	8	4	 PROGRESS 2023 150%	 PROGRESS 2030 43%			<b>12</b> <small>CONSUMPTION RESPONSIBILITY</small> 100% of process waste recovered or reused* (%)	58 (2022)	79	100	 PROGRESS 2023 250%	 PROGRESS 2030 48%			<b>15</b> <small>LAND LIFE</small> Double the area under natural conservation management (ha)	7980	10516	16000	 PROGRESS 2023 80%	 PROGRESS 2030 32%		
<b>7</b> <small>AFFORDABLE AND CLEAN ENERGY</small> 100% of the primary energy consumed in the industrial units of Altri is of renewable origin	83%	94%	100%	 PROGRESS 2023 110%	 PROGRESS 2030 65%			<b>13</b> <small>CLIMATE ACTION</small> Reduce specific emissions of GHG from scope 1 and 2 by 51% (kgCO <sub>2</sub> / ADT) **	132 (2020)	95	65	 PROGRESS 2023 137%	 PROGRESS 2030 55%			<b>15</b> <small>LAND LIFE</small> Develop 13 biodiversity stations and biospots	2	7	15	 PROGRESS 2023 100%	 PROGRESS 2030 38%		
<b>8</b> <small>ECONOMIC GROWTH</small> Walk toward achieving zero accidents with lost days (+3days)***	30	21	0	 PROGRESS 2023 30%	 PROGRESS 2030 30%			<b>13</b> <small>CLIMATE ACTION</small> Reduce scope 3 emissions by 25% (kgCO <sub>2</sub> /ADT)**	268 (2020)	301	201	 PROGRESS 2023 0%	 PROGRESS 2030 0%			<p>*The indicator of Waste Recovery (ODSI2) was revised for 2022, no longer considering the waste of Greenvolt plants                      **SBT Base Year– 2020;                      ***More than 3 days lost</p> <p>Note: Progress is calculated using the formula: Progress= ((value-base year)/(target-base year))*100. When calculating the % of waste recovered, waste recovered energetically is included.</p>							

## 1.3.4 Stakeholders Engagement

# 1.3.4 Stakeholders Engagement

The identification of the most relevant stakeholders is crucial to the success of any organization, as it allows the understanding of the expectations, interests, and influence of the parties involved. By recognizing the most relevant stakeholders, Altri can make more informed decisions, develop trust relationships, and mitigate potential impacts. Altri establishes several partnerships and initiatives in collaboration with a variety of players, with special emphasis on key interested parties. Altri recognizes the vital importance of its involvement in achieving long-term success, and engagement that is maintained through a constant dialogue, fundamental to identifying its concerns, global trends, and market expectations.

In 2023, Altri held an in-person internal workshop to reflect on its groups of stakeholders. The objective of this analysis was to update and/or identify new groups of stakeholders in light of the company's current relations. In general, this exercise promoted a reflection on Altri's interested parties, the review and adjustment of the main groups, and also the identification of subgroups, to obtain a multiplicity of perspectives.



↘ 11 stakeholder groups were validated

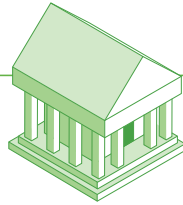


The initiatives of involvement with the main stakeholders of the Group are presented. The involved stakeholders may include internal and external employees, value chain workers, and communities.

The engagement with each group of stakeholders is described in the following scheme and can occur directly with members of each of the groups - internal and external employees, value chain, and affected communities - or through their legal representatives, such as associations, unions, community leaders, or others.

## 1.3.4 Stakeholders Engagement

### Political Decision makers



- Permanent Dialogue to show the vision of the company, the industry, or the country, regarding new legislation in preparation in Portugal and the Union through Biond, CEPI, Fit for 55, Portuguese Issuers Association (AEM) Meetings
- Written communication and presentation of proposal for revision, in a regulatory framework, at the national and European Union level Integrated Management Report
- AltriNews
- Website

### Official Entities

- Regular release of statistics and reports
- AltriNews
- Integrated Management Report
- Website



### Customers

- Visits
- Customer surveys
- Evaluation of the external perception of customers
- Strategic partnerships
- AltriNews
- Reports
- Website



### Research and teaching

- Protocols for collaboration with Universities
- Curricular and professional internships
- Visits to the AltriNews industrial units
- AltriNews
- Website

### Suppliers

- Qualification and evaluation of suppliers of services and raw materials
- Training and information sessions to service providers and managers of these companies
- Partnerships with Biond
- Participation of security technicians from external companies in the sessions Paper Industry Security Card (CSIP)
- Program Safe Behaviors
- Training in the Forest working front
- AltriNews
- Integrated Management Report
- Website

### Media

- Press releases
- AltriNews
- Website
- Integrated Management Report



## 1.3.4 Stakeholders Engagement

### Partners

- Qualification and evaluation of suppliers of services and raw materials
- Training and information sessions to service providers and managers of these companies
- Partnerships with Biond
- Participation in the sessions of safety technicians from external companies
- Paper Industry Safety Card (CSIP)
- Program Safe Behaviors
- Training in the Forest working front
- AltriNews
- Integrated Management Report
- Website

### Communities/ non-governmental organizations

- Financial donations
- Collaboration in support of Social Solidarity Institutions
- Voluntary actions
- Joint organization of simulacra on emergency acting with fire-fighting corporations
- Provision of the training ground for fire-fighters
- Transfer of computer equipment
- Support for various School initiatives
- Summer Academy
- AltriNews
- Integrated Management Report
- Website

### Financial Institutions

- Reports of results
- Conference calls
- Reports
- AltriNews
- Website

### Employees

- Daily and weekly meetings
- Intranet
- Training sessions
- Meetings (of Managers and Executives, with Trade Union Committees)
- Committee on Environment, Health and Safety at Work
- LinkedIn
- AltriNews



### Shareholders/ Investors

- Reports of results
- Conference calls
- Reports (Report and Accounts)
- AltriNews
- Website



## 1.3.5 2023 Materiality Assessment

# 1.3.5 2023 Materiality Assessment

In 2023, Altri carried out a new dual materiality analysis exercise to align the company's action in the current context, anticipating the requirements in the European Commission's Corporate Sustainability Reporting Directive (CSRD). This materiality exercise took into account the draft version of the ESRS (European Sustainability Reporting Standards), dated November 2022, which was available at the time it was carried out. In the course of 2024, Altri will complete the exercise in order to meet the appli-

cable requirements, in accordance with the final version of the ESRS, published in the delegated act of 31 July 2023.

The double materiality analysis provided an opportunity to revisit the Group's strategic priorities, adjusting objectives, action plans, and resource allocation, to meet the global sustainability challenges and the way they impact Altri's activity.

To identify the most relevant topics for the Altri Group, more than 200 stakeholders were consulted who shared, among other dimensions, their vision, and expectations on the sustainability performance of Altri. Since this is not the first exercise of Materiality Analysis carried out by the company, its result reflects a new perspective of the stakeholders after 3 years.

## Process of materiality



### 01. Identification

- Identification of 27 sustainability topics using benchmarking conducted to companies in the industry as well as international reference entities
- Review and validation of Altri's 11 stakeholder groups through 1 **internal workshop**



### 02. Stakeholders Engagement

Consultation of stakeholders, by means of:

- **8 interviews**
- application of an **online questionnaire** (which **obtained 205 answers**)
- **11 internal workshop** com **23 participants** (for evaluation of each topic from an impact and financial perspective)



### 03. Materiality Matrix

**Definition of material** topics through the intersection of impact materiality with financial materiality for the elaboration of the materiality matrix

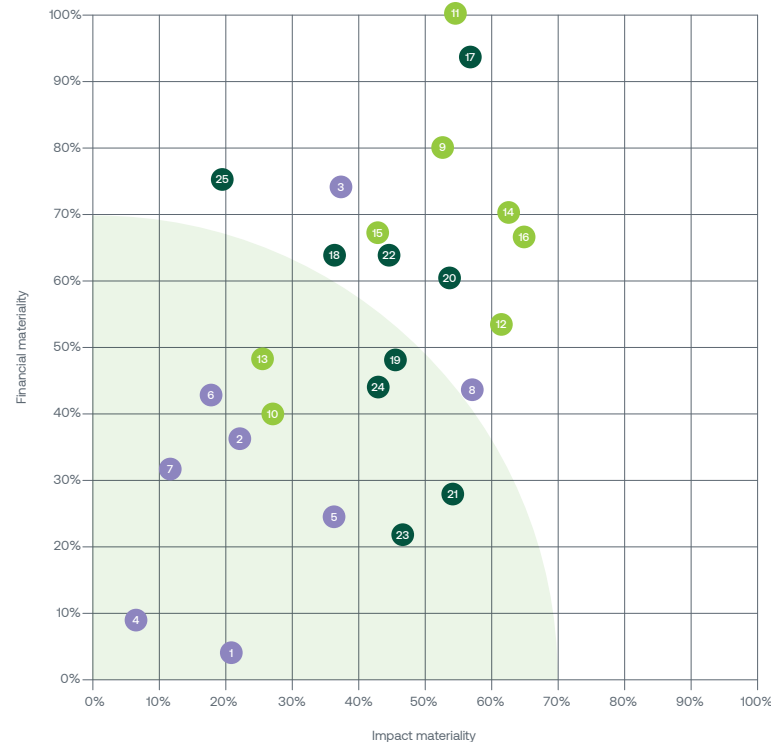
## 1.3.5 2023 Materiality Assessment

All groups presented in **1.3.4 Stakeholder Engagement** were invited to participate in this auscultation process, having analyzed 27 sustainability topics according to their typology: Environmental, social, economic, or governance. For the compilation of the 27 sustainability topics, several sources of international and reference information were analyzed in addition to the above-mentioned CSRD, namely: GRI (Global Reporting Initiative), SASB (Sustainability Accounting Standards Board), United Nations Global Compact or ISO 26000 — Social Responsibility standards.

In addition to external listening and as mentioned before, an internal workshop was also held, which included the participation of the Altri Sustainability Group, where employees representing the areas directly related to the topics under evaluation – i.e. people with a greater technical knowledge of the areas concerned –, made a specialty evaluation.

The following matrix presents the result of the external and internal listening, crossing the main ESG impacts of the company (“materiality of impact”) for each topic of sustainability and respective risks and opportunities, with consequences for Altri’s operations (“financial materiality”).

### Altri double materiality



1. Business Ethics
2. Data protection
3. **Innovation**
4. Transparent tax approach
5. Purchasing practices
6. Political involvement and lobbying
7. Asset integrity and incident management
8. **Economic performance**
9. **Climate change and GHG emissions**
10. Air quality
11. **Renewable energy and energy efficiency**
12. **Biodiversity and ecosystems**
13. Use of the soil
14. **Waste management and circular economy**
15. **Water management**
16. **Forest Management**
17. **Job creation and local development**
18. **Noise, odors and other local impacts**
19. Social investment activity (philanthropy/volunteering)
20. **Health and Safety at work**
21. Attractions and retention of talent
22. **Diversity, equity and inclusion**
23. Violence and harassment in the workplace
24. Freedom of association and collective bargaining
25. **Human rights in the value chain**

- Economy & Governance
- Environmental
- Social

### 1.3.5 2023 Materiality Assessment

The ordered list of the 13 topics considered material by the Altri Group is as follows:

1. **Renewable energy and energy efficiency**
2. **Job creation and local development**
3. **Climate change and GHG emissions**
4. **Waste management and circular economy**
5. **Forest management**
6. **Biodiversity and ecosystems**
7. **Health and safety at work**
8. **Innovation**
9. **Water management**
10. **Diversity, equity and inclusion**
11. **Noise, odors and other local impacts**
12. **Economic performance**
13. **Human rights in the value chain**

The remaining topics will continue to be monitored, as although they have not been considered as material in this exercise, they may correspond to trends to follow.

The results of this analysis were subsequently validated and approved by the Executive Board. With the integration of new materiality topics in its activity, Altri built a solid foundation for the revisitation and definition of its strategic alignment in terms of sustainability in the coming years.

