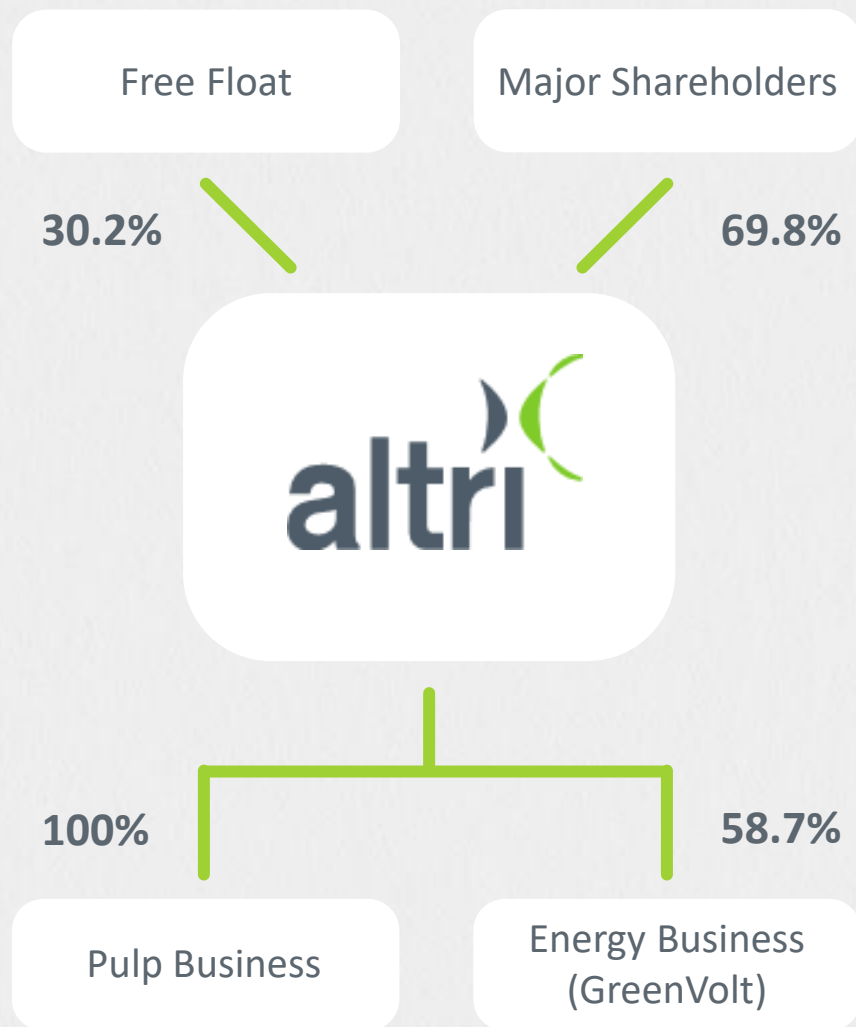




# making our world + renewable

INVESTOR  
PRESENTATION  
2021



*An Industrial Group with  
focus in the Pulp Business  
and a strong foothold  
in the Renewable Business*

# Financial Highlights

## Group level

	2020	9M21	YoY	AVG 2015 – 2021	
Revenues	615	635	35%	ROIC	17.2%
EBITDA	127	208	118%	Divid. Yield*	7.4%
EBITDA mg	21%	33%	+12.4 pp	Div Yield 2021**	7.3%

\* Based on each years 1H's average stock price

\*\* 81% in Cash and 19% in shares of GreenVolt at IPO Price



# Pulp Business

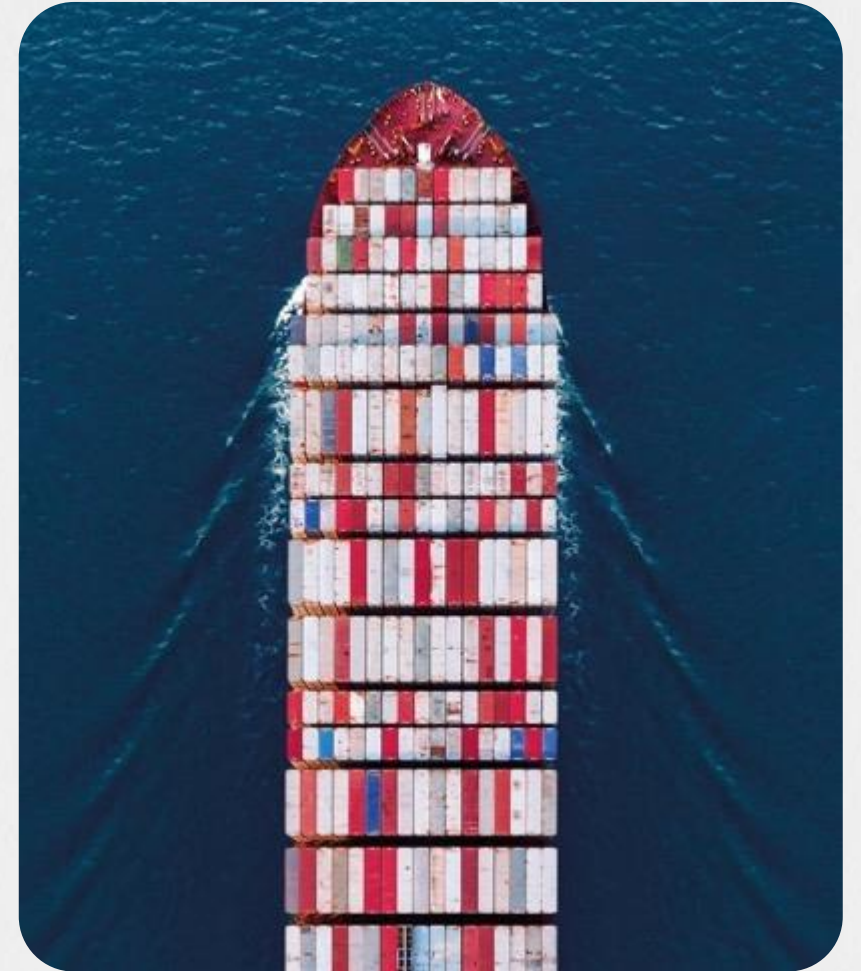
*Operational Excellence in the Pulp Business*



# BHKP Global Market

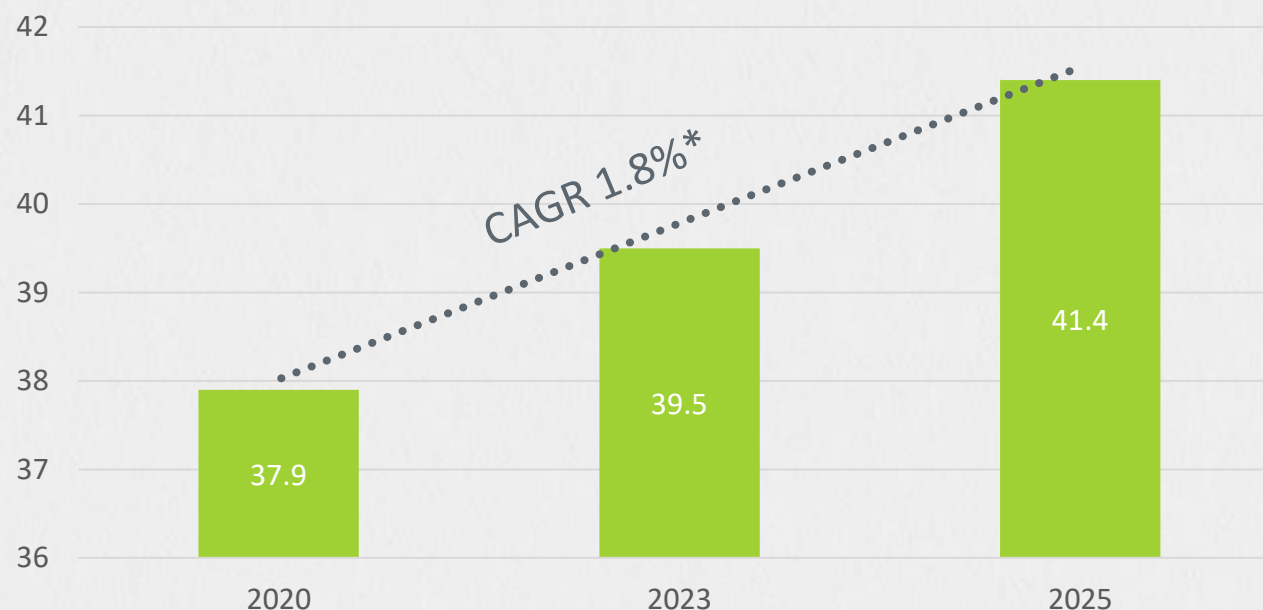
## Drivers & Trends

- Urbanization
- Growing and Aging Population
- Climate Change > Plastic vs Paper
- Technology
- Growth from Emerging Markets
- Textile Market > Pulp based fibers



# BHKP Global Demand

## Forecasts 2020-2025



Demand for BHKP should **increase by 3.5 M/ton** until 2025 pushed by Tissue, Packaging and Specialities with China accounting for nearly 80% of the growth

Source: PPPC's Chemical Market PulpForecast 2021-2025 (November 2021). \* equivalent to nearly 1 M ton/year after 2021.

# World BHKP annual demand per geography (2019-2025E)

	2019	2020	2021E	2022E	2023E	2024E	2025E	% p.a. 2020-2025	000' tons 2020-2025
North America	2,989	3,281	3,185	3,099	3,138	3,153	3,175	-0.6%	-106
West Europe	8,379	7,822	8,193	8,019	7,923	7,838	7,759	-0.1%	-63
East Europe	1,369	1,526	1,545	1,581	1,637	1,684	1,738	2.6%	212
Latin America	2,340	2,617	2,620	2,575	2,613	2,672	2,730	0.9%	113
Japan	962	878	901	960	940	933	926	1.1%	48
China	14,060	15,891	14,507	16,190	17,244	18,002	18,745	3.6%	2,854
South Korea	1,439	1,348	1,303	1,307	1,278	1,243	1,218	-2.0%	-130
Other Asia	3,600	3,857	3,598	3,921	4,087	4,256	4,417	2.9%	560
Others	602	675	645	645	655	670	685	0.3%	10
<b>TOTAL</b>	<b>35,740</b>	<b>37,895</b>	<b>36,497</b>	<b>38,297</b>	<b>39,515</b>	<b>40,451</b>	<b>41,393</b>	<b>1.8%</b>	<b>3,498</b>
<i>Growth (000' tons)</i>	<i>450</i>	<i>2,155</i>	<i>-1,398</i>	<i>1,800</i>	<i>1,218</i>	<i>936</i>	<i>942</i>		
<i>Growth (YoY %)</i>	<i>1.4%</i>	<i>6.0%</i>	<i>-3.7%</i>	<i>4.9%</i>	<i>3.2%</i>	<i>2.4%</i>	<i>2.3%</i>		



Source: PPC's Chemical Market PulpForecast 2021-2025 (November 2021)

# Pulp Prices - Europe

## BHKP Prices - Europe

	2017	2018	2019	2020	9M21	Oct- Nov
AVG (US\$/ton)	819	1 037	858	680	972	1 140

Source: FOEX.



**873**

AVG. 2017 – 9M21



# Key Considerations & Perspectives

- **High Logistic costs** (Far East to Europe mainly). **Lower Paper imports** from China **benefits** EU Paper producers and consequently **Pulp companies**
- **Shift in supply chains** to **nearshoring** to increase flexibility and resiliency.
- **Demand for Pulp** in the EU market **remains healthy**. October inventories at the European Ports decreased MoM and remain **near historic low levels**
- A good part of the **increase in supply during the next 3 years** should be absorbed by **organic growth of the market**
- High growth segments as **Textiles and Plastic shift to Paper** could add **new layers of growth** to current market expectations



# Altri Pulp Assets

## 3 PULP MILLS

1,175,000 ton/year



800,000  
ton/year (BEKP)



260,000  
ton/year (BEKP)

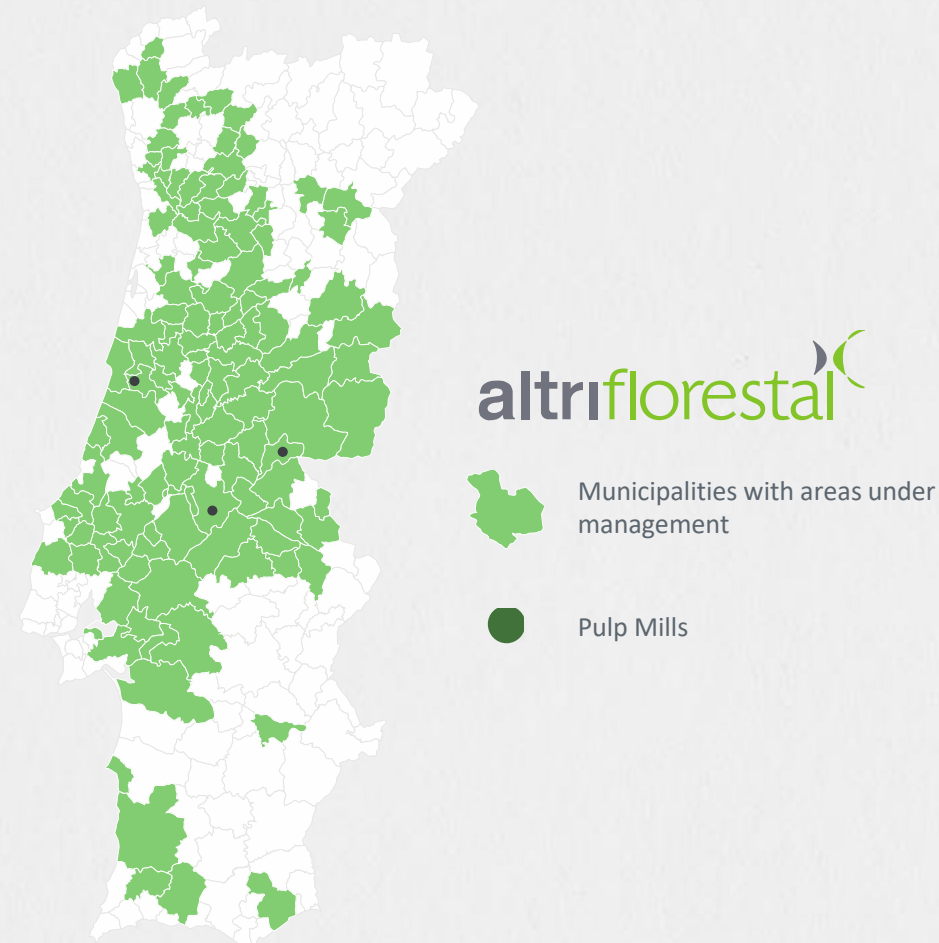


115,000  
ton/year (DWP)

## FOREST

87,000 ha of Certified forest management (FSC® & PEFC™)

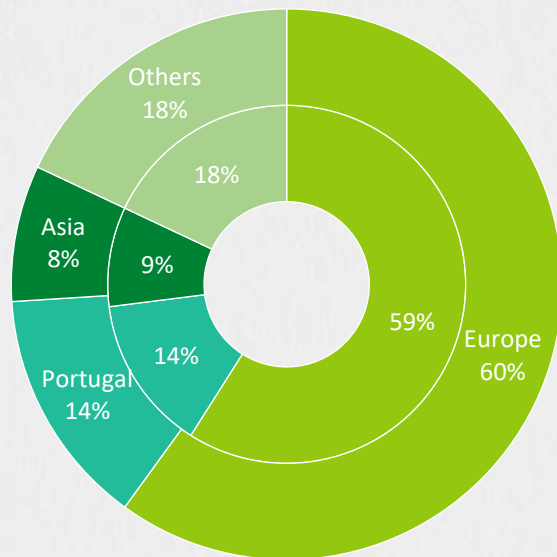
20% self sufficiency rate | Mainly focused on eucalyptus globulus  
High yield locations | 10/12 years growing age | 10m<sup>3</sup> per ha per year



# Sales Breakdown

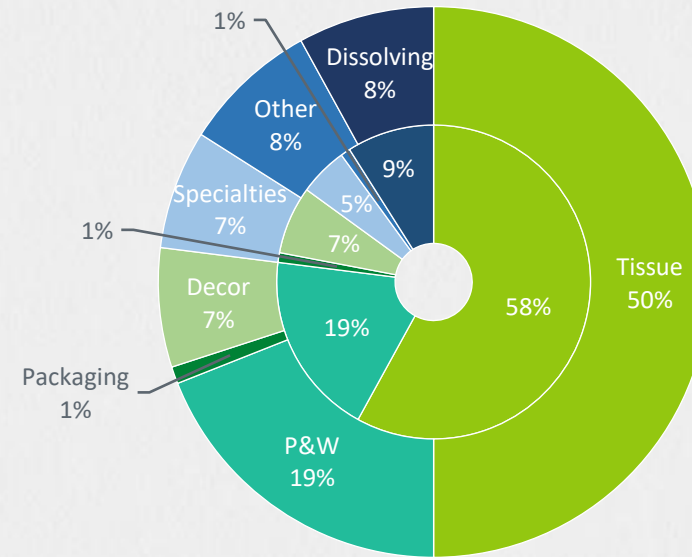
## Sales Breakdown (Geography)

Jan-Sept 2021/ 2020



## Sales Breakdown (End Use)

Jan-Sept 2021/ 2020



Altri's Pulp end use is diversified with a strong presence in Tissue, a segment that continues to gain weight worldwide.

The customer base for **BEKP** is European while **Dissolving Pulp** is 100% exported to **China** (Textile Industry)

# Sustainability

- Commitment to **decrease CO2 footprint** with a target **reduction of 60% by 2030** of the controlled emissions (scope 1 and 2)
- Altri is a **World benchmark in Water usage** but aims higher with a further **reduction of 50% by 2030**
- All Altri's Forestry assets are certified (**FSC® & PEFC™**) with a goal to use **80% of wood from certified suppliers by 2030** (vs 57% in 2018)
- **Fossil Fuel free** by 2030
- **Double** the number of **women in management roles**
- **Biodiversity**



Note: Detailed targets in the Annexes.



# A Look into the Future

## Next stage of growth

- Pursue selective **Opportunities** in the **Pulp Space**
- **Organic growth & Debottlenecking**
- Focus on **Specialities** and **High growth segments**, such as **textiles** and **bioproducts**
  - The MoU signed with Spanish authorities to build a **greenfield site to produce Dissolving Pulp and Sustainable Fibres** in the North of Spain is the right step in that direction

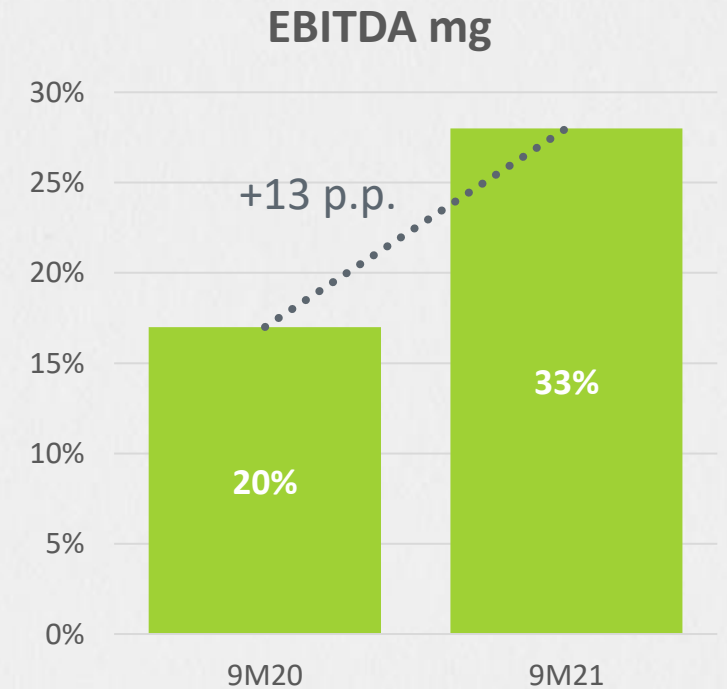
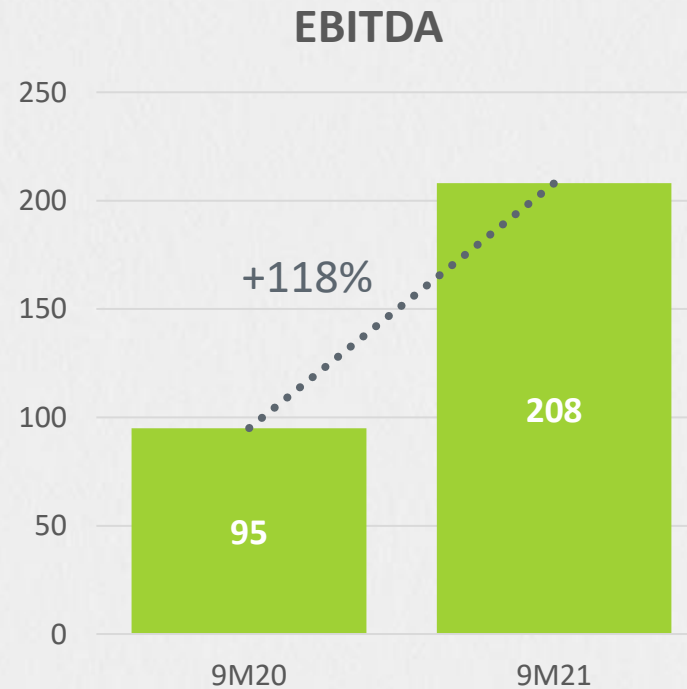
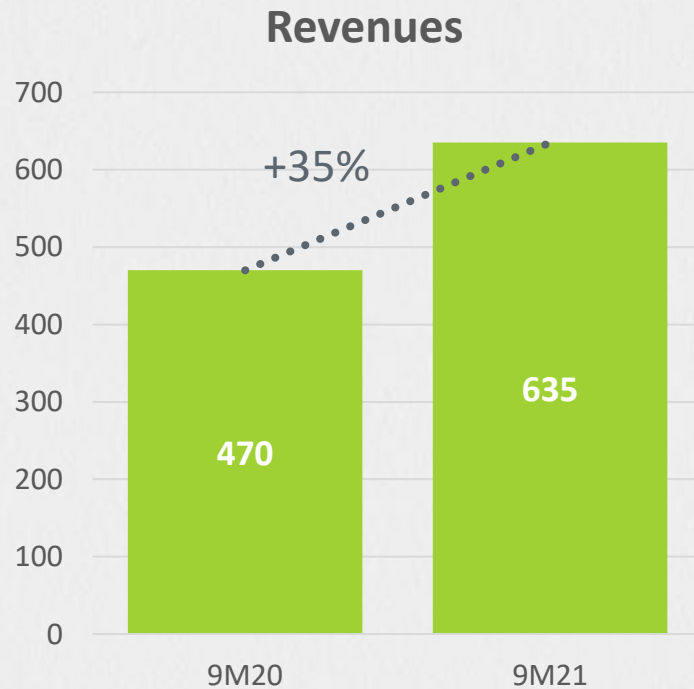




# Financial Highlights

# Financial Highlights

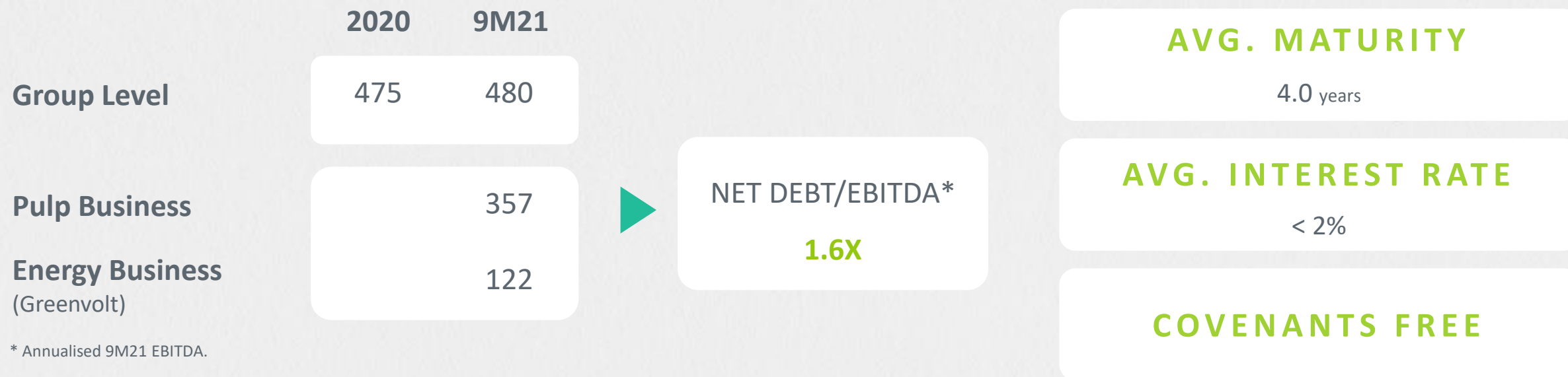
## Pulp Business



**Strong financial performance given the **positive evolution** of Pulp Prices and Production levels**

# Net Financial Debt

## Group Level & Pulp



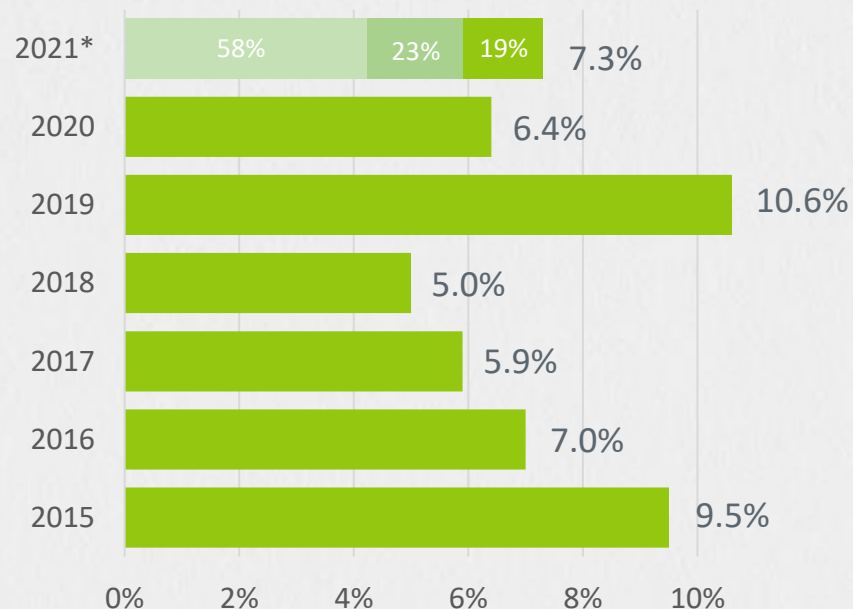
Most funding is provided by **Domestic Banks**



# Shareholder Return Highlights

## Group Level

Div. Yield\*\*

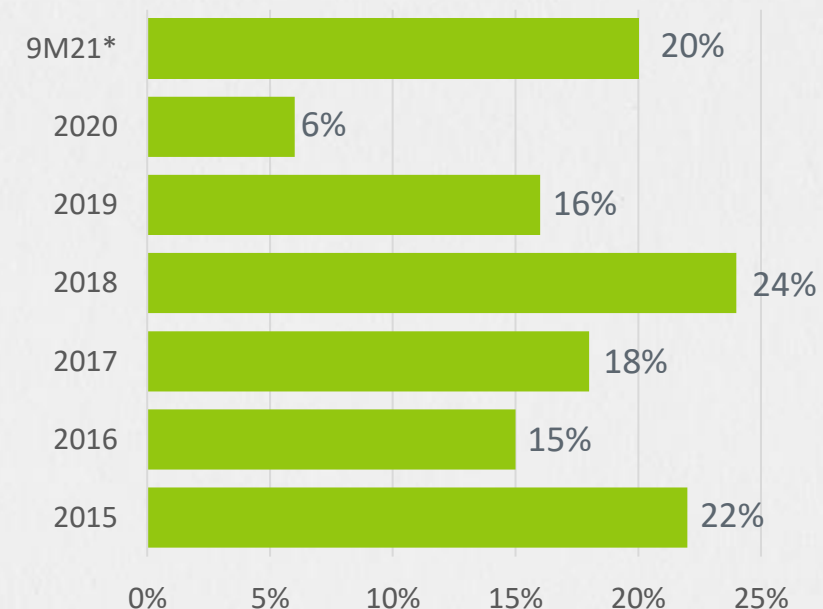


\* 81% is Cash and 19% in shares of GreenVolt at IPO Price

\*\* Based on each years 1H's average price

Accumulated dividends of €530M from 2015-2021 represent about 50% of the current Market Cap.

ROIC\*\*



\* EBIT 9M21 Annualized

\*\* Return On Capital Employed (EBIT / (Shareholders Equity + Net Debt))

A Sector reference in Shareholder Value Creation and Dividend Distribution

# Altri's Value Proposition

- Strong Operational Performance
- The **most efficient** Hardwood Pulp Producer in the EU
- Focus on **Sustainability** targets
- Sound remuneration of **Shareholders**
- Positioning for **next stage of growth**. The project to build a **Greenfield plant** to produce **Dissolving Pulp and Sustainable Fibres** in Galicia is a good example of that










altri

# Annexes

# Sustainability

## Commitment 2030 (I)

	Commitment	2018	2030 Goal
	Reduce the specific water use ( $\text{m}^3$ / ADTP) in Altri's industrial units by 50%	20	10
	Reduce the organic load (COD, $\text{kg O}_2$ / ADTP) in Altri's industrial effluents by 60%	11	4
	Increase by at least 60% the amount of renewable electric energy injected into the National Electricity Network (GWh)	625	1,000
	100% of the primary energy consumed at Altri's industrial units is from renewable sources	83%	100%
	Doubling the number of women in leadership roles	19	38
	100% of process waste recovered or reused	77%	100%



# Sustainability

## Commitment 2030 (II)

	Commitment	2018	2030 Goal
	Reduce specific GHG emissions of scope 1 and 2 by 60% (kgCO <sub>2</sub> /ADTP)	192	66
	Reduce scope 3 emissions by 30% (kgCO <sub>2</sub> /ADTP)	11	4
	Increase the percentage of wood consumption with forest management certification by 40%	57%	80%
	Duplicate the area under natural conservation management (ha)	7,980	16,000
	Develop 13 biodiversity stations and biospots	19	38
	Walk towards zero accidents with lost days*	Continuous improvement in order to achieve this goal	

\* More than 3 days lost



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INVESTOR PRESENTATION

2021